



PEGROCO INVEST

PEGROCO INCREASES ITS STAKE IN ALELION BATTERIES

Press release, 27 August 2015

Pegroco Invest is acquiring IKEA GreenTech's interest in Alelion Batteries AB through a non-cash issue and increasing its stake in the company to 26 percent. Alelion, which develops environmentally friendly battery systems based on lithium ion technology, is now poised for a commercial breakthrough after adding leading forklift manufacturers as customers, with IKEA among its end customers. In connection with the transaction IKEA GreenTech becomes a new owner of Pegroco.

Compared with traditional lead acid batteries, Alelion's lithium ion solution is significantly less expensive to operate, since the batteries charge more efficiently and keep their charge longer, at the same time that they significantly reduce environmental and other negative impacts. This is of particular interest to manufacturers of electric forklifts and other vehicles. IKEA is one of the world's larger forklift users for logistical purposes.

Pegroco Invest, which has been a part-owner of Alelion since 2006, will now be the company's second largest owner, with a holding of about 26 percent.

"Alelion is the only supplier of lithium ion batteries IKEA has approved to date," says Per Grunewald, partner at Pegroco. "This gives Alelion great potential to succeed in the market for next-generation, energy-efficient battery systems for an array of applications."

Alelion's battery systems are already integrated in several forklift models from Toyota, which are used by IKEA.

"The transition to lithium ion batteries is an important part of IKEA's sustainability work," says Christian Ehrenborg, Managing Director of IKEA's venture capital company IKEA GreenTech. "But our role as an owner of Alelion is now over and we are handing the baton to Pegroco, which has extensive experience developing and internationalizing tech companies. IKEA will continue to support Alelion, but now as an important, progressive customer that places a premium on environmental work."

Pegroco's acquisition of the shareholding in Alelion from IKEA GreenTech will be paid through an issuance of common shares in Pegroco, which after the transaction corresponds to 3.5 percent of the shares in Pegroco. A total of 710,091 shares will be issued. Pegroco's equity increases from SEK 270 million to SEK 285 million.

For further information, please contact:

Per Grunewald, Partner at Pegroco Invest (publ), phone +46-70-582 19 59

Consensus Asset Management AB is Pegroco's Certified Adviser at Nasdaq OMX First North.

About Pegroco

Pegroco Invest (www.pegrocoinvest.com) is an investment company that invests in small and midsize, privately held companies primarily in Sweden. Pegroco mainly seeks businesses with an established market position, preferably those in need of major changes. This arises, for example, when management wants to implement a buyout from the principal owner, when a company faces generational turnover or when an entrepreneur wants to expand the company to the next step in its development but doesn't have the necessary resources. Pegroco, whose preferred shares are listed on First North, currently has seven holdings.



PEGROCO INVEST