

ECEX sells its stake in Trev-2 Group to BaltCap
- cash consideration of EUR 5.7m

East Capital Explorer AB (publ) ("ECEX") today announced that it has sold its 38-percent stake in the Estonian road construction company Trev-2 Group to BaltCap, a Baltic private equity firm and existing shareholder in the company, for a cash consideration of EUR 5.7m. The transaction realised a gross IRR of 2 percent and has no effect on NAV.

ECEX made its initial investment in Trev-2 Group in 2011. Since then, Trev-2 has been streamlined from 17 majority-owned subsidiaries into a fully consolidated company with two core activities; road construction and road maintenance.

Mia Jurke, CEO of East Capital Explorer, commented: "While the company has been successfully restructured, the market has lost momentum. This, combined with our more pronounced focus on real estate in the Baltics, made it a natural step to evaluate our ownership in Trev-2 Group. We are pleased to complete this transaction and look forward to realizing interesting new investments in our pipeline."

During the holding period of more than five years, ECEX's net investments in Trev-2 Group amount to EUR 5.1m. The sale price of EUR 5.7m, which corresponds to the recorded fair value as of 31 December 2016, realizes a gross IRR of 1.8 percent. Trev-2 generated revenues of EUR 51m in 2015 and EUR 54m in 2016, with EBITDA margins of approximately 4 and 5 percent, respectively.

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About East Capital Explorer

East Capital Explorer AB (publ) is a Swedish investment company with a net asset value of EUR 248 million, offering unique investment opportunities in Eastern Europe, where the Baltic countries represent the company's largest investment region. The company primarily invests in unlisted assets within the private equity and real estate segments. East Capital Explorer's main investment theme is domestic growth and the company targets fast growing sectors such as real estate, consumer goods and financials. East Capital Explorer is listed on Nasdaq Stockholm, Mid Cap.

About TREV-2 Group

AS TREV-2 Group is a leading infrastructure construction company in Estonia, with its history and experience dating back to the 1960s. The company's main activities include road construction, repair and maintenance. In addition, TREV-2 operates several gravel, sand and limestone quarries, and produces asphalt and a range of road safety products. The company has approximately 350 employees and is headquartered in Tallinn.

About BaltCap

BaltCap is the largest private equity firm focusing on small and midmarket buyout and growth capital investments in the Baltic States. BaltCap has strong presence in all three Baltic countries with local offices and experienced team of 16 professionals. Since 1995, BaltCap has been managing several private equity and venture capital funds with total capital of over EUR 260 million and has made more than 70 investments.

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