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Alelion's rights issue oversubscribed

Alelion Energy Systems ("Alelion" or "the Company") announces today that the rights issue of shares and warrants ("Units") (the "Rights Issue") has been completed. The subscription period ran from and including 30 September 2020 until and including 14 October 2020. Through the Rights Issue, Alelion receives proceeds amounting to approximately SEK 56.8m before deduction of costs related to the Rights Issue. 59,184,004 Units, corresponding to approximately 94 per cent of the Rights Issue, were subscribed for by the exercise of subscription rights (including subscription undertakings). Furthermore, 16,720,956 Units were subscribed for without subscription rights, corresponding to approximately 26 per cent of the Rights Issue. In total, the Rights Issue was subscribed for at 120 percent. Guarantee commitments made in connection with the Rights Issue will thus not be utilized. The Board has also decided to fully exploit the overallotment option that provided the opportunity to issue a further maximum of 12,632,978 Units corresponding to SEK 11.4m (the "Overallotment Option"). The Rights Issue and the Overallotment Option thus provide the Company with a total of approximately SEK 68.2m before deductions for costs related to the Rights Issue.

Alelion is carrying out the Rights Issue to finance an increased focus on sales and market growth in materials handling and special vehicles, at the same time as production is being stepped up to secure deliveries to the existing customer base.

Comment from Alelion's CEO, Åsa Nordström

"We are very pleased with the strong support from both existing and new shareholders in the Rights Issue, which also enabled full exercise of the Overallotment option. The electrification of vehicles continues and the industry as a whole is facing strong growth. The capital raising gives Alelion continued opportunities to focus on sales and market growth in our selected segments in materials handling and special vehicles, as well as to secure deliveries to our existing customers." – Åsa Nordström, CEO.

Outcome

The Rights Issue comprised a maximum of 63 164 892 Units, of which 59 184 004 Units, corresponding to approximately 94 percent of the Rights issue, has been subscribed for by exercise of Unit rights. A total of 16 720 956 Units, corresponding to approximately 26 percent of the Rights Issue, has been subscribed for without use of Unit rights. Thus, 75 904 960 Units, corresponding to approximately 120 percent of the offered Units, has been subscribed for with and without the use of Unit rights. Guarantee commitments made in connection with the Rights Issue will thus not be utilized.

In addition, the company's Board of Directors has decided to fully exercise the Overallotment Option, which provided an opportunity to issue a maximum of 12,632,978 Units, corresponding to approximately SEK 11.4m. All Units issued with the support of the Overallotment Option have been subscribed for. Through the Rights Issue and the Overallotment Option, the Company will receive a total of approximately SEK 68.2 million before deductions for costs related to the Rights Issue.

Notification regarding allocation

Allocation of Units has been made in accordance with the allocation principles described in the prospectus that was published in connection with the Rights Issue. A notification regarding allocation of Units subscribed for without subscription rights will be made by post of a contract note to each subscriber. Allocated Units subscribed for without subscription rights shall be paid for in accordance with the instructions in the contract note.



Trading in BTU

Trading in BTU (Sw: betald tecknad Unit) is currently taking place at Nasdaq First North Growth Market ("Nasdaq First North") and will cease when the Rights Issue has been registered by the Swedish Companies Registration Office. BTU:s will then be converted to ordinary shares and warrants.

Number of shares and share capital

Through the Rights Issue and the Overallotment Option, the total number of shares in Alelion increases to 223 182 620 shares and the share capital increases to SEK 4 463 652,40. The number of warrants of series TO2 will amount to 75 797 870. Upon full utilization of all outstanding warrants of series TO2 the total number of shares in Alelion increases to 248 448 576 shares and the share capital increases to SEK 4 968 971,52.

Warrants

Three (3) warrants of series TO2 entitles the holder to subscribe for one (1) new share in the Company during the period May 14 – 28 2021 at an exercise price corresponding to 70 percent of the volume-weighted average price paid for the Company's share on Nasdaq First North for a period of ten (10) trading days immediately preceding May 11 2021, however not less than SEK 1.0 and not more than SEK 1.75 per share. Full terms and conditions are available in Alelion's prospectus on the Company's website (www.alelion.com).

Advisers

Redeye AB acts as financial adviser, Setterwalls Advokatbyrå AB acts as legal adviser and Aktieinvest FK AB acts as the issuing agent in the Rights Issue.

For more information, please contact:

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About Alelion

Alelion is a lithium-ion technology solution provider and manufacturer of battery systems. Alelion makes its clients succeed with their electrification of industrial vehicles and transformation to more sustainable use of energy. With powerful solutions, automated production and an empowering approach, Alelion constantly strives forward, for a better tomorrow. Alelion is headquartered in Gothenburg, Sweden and listed at Nasdaq First North Growth Market.

Alelion's major owners are Pegroco Invest and Fouriertransform. The company's share (ALELIO) is traded on Nasdaq First North Growth Market, Stockholm, with G&W Fondkommission as Certified Adviser, e-mail: ca@gwkapital.se, phone: +468-503 000 50.

Important information

The information in this press release does not constitute an offer to acquire, subscribe for or otherwise trade with shares or other securities in Alelion. No action has been taken, nor will any actions be taken, to permit an offer to the public in any other jurisdiction than Sweden. An invitation to eligible persons to subscribe for shares or other securities in Alelion will only be made through the prospectus which Alelion published on September 29, 2020.

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laws of any state or other jurisdiction of the USA. The Securities have not been and will not be approved or registered by the Securities and Exchange Commission, any state securities authority or other authority in the USA. No such authority has assessed or made any statements about the Rights Issue or the accuracy or reliability of the prospectus. To assert the contrary is a criminal act in the USA.

Within the European Economic Area ("EEA"), no public offering of Securities is made in any other country than Sweden. In other EEA member states which have implemented Regulation (EU) 2017/1129 of the European Parliament and of the Council (the "**Prospectus Regulation**") an offering of Securities may only be made in accordance with an exemption from the Prospectus Regulation and any relevant implementing measure.

This press release may contain certain forward-looking statements which reflect Alelion's current view of future events and financial and operational developments. Words such as "*intends*", "*estimates*", "*expects*", "*may*", "*plans*", "*deems*", "*believes*", "*assesses*", "*anticipates*", "*will*", and other similar expressions which imply indications or predictions regarding future developments or trends, and which are not based on historical facts, constitute forward-looking information. Forward-looking information is by nature affiliated with known and unknown risks and uncertainties since it is dependent on future events and circumstances. Forward-looking information does not constitute any guarantee regarding future results or development and the actual outcome may materially differ from forward-looking statements. The information, assessments and forward-looking statements in this press release are only relevant as of the date of this press release and may change without notice.