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Press release 31 July 2018

Allgon completes the acquisition of Tele Radio

Allgon AB (publ) ("Allgon" or the "Company") has today completed the acquisition of all shares in Tele-Radio International Holding AB ("Tele Radio"), which was announced on 4 May 2018, for a purchase price of SEK 350 million on a debt and cash free basis with a possible additional purchase price of up to a maximum of SEK 50 million (the "Transaction").

The Transaction has been financed partly through the recent issues in Allgon of corporate bonds of SEK 276 million and a rights issue of class B shares of approximately SEK 127 million, partly through an in-kind share issue of 9,780,707 class B shares, corresponding to approximately SEK 66.5 million (the "**Consideration Shares**") to some of the sellers of Tele Radio. After the Transaction, some of the sellers of Tele Radio own about 17.4 percent of the outstanding shares and votes in Allgon.

The completion of the transaction was, *inter alia*, conditional upon Allgon receiving sufficient funding to complete the Transaction. All conditions in the Transaction have now been fulfilled and Allgon has completed the share issue of the Consideration Shares and obtained funding through the issues of corporate bonds and class B shares to fund the cash component of the purchase price.

The share issue of the Consideration Shares is carried out at a share price of SEK 6.80. Through the share issue of the Consideration Shares, Allgon receives 4,188 shares in Tele Radio, out of a total of 20,000 outstanding shares in Tele Radio, contributed in kind. The shares contributed in kind will be valued at approximately SEK 66.5 million in Allgon's balance sheet. The Consideration Shares are issued to some of the sellers of Tele Radio, which consist of one of the principal owners and Tele Radio's management. The share issue of the Consideration Shares means that the number of shares in the Company increases from 46,441,890 class B shares to 56,222,597 class B shares and the share capital increases by approximately SEK 48,903,536 to approximately SEK 281,112,989.

Tele Radio's and Allgon's financial reporting will be consolidated from 1th of August 2018.

Tele Radio, with its head office in Gothenburg, Sweden, employs more than 240 people. Tele Radio has had a strong historical growth rate with a compound annual growth rate in net sales of approximately 12 percent since 1999. Tele Radio had, during the financial year 2017, net sales of approximately SEK 252 million and an adjusted EBITDA, including estimated IFRS effects, of SEK 51 million.

Advisors

Allgon's advisors in connection with the acquisition have been ABG Sundal Collier, Andulf Advokat, Baker McKenzie, Grant Thornton and Qvartz.

This information is information that Allgon AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation 596/2014. The information was submitted for publication, through the agency of the contact person set out below, at 10.00CET on 31 July 2018.

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About Allgon

Allgon is a corporate group with a strong entrepreneurial culture. Our focus is on giving value to our shareholders by developing and acquiring top businesses with a global customer base within digitalization and IoT. Allgon (ALLG B) is trading on Nasdaq First North Stockholm with FNCA Sweden as certified adviser. Our specialist companies deliver a wide range of services for advanced industrial IoT equipment, digital communications systems, cloud-based infrastructure and wireless solutions for demanding environments. Our global customer base is within automotive, mobile and telecom, transport, construction and broadcasting sectors. For more information: www.allgon.se.

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This press release is not a prospectus for the purposes of Directive 2003/71/EC (the **"Prospectus Directive"**) and has not been approved by any regulatory authority in any jurisdiction.

Forward-looking statements

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that are not

historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release.