



## **pepper Completes Series A Financing Round with Nearly 30 Million Euros**

- **Clear signal to the commercial vehicle sector with the entry of the Hamburg family office Lennertz & Co. as lead investor and the Würth Group as strategic investor**
- **Founding investor Friedrich & Wagner Holding remains clear majority owner of the company (>80%) with renewed investment**

**Denkendorf, 04/25/2022** - The series A financing round successfully completed at the end of March 2022 represents a milestone in pepper motion GmbH's financing cycle. The funding of almost 30 million euros underlines pepper's outstanding position in the field of commercial vehicle electrification (retrofitting) in Germany.

pepper is the first digital OEM worldwide to develop innovative solutions for the electrification of used and new commercial vehicles such as trucks deployed in distribution transport, buses in local public transport (LPT), as well as municipal vehicles. Andreas Hager, Managing Director of pepper motion GmbH, says: "Our vehicles and the retrofit electrification kits have long since provided the proof of concept. We are leading the international retrofitting industry as a pioneer and setting the standards for German engineering, innovation, and quality that fleet operators in the public transport and transport/logistics sectors can rely on."

### **Capital for Series Production and Entry into Growth Markets**

The fresh injection of capital will strengthen pepper's financial stability and increase its market perception as a reliable partner for the cost-effective and sustainable realization of a mobility shift towards zero emissions.

In addition to ongoing research and development projects aimed at further developing the company's proprietary technologies, the capital will primarily go towards ramping up series production with strategic partners as well as the market entry phase into other European countries that is already underway. pepper's key markets in Europe include, in particular, Germany, France, Italy, Austria, and Poland. Ongoing and forthcoming funding programs by various European governments designed to accelerate the EU's Green Deal and the timely implementation of the Clean Vehicles Directive (CVD) will provide additional tailwind for pepper's technology. The company's retrofitting concept, which has won a number of awards, is currently considered unmatched in the market in terms of sustainability and total cost of ownership.



The commitment to pepper on the part of the new, internationally acknowledged investors in the form of Lennertz & Co. and Würth sends a strong signal to the market and clearly underpins the company's product development and expansion at the current time.

### **What the Key Investors Say**

Philipp Lennertz, Managing Partner at Lennertz & Co: "As a business-focused and owner-managed family office, what convinced us about pepper was both its unique technology in the production-ready retrofitting of buses and trucks as well as the shareholders' engineering expertise in the automotive sector, which has been built up over a period of 20 years. In this respect, its technology and service are making a significant contribution to meeting global climate targets. Accordingly, we see high growth potential for pepper, not only in the domestic and European markets, but also globally in a market set to grow rapidly in importance in a very short space of time."

Jörg Murawski, Executive Vice President of the Würth Group, world market leader in the development, manufacture and sale of assembly and fastening materials: "Energy and climate change are among the key challenges of our time. Our society must push for climate-friendly and sustainable solutions if we are to make the transition to mobility that is viable for the future. Sustainability is also an important issue for us. We are active in this area in many ways. pepper is a company that offers an innovative approach to vehicle electrification with its solutions. We are therefore delighted to be able to support this exciting project with a strategic investment."

Christan Wagner, Friedrich & Wagner Holding GmbH: "We are impressed by the unique nature and success of pepper's proprietary technology. By 2030, there will be over half a billion commercial vehicles on the roads – and we intend to electrify a significant proportion of them with our sustainable solutions. Our new high-profile investment partners will provide the necessary platform for this path and for pepper motion GmbH's subsequent rounds of financing."

### **Technology and Innovation as Key Drivers of Continued Corporate Growth**

The company's vehicle control unit (VCU) represents its technological heart and its intellectual property. An in-house software development team ensures the development of efficient drive systems and control software for new vehicle types across all locations. With another in-house development team for battery technology and a publicly funded research project currently underway for the development of a production-ready fuel cell drive, pepper is clearly demonstrating its high research and development potential.



### **About pepper motion GmbH**

pepper – electrifying transportation! The German, privately financed company with headquarters in Denkendorf and offices in Garching near Munich, Paderborn and Vienna employs almost 100 people.

As the first digital OEM worldwide (without its own warehousing and manufacturing), pepper offers innovative solutions for the electrification (retrofitting) of used and new commercial vehicles such as trucks in distribution transport, buses in local public transport (LPT), and municipal vehicles.

pepper is ISO 9001 certified and as such is the only supplier of conversion solutions to ensure operational safety according to international automotive industry standards such as ISO 26262 for functional safety. A network of international partners guarantees service and availability across Europe.

With its holistic approach to telematics, charging infrastructure, fleet management and autonomous driving, the company designs quickly implementable and cost-efficient solution packages for sustainable mobility transformation and a "second life" for existing commercial vehicles. They effectively support the implementation of the CO2 reduction targets in accordance with the European Green Deal Agreement and the Clean Vehicles Directive, active as of summer 2021.

pepper was awarded the German Mobility Prize (2018) and the Austrian VCÖ Mobility Prize (2019), as well as being voted one of the top 50 start-ups in Europe in the field of mobility (2020, EUSP).

The subsidiary pepper motion Austria GmbH, based in Vienna, is the pepper Group's software development center. pepper is represented with further sales locations in Italy, France, and Poland.

[www.peppermotion.com](http://www.peppermotion.com)

### **About Lennertz & Co.**

As an entrepreneurial, owner-managed family office, Lennertz & Co. is fully focused on the success of its clients' investments. Our investment recommendations are in line with the personal preferences of clients, who benefit from the independence of Lennertz & Co. and the exclusive nature of its investment opportunities.

Lennertz & Co. also has a large number of permits from the Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, BaFin) and thus fulfills the numerous qualitative and quantitative requirements of both the BaFin and the German Federal Bank (Bundesbank).

Lennertz & Co. shares the demand of its clients for fast, well-founded, and confident decision-making. On behalf of clients, the expert team at Lennertz & Co. – which can point to decades of experience – carefully reviews opportunities as they emerge in the segments of venture and growth capital, private equity, and blockchain. Moreover, the company's advisory board is staffed by reputable specialists in the fields of industry, venture capital and private equity, including Prof. Dr. Heinrich von Pierer, Prof. Dr. Klaus Wucherer, Stefan Theis, Daniel Thung, Daniel Milleg, and Florian Heinemann.



### **About the Würth Group**

The Würth Group is the global market leader in the development, production and sale of fastening and assembly materials. Other trading and production companies, known as the Allied Companies, operate in related business areas, including electrical wholesaling, electronics, and financial services. The Group employs more than 83,000 employees in over 400 companies with more than 2,400 pick-up shops across 80 countries. According to its preliminary annual financial statements, the Group generated consolidated sales of EUR 17.1 billion and an operating result before tax of EUR 1.2 billion in the 2021 fiscal year.

### **About Friedrich & Wagner**

Friedrich & Wagner is a private investment company with a focus on sustainable mobility solutions. Founders Bastian Friedrich and Christian Wagner have been entrepreneurial for over 20 years. The portfolio includes the technology solutions provider in-tech, which focuses on software and electronics for automotive, rail and smart industry. The portfolio company in-tech smart charging is a leading provider of charging solutions. Friedrich & Wagner also holds shares in the electrification specialist pepper and the startup driveblocks, which supplies software for autonomous driving.

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