



KKR to invest in Encavis AG to accelerate the Company's long-term growth

March 14, 2024

- KKR announces the signing of an Investment Agreement with Encavis as part of a takeover offer. The Management Board and the Supervisory Board of Encavis are fully supportive of the strategic partnership and intend to recommend that all shareholders accept the offer.
- ABACON and other shareholders have signed binding agreements to sell and roll-over Encavis shares to BidCo and are fully supportive of the takeover offer. Viessmann will invest as shareholder in the KKR-led consortium.
- The voluntary public takeover offer for all outstanding free float shares of Encavis will be launched at the offer price of EUR 17.50 per share, representing a 33% premium to the undisturbed 3-month volume-weighted average share price as of 5 March 2024¹ and a 54% premium to the closing price of EUR 11.35 per share on 5 March 2024¹.
- The takeover offer will be subject to a minimum acceptance threshold ensuring that after settlement of the offer, BidCo will hold at least 50% plus one share of the capital and voting rights in Encavis on a fully diluted basis considering the conversion of up to all of the convertible bonds. KKR and the Management Board intend to delist Encavis as soon as practically possible after closing.
- Together with the Management Board of Encavis and certain existing shareholders, including ABACON, KKR and Viessmann will enable Encavis to expand its contribution to Europe's green energy transition. The consortium is expected to bolster the Company's project pipeline, amplify capacity and extend its reach in core markets.
- KKR does not require a domination and profit and loss transfer agreement ("DPLTA") to finance the takeover offer or to realise the strategic and economic objectives and hence has undertaken not to enter into a DPLTA with Encavis for at least two years.

March 14, 2024 – Today, Blitz 21-823 AG (in future: Elbe BidCo AG, "BidCo"), a holding company controlled by investment funds, vehicles and accounts advised and managed by Kohlberg Kravis Roberts & Co. L.P. and its affiliates (collectively, "KKR") has signed an Investment Agreement with Encavis AG ("Encavis"), a leading and proven German renewable energy platform and independent power producer ("IPP"). As part of the transaction, BidCo will launch a voluntary public takeover offer for all outstanding free float shares of the Company. Viessmann Group GmbH & Co. KG ("Viessmann") will invest as shareholder in a KKR-led consortium. ABACON CAPITAL ("ABACON") and other shareholders have signed binding agreements to sell ca. 18% and roll-over ca. 13% of Encavis shares and are fully supportive of the takeover offer.

Encavis AG operates a portfolio of more than 190 solar photovoltaic ("PV") and more than 40 onshore wind farms with a current operating capacity of around 2.2 GW across 10 European countries. Encavis has long-term power purchase agreements with various high-quality counterparties in place in addition to a multi-year project pipeline. The well-managed diversified asset base together with the ability to be a fully integrated local pan-European partner, positions Encavis as a strong independent player in key markets such as Germany, Spain, Denmark, Italy, and France. Furthermore, the Company demonstrates a proven capability across the entire value chain, construction, financing, operation and in-house maintenance. With KKR's and Viessmann's support, Encavis is poised for an accelerated growth across all these segments.

"Unlocking the full potential of renewable energy requires expertise as well as substantial long-term capital. We are pleased that KKR's strategic investment will provide Encavis with the necessary long-term financial resources at a pivotal time for the Company and position it to seize emerging opportunities and solidify its strength in the clean energy landscape. Furthermore, it also contributes to fostering a more energy-independent Europe," said Vincent Policard, Partner and Co-Head of European Infrastructure at KKR.

Max Viessmann, CEO of Viessmann: *"The collaboration with KKR and our investment in Encavis are important steps in our commitment to expanding our entrepreneurial activities and our responsibility for the future of our planet. With a clear focus on our purpose, we are reinvesting the proceeds from the transatlantic partnership of our climate solutions business with Carrier Global into our family business in order to expand our ecosystem of co-creators who share the same responsibility: Maximizing the positive impact for generations to come."*

Dr Christoph Husmann, Spokesman of the Management Board and Chief Financial Officer (CFO) of Encavis said: *"Over the past years, Encavis has grown into one of the leading independent power producers in Europe and has strong ambitions to further continue on this growth path. With KKR and Viessmann, we aim to bring partners on board who share the same long-term and entrepreneurial approach and extensive experience of investing behind the energy transition. We are convinced that with the additional financial and strategic support, we will be able to leverage our assets and competences and take our business to the next level to compete with the largest European players."*

"We are convinced that Encavis has great potential. We want to increase and accelerate its realization. This requires strong partners - and we have now found them. The group of investors led by ABACON therefore supports KKR's offer and welcomes KKR and Viessmann's entry. We remain invested in Encavis and look forward to working actively together in the future," said Tobias Krauss, CEO ABACON CAPITAL.

The transaction strengthens Germany's energy future and supports the broader renewable energy transition in Europe

The strategic partnership between KKR, Viessmann, ABACON and Encavis not only positions Encavis as a leading German player in the energy transition, but also supports the broader renewable energy transition across Europe. Encavis is well positioned to benefit from ambitious national and international plans for solar and wind expansion. Additional financial support from KKR and Viessmann will enable the Company to capitalise on promising growth opportunities in the sector. The strategic partnership will further enable Encavis to bolster its project development pipeline, increase capacity and facilitate expansion into new markets. In addition, KKR, Viessmann and ABACON fully support the current growth strategy of the management team.

KKR and Viessmann have a long track record in the energy and infrastructure sector

KKR and Viessmann provide significant expertise in global infrastructure, with a particular focus on the energy sector, and have a proven track record of investing in companies on a long-term basis.

Furthermore, KKR and Viessmann share a commitment to investing in the future of renewable energy and are convinced by Encavis' strong potential with the right support and resources.

KKR is excited to build on its long tradition of successful partnerships with family businesses in Germany and to work with Viessmann. With USD 59 billion of infrastructure assets under management, including over USD 15 billion invested in the energy transition, KKR brings a global investment perspective, extensive experience in large-scale infrastructure projects and a proven track record in European high-profile transactions such as Vantage Towers, Viridor, Zenobe or Greenvolt.

Viessmann brings a rich heritage in energy solutions, technological innovation, and a strong commitment to sustainability.

The family company is enlarging its ecosystem with strategic acquisitions and entrepreneurial co-investments to strengthen the impact of its purpose of co-creating living spaces for generations to come. Viessmann has already been successfully active with targeted investments for many years. Following its value-driven approach of entrepreneurs for entrepreneurs, it has been accelerating the growth of more than 25 mid-sized companies and family businesses globally in the past years.

The long-standing shareholder ABACON supports the growth partnership between KKR, Viessmann and Encavis and will remain an indirect long-term investor in the Company. The support of existing shareholders, including ABACON, as well as the management of Encavis and Viessmann makes this transaction a true German partnership solution and ensures business continuity for all stakeholders.

Following its first investment in the DACH region in the late 1990s, KKR has expanded its local footprint and has had an office in Frankfurt since 2018. In total, KKR has already invested over EUR 15 billion in long-term equity in over 30 companies in the region across various alternative asset classes. Across the DACH region, KKR has an exceptional track record of developing global market leaders, primarily through strategic partnership deals such as in Vantage Towers, GfK, Körber Supply Chain Software, Scout24 Switzerland and Wella Company.

Voluntary public takeover offer

As part of the strategic partnership, BidCo will launch a voluntary public takeover offer to the shareholders of Encavis. Encavis shareholders will be offered EUR 17.50 per share in cash. Encavis shareholders will benefit from a 33% premium to the undisturbed 3-month volume-weighted average share price as of 5 March 2024 and a 54% premium to the closing price of EUR 11.35 per share on 5 March 2024, i.e. the last close prior to the ad hoc announcement from Encavis confirming talks on a potential transaction with KKR.

The voluntary public takeover offer will be subject to a minimum acceptance threshold of 54.285²% of all outstanding Encavis shares, including the ca. 18% of Encavis shares that ABACON and other shareholders will sell and the ca. 13% of Encavis shares that ABACON and other shareholders will roll-over to the BidCo under binding agreements.

The voluntary public takeover offer will be subject to various customary offer conditions, including the receipt of regulatory, antitrust and FDI approvals, with closing expected in Q4 2024.

As part of the transaction, BidCo and Encavis have entered into an Investment Agreement in which Encavis agreed to support the takeover offer. Subject to their review of the offer document, the Management Board and Supervisory Board of Encavis support the offer and intend to recommend that Encavis shareholders accept the offer. The current Management Board members of Encavis will continue to lead the Company.

KKR does not require a domination and profit and loss transfer agreement ("DPLTA") to finance the takeover offer or to realise the strategic and economic objectives and hence has undertaken not to enter into a DPLTA with Encavis for at least two years. In the Investment Agreement, BidCo has agreed with Encavis not to pursue a DPLTA for at least a two-year-period.

Post-settlement, BidCo intends to delist Encavis from the stock exchange as soon as practically possible after closing. Under private ownership, Encavis would be able to benefit from financial flexibility and a long-term commitment of KKR and Viessmann, allowing it to capitalise on attractive growth opportunities even better.

Offer document and further information

The voluntary public takeover offer will be made pursuant to an offer document to be approved by the German Federal Financial Supervisory Authority (BaFin). This offer document will be published following receipt of permission from BaFin, at which point the

initial acceptance period of the takeover offer will commence. The offer document (in German and a non-binding English translation) and other information pertaining to the voluntary public takeover offer will be published on the following website: www.elbe-offer.com.

KKR will be investing through its Core Infrastructure strategy.

PJT Partners is acting as financial advisor and Latham & Watkins and Hengeler Mueller are acting as legal advisors on the takeover offer.

¹ The last close prior to the ad hoc announcement from Encavis confirming talks on a potential transaction with KKR.

² This accounts for potential dilution of existing shareholders from conversion of the hybrid convertible bonds; equivalent to 50% plus one share in case of a conversion of all of the hybrid convertible bonds.

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About KKR

KKR is a leading global investment firm that offers alternative asset management as well as capital markets and insurance solutions. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and supporting growth in its portfolio companies and communities. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR's insurance subsidiaries offer retirement, life and reinsurance products under the management of Global Atlantic Financial Group. References to KKR's investments may include the activities of its sponsored funds and insurance subsidiaries.

KKR established its Global Infrastructure business in 2008 and has since grown to one of the largest infrastructure investors globally with a team of more than 115 dedicated investment professionals. The firm currently oversees approximately USD 59 billion in infrastructure assets globally as of 31 December 2023, and has made over 80 infrastructure investments across a range of sub-sectors and geographies. KKR's infrastructure platform is devised specifically for long-term, capital intensive structural investments.

For additional information about KKR & Co. Inc. (NYSE: KKR), please visit KKR's website at www.kkr.com. For additional information about Global Atlantic Financial Group, please visit Global Atlantic Financial Group's website at www.globalatlantic.com.

About Viessmann

Founded in 1917, the independent family company Viessmann is today a global, broadly diversified Group. All activities are based on the company's purpose "We co-create living spaces for generations to come". This is the passion and responsibility that the large worldwide Viessmann family brings to life every day. Following this purpose, Viessmann forms an ecosystem of entrepreneurs and co-creators with a clear focus on CO2 avoidance, CO2 reduction and CO2 capturing.

About ABACON

ABACON CAPITAL, a family-owned investment firm, champions the sustainable energy transition, pioneering mobility solutions, and groundbreaking deep tech. Our mission centers on uplifting communities, fostering purposeful endeavors, and ensuring profitability, all while advancing societal and environmental well-being.

Founded by Albert Büll, a visionary entrepreneur and investor with a legacy in nurturing sustainable enterprises - such as B&L Group in real estate development, Encavis AG in renewable energy production, and noventic in smart metering and energy management - ABACON is built on a foundation of innovation and responsibility.

About Encavis

The Encavis AG (Prime Standard; ISIN: DE0006095003; ticker symbol: ECV) is a producer of electricity from Renewable Energies listed on the MDAX of Deutsche Börse AG. As one of the leading independent power producers (IPP), Encavis acquires and operates (onshore) wind farms and solar parks in twelve European countries. The plants for sustainable energy production generate stable yields through guaranteed feed-in tariffs (FIT) or long-term power purchase agreements (PPA). The Encavis Group's total generation capacity currently adds up to around 3.6 gigawatts (GW), of which around 2.2 GW belong to the Encavis AG, which corresponds to a total saving of around 0.8 million tonnes of CO2 per year stand-alone for the Encavis AG. In addition, the Group currently has around 1.2 GW of capacity under construction, of which around 830 MW are own assets.

Within the Encavis Group, Encavis Asset Management AG offers fund services to institutional investors. Another Group member company is XYZ S.p.A., based in Parma, Italy, a specialised provider of technical services for the installation, operation, maintenance, revamping and repowering of photovoltaic systems across Europe.

Encavis is a signatory of the UN Global Compact as well as of the UN PRI network. Encavis AG's environmental, social and governance performance has been awarded by two of the world's leading ESG rating agencies. MSCI ESG Ratings awarded the corporate ESG performance with their "AA" level and ISS ESG with their "Prime" label (A-).

Additional information can be found on www.encavis.com

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Disclaimer and forward-looking statements

This press release is neither an offer to purchase nor a solicitation of an offer to sell Encavis Shares. The final terms of the Takeover Offer as well as other provisions relating to the Takeover Offer will be communicated in the offer document after the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht) has permitted the publication of the offer document. Investors and holders of Encavis Shares are strongly advised to read the offer document and all other documents relating to the Takeover Offer as soon as they have been made public, as they will contain important information. The offer document for the Takeover Offer (in German and a non-binding English translation) with the detailed terms and conditions and other information on the Takeover Offer will be published after approval by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht) amongst other information on the internet at www.elbe-offer.com.

The Takeover Offer will be implemented exclusively on the basis of the applicable provisions of German law, in particular the German Securities Acquisition and Takeover Act (Wertpapiererwerbs- und Übernahmegesetz - WpÜG), and certain securities law provisions of the United States of America relating to cross-border takeover offers. The Takeover Offer will not be conducted in accordance with the legal requirements of jurisdictions other than the Federal Republic of Germany or the United States of America (as applicable). Accordingly, no notices, filings, approvals or authorizations for the Takeover Offer have been filed, caused to be filed or granted outside the Federal Republic of Germany or the United States of America (as applicable). Investors and holders of Encavis Shares cannot rely on being protected by the investor protection laws of any jurisdiction other than the Federal Republic of Germany or the United States of America (as applicable). Subject to the exceptions described in the offer document and, where applicable, any exemptions to be granted by the respective regulatory authorities, no takeover offer will be made, directly or indirectly, in those jurisdictions in which this would constitute a violation of applicable law. This press release may not be released or otherwise distributed in whole or in part, in any jurisdiction in which the Takeover Offer would be prohibited by applicable law.

The Bidder reserves the right, to the extent permitted by law, to directly or indirectly acquire additional Encavis Shares outside the Takeover Offer on or off the stock exchange, provided that such acquisitions or arrangements to acquire are not made in the United States, will comply with the applicable German statutory provisions, in particular the WpÜG, and the Offer Price is increased in accordance with the WpÜG, to match any consideration paid outside of the Offer if higher than the Offer Price. If such acquisitions take place, information on such acquisitions, including the number of Encavis Shares acquired or to be acquired and the consideration paid or agreed, will be published without undue delay if and to the extent required under the laws of the Federal Republic of Germany, the United States or any other relevant jurisdiction. The Takeover Offer will relate to shares in a German company admitted to trading on the Frankfurt Stock Exchange and Hamburg Stock Exchange and will be subject to the disclosure requirements, rules and practices applicable to companies listed in the Federal Republic of Germany, which differ from those of the United States and other jurisdictions in certain material respects. The financial information relating to the Bidder and Encavis included elsewhere, including in the offer document, will be prepared in accordance with provisions applicable in the Federal Republic of Germany and will not be prepared in accordance with generally accepted accounting principles in the United States; therefore, it may not be comparable to financial information relating to United States companies or companies from other jurisdictions outside the Federal Republic of Germany. The Takeover Offer will be made in the United States pursuant to Section 14(e) of, and Regulation 14E under, the Exchange Act, and on the basis of the so-called Tier II exemption from certain requirements of the Exchange Act, which exemption allows a bidder to comply with certain substantive and procedural rules of the Exchange Act for takeover bids by complying with the law or practice of the domestic legal system and exempts the bidder from complying with certain other rules of the Exchange Act, and otherwise in accordance with the requirements of the laws of the Federal Republic of Germany. Shareholders from the United States should note that Encavis is not listed on a United States securities exchange, is not subject to the periodic requirements of the Exchange Act and is not required to, and does not, file any reports with the United States Securities and Exchange Commission.

Any contract entered into with the Bidder as a result of the acceptance of the planned Takeover Offer will be governed exclusively by and construed in accordance with the laws of the Federal Republic of Germany. It may be difficult for shareholders from the United States (or from elsewhere outside of Germany) to enforce certain rights and claims arising in connection with the Takeover Offer under United States federal securities laws (or other laws they are acquainted with) since the Bidder and Encavis are located outside the United States (or the jurisdiction where the shareholder resides), and their respective officers and directors reside outside the United States (or the jurisdiction where the shareholder resides). It may not be possible to sue a non-United States company or its officers or directors in a non-United States court for violations of United States securities laws. It also may not be possible to compel a non-United States company or its subsidiaries to submit themselves to a United States court's judgment.