



ALBIOMA

KKR

Press release

Paris La Défense, 28 April 2022

Albioma and KKR reach strategic agreement on a friendly public tender offer

Tender offer priced at 50 euros per share, plus 0.84 euro dividend to be paid exclusively in cash.

Tender offer by KKR infrastructure business to accelerate Albioma's energy transition in French overseas territories, and international expansion.

- **The offer represents a premium of 51.6% over Albioma's undisturbed closing share price on 7 March 2022¹ and 46.6% over the three-month volume-weighted average².**
- **Albioma's Board of Directors unanimously welcomes the proposed transaction, following in-depth discussions on industrial strategy and outlook.**
- **Bpifrance, an Albioma shareholder since 2016, intends to continue supporting the Group by investing alongside KKR.**
- **KKR fully supports the Group's strategy to approach 100% renewable energy by 2030.**
- **KKR will work closely with the current team while preserving Albioma's corporate identity, jobs, and culture.**
- **Albioma will promptly convene the Employees' Group Committee to initiate the consultation process.**
- **KKR has a strong track record of infrastructure investments in renewable energy, and a significant footprint in France with €10 billion invested to date.**

Frédéric Moyne, Albioma's Chairman and CEO said: *"This offer from KKR confirms the relevance of Albioma's vision, the quality of strategy execution and the value of our positioning, particularly in French overseas. It also highlights the Group's successful transformation to serve the energy transition thanks to the continued commitment of our teams, which will be continued and strengthened with the support of KKR. The Board welcomes this proposal and has formed an ad hoc committee composed of a majority of independent directors to evaluate its terms, in the interest of all of the Group's shareholders and stakeholders."*

Vincent Policard, Partner and Co-Head of European Infrastructure at KKR, commented: *"The energy transition requires major long-term investment. Alongside Frédéric Moyne and Albioma's team, KKR is committed to accelerate energy transition in French overseas departments and the international expansion, while significantly increasing renewables in the energy mix to facilitate the exit from fossil fuels. KKR's infrastructure business has the*

¹ Price as of March 7th of €33.54 per share before market rumors

² 3-month VWAP until March 7th (before market rumors) of €34.68 per share



capital, renewable energy expertise and global footprint to support the execution of Albioma's 2030 roadmap."

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Albioma (ABIO - FR000060402 / Euronext Paris), an independent renewable energy producer, announces the receipt of a tender offer on Albioma's shares and warrants by an affiliate of the affiliated funds advised by Kohlberg Kravis Roberts & Co. L.P. or one of its affiliates ("KKR"). At a meeting on April 27, 2022, Albioma's Board of Directors unanimously welcomes the proposed transaction, which would support the Group's transition towards 100% renewable energy by 2030. The tender offer, which would offer existing shareholders significant and immediate cash value, will be carried out at a price of:

- €50 per Albioma share (plus the ordinary dividend of 0.84 euro for fiscal year 2021 which will be paid exclusively in cash) representing a 51.6% premium over the last undisturbed share price on 7 March 2022 and a 46.6% premium over the volume-weighted average price per share over the last three months;
- €29.1 per Albioma warrant.

A reinforced strategic and industrial ambition

Albioma is an independent renewable energy producer, with an installed capacity of over 1 GW, and a significant contributor to the energy transition, thanks to its investments in biomass, photovoltaics and geothermal energy. With 14 power plants in French overseas departments, Mauritius and Brazil, the Group has developed a unique partnership with the sugar industry to produce renewable power from bagasse, a fibrous residue from sugar cane. It is also the leader in photovoltaics in the French overseas territories. Consistent with its geographical and technological diversification strategy, the Group has recently entered the geothermal energy business with the acquisition of two power plants in Turkey.

KKR fully supports the Group's ambition to invest heavily in the energy transition in the French overseas departments by 2025 with a program that seeks to maximize its positive local impact.

In addition, KKR will make available its operational expertise and financial resources to accelerate the Group's international expansion. KKR will work closely with the existing teams to support Albioma's strategy, while preserving the Group's integrity and maintaining the same levels of service and performance.

KKR will fund the transaction through its affiliated infrastructure funds. KKR is a leading global investment firm with a long track record of investments in renewable energy infrastructure. The firm, which established its global infrastructure business in 2008 with strategies focused on both Core and Core Plus assets, currently oversees approximately \$40 billion in infrastructure assets globally and has made 65 infrastructure investments across a range of sub-sectors and geographies. The firm is very active in France, with €10 billion invested in French companies since 2002, including leading players in the energy transition.

Albioma's Board of Directors welcomes proposed transaction, establishes *ad hoc* committee

The Board of Directors of Albioma, at a meeting on April 27, 2022, unanimously welcomed the proposed transaction. The Board has established an *ad hoc* committee composed of a



majority of independent board members who will issue recommendations with respect to the proposed tender offer, following a comprehensive examination of its conditions.

In this context, the Board of Directors has decided to modify the terms of payment of the dividend for the 2021 fiscal year. The dividend, to be proposed to the Annual General Meeting of 25 May 2022, will remain at 0.84 euro per share but will be paid entirely in cash, the option for payment in shares having now been withdrawn.

Upon the recommendation of the *ad hoc* committee, Ledouble has been appointed as an independent expert to issue a fairness opinion on the financial terms of the tender offer, pursuant to the provisions of Article 261-1, I, 2°, 4° and 5° of the AMF General Regulation.

Once the report prepared by the independent expert and the opinion of the Employees' Group Committee has been obtained, Albioma's Board of Directors will, upon recommendation of the *ad hoc* committee, issue a reasoned opinion on the merits of the tender offer and its consequences for Albioma, its shareholders and its employees. Such reasoned opinion and the independent expert's report will be provided in the reply document (*Note en réponse*) to be prepared by Albioma and approved by the AMF.

Bpifrance, an Albioma shareholder since 2016, which holds 5% of the Group's capital, intends to continue to support Albioma by investing alongside KKR, subject to the approval of its internal governance bodies, the delivery of an informed opinion by its Board and the completion of the offer. The investment by Bpifrance is to be made via the contribution of part of its shares to the offeror at the offer price.

On April 27, 2022, Albioma and KKR entered into a tender offer agreement under which KKR undertook to file the offer submitted to Albioma, and Albioma undertook to cooperate with the KKR offer. The tender offer agreement provides, among other things, for the payment by Albioma of 10 million euros if a competing offer is submitted and is successful. Conversely, KKR undertakes to pay Albioma the same amount if it fails to submit a public offer or obtain the required regulatory approvals.

Tender offer conditions and timetable

It is expected that the tender offer document will be filed by KKR with the AMF by mid-May 2022.

The completion of the tender offer will be subject, in addition to the mandatory minimum acceptance condition set out in section 231-9, I 1° of the AMF General Regulation, to a minimum acceptance condition that KKR obtains a number of Albioma shares representing at least 50.01% of the share capital and "theoretical" voting rights.

KKR intends to request a squeeze out and delisting of Albioma's shares, subject to reaching 90% of the share capital and voting rights of Albioma as a result of the Offer.

Completion of the transaction also remains subject to EU Commission merger control approval, as well as obtaining foreign investment control clearances in France and in Spain.

Albioma's Employees' Group Committee will be consulted on the offer, in accordance with the regulations.

J.P. Morgan Securities plc and Darrois Villey Maillot Brochier AARPI act respectively as exclusive financial advisor and legal advisor to Albioma.

Société Générale and Bredin Prat act respectively as exclusive financial advisor/presenting bank of the tender offer and legal advisor to KKR.



Disclaimer:

This press release is not an offer to purchase securities.

This press release was prepared for informational purpose only. It is not an offer to the public. The diffusion of this press release, the tender offer and its acceptance may be subject to specific regulations or restrictions in certain countries. The tender offer is not made for persons subject to such restrictions, neither directly nor indirectly, and may not be accepted in any way from a country where the tender offer would be subject to such restrictions. This press release is not for diffusion in these countries. Consequently, persons in possession of this press release shall inquire about potential applicable local restrictions and comply with them.

The offeror and Albioma exclude all liability in the event of any breach of the applicable legal restrictions by any person.

It is anticipated that the tender offer will be extended into the United States of America in compliance with Section 14(e) of, and Regulation 14E under, the U.S. Securities Exchange Act of 1934, as amended (the "U.S. Exchange Act"), pursuant to the exemptions provided by Rule 14d-1(d) under the U.S. Exchange Act.

Forward Looking Statements:

This press release contains certain forward-looking statements. You can identify these forward-looking statements by the use of words such as "outlook," "believe," "think," "expect," "potential," "continue," "may," "should," "seek," "approximately," "predict," "intend," "will," "plan," "estimate," "anticipate," the negative version of these words, other comparable words or other statements that do not relate strictly to historical or factual matters. Forward-looking statements relate to expectations, estimates, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts, including but not limited to the statements with respect to: the proposed transaction; operation of the acquired business following the closing of the transaction; expansion and growth opportunities and other synergies resulting from the transaction; and expected timing of closing of the proposed transaction. The forward-looking statements are based on KKR's beliefs, assumptions and expectations, taking into account all information currently available to it. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to KKR or are within its control. If a change occurs, KKR's business, financial condition, liquidity and results of operations may vary materially from those expressed in the forward-looking statements. The following factors, among others, could cause actual results to vary from the forward-looking statements: failure to realize the anticipated benefits within the expected timeframes from the proposed transaction; unforeseen liabilities or integration and other costs of the proposed transaction and timing related thereto; availability and cost of financing to fund the proposed transaction; changes in Albioma's business; any delays or difficulties in receiving regulatory approvals; failure to complete the transaction; the acquired business's ability to maintain business relationships following the proposed transaction; failure to realize the benefits of or changes in the business strategies of KKR or the acquired business including the ability to realize the anticipated synergies from acquisitions, strategic partnerships or other transactions; availability, terms and deployment of capital; availability of qualified personnel and expense of recruiting and retaining such personnel; and increased competition.



All forward-looking statements speak only as of the date of this press release. KKR does not undertake any obligation to update any forward-looking statements to reflect circumstances or events that occur after the date on which such statements were made except as required by law. Past performance is not indicative or a guarantee of future performance. This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction.

About Albioma

An independent renewable energy producer, Albioma is committed to the energy transition thanks to biomass, photovoltaics and geothermal energy.

Albioma operates in Overseas France, France metropolitan, Mauritius and Brazil.

For 30 years, it has developed a unique partnership with the sugar industry to produce renewable energy from bagasse, the fibrous residue of sugar cane.

Albioma is the leading producer of photovoltaic energy in Overseas France, where the company builds and operates innovative projects with storage, Albioma has strengthened its position in mainland France.

In 2021, the Group acquired its first geothermal energy power plant, in Turkey. This activity is being ramped up in 2022, via the acquisition of a second GEPP in the same region.

Albioma shares are listed on NYSE EURONEXT PARIS (sub B) and eligible for the deferred settlement service (SRD) and PEA-PME plans (ISIN FR0000060402 – ticker: ABIO).

The Group is also included in the Gaïa-Index, an index for socially responsible midcaps.

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. For additional information about KKR & Co. Inc. (NYSE: KKR), please visit KKR's website at www.kkr.com and on Twitter @KKR_Co.

Contacts

Investor

Julien Gauthier
+33 (0)1 47 76 67 00

Media

Charlotte Neuvy
+33 (0)1 47 76 66 65
presse@albioma.com

Brunswick Group

Guillaume Maujean
+33 (0)6 67 74 36 89
gmaujean@brunswickgroup.com

Aurélia de Lapeyrouse
+33 (0)6 21 06 40 33
adelapeyrouse@brunswickgroup.com

www.albioma.com



Contacts

Media

Finsbury Glover Hering

Nathalie Falco
+33 (0)6 30 64 90 15
nathalie.falco@fgh.com

Xavier Mas
+33 (0)6 21 06 40 33
xavier.mas@fgh.com

www.kkr.com