

UNDER EMBARGO UNTIL 11:00 BST, 7th September 2023

Zenobē Powers Global Expansion with c.£600 Million Investment from KKR and further c.£270m from Infracapital

- *Leading EV fleet and grid-scale battery storage specialist has raised more than c.£850 million in total equity funding since 2017.*
- *The new equity and shareholder capabilities will fuel the expansion of the business' EV Fleet and Network Infrastructure businesses in the UK, Europe, North America, Australia and New Zealand.*
- *KKR and current majority shareholder, Infracapital, to become joint majority shareholders.*

LONDON, UK – 7th September 2023 – Zenobē, the international provider of end-to-end solutions in fleet electrification as well as battery storage solutions, today announced that it has secured an investment of c.£600 million from KKR, a leading global investment firm. In addition, a further c.£270 million of equity has been invested by existing shareholder Infracapital¹. Upon completion of the transaction, which is subject to customary closing conditions and regulatory approvals, KKR and Infracapital will become joint majority shareholders in Zenobē. Jera and TEPCO Power Grid will remain as minority, strategic shareholders.

The equity investment, as well as the added expertise and global network KKR brings to the company, will complement Infracapital's presence in Europe and play a crucial role in supporting Zenobē's growth initiatives in the UK, North America, Europe, Australia and New Zealand. The investment will fuel the expansion of the company's fleet electrification and grid-scale battery storage business, accelerating the decarbonisation of fleet transportation and maximising the uptake of renewables.

As governments look to decarbonise, they are increasingly focused on transport emissions. According to the Intergovernmental Panel on Climate Change (IPCC)², the movement of passengers and freight in road transport is the largest contributor to carbon emissions in the transport sector. Today, Zenobē supports more than 1,000 electric buses, trucks and commercial vehicles worldwide, and has worked with operators to deploy vehicles in over 75 depots ranging from Glasgow and Coventry in the UK to Sydney and Melbourne in Australia.

Funding from the equity investment will significantly expand the number of electric vehicles and charging equipment supported by the company. By 2026, Zenobē aims to support 4,000 electric buses, trucks and commercial vehicles on the road.

With the International Energy Agency (IEA) predicting that renewables will make up 35% of global power generation by 2025³, grid-scale battery storage will play a key role to ensure this power is not wasted. Zenobē currently has c.430MW of contracted grid-scale battery storage in the UK in operation or under construction, including its landmark 100MW battery storage asset at Capenhurst, Cheshire.

This latest equity investment will enable the business to accelerate its offering with the design and construction of two additional battery storage sites across Scotland at Kilmarnock South and Eccles. It will also enable the extension in capacity of the company's battery storage asset at Blackhillock. The site will support the integration of wind power resources into the grid and Zenobē's target to commission c.1.2GW of storage in the UK by 2026. The investment will also back its target to develop an additional 2.5GW of battery energy storage assets in North America and Australia by 2030.

The equity investment is the latest in a series of financial agreements by Zenobē, who have secured around £1.8 billion of equity and debt finance since being established by its three founders Nicholas Beatty, James Basden and Steven Meersman in 2017. Zenobē now employs 230 staff globally. In February this year, the company announced an £235 million agreement of non-recourse project finance debt to fund grid-scale, transmission connected battery storage assets in the UK. In February 2022, Zenobē secured the world's first private placement platform to support the c.£241 million long term debt financing of fleet vehicles over 15 years from institutions and banks.

Nicholas Beatty, Co-founder and Director of Zenobē, said:

“Batteries are the under-recognised crucial component of our future transport and energy systems, and they're available now. We're making huge strides in decarbonisation but it's clear that too much renewable energy is being wasted and that transport decarbonisation must move faster. Batteries are critical to optimising the use of renewable electricity and making cheaper, greener and more secure power accessible. As fleet operators transition to electric, batteries offer a proven and available technology which, combined with software and data insights, can optimise the operators' fleet while achieving zero emissions.

“Securing substantial further equity is a significant vote of confidence in our business, its achievements to date and future aims. KKR provides Zenobē with a leading international strategic partner to support our expansion plans into North America, Europe and Australasia and other markets. It supports our ability to raise further debt funding for these plans.

“It is also an acknowledgement that boosting battery storage and clean transport is just common sense to help us reach net zero.”

The investment by KKR is being made through the firm's global climate strategy, which is part of its \$54 billion Infrastructure business that's managed by a team of more than 115 executives globally. Since 2010, KKR has committed more than \$40 billion to sustainability-focused investments, including over \$30 billion to climate and environmental sustainability investments.

Alberto Signori, Partner, European Infrastructure at KKR, said:

“This is a rare opportunity to support a clear leader in transport decarbonisation and battery storage, two sectors which are critical in driving the transition to a net zero world. We believe Zenobē will continue to benefit from strong secular tail winds including stricter emission regulation in urban and regional areas, and the greater use of low carbon generation in the energy mix driving a need for grid balancing solutions. We see significant growth opportunities within Zenobē's existing customer base, as well as huge potential in new markets globally. We are excited to bring our operational expertise within KKR's global platform to actively support the company in continuing to further build a market leading and climate critical business.”

Andy Matthews, Head of Greenfield at Infracapital, said:

“Since our initial investment in 2020, Infracapital has supported Zenobē's significant innovation and expansion as it has gone from strength to strength in both the battery storage and transportation sectors. We are delighted to announce our further investment into the business, and to embark on this exciting journey alongside KKR as joint shareholders in Zenobē.

"This strategic partnership marks a significant milestone for the business and fulfils our confidence in its ability to continue to play a leading role in sustainable solutions. We look forward to continuing to contribute our expertise and resources to support Zenobē's further success on a global scale, whilst creating long-term value for our investors."

The capital raise follows a year of significant growth for Zenobē. In November 2022 the company announced a £750 million investment into a trio of large battery storage projects in Scotland. With a total capacity of 1GW of storage, the battery projects will help to balance the grid at critical bottlenecks providing clean, affordable, and secure energy when it is needed. The projects are due for completion between 2024 and 2026.

The company has also experienced growth in its EV fleet business as it surpassed the milestone of 50 electric fleet electrification projects around the world. In November 2022 the first 50 all-electric National Express buses took to the roads in Coventry supported by Zenobē's Electric Transport-as-a-Service (ETaaS) solution, with that figure set to grow to 130 e-buses by the end of the year.

ETaaS includes the provision of on-board replacement of batteries, the charging and grid infrastructure system at a depot, with dedicated rapid chargers, and a software platform which helps monitor and optimise energy use, as well as parts and operational support.

In 2022, Zenobē, working with Transgrid and Transit Systems, announced the opening of Australia's largest all-electric bus depot in Leichhardt near Sydney.

ENDS

Notes to editors

¹Infracapital's investment in Zenobē is a combination of direct equity investment and conversion of a convertible loan note that was put in place in January 2023 alongside other existing investors.

²The Intergovernmental Panel on Climate Change (IPCC)'s transport emissions data can be found [here](#)

³International Energy Agency predictions for renewables can be found [here](#)

European Commission heavy-duty vehicles figures can be found [here](#).

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About Zenobē Energy Ltd. (Zenobē):

Zenobē is an EV fleet and grid-scale battery storage specialist, headquartered in the UK. The company began operations in 2017 with three founders and has over the past 6 years increased its staff to >230 FTEs with a wide range of leading skills including electrical engineering, software

development, computer sciences and financing. It now operates in Europe and Australasia and is expanding into North America. Zenobē has 430MW of battery storage in operation or under construction with another 1.2GW of projects in advanced development in the UK which equates to circa 20% market share forecast by 2026. It has around 25% market share of the UK EV bus sector and c.1000 electric vehicles supported globally. The company is the largest owner and operator of EV buses in the UK, Australia and New Zealand.

Zenobe's services are supported by market leading financing capability. This has included completing and drawing down against the Fleet private placement in February 2022 which raised over £240 million long term debt for the financing of Fleet customers, principally bus operators in the UK, over up to 16 years. This also included the financing of grid-scale batteries completed in February 2023 which raised £635m of debt including an accordion for the development of Zenobē's grid-scale battery storage assets in Scotland.

For more information, please visit www.zenobe.com/ or follow on [LinkedIn](#).

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 X (formerly Twitter) @KKR_Co.

About Infracapital:

Infracapital invests in, builds and manages a diverse range of essential infrastructure to meet the changing needs of society and support long-term economic growth. We take an active role in all of our investments, whether nascent or large, to fulfil their potential and ensure they are adaptable and resilient. Our approach creates value for our investors, as we target investments with the scope for stable and sustainable growth. Our portfolio companies work closely with the communities where they are based, to the benefit of all stakeholders. Infracapital is well positioned to deliver the significant investment required to help build the future. The founder-led team of experienced specialists has worked with more than 60 companies around Europe and has raised and managed over €7.8 billion of client capital across six funds. Infracapital is part of M&G Plc, an international savings and investments business, managing money for around 5 million retail customers and more than 800 institutional clients in 28 markets. Total assets under management are £342 billion (as of 31 December 2022).

<https://www.infracapital.co.uk/>