

ENVEA announces that its founder and key executives have entered into exclusive negotiations with The Carlyle Group in relation to the acquisition of a majority equity interest in ENVEA, followed by a mandatory tender offer

Paris (France), 29 June 2020 – The Carlyle Group has entered into exclusive negotiations to acquire a majority equity interest in ENVEA, a world-class manufacturer of ambient, emission and process monitoring systems and provider of environmental data processing and reporting solutions to industry, laboratories, and government institutions.

The proposed transaction is subject to customary regulatory approvals and would be expected to close in the second half of 2020.

Equity for the investment will come from Carlyle Europe Technology Partners IV (CETP IV), a €1.35 billion fund that invests in lower middle market technology-focused companies in Europe and the US.

CETP IV would acquire through a Special Purpose Vehicle (SPV), the shares held directly or indirectly by the founder of ENVEA, François Gourdon, and by the key executives of ENVEA, together representing 28.2% of the share capital of the company. Approximately 84% of those shares would be acquired for cash at a price of €110 per share, and the remaining shareholding would be rolled over to the SPV at the same unit price.

The SPV would also acquire, at the same cash price of €110 per share, the respective shares in ENVEA held by (i) additional managers or former managers of ENVEA representing in aggregate 3.8% of the share capital of ENVEA, as well as by (ii) fifteen institutional investors representing in aggregate 23.9% of the share capital of ENVEA.

Given the above, the SPV would acquire approximately 55.8% of the share capital of ENVEA, representing approximately 63.6%¹ of theoretical voting rights. The Group will continue to be led by the current management team.

If the block trade is completed, the SPV controlled by The Carlyle Group will file a mandatory simplified tender offer at an identical price of €110 per share for all of the outstanding ENVEA shares not held by The Carlyle Group. The SPV has no intention to implement a squeeze out upon closing of the tender offer. In any case, the ENVEA's Board of directors will appoint an independent expert, as required by article 261-1 I of the AMF general regulation.

The price of €110 per share (ex 2019 dividend of €0.95, which will be paid on 9 July 2020) values 100% of the shares of ENVEA at approximately €186 million (fully diluted including the 48,820 free shares plan of 21 October 2019). This represents premiums² of 25.2% to the average closing quoted market price (weighted for daily trading volumes) over the 250 trading days prior to 26 June 2020, 9.3% to average weighted closing quoted market price over the 60 trading days prior to that date, and 8.9% to the closing quoted market price on that date.

Signature of the final agreements is subject to consultation with the employee representative bodies of ENVEA, and completion of the transaction would be subject to the usual regulatory conditions, including antitrust clearance from the Austrian antitrust authority and the foreign investment clearance from the French Minister of Economy. Closing of the public tender offer would be expected during the fourth quarter of 2020. ENVEA and The Carlyle Group will keep the market informed of any significant developments in the proposed transaction. The quotation of ENVEA shares, suspended as of today, will resume by 30 June 2020.

ENVEA's monitoring solutions are sold in over 70 countries. The company has development potential in less equipped regions such as India and China as well as with its blue-chip clients – notably in Europe, thanks to tighter regulation on pollutants worldwide. This proposed deal will give ENVEA more flexibility to implement its long-term strategy, while also limiting the constraints created by Covid-19 development in the near future.

¹ Approximately 54.7% of theoretical voting rights following the completion of the envisaged transaction, as a result of the loss of the double voting rights attached to the ENVEA shares sold or contributed to the SPV.

² For the premium calculation, share prices are considered ex-EUR 0.95 dividend.



ENVEA has recorded revenues of €100.4m in 2019 (an increase of 9.6% compared to 2018) and €14.7m of EBIT, representing a margin of 14.7%.

In 2020, ENVEA's growth trajectory has been affected by the Covid-19 crisis and the lockdowns and restrictions in all major geographies. During the first 4 months of 2020, ENVEA has recorded consolidated revenues of €23.8m, a decrease of 22% compared to €30.7m from the same period in 2019. Management expects to catch up part of this revenue decrease in the second half of the year and currently targets sales between €95m and €100m in 2020, assuming the global Covid-19 crisis resolves in the most impacted geographies, and ENVEA can deliver its backlog.

ENVEA is advised by EC M&A and King & Spalding LLP. The Carlyle Group is advised par Transaction R & Co (Groupe Rothschild & Co) and DLA Piper France LLP.

About ENVEA

ENVEA is a world-class manufacturer of ambient, emission and process monitoring systems, with full turnkey capabilities. ENVEA's equipment and technologies encompass gas analyzers, dust monitors, solids and flue gas flow meters, as well as environmental data processing and reporting solutions.

ENVEA is headquartered in Poissy (France) and has over 700 FTEs within R&D centers, production facilities and Sales & Services local business units across France, the United Kingdom, Germany, Italy, the USA, India and China.

ENVEA is listed on the Euronext Growth Paris market, under ISIN code FR0010278762.

www.envea.global

About The Carlyle Group

The Carlyle Group (NASDAQ: CG) is a global investment firm with deep industry expertise that deploys private capital across four business segments: Corporate Private Equity, Real Assets, Global Credit and Investment Solutions. With \$217 billion of assets under management as of March 31, 2020, Carlyle's purpose is to invest wisely and create value on behalf of its investors, portfolio companies and the communities in which we live and invest. The Carlyle Group employs more than 1,775 people in 32 offices across six continents. Further information is available at www.carlyle.com. Follow The Carlyle Group on Twitter @OneCarlyle.

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