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Final offer price for shares in HENSOLDT AG set at EUR 12 per share

- Total offer volume of approx. EUR 460 million (assuming full exercise of greenshoe option)
- Indicating a total market capitalization of EUR 1.26 billion and enterprise value of EUR 2.29 billion
- Expected free float 37%, if greenshoe option is fully exercised
- First day of trading on September 25, 2020 on the Frankfurt Stock Exchange

Taufkirchen, September 24, 2020 – The final offer price for the shares of HENSOLDT AG (“HENSOLDT”), Europe’s largest pure-play electronic sensor solutions house, has been set at EUR 12 per share by HENSOLDT and its current owner Square Lux Holding II S.à r.l. (“Selling Shareholder”), a company indirectly owned by funds advised by KKR (“KKR”), in consultation with the underwriting banks. In total, 38,333,333 ordinary bearer shares (*Inhaberaktien*) with no par value (*Stückaktien*) are being placed with investors. The placement comprises 25,000,000 shares to be newly issued by HENSOLDT by way of a capital increase and 13,333,333 existing shares from the holdings of the Selling Shareholder, the latter consisting of 8,333,333 secondary base shares and 5,000,000 over-allotment shares in connection with the greenshoe option.

Assuming full exercise of the greenshoe option and based on the final offer price, the total offer volume amounts to circa EUR 460 million, indicating a total market capitalization of HENSOLDT of EUR 1.26 billion and an enterprise value¹ of EUR 2.29 billion. Upon completion of the offering and assuming full exercise of the greenshoe option, the expected free float amounts to 37%.

HENSOLDT expects that its gross proceeds from the capital increase will amount to EUR 300 million. HENSOLDT will use its proceeds, amongst other uses, to support its highly visible growth trajectory, sustain its existing investment strategy and strengthen its balance sheet. The Selling Shareholder will receive all proceeds from the sale of the existing shares, which are expected to amount to EUR 160 million, assuming full exercise of the greenshoe option.

Thomas Müller, CEO of HENSOLDT, said: “The successful IPO is not only a great affirmation of our work over the last three and a half years. With the tailwinds from our successful IPO we

¹ Calculated on June 30, 2020 basis (i.e., expected market capitalization based on offer volume and price range, plus net debt calculated as financing liabilities and lease liabilities minus cash, plus pension liabilities and plus non-controlling interests, in each case as of June 30, 2020, minus targeted primary net proceeds).

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will make a big step to further strengthen our position as Europe's leading, platform-independent provider of defence and security sensor solutions with global reach."

HENSOLDT shares are expected to be trading on the regulated market (Prime Standard) of the Frankfurt Stock Exchange from September 25, 2020. HENSOLDT's trading symbol is HAG, the German securities code (WKN) HAG000, and the international securities identification number (ISIN) DE000HAG0005. The settlement and completion of the offering is planned for September 29, 2020.

BofA Securities, J.P. Morgan, KKR Capital Markets, and Deutsche Bank are acting as Joint Global Coordinators in connection with the planned transaction. Citigroup, COMMERZBANK, UniCredit Bank AG, and Crédit Agricole CIB will support the transaction as Joint Bookrunners, with Mizuho International acting as Co-Manager.

About HENSOLDT

HENSOLDT is a pioneer of technology and innovation in the field of defence and security electronics with more than 150 years of heritage from companies like Carl Zeiss, Airbus, Dornier, Messerschmitt and Telefunken. Based in Taufkirchen near Munich, the company is a German Champion with strategic leadership positions in the field of sensor solutions for defence and non-defence applications. HENSOLDT develops new products to combat a wide range of threats based on innovative approaches to data management, robotics and cyber security. With more than 5,400 employees as of December 31, 2019, HENSOLDT generated revenues of EUR 1.11 billion in 2019.

www.hensoldt.net

About KKR

KKR is a leading global investment firm that manages multiple alternative asset classes, including private equity, credit and real assets, with strategic partners that manage hedge funds. KKR aims to generate attractive investment returns for its fund investors by following a patient and disciplined investment approach, employing world-class people, and driving growth and value creation with KKR portfolio companies. KKR invests its own capital alongside the capital it manages for fund investors and provides financing solutions and investment opportunities through its capital markets business. References to KKR's investments may

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

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investment control laws (Außenwirtschaftsverordnung – AWV). Any acquisition in violation of German foreign investment control laws may be void and subject to sanctions. Details on German foreign investment control laws are set out in the prospectus which is available free of charge at HENSOLDT AG, Willy-Messerschmitt-Straße 3, 82024 Taufkirchen, Germany as well as on HENSOLDT's website: <https://investors.hensoldt.net/websites/hensoldt/English/0/planned-ipo.html>.

In any member state of the European Economic Area (other than Germany) and in the United Kingdom, this announcement is only addressed to, and is only directed at, "qualified investors" in that Member State within the meaning of Article 2 lit. (e) of the Prospectus Regulation (Regulation (EU) 2017/1129).

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This announcement contains forward-looking statements. These statements are based on the current views, expectations, assumptions and information of the management, and are based on information currently available to the management. Forward-looking statements shall not be construed as a promise for the materialization of future results and developments and involve known and unknown risks and uncertainties. Actual results, performance or events may differ materially from those described in such statements due to, among other things, changes in the general economic and competitive environment (including due to the COVID 19 pandemic), risks associated with capital markets, currency exchange rate fluctuations, changes in international and national laws and regulations, in particular with respect to tax laws and regulations, affecting HENSOLDT, and other factors. Neither HENSOLDT nor any of its affiliates assumes any obligations to update any forward-looking statements. Each of BofA Securities, J.P. Morgan, KKR Capital Markets, Deutsche Bank, Citigroup, COMMERZBANK, UniCredit Bank AG, Crédit Agricole CIB and Mizuho International and their respective affiliates expressly disclaims any obligation or undertaking to update, review or revise any forward looking statement contained in this announcement whether as a result of new information, future developments or otherwise.

In connection with the transaction, BofA Securities, J.P. Morgan, KKR Capital Markets, Deutsche Bank, Citigroup, COMMERZBANK, UniCredit Bank AG, Crédit Agricole CIB and Mizuho International and any of their affiliates, may take up a portion of the securities in the transaction as a principal position and in that capacity may retain, purchase, sell, offer to sell for their own accounts such securities and other securities of HENSOLDT or related investments in connection with the transaction or otherwise. Accordingly, references in the prospectus, once published, to the securities being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, BofA Securities, J.P. Morgan, KKR Capital Markets, Deutsche Bank, Citigroup, COMMERZBANK, UniCredit Bank AG, Crédit Agricole CIB and Mizuho International and any of their affiliates acting in such capacity. In addition they may, and any of their affiliates may, enter into financing arrangements (including swaps or contracts for differences) with investors in connection with which BofA Securities, J.P. Morgan, KKR Capital Markets, Deutsche Bank, Citigroup, COMMERZBANK, UniCredit Bank AG, Crédit Agricole CIB and Mizuho International and any of their affiliates may from time to time acquire, hold or dispose of securities. BofA Securities, J.P. Morgan, KKR

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In connection with the transaction, BofA Securities, as stabilisation manager, or any of its agents, may (but will be under no obligation to), to the extent permitted by applicable law, over-allot HENSOLDT's shares or effect other transactions with a view to supporting the market price of HENSOLDT's shares at a higher level than that which might otherwise prevail in the open market. BofA Securities is not required to enter into such transactions and such transactions may be effected on any stock market, over-the-counter market, stock exchange or otherwise and may be undertaken at any time during the period commencing on the date of the commencement of dealings of HENSOLDT's shares on the regulated market (regulierter Markt) of the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse) and ending no later than 30 calendar days thereafter. However, there will be no obligation on BofA Securities or any of its agents to effect stabilising transactions and there is no assurance that stabilising transactions will be undertaken. Such stabilising measures, if commenced, may be discontinued at any time without prior notice. In no event will measures be taken to stabilise the market price of HENSOLDT's shares above the offer price. Save as required by law or regulation, neither BofA Securities nor any of its agents intends to disclose the extent of any over-allotments made and/or stabilisation transactions conducted in relation to the transaction.

In connection with the transaction, BofA Securities as stabilisation manager, may, for stabilisation purposes, over-allot HENSOLDT's shares up to a maximum of 15% of the

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total number of HENSOLDT's shares comprised in the transaction. For the purposes of allowing it to cover short positions resulting from any such over-allotments and/or from sales of HENSOLDT's shares effected by it during the stabilisation period, BofA Securities will enter into over-allotment arrangements pursuant to which BofA Securities may purchase or procure purchasers for additional shares up to a maximum of 15% of the total number of HENSOLDT's shares comprised in the Transaction (the "Over Allotment Shares") at the offer price. The over-allotment arrangements will be exercisable in whole or in part, upon notice by BofA Securities, at any time on or before the 30th calendar day after the commencement of trading of HENSOLDT's shares on the regulated market (regulierter Markt) of the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse). Any Over-allotment Shares made available pursuant to the over-allotment arrangements, including for all dividends and other distributions declared, made or paid on HENSOLDT's shares, will be purchased on the same terms and conditions as HENSOLDT's shares being issued or sold in the transaction and will form a single class for all purposes with the other shares of HENSOLDT.

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