

## **Bettcher Industries to Acquire Automated Protein Processing Equipment Manufacturer Frontmatec from Axcel**

*Acquisition Represents Important Step in Building Scaled Food Processing Automation Platform*

**Birmingham, OH – May 24, 2022** – Bettcher Industries (“Bettcher”), a leading manufacturer of protein processing equipment, today announced the signing of a definitive agreement under which it will acquire Frontmatec (the “Company”) from Axcel. KKR, which acquired Bettcher in December 2021, will invest additional capital from its North American private equity strategy to support the transaction.

Headquartered in Kolding, Denmark, Frontmatec is a global manufacturer of end-to-end automated solutions for pork and beef processing, with world-class robotics and vision system capabilities. The Company serves as a full line supplier of processing equipment, parts and services, instruments, and software, which help solve key issues around food and worker safety.

The transaction represents an important step in Bettcher and KKR’s strategy to build a scaled food processing automation platform serving food processing plants globally. In addition to delivering leading automation capabilities, the purchase of Frontmatec deepens Bettcher’s footprint in Europe. Frontmatec’s executive team led by Allan Kristensen is expected to remain in place to continue to grow the business after the transaction closes.

“Frontmatec has built a leading brand and position by enabling customers to continuously improve the productivity and safety of their workforce. The Company’s capabilities in automation and its global presence make it a superb fit for the Bettcher platform, and we are excited to work with Allan and his team to extend our collective innovation leadership,” said Tim Swanson, CEO of Bettcher.

“We are excited to join forces with Bettcher and believe this strategic transaction will enable Frontmatec to continue expanding our suite of solutions which are helping to meet the accelerating global demand for improved yield in production and food quality. I would like to thank the Axcel team, who have been instrumental in developing Frontmatec into the leading provider it is today, as well as our employees for their tremendous efforts. We are proud of everything we have accomplished and are focused on the exciting opportunity to continue growing our business together with Bettcher and KKR,” said Allan Kristensen, CEO of Frontmatec.

Bettcher will continue to add other world-leading food processing capabilities, while maintaining Frontmatec’s strong culture and values. As part of the transaction, KKR will extend its employee engagement program to all employees at Frontmatec. The strategy’s cornerstone is to allow all employees to take part in the benefits of ownership by granting them the opportunity to participate in any equity return alongside KKR.

“We have great admiration for the Frontmatec team, and view the Company as a highly compelling strategic addition to Bettcher as we pursue our long-term strategy of building a scaled global platform serving customers in the food and food processing industry. We are very excited about the growth that lies ahead, and look forward to continuing to build on the platform from here,” said Dan Daniel, Chairman of Bettcher.

“We are thrilled to welcome Frontmatec and its automated food processing capabilities into the Bettcher and KKR family, and thank Axcel for creating an industry leader in automated protein processing. Importantly, we look forward to incorporating Frontmatec and making all employees owners in the combined business as the latest example of our participation in the shared ownership movement,” said Josh Weisenbeck and Brandon Brahm, Partners in KKR’s Industrials investment team.

The transaction is expected to close during the second half of 2022 subject to customary regulatory approvals. Further terms were not disclosed.

Nordea, Kirkland & Ellis and Moalem Weitemeyer served as advisors to Bettcher and KKR.

#### **About Frontmatec**

Headquartered in Kolding, Denmark, Frontmatec is a leader in end-to-end automated solutions for the red meat processing industry. Frontmatec serves more than 1,500 customers worldwide through its global manufacturing and service footprint, with key relationships with many of the largest red meat processors. Frontmatec was formed in 2016 through the consolidation of five automation platforms and employs over 1,300 people today. Visit Frontmatec at: <https://www.frontmatec.com/en>

#### **About Bettcher Industries**

Headquartered in Birmingham, Ohio, Bettcher is a leading developer and manufacturer of innovative equipment in the food processing and medical device industries, majority-owned by KKR. The Bettcher portfolio includes the following: Bettcher, a designer and manufacturer of handheld trimmers, tools, and cutting consumables for all protein applications; Cantrell-Gainco, a manufacturer of processing equipment and yield enhancement and yield tracking systems for various protein operations; ICB Greenline, an aftermarket replacement parts and services company focused on poultry processing; and, Exsurco Medical, a leading-edge medical device company that provides innovative products and services to transform surgical grafting, debridement, and recovery outcomes for patients with burn and trauma wounds. Visit Bettcher at: <https://www.bettcher.com/en>

#### **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](http://www.kkr.com) and on Twitter @KKR\_Co.

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