

Axel Springer Announces New Corporate Structure to Unlock Future Growth Potential

- Under the ownership of Friede Springer and Mathias Döpfner, Axel Springer to become a privately owned and operated news media and media marketing company
- Classifieds businesses to become separately held entities with new shareholder structure under KKR and CPP Investment's majority ownership
- Axel Springer revenue grew by over 30 percent during the five-year strategic partnership¹ with KKR and CPP Investments, realizing the growth potential of both the classifieds and media businesses through internationalization and digitization

Berlin, September 19, 2024 – Axel Springer SE (“Axel Springer”) today announced a strategic decision to create a new corporate structure for the company, with a goal to create a focused media company and separately held classifieds businesses. The new corporate structure is designed to position all businesses for optimal future growth potential and success in their respective markets. A final agreement is expected in the coming months. The transaction is expected to close in Q2 2025 subject to receipt of all requisite regulatory approvals.

Friede Springer, Vice Chairwoman of the Supervisory Board of Axel Springer: *“For the past decades, we have enjoyed remarkable achievements with Axel Springer. Throughout, we never lost what truly defines us: being a journalistic institution with clear values. So, it was Mathias Döpfner’s and my vision that one day, Axel Springer would again be a privately owned and operated company. The realization of this vision now fills me with great joy.”*

Henry Kravis, Co-Founder and Co-Executive Chairman at KKR: *“Our partnership with Friede and Mathias has been exceptional and reflects the great admiration KKR has for visionary entrepreneurs and family-led businesses like Axel Springer. After a long and productive partnership, this natural next step for the Axel Springer group is a great outcome for all stakeholders involved.”*

Mathias Döpfner, CEO of Axel Springer: *“Before we began our partnership with KKR five years ago, Friede Springer and I had an idea of how the company could ideally look like down the road. That vision is now close to becoming reality. This would not be possible without the dedication of our employees, who give their all for Axel Springer. But it’s also clear: Without the excellent and consistently reliable partnership with KKR, this outcome would have never been possible. In the new structure, we will have the very best requisites for a great future for journalism.”*

Philipp Freise, Partner and Co-Head of European Private Equity, KKR: *“We are proud to have partnered with Friede and Mathias since 2019 in pursuit of Axel Springer’s vision to become a leading global provider of digital content and classifieds. We have jointly reached this goal by acquiring industry leaders such as POLITICO to expand across geographies and segments, transforming the group’s operations, and attracting market leading talent. We are excited to continue the partnership as we further grow the classifieds businesses, working with the talented teams at Stepstone, AVIV, finanzen.net and Awin in our shared pursuit of future value creation.”*

¹All subsequent references to partnership refer to a strategic partnership.

Deal Structure and Details

The planned new structure foresees that Axel Springer's media businesses – BILD, Business Insider, POLITICO, WELT, idealo, Bonial, Morning Brew, Dyn Media, EMARKETER, and the joint venture Ringier Axel Springer Poland – will remain within Axel Springer. Friede Springer and Mathias Döpfner will together hold close to 98 percent of the company. Axel Sven Springer, one of the grandchildren of the company founder, will retain the remaining shares – a smaller portion of his previous minority shareholding. This makes Axel Springer a fully privately owned and operated media company for the first time since the company's IPO back in 1985.

The Stepstone Group, AVIV Group, finanzen.net, and Awin, pending approvals, will be held as separate joint venture companies with KKR and CPP Investments as majority shareholders, Axel Springer as minority co-shareholder, and with an economic participation by the grandchildren of Axel Springer. The exact participation of the respective shareholders is to be finalized in the process of getting to binding agreements.

This decision marks a new era for Axel Springer, with all businesses set to pursue their respective growth paths that align with their core strengths and market opportunities.

Successful Strategic Partnership

The decision to adopt a new corporate structure follows more than five years of successful collaboration between Axel Springer's shareholders. Through the partnership with KKR and CPP Investments, Axel Springer has undergone a significant transformation. Since its delisting from public markets in 2020, the shareholders have provided expertise, global resources, and enabled over EUR 1.9 billion of investments to help Axel Springer accelerate its digital transformation and expand into new markets and adjacencies, both organically and through significant M&A activity.

The past five years have been one of the most successful periods in Axel Springer's history. Despite challenging market conditions, the company achieved remarkable growth, with annual revenues increasing by 30 percent to nearly EUR 4 billion. In both 2021 and 2022, the company recorded double-digit top-line growth. In 2023, over 85 percent of Axel Springer's revenue was generated from digital sources and EUR 2 billion in revenue came from its media businesses worldwide. Strategic acquisitions during this period have helped solidify Axel Springer's position as a global leader: POLITICO and Morning Brew in the US and ScreenOnDemand in Germany have expanded the company's media capabilities. Mya Systems and Bayard in the US, MeilleursAgents in France, and Neuraum in Germany have strengthened the company's classifieds capabilities.

Positioned for Future Growth

The classifieds businesses will continue to independently pursue their respective growth strategies, with strong strategic support from KKR and CPP Investments. Following significant platform and technology investments over the past five years, the businesses are expected to drive increased product innovation to continue providing market leading services for customers.

The new corporate structure will allow Axel Springer to continue focusing on its core mission: shaping the future of independent AI-empowered journalism. As a privately owned and operated media company, Axel Springer will be debt-free and continue to operate outside the short-cycle nature of

equity capital markets. This makes it well-positioned to further strengthen its market position and pursue long-term growth opportunities and investments in a culture of true entrepreneurship.

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About Axel Springer

Axel Springer is an international media and technology company. By providing information across its diverse media brands (among others BILD, WELT, Business Insider, POLITICO) and classifieds (The Stepstone Group and AVIV Group) Axel Springer empowers people to make free decisions for their lives.

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. For additional information about Global Atlantic Financial Group, please visit Global Atlantic Financial Group's website at www.globalatlantic.com.

About CPP Investments

Canada Pension Plan Investment Board (CPP Investments™) is a professional investment management organization that manages the Fund in the best interest of the more than 22 million contributors and beneficiaries of the Canada Pension Plan. In order to build diversified portfolios of assets, investments are made around the world in public equities, private equities, real estate, infrastructure and fixed income. Headquartered in Toronto, with offices in Hong Kong, London, Mumbai, New York City, San Francisco, São Paulo and Sydney, CPP Investments is governed and managed independently of the Canada Pension Plan and at arm's length from governments. At June 30, 2024, the Fund totalled C\$646.8 billion. For more information, please visit www.cppinvestments.com or follow us on LinkedIn, Instagram or on X @CPPInvestments.