



## **Enviva Holdings, LP Announces Recapitalization and New Equity Commitment to Finance Future Growth**

BETHESDA, MD, July 22, 2020 — Enviva Holdings, LP (“Enviva Holdings,” the “Sponsor,” or “we”) announced today that it has successfully completed a series of transactions that recapitalized the company (the “Recapitalization”) with more than \$1 billion of new equity contributions and incremental equity commitments from affiliates (the “Continuation Fund” and the “Rollover Fund”) of Riverstone Holdings LLC (“Riverstone”). The Continuation Fund was formed by Riverstone in partnership with a diverse group of institutions with deep, global expertise in sustainable investing, energy, forestry, finance, and industrial operations, for the sole purpose of investing in the Sponsor. The Goldman Sachs Vintage Funds, Mubadala, and BTG Pactual anchored the Continuation Fund, alongside additional investments from affiliates of funds managed by Fortress Investment Group LLC, Neuberger Berman, and GCM Grosvenor, among other institutional investors. The Sponsor used the new capital contributions from the Continuation Fund to pay the transaction consideration contemplated by the Recapitalization to its prior investors and will be able to call the incremental equity commitments from the Continuation Fund and the Rollover Fund, which total approximately \$300 million, to finance the Sponsor’s substantial pipeline of future growth projects. Following the Recapitalization, Riverstone continues to own and control the Sponsor’s general partner. The Sponsor, in turn, owns the general partner and approximately 34 percent of the common units of Enviva Partners, LP (NYSE: EVA) (“Enviva Partners” or “EVA”).

“We are privileged to be a leader in an industry that is working to solve one of the greatest challenges of our time by combating the destructive effects of climate change,” said John Keppler, Co-Founder, Chairman, and CEO of Enviva Holdings. “With the benefit of the Continuation Fund’s investments and incremental equity commitments, we expect to continue our track record of building, owning, and operating fully contracted wood pellet production plants and export terminals in one of the most robust, renewable, and sustainable natural resource basins in the world and, most importantly, of making a real difference in the fight against climate change, both today and long into the future.”

The Sponsor’s principal investor prior to the Recapitalization was a wholly owned subsidiary of Riverstone/Carlyle Renewable and Alternative Energy Fund II, L.P. (“Renew II”), a \$4.3 billion fund that initially invested in Enviva Holdings in 2010. Renew II limited partners had the option to receive cash proceeds in the Recapitalization or to roll over their existing interests in Enviva Holdings through the Rollover Fund. Following the Recapitalization, the Continuation Fund and the Rollover Fund own all of the limited partner interests in the Sponsor.

PJT Park Hill served as financial advisor and Latham & Watkins LLP represented Riverstone in connection with the Recapitalization and in raising the Continuation Fund and the Rollover Fund.

The Sponsor is the leading global player in the rapidly growing utility-grade wood pellet industry, which is helping major utilities and heat and power generators around the world cost-effectively displace coal and other fossil fuels in their transition to a low-carbon future. On a consolidated basis, the Sponsor has a contracted revenue backlog of \$19.6 billion, with a weighted-average remaining contract term of 13.6 years, including long-term off-take contracts that extend well into the 2040s.

The principal assets of the Sponsor are:

- an approximately 34 percent limited partner interest in EVA, a high-growth, publicly traded master limited partnership and the world's largest supplier of utility-grade wood pellets, which owns approximately 4.1 million metric tons per year ("MTPY") of production and associated export terminal capacity. EVA's capacity is fully contracted under long-term, take-or-pay off-take contracts with a diverse set of creditworthy customers in Europe and Japan. EVA recently agreed to acquire an additional plant with approximately 0.8 million MTPY of production and associated export terminal capacity;
- a 100 percent equity interest in EVA's general partner, which owns 100 percent of EVA's incentive distribution rights; and
- a 100 percent equity interest in Enviva Development Holdings, LLC, which is constructing a deep-water export terminal and a large-scale production plant in Mississippi, originating and negotiating new long-term, take-or-pay off-take contracts with customers globally, and developing numerous additional production plants and export terminals across the Southeast United States from which to supply long-term demand.

"Enviva's achievements, and indeed the growth of our industry, would not have been possible without Riverstone's commitment ten years ago, and we are excited about the opportunity to continue that relationship well into the future," added Keppler.

Brian Musto, Managing Director at Goldman Sachs Asset Management, said, "Our Vintage Funds are excited by the opportunity to partner with the management team and Riverstone in the next chapter of growth for Enviva. The additional capital and time will enable Enviva to accelerate its mission to battle global climate change by leveraging its unique combination of experience, reputation, and track record in the renewable power supply chain."

Carl Williams, Riverstone Partner, said "Riverstone is proud of the investment returns that Enviva has generated for Renew II, and we are humbled by the efforts of John and his team to achieve this outcome." Williams added, "We also genuinely appreciate the incredible diligence and thoughtfulness with which the Continuation Fund's new investors approached their participation in the Recapitalization, which reinforces our own conviction in Enviva's ability to continue growing cash flow while also serving as a global force for good in the fight against climate change. We look forward to continuing the strong collaboration between the Sponsor and EVA's board and common unitholders to maintain the growth in durable, sustainable cash flow and common unit value appreciation that has distinguished EVA since its IPO five years ago."

## **About Enviva Holdings, LP**

Since its inception in 2010, Enviva Holdings has built the world's largest portfolio of wood pellet production plants and marine export terminals and is the world's largest supplier of wood pellets to major utilities and heat and power generators, principally in Europe and Japan. Through its subsidiaries, Enviva Holdings owns and operates eight plants with a combined wood pellet production capacity of approximately 4.1 million MTPY in Virginia, North Carolina, South Carolina, Mississippi, and Florida, exports wood pellets through its marine terminals at the Port of Chesapeake, Virginia and the Port of Wilmington, North Carolina and from third-party marine terminals in Mobile, Alabama and Panama City, Florida, and has agreed to acquire a plant with approximately 0.8 million MTPY of production and associated export terminal capacity in Georgia. Additionally, Enviva Holdings is constructing a deep-water export terminal in Pascagoula, Mississippi and a large-scale production plant in Lucedale, Mississippi, and is developing new production sites in Epes, Alabama and at a host of locations in proximity to its current operating footprint. Enviva Holdings is headquartered in Bethesda, Maryland, with international offices in the United Kingdom, Germany, and Japan.

Enviva's mission is to displace coal, grow more trees, and fight climate change. To learn more, please visit [www.envivabiomass.com](http://www.envivabiomass.com) and follow us on social media @Enviva.

## **Cautionary Note Concerning Forward-Looking Statements**

Certain statements and information in this press release may constitute "forward-looking statements." The words "believe," "expect," "anticipate," "plan," "intend," "foresee," "should," "would," "could," or other similar expressions are intended to identify forward-looking statements, which generally are not historical in nature. These forward-looking statements include statements regarding the future growth of the utility-grade wood pellet industry, as well as the ability of Enviva Holdings and its affiliates to continue to build, own, and operate fully contracted wood pellet production plants and export terminals and to generate durable, sustainable cash flows and appreciating equity values. These forward-looking statements are based on Enviva Holdings' current expectations and beliefs concerning future developments and their potential effect on it. Although management believes these forward-looking statements are reasonable as and when made, there can be no assurance that future developments affecting Enviva Holdings or Enviva Partners will be those that it anticipates. The forward-looking statements involve significant risks and uncertainties (some of which are beyond the control of Enviva Holdings and its affiliates) and assumptions that could cause actual results to differ materially from its present expectations or projections. A variety of factors could cause actual results to differ materially from those contained in the forward-looking statements, and investors are cautioned not to place undue reliance on such forward-looking statements.

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