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Apollo Funds and CATEC Launch Hydria Through Acquisition of Kelley Leasing Partners

Hydria Launches as High-Growth Gaseous Equipment Manufacturing and Leasing Platform Supporting the Energy Transition

Seasoned Industry Executive and Apollo Operating Partner Scott Prince Appointed as CEO of Hydria

Ken Kelley, Bryan Kelley and Wes Knapp Join Hydria in Senior Leadership Roles from Kelley Leasing Partners

NEW YORK and HOUSTON, Nov. 14, 2023 (GLOBE NEWSWIRE) -- Apollo (NYSE: APO) and Composite Advanced Technologies, LLC ("CATEC"), a leading provider of compressed natural gas ("CNG"), renewable natural gas ("RNG") and hydrogen transportation and storage solutions in the U.S., today announced that CATEC, an affiliate of Apollo-managed funds (the "Apollo Funds") has acquired Kelley Leasing Partners ("Kelley"), a compressed gas and cryogenic liquid transportation equipment leasing company serving hydrogen, helium and CNG customers across industrial gas, utility and virtual pipeline end markets. In connection with the acquisition, Apollo Funds and CATEC have launched [Hydria](#) (the "Company"), a high-growth compressed gas platform providing equipment and services supporting the CNG, RNG, helium and hydrogen value chain with over-the-road transport, storage and leasing capabilities. Apollo Funds are the majority owner of Hydria.

The acquisition of Kelley provides Hydria with enhanced equipment scale and diversification, along with additional manufacturing capabilities, re-testing and maintenance services and significant industry expertise through the Kelley family's 75 plus years serving the compressed gas space. Ken Kelley, Bryan Kelley and Wes Knapp will join Hydria's leadership team from Kelley, supporting the growth of leasing and other services.

Seasoned industry executive and long-time Apollo Operating Partner Scott Prince has been appointed Chief Executive Officer of Hydria, bringing extensive experience to the Company from prior collaborations with Apollo affiliates across energy transition growth projects over the last decade.

Hydria CEO Scott Prince said, "The launch of Hydria marks an exciting milestone as the CATEC, Kelley and Apollo teams join forces to spearhead a new platform with significant growth potential in the gaseous logistics industry. Leveraging our collective expertise, we believe Hydria can become a differentiated service provider supporting the end-to-end equipment needs of the compressed gas value chain. We look forward to pursuing various expansion initiatives in support of the energy transition and believe Hydria has a bright future ahead."

Alberto Chiesara, Co-Founder and President of CATEC, said, “By integrating the combined capabilities of CATEC and Kelley under the Hydria umbrella, we can be better positioned to serve an increasingly diverse customer base across a variety of applications. We want to make it easier for companies to make their operations more sustainable and look forward to leveraging our collective skillsets to pursue opportunities in the high-growth hydrogen transport and storage market.”

Apollo Partner Scott Browning said, “We are excited to partner with Scott and the rest of the standout team and see tremendous potential for Hydria to scale while continuing to add new capabilities to help customers transition away from carbon-intensive fuels towards cleaner alternatives.”

The transaction underscores Apollo’s commitment to driving a more sustainable future and long track record of investing in or lending to companies supporting the energy transition. Last year, Apollo launched its Sustainable Investing Platform, which targets to deploy \$50 billion in clean energy and climate capital by 2027 and sees the opportunity to deploy more than \$100 billion by 2030. Over the last five years, Apollo Funds have deployed over \$23 billion¹ into energy transition and sustainability-related investments, supporting companies and projects across clean energy and infrastructure, including offshore and onshore wind, solar, storage, renewable fuels, electric vehicles as well as a wide range of technologies to facilitate decarbonization.

Vinson & Elkins LLP acted as legal counsel to the Apollo Funds. Sprouse Shrader Smith PLLC acted as legal counsel to Kelley Leasing Partners.

About CATEC

CATEC is a leading provider of Type IV compressed gas transportation and storage solutions in the United States. CATEC’s products and services help its customers to transition away from carbon-intensive fossil fuels towards cleaner solutions such as Compressed Natural Gas (CNG), Renewable Natural Gas (RNG) and Hydrogen. Learn more at <https://www.catecgases.com>.

About Kelley Leasing Partners

Kelley Leasing Partners is a family-owned compressed gas and cryogenic liquid transportation equipment leasing business that has served the industrial gas industry since 1946. Kelley continues to innovate with modern equipment solutions while maintaining a steadfast commitment to innovation and safety. Learn more at <https://www.kelleyleasing.com/>

About Apollo

Apollo is a high-growth, global alternative asset manager. In our asset management business, we seek to provide our clients excess return at every point along the risk-reward spectrum from investment grade to private equity with a focus on three investing strategies: yield, hybrid, and equity. For more than three decades, our investing expertise across our fully integrated platform has served the financial return needs of our clients and provided businesses with innovative capital solutions for growth. Through Athene, our retirement services business, we specialize in helping clients achieve financial security by providing a suite of retirement savings products and acting as a solutions provider to institutions. Our patient, creative, and knowledgeable approach to investing aligns our clients, businesses we invest in, our employees, and the communities we impact, to expand opportunity and

achieve positive outcomes. As of September 30, 2023, Apollo had approximately \$631 billion of assets under management. To learn more, please visit www.apollo.com.

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¹ As of December 31, 2022. Deployment commensurate with Apollo's clean transition investment framework, which provides guidelines and metrics with respect to the definition of a clean transition investment. Reflects (a) for equity investments: (i) total enterprise value at time of signed commitment for initial equity commitments; (ii) additional capital contributions from Apollo funds and co-invest vehicles for follow-on equity investments; and (iii) contractual commitments of Apollo funds and co-invest vehicles at the time of initial commitment for preferred equity investments; (b) for debt investments: (i) purchase price on the settlement date for private non-traded debt; (ii) increases in maximum exposure on a period-over-period basis for publicly-traded debt; (iii) total capital organized on the settlement date for syndicated debt; and (iv) contractual commitments of Apollo funds and co-invest vehicles as of the closing date for real estate debt; (c) for SPACs, the total sponsor equity and capital organized as of the respective announcement dates; (d) for platform acquisitions, the purchase price on the signed commitment date; and (e) for platform originations, the gross origination value on the origination date.

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Source: Apollo Global Management, Inc.