



WENDEL

PRESS RELEASE — JULY 31, 2023

Wendel signs an agreement for the sale of Constantia Flexibles to One Rock Capital Partners

Wendel signed an agreement to sell Constantia Flexibles (“The Company”), a global leader in the flexible packaging market, to an affiliate of One Rock Capital Partners, LLC (“One Rock”). The Group produces flexible packaging solutions for a diversified portfolio of blue-chip customers and local champions in the consumer and pharmaceutical industries.

The Company would be sold for a price that yields net proceeds¹ for Wendel of c.€1,097M, reflecting a multiple of 1.94 times Wendel’s total investment in Constantia Flexibles since 2015.

The transaction net proceeds are €84 million above Constantia Flexibles’ valuation in Wendel’s net asset value (“NAV”) published before the transaction announcement, i.e. as of March 31, 2023. Furthermore, additional proceeds generated by the Company’s ongoing assets disposals, could bring the proceeds up to €1,124 million, i.e. a valuation 11.0% higher than the NAV at March 31, 2023, and 6.8% higher than the NAV at June 30, 2023.

The closing of the transaction should take place during the second half of 2023, subject to the satisfaction of the contractual conditions precedents, including the clearance by regulatory authorities.

David Darmon, Wendel Group’s Deputy CEO, said: *“The history of Constantia Flexibles within Wendel’s portfolio highlights the validity of our long-term investor model, which has enabled us to support the Company in its development. Constantia Flexibles has thus placed innovation at the heart of its growth model, enabling it to rise to the challenge of the circular economy without compromising on the functional requirements of its products. Under Pim Vervaat’s leadership, all Constantia Flexibles teams demonstrated their commitment and resilience during the Covid-19 crisis, and coped brilliantly with the recent disruptions in the energy and commodities markets. They enabled the Company to deliver outstanding operational, financial and extra-financial performance.”*

Pim Vervaat, CEO of Constantia Flexibles, affirms: *“Our current position and success would not have been possible without Wendel’s dedication and commitment. We are grateful for their supportive partnership over the years, which has enabled our growth and investments in our workforce, innovations, and sustainable offerings for the Consumer and Pharma markets. Working alongside Wendel has been a pleasure.”*

¹ Net proceeds after financial debt, dilution to the benefit of the Company’s minority investors, transaction costs and other debt-like adjustments

History of Wendel's Investment in Constantia Flexibles

On March 27, 2015, Wendel finalized the acquisition of Constantia Flexibles for an enterprise value of €2.3 billion and invested €640 million in equity for a 73% stake in the Company, alongside the AREPO Foundation's €240 million, or 27% investment. Subsequently, on September 22, 2015, Wendel signed an agreement with Maxburg Capital Partners ("MCP"), an investment company backed by the RAG Foundation, to syndicate a minority share of its investment in Constantia Flexibles. Accordingly, in November 2015, MCP acquired approximately 11% of the capital of Constantia Flexibles from Wendel for €101 million. Following this transaction, Wendel, the AREPO Foundation and MCP subsequently participated in a €50 million capital increase for Constantia Flexibles, each subscribing to a pro-rata stake, to finance the acquisitions of Afripack and Pemara. Following the capital increase and MCP's investment in Constantia Flexibles, Wendel's equity investment in Constantia Flexibles totaled €565 million. Wendel is the Company's controlling shareholder, with 60.8% of the share capital.

In 2017, Constantia Flexibles sold its Labels business to Multi-Color Corporation. This value-creating transaction gave the Company additional resources to bolster its growth strategy in the flexible packaging market, where it is a leader in segments such as confectionery foils, die-cut lidding, alu-container systems and pharma foil.

Under its ownership, Wendel supported Constantia Flexibles in its external growth strategy, with 11 acquisitions in 10 countries.

ESG achievements since 2015

For more than 8 years, Wendel has supported Constantia Flexibles in its ESG challenges, and more specifically in the issues of the circular economy and the fight against climate change. As a result, since 2018 the Austrian group has had a greenhouse gas emissions reduction trajectory approved by the SBTi. 85% of its products are designed for recycling or have a recyclable alternative. Occupational safety has always been an absolute priority for Wendel, and special attention has been paid to this issue, resulting in continuous improvement, with the accident frequency rate falling from 13.4 in 2014 to 2.2 in 2022.

The relevance of the in-depth work carried out by Wendel and Constantia is reflected in the Group's excellent extra-financial ratings, with an A- rating from the CDP and the Ecovadis Gold medal, ranking Constantia among the top 2% of companies in its sector.

Agenda

Thursday October 26th, 2023

Q3 2023 Trading update – Publication of NAV as of September 30, 2023 (after-market release)

Thursday December 7th, 2023

2023 Investor Day

Wednesday February 28, 2024

FY 2024 results – Publication of NAV as of December 31, 2023, and Full-Year consolidated financial statements (post-market release).

Thursday April 25th, 2024

Q1 2024 Trading update – Publication of NAV as of March 31, 2024 (post-market release)

Thursday May 16th, 2024

Annual General Meeting

Wednesday July 31, 2024

H1 2024 results – Publication of NAV as of June 30, 2024, and condensed Half-Year consolidated financial statements (post-market release).

Thursday October 24, 2024

Q3 2024 Trading update – Publication of NAV as of September 30, 2024 (post-market release).

Thursday December 5th, 2024

2024 Investor Day

About Wendel

Wendel is one of Europe's leading listed investment firms. The Group invests in Europe and North America in companies which are leaders in their field, such as ACAMS, Bureau Veritas, Crisis Prevention Institute, IHS Towers, Stahl, Scalian and Tarkett. Wendel often plays an active role as a controlling or significant shareholder in its portfolio companies. Wendel seeks to implement long-term development strategies, which involve boosting growth and margins of companies so as to enhance their leading market positions. With Wendel Growth (formerly known as Wendel Lab), Wendel also invests via funds or directly in innovative, high-growth companies.

Wendel is listed on Eurolist by Euronext Paris.

Standard & Poor's ratings: Long-term: BBB, stable outlook – Short-term: A-2 since January 25, 2019

Moody's ratings: Long-term: Baa2, stable outlook since September 5, 2018

Wendel is the Founding Sponsor of Centre Pompidou-Metz. In recognition of its long-term patronage of the arts, Wendel received the distinction of 'Grand Mécène de la Culture' in 2012.

For more information: wendelgroup.com

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