



W E N D E L

PRESS RELEASE - APRIL 28, 2022

Q1 2022 Trading update Good start of the year across portfolio

Q1 2022 consolidated net sales: €2,007.2 million, up 14.9% overall and up 9.9% organically year-on-year

- Strong growth across portfolio in Q1 2022
- Double digit organic growth for ACAMS, CPI, Constantia Flexibles and Tarkett
- Strong organic growth for Bureau Veritas (+8.0%) and Stahl (+5.0%)
- Positive FX impacts across the portfolio (+2.9% consolidated)

Net asset value as of March 31, 2022: €7,420 million or €165.8 per share, down 1% vs. March 31, 2021 (€167.4 per share) and down 11.9% YTD (€188.1), impacted by market fall

Active portfolio rotation and capital deployment since the start of 2022

- Disposal of Cromology closed on January 21, 2022, generating €896 million in proceeds for Wendel
- c.€304¹ million equity invested to acquire ACAMS on March 10, 2022
- Wendel Lab: €30.5 million new commitments in Q1 2022 bringing the total to €145 million
- €15 million of Wendel shares bought back in Q1 2022

Strong financial structure

- Successful issue of €300 million 12-year bond at 1.375% coupon on January 16, 2022
- LTV ratio of 5.8% as of March 31, 2022
- Further optimization of the cost and maturity of Wendel's debt: exercise on April 19, 2022, of the make-whole redemption of bonds maturing in October 2024, resulting in an average maturity extended to 7.1² years and an average weighted cost lowered to 1.7%
- Pro forma total liquidity of €1.7 billion³ as of March 31, 2022, including €960 million of cash and €750 million available under the committed credit facility (fully undrawn)

¹ c. \$338 million at 1.112 EURUSD

² As of March 31, 2022

³ Proforma the early repayment in whole of the bond maturing in October 2024, achieved on April 19, 2022

Return to shareholders and 2021 Dividend

- Wendel to cancel 377,323 of its treasury shares (0.84% of the share capital) on April 29, 2022. Cancellation of these shares will have a pro forma positive impact of +€0.7/share on the March 31, 2022's NAV due to the current significant share discount to NAV. Following the cancellation, the number of outstanding shares will be 44,370,620.
- Ordinary dividend of €3.0 per share for 2021, up 3.4%, to be proposed at the Annual Shareholders' Meeting on June 16, 2022, representing a yield of 2.85%¹.

André François-Poncet, Wendel Group CEO, commented:

“The first quarter of 2022 confirmed the overall organic trends observed at the end of last year in sales across our portfolio. This strong growth comes with challenging conditions regarding raw materials availability and price, but our companies have clearly shown their ability to adapt to fast changing environments. Our net asset value has been quite resilient, despite the first quarter stock market turmoil, and we opportunistically took advantage of the sizeable discount to NAV to buy back some Wendel shares.

We have continued our objective of capital redeployment in line with our roadmap with the acquisition of ACAMS which further enhances the growth profile of our portfolio, following the acquisition of CPI. This transaction was creative, illustrating our team's ability to carry out complex projects as the buyer of choice.

As we look forward, our robust balance sheet with relatively little corporate and portfolio company leverage overall and our long-term perspective should allow us to continue to execute our roadmap capitalizing on acquisition opportunities which will likely result from current volatile circumstances.”

¹ Based on Wendel's share price of €105.4 as of December 31, 2021

Q1 2022 sales of Group companies

Q1 2022 consolidated sales

(in millions of euros)	Q1 2021	Q1 2022	Δ	Organic Δ
Bureau Veritas	1,154.7	1,290.1	+11.7%	+8.0%
Constantia Flexibles	366.7	464.2	+26.6%	+17.8%
Stahl	210.1	224.9	+7.0%	+5.0%
Crisis Prevention Institute	15.3	20.8	+35.8%	+27.2%
ACAMS ⁽¹⁾	n.a	7.2	n.a	n.a
Consolidated net sales⁽²⁾	1,746.9	2,007.2	+14.9%	+9.9%

(1) ACAMS accounts have been consolidated since March 11, 2022.

(2) Comparable sales for Q1 2021 represent €1,746.9m vs. 2021 published sales of €1,912.8m. The difference of c. €166.0m corresponds to Cromology group, classified as asset held for sale in accordance with IFRS 5. The contribution of this portfolio company has been reclassified in "Net income from discontinued operations and operations held for sale" since November 2021. Cromology was sold by the Group beginning of 2022.

Q1 2022 sales of equity accounted companies

(in millions of euros)	Q1 2021	Q1 2022	Δ	Organic Δ
Tarkett	558.8	684.7	+22.5%	+19.2%

Sales of Group companies

Bureau Veritas – Strong organic revenue growth in the first quarter of 2022; Solid 2022 outlook confirmed

(full consolidation)

Bureau Veritas' revenue in the first quarter of 2022 amounted to €1,290.1 million, a 11.7% increase compared with Q1 2021. Organic growth was 8.0%, compared to a 2.5% increase in the last quarter of 2021 and benefited from a catch-up effect following the cyber-attack which occurred in Q4 2021.

Three businesses delivered strong organic growth, Industry 11.9%, Agri-Food & Commodities 9.5%, and Buildings & Infrastructure 7.1%. The rest of the portfolio saw mid-single-digit growth, with Marine & Offshore, up 6.5% organically, Consumer Products up 4.6% and Certification up 4.0%.

By geography, activities in Americas strongly outperformed the rest of Bureau Veritas (26% of revenue; up 17.1% organically), led by a 10.0% increase in North America (Buildings & Infrastructure driven) and by a 29.7% increase in Latin America (led by Brazil notably). The activity in Asia Pacific (29% of revenue; up 4.5% organically) benefited from robust growth in China and in Australia as well as strong growth in India. Europe (36% of revenue; up 3.9% organically) was led by robust performance in France, strong growth in Italy and the Netherlands. Finally, in Africa and the Middle East (9% of revenue), business increased by 13.9% on an organic basis, essentially driven by Buildings & Infrastructure and energy projects in the Middle East.

The scope effect was a positive 0.5%, reflecting bolt-on acquisitions realized in the past few quarters. Currency fluctuations had a positive impact of 3.2%, mainly due to the appreciation of the USD and pegged currencies against the euro, which was partly offset by the depreciation of some emerging countries' currencies.

2022 outlook confirmed:

Based on a healthy sales pipeline and the significant growth opportunities related to Sustainability, and assuming there are no severe lockdowns in its main countries of operation due to Covid-19, for the full year 2022, Bureau Veritas still expects to:

- Achieve strong organic revenue growth; mid-single-digit organic revenue growth;
- Improve the adjusted operating margin;
- Generate sustained strong cash flow with a cash conversion¹ above 90%.

For more information: <https://group.bureauveritas.com>

Constantia Flexibles –Record organic growth of 17.8% mostly driven by price increases, to compensate input cost inflation, as well as robust volume growth

(full consolidation)

Q1 2022 sales totaled €464.2 million, up 26.6% compared with Q1 2021 (€366.7 million). Constantia's sales were up by 17.8% organically over the period, driven mostly by waves of price increases to compensate for the inflationary pressure input costs, notably raw materials and energy. It is worth noting that Q1 2022 has marked an encouraging return to organic volume growth, confirming the good momentum instilled by the new management team's commercial initiatives. However, the market in India remains very challenging and management is reviewing several options for this division in order to address the challenges there.

Consumer market revenues grew organically by 20.0% driven by price increases and volume growth, notably in snacks and baked goods. The Pharma division posted +11.5% organic growth driven mainly by prices. Q1 2022 is not completely comparable with Q1 2021, benefiting from the acquisition of Propak in June 2021 (impact of +6.8%). The quarter is also positively impacted by favorable FX (+2.0%).

Constantia is carefully managing the inflationary cost environment as well as the availability of raw materials, particularly aluminum, focusing its efforts on preserving the profitability of the company working both on the passthrough of input costs as well as pursuing its cost control program.

On the sustainability front, Constantia is actively developing and promoting its Eolutions portfolio in line with the industry transformation towards recyclable packaging. With the above-mentioned Propak acquisition, Constantia has resumed acquisitions in the fragmented and consolidating flexible packaging market and is actively reviewing a number of bolt-on opportunities.

¹ Net cash generated from operating activities/Adjusted Operating Profit

Stahl – Sales up 7.0 % in Q1 2022, with organic growth of 5.0%

(full consolidation)

Stahl, the world leader in coating layers and surface treatments for flexible materials, posted total sales of €224.9 million in Q1 2022, representing an increase of +7.0% versus Q1 2021. Organic growth stood at +5.0% over the quarter while FX was positive (+2.0%).

Activity over the first quarter of the year was above expectations at group level, with a strong performance in Performance Coatings offsetting lower than expected volumes in Leather Chemicals. Across all segments, price increases were implemented at the beginning of the year to mitigate the strong impact of rising input costs. Management continues to closely monitor the inflationary environment and is ready to take additional measures to protect its margin where needed.

Orderbook increased in Q1 2022, and is close to the all-time high, as new intakes remained solid in volumes and benefited from price increases measures. This gives good visibility on the topline performance in Q2 2022.

Crisis Prevention Institute – Revenue growth of +26.4% as compared with Q1 2021, a result of ongoing demand for new Certified Instructors and successful new programs

(full consolidation)

Crisis Prevention Institute recorded first quarter 2022 revenue of \$23.4 million, up +26.4% vs. Q1 2021. Of this increase, +27.2% was organic growth, offset by -0.8% impact from FX movements. Despite the Omicron COVID surge in early 2022, CPI continued to see volume growth in new Certified Instructors (CIs) and uptake of new program launches, like Special Topics. Growth was tempered by COVID-related delays of onsite programs (which were rescheduled into Q2 2022), but compared to Q1 2021, the number of affected programs were less, as the previous year's Q1 experienced more widespread COVID restrictions.

CPI continues to enjoy a mix shift toward digital solutions for both new CIs and renewals, with programs retaining the required in-person components. Virtual Learner Materials continued to expand in the share of delivery representing 45% of Learner Materials sales and 34% of total Learner Material volumes, above the 30% and 11% volume levels in 2020 and 2019.

ACAMS – Strong start to the year for ACAMS, with year-to-date revenue growth of +31.2%

(full consolidation since March 11, 2022)

ACAMS, the global leader in training and certifications for anti-money laundering and financial-crime prevention professionals, generated total revenue of \$24.8 million, up 31.2% vs. Q1 2021. Certifications, Memberships, and Training sales each grew at double-digit rates vs. Q1 2021. Conferences generated the highest growth of any segment as a result of both a return to in-person events with growing attendance and also a timing benefit as ACAMS' second-largest conference took place in Q1 2022, while the previous year's event was held in Q2 2021. Organic growth for the quarter ending in March was 31.0%, and the impact of foreign exchange was 0.2%.

Wendel completed the acquisition of ACAMS on March 10, 2022.

Tarkett – Solid performance driven by sustained activity and the acceleration in selling price increases

(Mise en équivalence depuis le 07/07/2021)

Net revenue was €685 million, up by +22.5% compared to the first quarter of 2021. Organic growth reached +19.2% including selling price increases in the CIS countries implemented to offset the inflation in purchasing costs and the devaluation of the rouble¹. The total effect of the selling price increases implemented across all segments is +12.9% on average compared to the first quarter of 2021.

The EMEA segment achieved revenue of €238 million, an increase of +8.1% compared to the first quarter of 2021 due to the acceleration of selling price increases.

The North America segment reported revenue of €204 million, an increase of +27.3% compared to the first quarter of 2021, reflecting solid like-for-like growth of +18.1% and a positive exchange rate effect.

Revenue in the **CIS, APAC and Latin America segment** was €134 million, an increase of +18.7% compared to the first quarter in 2021 despite a negative foreign exchange effect linked to the rouble, partially offset by the appreciation of the Brazilian real.

In Russia, Tarkett has been producing flooring for the Residential market for over 20 years. Aware of its responsibility as an employer, particularly to its 1,550 local employees, the company continues to operate in the country in full compliance with local and international regulations. However, Tarkett has frozen all significant new investments in Russia. Anticipating a fall in demand and increase in supply restrictions, the company expects a marked slowdown in the second quarter, although it is currently impossible to quantify.

As expected, business grew strongly in the **Sports segment**. Revenue was €109 million, up by +66.0% and including +55.7% organic growth compared to the first quarter of 2021. North America is the strongest geographical region thanks to sustained demand and success of the Tarkett range. Backlog remains at a particularly high level.

Actions to reduce the cost structure are well underway and Tarkett is forecasting around €30 million of annual structural savings in 2022.

The significant increase in oil and energy prices will contribute to the increase in purchasing costs now valued at €250 million compared to 2021 (against an estimated €220 million at the beginning of the year).

Tarkett continues to implement selling price increases across all its geographies to offset the effect of increased purchasing costs over the year. At the current level of purchasing prices, the company is targeting a neutral inflation balance over the year (selling price effect compared to 2021 minus purchasing price effect).

For more information: <https://www.tarkett-group.com/en/investors/>

IHS Towers – IHS Towers will report its Q1 2022 consolidated sales in May.

¹ Price adjustments in the CIS are historically implemented to offset currency fluctuations and therefore excluded from organic growth. Excluding those price adjustments, organic growth reached +15.2% (please refer to the company's press release).

Wendel's net asset value: €165.8 per share as of March 31, 2022

NAV as of March 31, 2022, was prepared by Wendel in compliance with its methodology¹.

Net Asset Value was €7,420 million or €165.8 per share as of March 31, 2022 (see detail in Appendix 1 below), vs. €167.4 on March 31, 2021, representing a decrease of 1.0%. Since December 31, 2021, Net Asset Value is down 11.9%, following markets fall over the period.

The discount to NAV was 46.4% as of March 31, 2022.

Wendel further improves its debt profile and structure

Gross debt as of the end of March 31, 2022, stood at €1,950 million, with, net cash position of €1,498 million resulting in a net debt of €452 million. LTV ratio was 5.8%.

On January 16, 2022, Wendel successfully issued a €300 million 12-year bonds at 1.375% coupon.

On April 19, 2022, Wendel achieved the exercise of the make-whole redemption of its bonds maturing in October 2024 with outstanding principal of €500 million and bearing interest at 2.750% at a price determined in accordance with the terms and conditions of the bonds. This initiative further optimized the cost and the maturity of Wendel's debt. Wendel average maturity was extended to 7.1 years² and its average weighted cost of debt lowered to 1.7%.

As of March 31, 2022, Wendel's total liquidity was €1.7 billion³, including €960 million of cash and a €750 million committed credit facility (fully undrawn).

2022 other significant events:

Wendel acquires ACAMS, the world's largest membership organization dedicated to fighting financial crime

Announced on January 24, 2022, Wendel has completed the acquisition of the Association of Certified Anti-Money Laundering Specialists ("ACAMS" or the "Company") from Adatalem Global Education (NYSE: ATGE) on March 10, 2022. Wendel invested c.\$338 million of equity for a c. 98% interest in the Company, alongside ACAMS' management and a minority investor.

ACAMS is the global leader in training and certifications for anti-money laundering ("AML") and financial crime prevention professionals. ACAMS has a large, global membership base with more than 90,000 members in 175 jurisdictions, including over 50,000 professionals who have obtained their CAMS certification-an industry-recognized AML qualification- that promotes ongoing education through participation in conferences, webinars, and other training opportunities.

The Company has approximately 275 employees primarily located in the U.S., London and Hong Kong that serve its global customers.

Sale of Cromology completed

After obtaining the necessary authorizations, Wendel announced on January 21, 2022, the completion of the sale of Cromology to DuluxGroup, a subsidiary of Nippon Paint Holdings Co., Ltd. For Wendel, the transaction generated net proceeds of €896 million or €358 million above Cromology's valuation in Wendel's net asset value published before the transaction announcement, i.e., as of June 30, 2021.

This transaction is a milestone in Wendel's 2021-24 roadmap, and its target to accelerate the redeployment of its capital toward growth companies.

¹ See page 332 of the 2021 Universal Registration Document for the NAV methodology.

² As of March 31, 2022

³ Proforma the early repayment in whole of the bond maturing in October 2024, achieved on April 19, 2022

Return to shareholders and Dividend

An ordinary dividend of €3.0 per share for 2021, up 3.4%, will be proposed at the Annual Shareholders' Meeting on June 16, 2022, representing a yield of 2.85%¹. Ex-date will be on June 20, 2022, and payment date will be on June 22, 2022.

€15 million of Wendel shares were repurchased in Q1 2022.

Wendel will cancel 377,323 of its treasury shares (0.84% of the share capital) on April 29, 2022. The cancellation of these shares will have a pro forma positive impact of +€0.7/share on the March 31, 2022's NAV due to the current significant share discount to NAV. Following the cancellation, the number of outstanding shares will be 44,370,620.

¹ Based on Wendel's share price of €105.4 as of December 31, 2021

Agenda

06/16/2022

Shareholders' Meeting

07/29/2022

H1 2022 results – Publication of NAV as of June 30, 2022 (pre-market release)

08/03/2022

Publication of consolidated first-half financials (pre-market release)

10/28/2022

Q3 2022 trading update – Publication of NAV as of September 30, 2022 (pre-market release)

12/01/2022

Investor Day 2022

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 Bureau Veritas, ACAMS, Constantia Flexibles, Crisis Prevention Institute, IHS Towers, Stahl 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.

Wendel is listed on Euronext 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 – Short-term: P-2 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

Follow us on Twitter [@WendelGroup](https://twitter.com/WendelGroup)



TRANSPARENCE LABEL OR

Member of

**Dow Jones
Sustainability Indices**

Powered by the S&P Global CSA

Press contacts

Christine Anglade-Pirzadeh: +33 (0)1 42 85 63 24
c.anglade@wendelgroup.com

Caroline Decaux: +33 (0)1 42 85 91 27
c.decaux@wendelgroup.com

Alexis de Maigret / Jawad Khatib I: +33 (0)6 12 66 22 49
Vae Solis Communications
wendel@vae-solis.com

Todd Fogarty: + 1 212 521 4854
Kekst CNC
todd.fogarty@kekstcnc.com

Analyst and investor contacts

Olivier Allot: +33 (0)1 42 85 63 73
o.allot@wendelgroup.com

Lucile Roch: +33 (0)1 42 85 63 72
l.roch@wendelgroup.com

Appendix 1: NAV as of March 31, 2022: €165.8 per share

(in millions of euros)			03/31/2022	12/31/2021
Listed equity investments	<u>Number of shares</u>	<u>Share price</u> ⁽¹⁾	4,864	5,559
Bureau Veritas	160.8/160.8 m	€25.9/€28.7	4,162	4,616
IHS	63.0/63.0m	\$10.4/\$13.5	592	748
Tarkett		€13.2/€18.6	110	195
Investment in unlisted assets ⁽²⁾			2,901	3,732
Other assets and liabilities of Wendel and holding companies ⁽³⁾			108	97
Net cash position & financial assets ⁽⁴⁾			1,498	650
Gross asset value			9,370	10,038
Wendel bond debt			-1,950	-1,619
Net Asset Value			7,420	8,419
<i>Of which net debt</i>			<i>-453</i>	<i>-969</i>
<i>Number of shares</i>			<i>44,747,943</i>	<i>44,747,943</i>
Net Asset Value per share			€165.8	€188.1
Wendel's 20 days share price average			€88.9	€102.3
Premium (discount) on NAV			-46.4%	-45.6%

(1) Last 20 trading days average as of December 31, 2021, and March 31, 2022

(2) Investments in non-publicly traded companies (Cromology (as of December 31, 2021), Stahl, Constantia Flexibles, Crisis Prevention Institute, ACAMS (as of March 31, 2022), Wendel Lab). Aggregates retained for the calculation exclude the impact of IFRS 16. ACAMS investment being valued for the first time in the Net Asset Value, calculation is weighted at 100% on acquisition multiple and 0% on listed peer-group multiples, as per methodology.

(3) Of which 1,116,456 treasury shares as of December 31, 2021, and 1,278,422 treasury shares as of March 31, 2022

(4) Cash position and financial assets of Wendel & holdings. As of March 31, 2022, this comprises €1.2 bn of cash and cash equivalents and €0.3 bn short term financial investment.

Assets and liabilities denominated in currencies other than the euro have been converted at exchange rates prevailing on the date of the NAV calculation.

If co-investment and managements LTIP conditions are realized, subsequent dilutive effects on Wendel's economic ownership are accounted for in NAV calculations. See page 374 of the 2021 Universal Registration Document.