

Q1 2020 Trading update



2020

INVESTING FOR THE LONG TERM



WENDEL

NAV : €118.2 per share, down 28.9% year-to-date (as of March 31, 2020)

- Impacted by stock market decline and updates in metrics used for the valuation of unlisted assets

Q1 2020 consolidated net sales: €1,875.1m⁽¹⁾ , down 2.5% overall

and down 2.9% organically year-on-year

COVID-19 update

- First evidence of the negative impact on companies' activities, with strong effect starting mid to late March
- Essential activities such as those of Constantia Flexibles and of IHS have been much less affected to date

(1) Difference of 129.7M€ corresponds to sales of TSEBO 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"

— Disposal of the entire remaining stake in Allied Universal

Disposal of the entire remaining stake in Allied Universal closed on April 29, 2020

- Additional proceeds of c.\$196 million, subject to price adjustments
- Total net proceeds: 2.5 times equity invested and an investment \$IRR of c.30% p.a.

This sale further bolsters our financial structure

- LTV ratio at 8.6% as of March 31, 2020 (c. 5.8% pro forma for sale of remaining stake in Allied Universal, as a consequence of the decrease of net debt to c. €318m pro forma)
- Total liquidity⁽¹⁾ of €1.9 billion as of March 31, 2020 and €2.1 billion pro forma of Allied Universal remaining stake sale

(1) Cash and cash equivalents + €750m RCF, undrawn

Q1 2020 performance of Group's companies

	Sales	Δ	Organic growth	External growth	FX impact
Bureau Veritas	€1,139.5	-3.0%	-1.6%	-0.3%	-1,1%
IHS Towers ⁽¹⁾	\$328m	+8.2%	+10.4%	+0.9%	-3.1%
Constantia Flexibles	€383.9m	+0.7%	-0.6%	+0.5%	+0,7%
Stahl	€201.0m	-2.4%	-3.0%	0.0%	+0.7%
Cromology	€135.5m	-16.0%	-16.5%	+0.2%	+0.3%
Crisis Prevention Institute	\$16.8m	-10.1% ⁽²⁾	-4.7%	0.0%	-0.5%
Tsebo ⁽³⁾	\$114.5m	-9.3%	-4.5%	+2.5%	-7.3%

(1) IHS Towers is consolidated under the equity method. Scope impact includes Kuwait deal only, CSS acquisition (Latam) to be included in Q2.

(2) Of this delta, -4.9% was related to a purchase accounting adjustment to deferred revenue. CPI accounts have been consolidated since the 31st of December 2019. Sales includes a PPA restatement impact of -0,9M\$. Indicative organic growth is calculated on three months activity.

(3) In accordance with IFRS 5, Tsebo's contribution to Wendel has been reclassified as "Net income from discontinued operations and operations held for sale"

NAV of €118.2 as of March 31, 2020

(in millions of euros)			Mar. 31, 2020
Listed equity investments	<u>Number of shares</u>	<u>Share price</u> ⁽¹⁾	2,928
• Bureau Veritas	160.8 million	€18.2	2,928
Investments in unlisted assets ⁽²⁾			2,801
Other assets and liabilities of Wendel and holding companies ⁽³⁾			51
Cash and marketable securities ⁽⁴⁾			1,129
Gross asset value			6,909
Wendel bond debt			-1,629
Net asset value			5,280
<i>Of which net debt</i>			-499
<i>Number of shares</i> ⁽⁵⁾			44,682,308
Net asset value per share			€118.2
Wendel's 20 days share price average			€80.9
Premium (discount) on NAV			-31.5%

(1) Last 20 trading days average as of March 31, 2020.

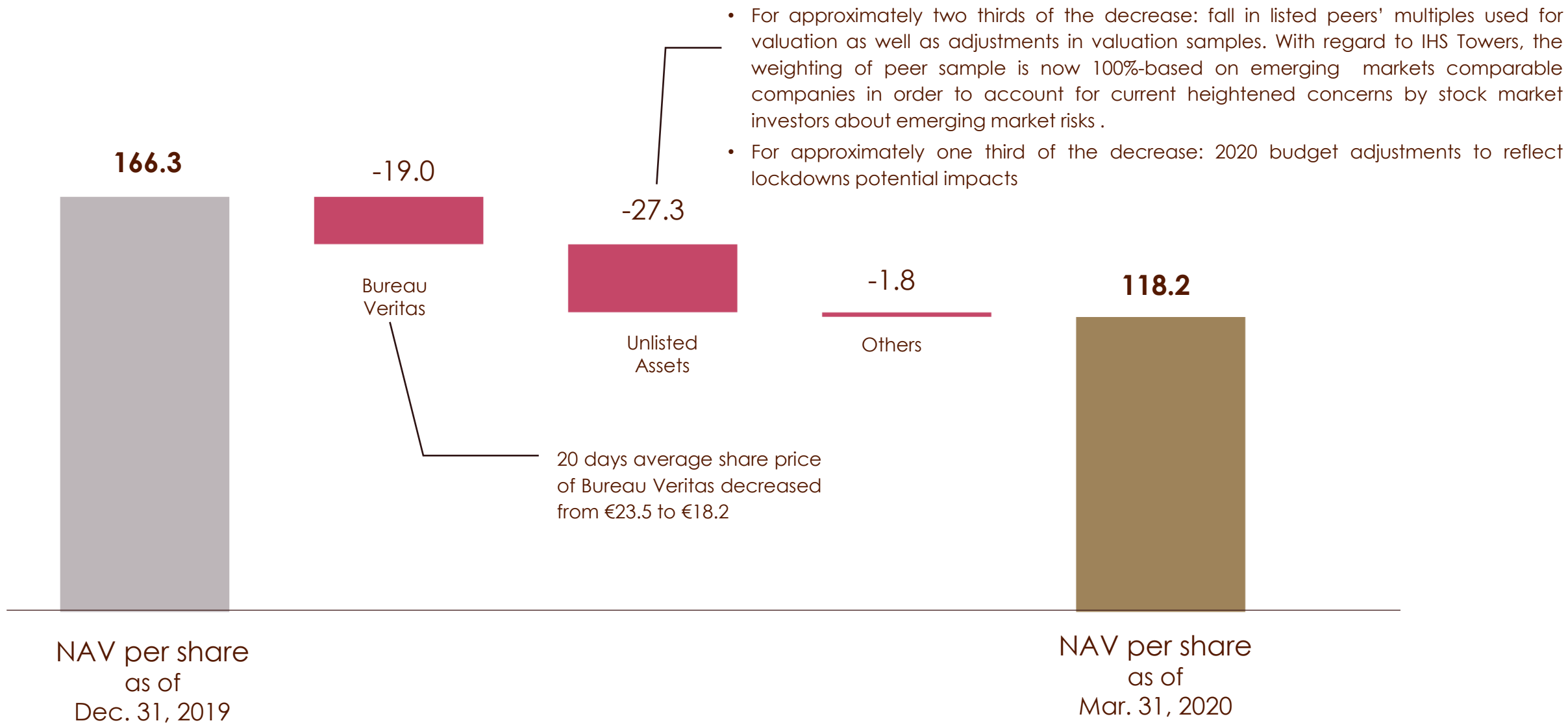
(2) Investments in non-publicly traded companies (Cromology, Stahl, IHS, Constantia Flexibles, Allied Universal, Tsebo, Crisis Prevention Institute, indirect investments). As per its methodology, Wendel discarded companies in Stahl's and IHS's peer samples as their respective characteristics were deemed no more comparable in the post-covid19 financial markets environment. As per previous NAV calculation as of December 31, 2019 IHS valuation as of March 31, 2020 was solely performed based on EBITDA which is at this stage the most relevant sub-total. Residual stake in Allied Universal is valued after the closing of Wendel's partial disposal. Stake in Crisis Prevention Institute is valued at the acquisition price.

(3) Of which 943,802 treasury shares as of March 31, 2020.

(4) Cash position and financial assets of Wendel & holdings. As of March 31, 2020, this comprises € 0.9bn of cash and cash equivalents and € 0.3bn short term financial investment

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 346 of the 2019 Universal Registration Document

Net Asset Value bridge since January 2020



Strong liquidity profile as of March 31, 2020

LTV ratio:
 8.6% (**c. 5.8%**
 pro forma for sale
 of remaining stake
 in Allied Universal)

Average maturity:
5.3 years

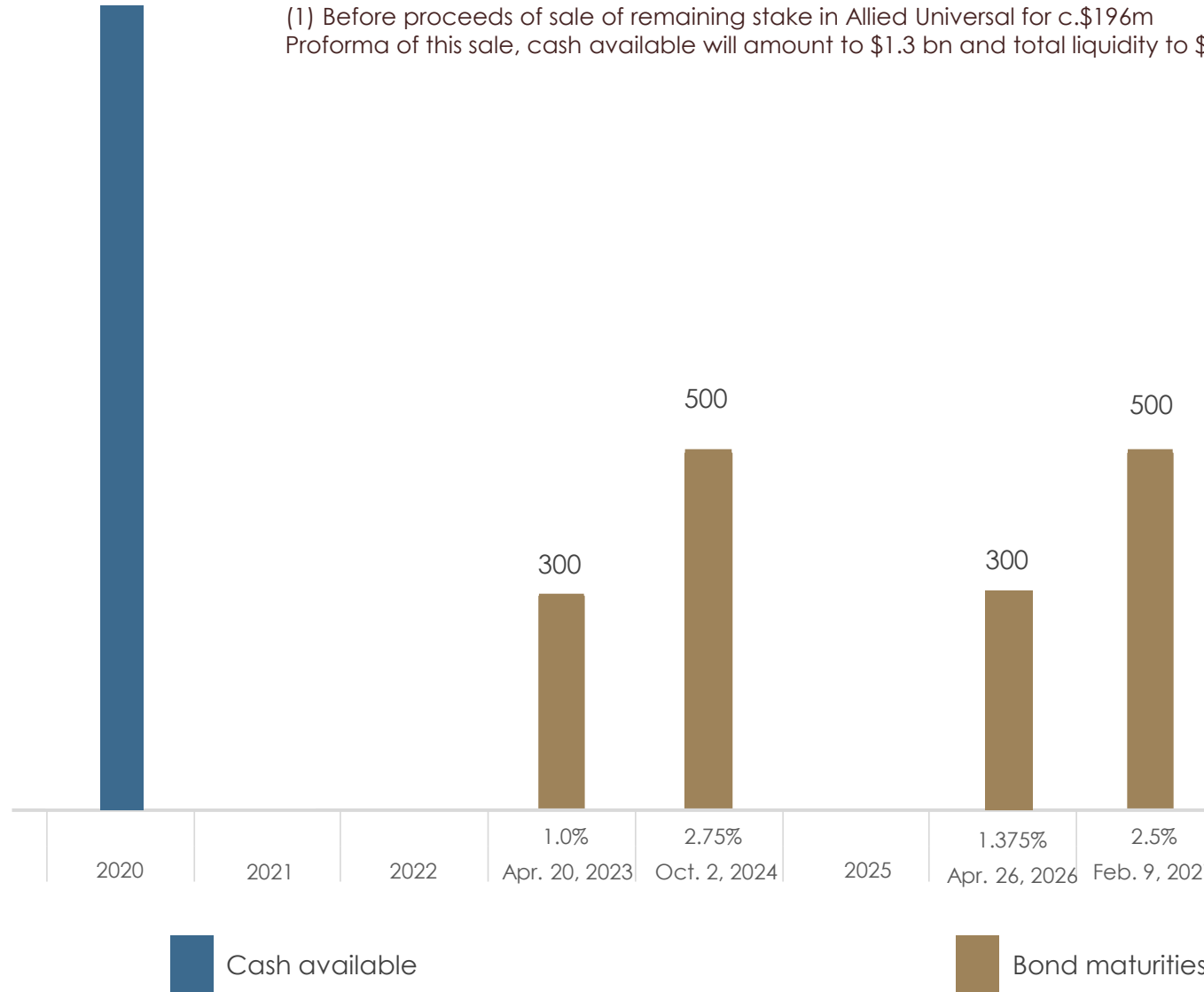
**€1.9 bn total
 liquidity⁽¹⁾**

Moody's credit rating:
Baa2/stable
 Since September 5, 2018

S&P credit rating:
BBB/stable
 Since January 25, 2019

€1.13 bn cash⁽¹⁾ + €750m undrawn credit facility expiring Oct. 2024

(1) Before proceeds of sale of remaining stake in Allied Universal for c.\$196m
 Proforma of this sale, cash available will amount to \$1.3 bn and total liquidity to \$2.1 bn





Considerable uncertainties such as the future timing, sequence, processes for and effects of the end of lockdowns, the state of economies, the mindset of consumers as we emerge from the crisis...



Intense efforts are being deployed to mitigate negative impacts on employees (health and safety are the number one priority), communities and of course on their business as well as on their liquidity and cash flow.



We are well equipped to weather these extraordinary times:
Experienced teams, strong balance sheet and modest leverage, ample liquidity, extended debt maturities and solid investment grade ratings.

Q&A session



W E N D E L

Financial agenda

07/02/2020

2020 Annual General Meeting

07/30/2020

Q2 Trading update / Publication of NAV as of June 30, 2020, and Q2 trading update (post-market release)

09/16/2020

2020 Half-Year consolidated financial statements / Condensed Half-Year consolidated financial statements (post-market release) - No NAV publication

11/04/2020

2020 Investor Day / Presentation of NAV as of September 30, 2020, and Q3 2019 trading update (publication post-market release on 11/03/2020)

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