

Investor Day

November 4, 2020



2020

LONG-TERM INVESTOR



W E N D E L

— Agenda



Wendel update

André François-Poncet, Group CEO



Wendel - Q3 trading update & NAV

Jérôme Michiels, Executive Vice President and Group CFO



Portfolio management & Investment strategy

David Darmon, Group Deputy CEO

Selected unlisted companies' presentations



Cromology

Loïc Derrien, CEO



Stahl

Huub van Beijeren, CEO



Constantia Flexibles

Pim Vervaat, CEO



Crisis Prevention Institute

Adam Reinmann, Wendel North America CEO
Tony Jace, CEO

— How to ask questions to our speakers

Over the phone



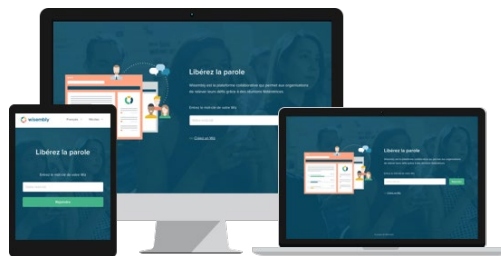
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UK : +44 (0) 2071 928338
FR : +33 (0)170700781
US : +16 467 413 167

French version in listen only mode
Access code :1097756

English version – For oral questions
Access code : 4994204

OR

From the webcast, you can write your questions directly via the platform



Wendel update

André François-Poncet – Group CEO



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NAV : €145.3 per share, **up +4.9% since June 30** positively impacted by a rebound in the stock market and by updates in aggregates used for the valuation of unlisted assets

Preliminary estimate of CPI valuation methodology would suggest a slightly up NAV versus June 30

As of end of September, **NAV is down 12.6% year to date**

Discount to NAV reached very high level to **44,4%**



Consolidated sales of €5.5bn, **down 9.1% overall** and **down 7.4% organically**



Solid financial structure, **€1.9bn liquidity** and **6.4% LTV**

Wendel



Finalized disposal of remaining stake in Allied Universal

Maintained Wendel dividend

Rightsized Wendel office footprint

Accelerating on ESG

Transferring Tsebo shares to lenders investment arms⁽¹⁾

Portfolio



Recruited Pim Vervaat as Constantia CEO

COVID-19 crisis : All companies exceeded initial expectations

IHS successfully amended contract terms with MTN Nigeria and announced on August 14 exploring a potential registered IPO in the US

Stahl's successful amend & extend of its debt

— A high discount for Wendel shares relative to NAV

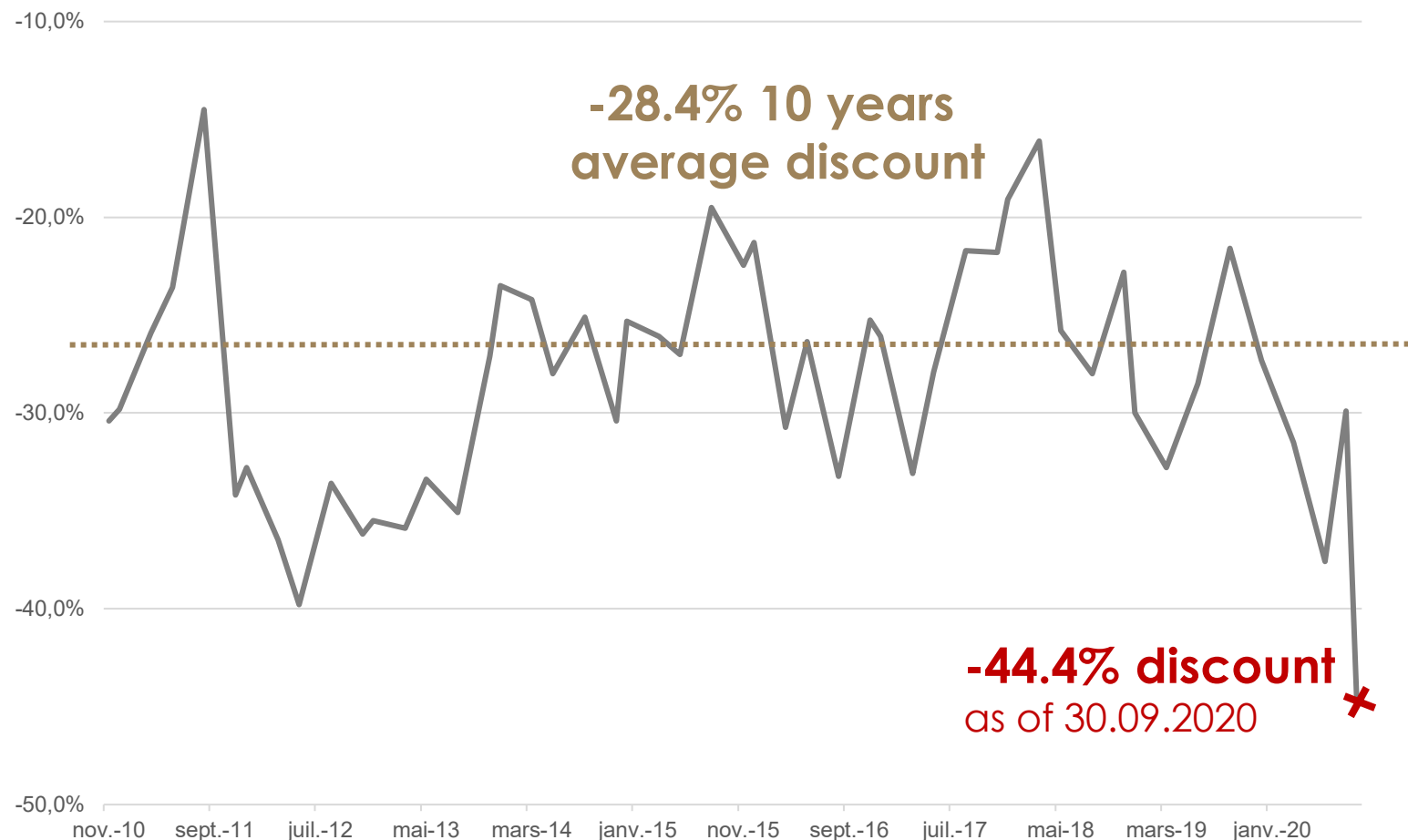
A high discount despite :

Comparably low leverage
at the level of Wendel SE
and portfolio levels

An overall financially
resilient and refocused
portfolio

Stable dividend payment in
spite of the COVID crisis,
implying a c.3.5% yield

Cash on hand, plentiful and
ready to be deployed for
investments





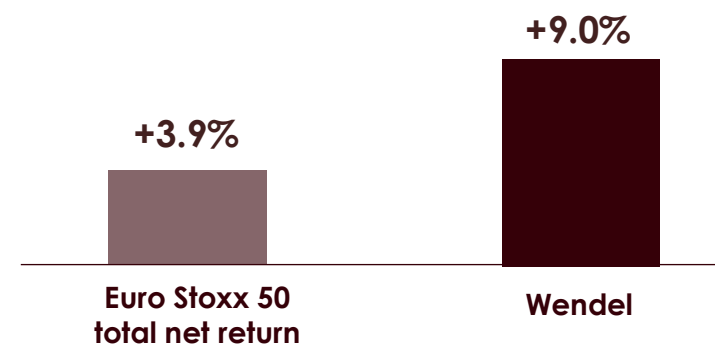
Dividend maintained (€2.8 per share), equal to last year



Opportunistic share buyback program: up to 0.75% of issued capital by the end of 2020 (regulatory limit)

€1.8 billion
returned to shareholders
over the last 10 years
54% through dividends
46% through share buybacks

Annualized TSR since June 13, 2002



Source: FactSet, TSR calculated with respect to average last 20 trading days prior to 09/30/2020

Trading update

Jérôme Michiels – CFO, Executive Vice President



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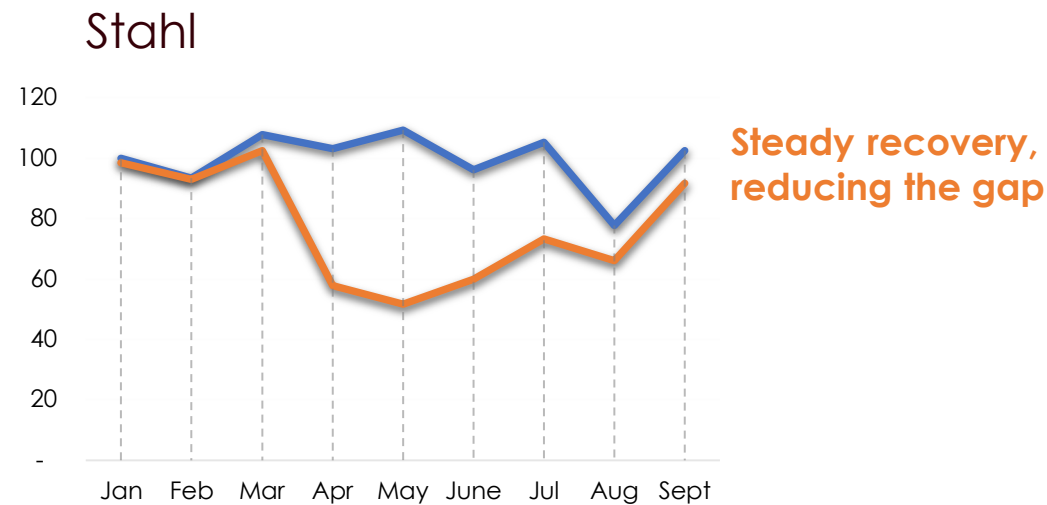
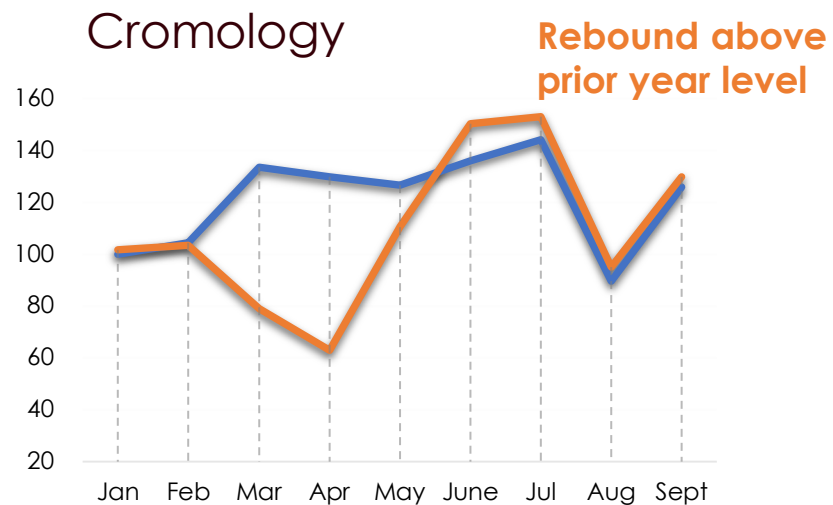
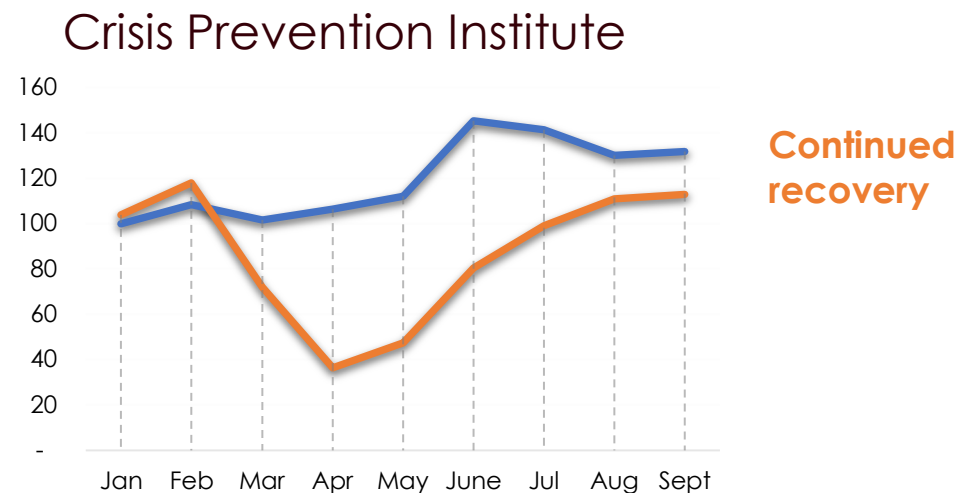
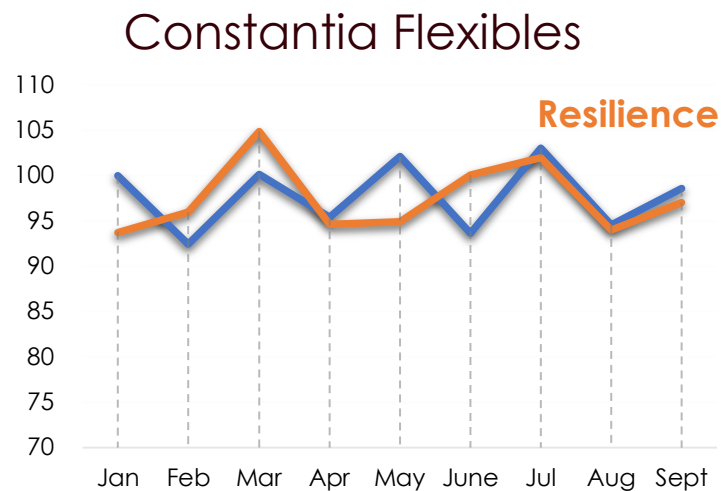
WENDEL

— Trading update – Improved trend in consolidated sales

Consolidated sales of **€5.5bn** over 9 months, **down 9.1% overall** and **down 7.4% organically**

	Q1 2020	Q2 2020	Q3 2020	9M 2020
Consolidated sales (in €m)	1,875.1	1,717.5	1,885.0	5,477.6
Total growth	-2.5%	-17.4%	-6.8%	-9.1%
of which organic growth	-2.8%	-15.6%	-3.4%	-7.4%
of which scope effect	+0.8%	+0.1%	+0.7%	+0.5%
of which FX impact	-0.5%	-1.9%	-4.2%	-2.2%

Monthly sales analysis: impact of COVID-19 on our consolidated unlisted companies



— Trading update – Net Asset Value at €145.3, down 12.6% year to date

NAV at **€6,493m** and NAV per share at **€145.3** as of September 30, 2020

Up 4.9% since June 30, 2020 :

- **Increase of the value of unlisted assets: by 12.0%**, of which:
 - For approximately 60% of the increase: increase in listed peers' multiples.
 - For approximately 40% of the increase: company forecasts for 2020 revised upwards following better than expected performance over Q3; CPI still valued at transaction price in Q3 2020 as per our methodology.
- **Increase of Bureau Veritas' share price: 0.8 %**

NAV of €145.3 as of September 30, 2020

(in millions of euros)			September 30, 2020
Listed equity investments	<u>Number of shares</u>	<u>Share price</u> ⁽¹⁾	3,129
• Bureau Veritas	160.8 million	€19.5	3,129
Investments in unlisted assets ⁽²⁾			3,772
Other assets and liabilities of Wendel and holding companies ⁽³⁾			39
Cash and marketable securities ⁽⁴⁾			1,148
Gross asset value			8,087
Wendel bond debt			-1,593
Net asset value			6,493
<i>Of which net debt</i>			-446
<i>Number of shares</i> ⁽⁵⁾			44,682,308
Net asset value per share			€145.3
Wendel's 20 days share price average			€80.9
Premium (discount) on NAV			-44.4%

(1) Last 20 trading days average as of September 30, 2020

(2) Investments in non-publicly traded companies (Cromology, Stahl, IHS, Constantia Flexibles, Tsebo, Crisis Prevention Institute, indirect investments). As per previous NAV calculation IHS valuation was solely performed based on EBITDA which is at this stage the most relevant sub-total. Aggregates retained for the calculation exclude the impact of IFRS16.

(3) Of which 926 927 treasury shares as of September 30, 2020

(4) Cash position and financial assets of Wendel & holdings. As of September 30, 2020, this comprises € 0.9bn of cash and cash equivalents and € 0.3bn 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 will be accounted for in NAV calculations. See page 346 of the 2019 Registration Document



In compliance with our methodology, CPI is held at the original transaction value (\$569 million) in September 30, 2020 NAV. So far, the valuation is only impacted by EUR/USD changes.



On December 31st, 2020, Net asset Value, CPI will be revalued with market multiples, applied to 2020 & 2021 aggregates.

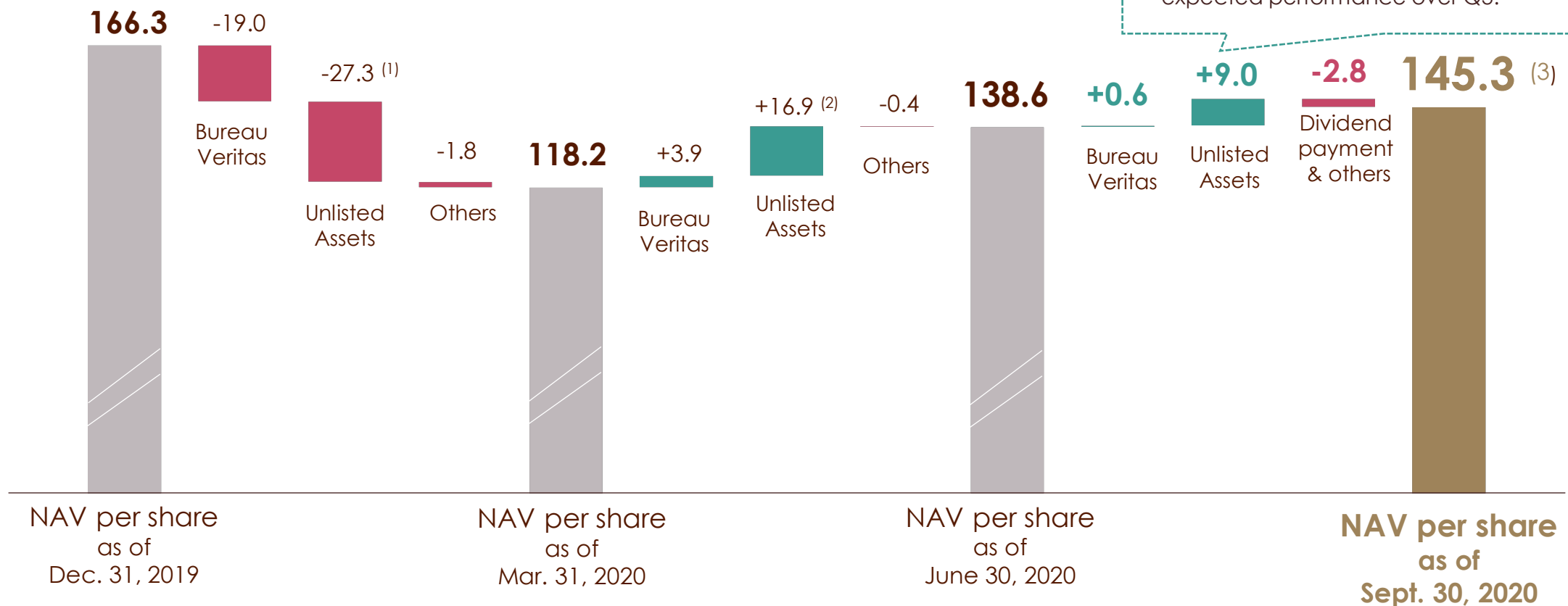


There are no "pure" comparable companies, but there are “business model like” companies centered around such characteristics as recurring revenues from license, subscription and training or certification in governance, risk, compliance services or data.



As a preliminary indication, should CPI's valuation be based on multiples, the September 30 NAV of Wendel would have been slightly up versus June 30

Net Asset Value bridge since January 2020



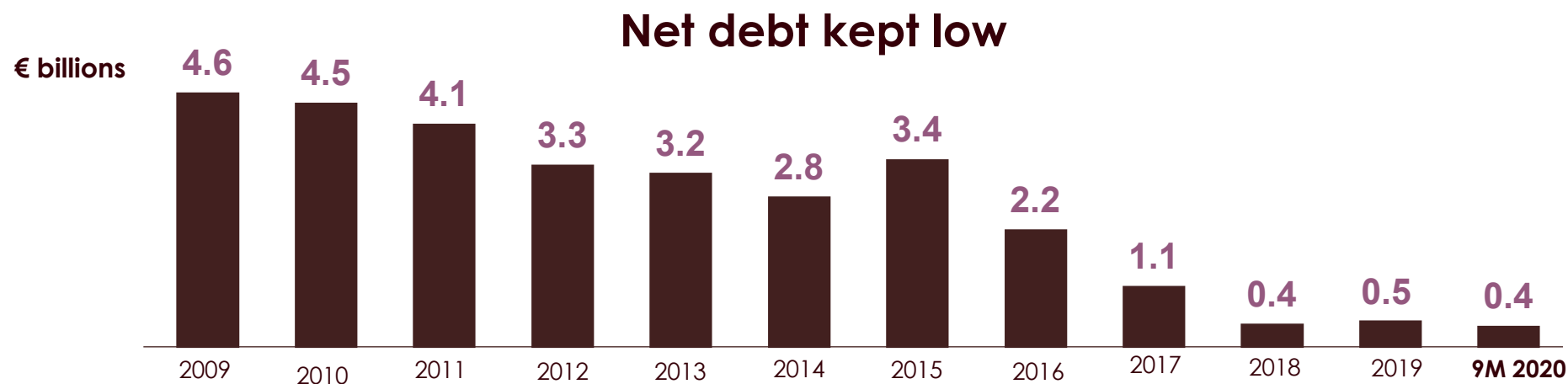
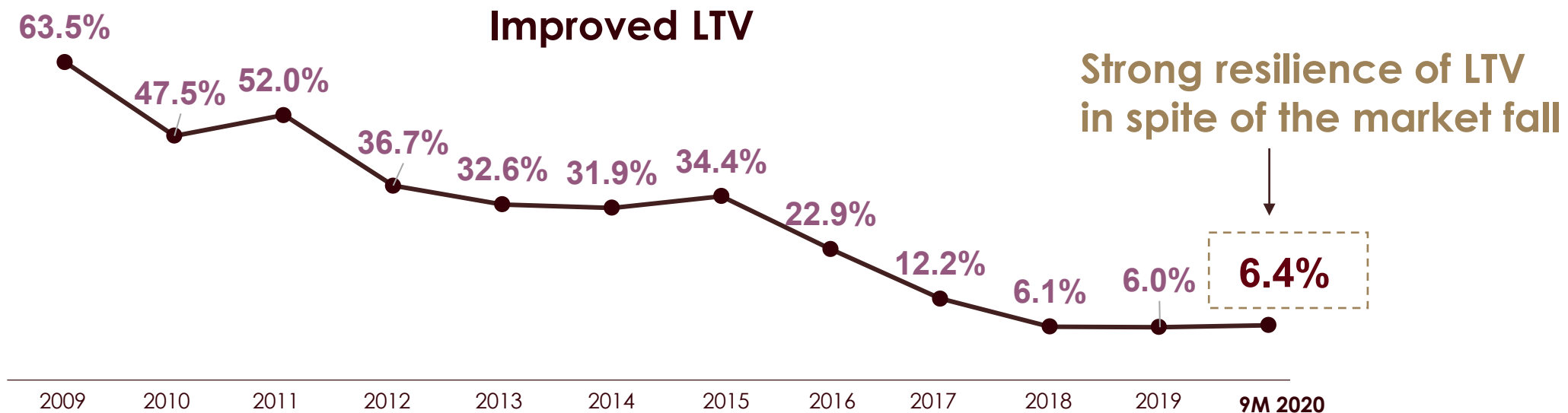
- For approximately c. 60% of the increase: increase in listed peers multiples used for valuation. CPI still valued at transaction price as per our methodology.
- For approximately 40% of the increase: company forecasts for 2020 revised upwards following better than expected performance over Q3.

(1) For approximately 2/3 of the decrease: fall in listed peers' multiples used for valuation as well as adjustments in valuation samples weightings. With regard to IHS Towers, the weighting of peer sample is 100%-based on emerging markets comparable companies. For approximately 1/3 of the decrease: 2020 budget adjustments to reflect lockdowns potential impacts

(2) For approximately 80% of the increase: rebound in listed peers multiples used for valuation since the end of March 2020. For approximately 20% of the increase: increase in companies' aggregates following better than expected performance during H1 leading to some upward budget revisions

(3) In compliance with the Net Asset Value methodology, Wendel's investment in CPI is held at the original transaction value (\$569 million) until and including the September 30, 2020 NAV. After this date, the valuation will be based on a basket of listed peers. Wendel currently estimates that CPI's recent financial performance and uncertain outlook may significantly reduce the value of its investment in the company.

Leverage – Net debt at low level and strong resilience of LTV ratio



2024 Roadmap & Investment strategy

David Darmon, Group Deputy CEO



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Investment strategy in the current context



Preserving the current portfolio's value creation potential in the face of Covid



Supporting our portfolio companies selectively in their external growth strategy



Building a diversified investment portfolio of 7-10 companies with balanced exposure to listed and unlisted companies



Redeploying capital towards higher growth businesses exposed to favorable ESG trends



Keeping a strong financial structure

Implementing our strategy



- Broadly balanced listed/unlisted investment allocations
- Active and influential ownership
- Moderate to low macro correlation between assets in portfolio
- Looking for more growth
- Growing Wendel Lab to nurture expertise and create direct opportunities in due course



Focus on :

- Western Europe, particularly France,
- North America (US and Canada)



- Strong focus on ESG and compliance, starting in due diligence

— Capital deployment: looking for companies meeting most of the following criteria



Businesses which score highly on ESG criteria



Robust cash flow generation and adequate leverage



Growing end markets with upside and/or consolidation potential



Moderate exposure to business cycles



Well established business model benefiting from strong barriers to entry
Limited substitution risk



Balanced governance mechanisms that enable us to fully assume our role as shareholder



Existing or potential industry/segment leadership



Where Wendel can uniquely contribute and with long term perspectives

— We designed a comprehensive ESG framework for Wendel and portfolio companies

Defining Wendel's alignment with the following **UN Sustainable Development Goals (SDGs)**:



2023 ESG roadmaps with 4 priorities



- Climate change
- Gender parity
- Health and safety (employees/consumers)
- Sustainable and/or eco-designed products and services



Signing of the United Nations' *Principles for Responsible Investment (PRI)* and of the France Invest Parity charter

Acknowledgment of our continued efforts on the ESG front



Gender diversity and Transparency

- **Placed 24th** on the SBF120 Women in Leadership positions
- **Ranked 4th most transparent company of the SBF120 index** at the 2020 Labrador Transparency Awards



Extra-financial ratings 2020



AA score
(sectoral leader)



Low Risk
Ranked #1 among
peers of similar market
cap



Conclusion

André François Poncet, Group CEO



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— Wendel is well positioned to seize further opportunities



Resilient overall portfolio stability with significant exposure to beneficiaries from ESG tailwinds



Moderate leverage at corporate & portfolio company levels



Roadmap to deploy capital



Opportunity to embed ESG deeply into the firm, for competitive advantage



Tightened and agile organization and portfolio with strong focus, new leadership

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