

Acquisition of ACAMS

24 January 2022



WENDEL

Investing *for the long term*

2022

ACAMS 

A global community
dedicated to ending
financial crime



— Transaction overview (1/2)



On January 24, Wendel signed a **binding commitment to acquire ACAMS**, (Association of Certified Anti-Money Laundering Specialists or the "Company"), the **global leader in training and certifications for anti-money laundering and financial crimes prevention professionals**

- Over its 20-year history, ACAMS developed a **knowledge of global financial criminal activity and the corresponding regulatory framework** that help clients to remain at the **forefront of compliance regulations**
- **Certified Anti-Money Laundering Specialist ("CAMS") certification and global membership is recognized as the gold standard** by institutions, governments and regulators worldwide
- The Company serves **public and private sector organizations in 175 countries**, primarily **banks and other financial institutions and with 40% of revenues derived from the US**
- **Scott Liles**, ACAMS President and Managing Director, **will become its CEO upon closing**
- **Wendel to support the ACAMS leadership team and employees** in expanding its important mission





A primary situation and corporate carve-out

Investment's key characteristics

- On January 24, Wendel announced **an agreement with Colibri to acquire the Financial Services segment of Adtalem Global Education** (NYSE: ATGE) for \$1 billion
- Upon closing, **Wendel will acquire ACAMS** and Colibri will separate and acquire the remaining businesses, Becker Professional Education and OnCourse Learning
- Wendel's acquisition of ACAMS is valued at an **enterprise value of approximately \$500 million** ⁽¹⁾
- The acquisition will be financed with \$150 million of third-party debt and approximately \$360 million of equity principally from Wendel and management
- **Wendel is expected to invest approximately \$355 million for a c. 99% interest in the ACAMS**

(1) Net adjusted purchase price of \$487.5 million



The transaction is expected to close in the first half of 2022, subject to required necessary consultations and authorization

— ACAMS fits Wendel's 2024 capital deployment roadmap



Growing, resilient business with **potential value creation related to ESG**



A market-leading businesses with **pricing power, barriers to entry and attractive long-term growth** prospects



Value creation opportunity from **organic growth and profitability improvement opportunity**



Robust cash flow generation and adequate leverage



A **control investment** in our target size range



A situation **where Wendel can uniquely contribute** with **long-term** perspectives



— Largest international membership organization for Anti-Financial Crime professionals

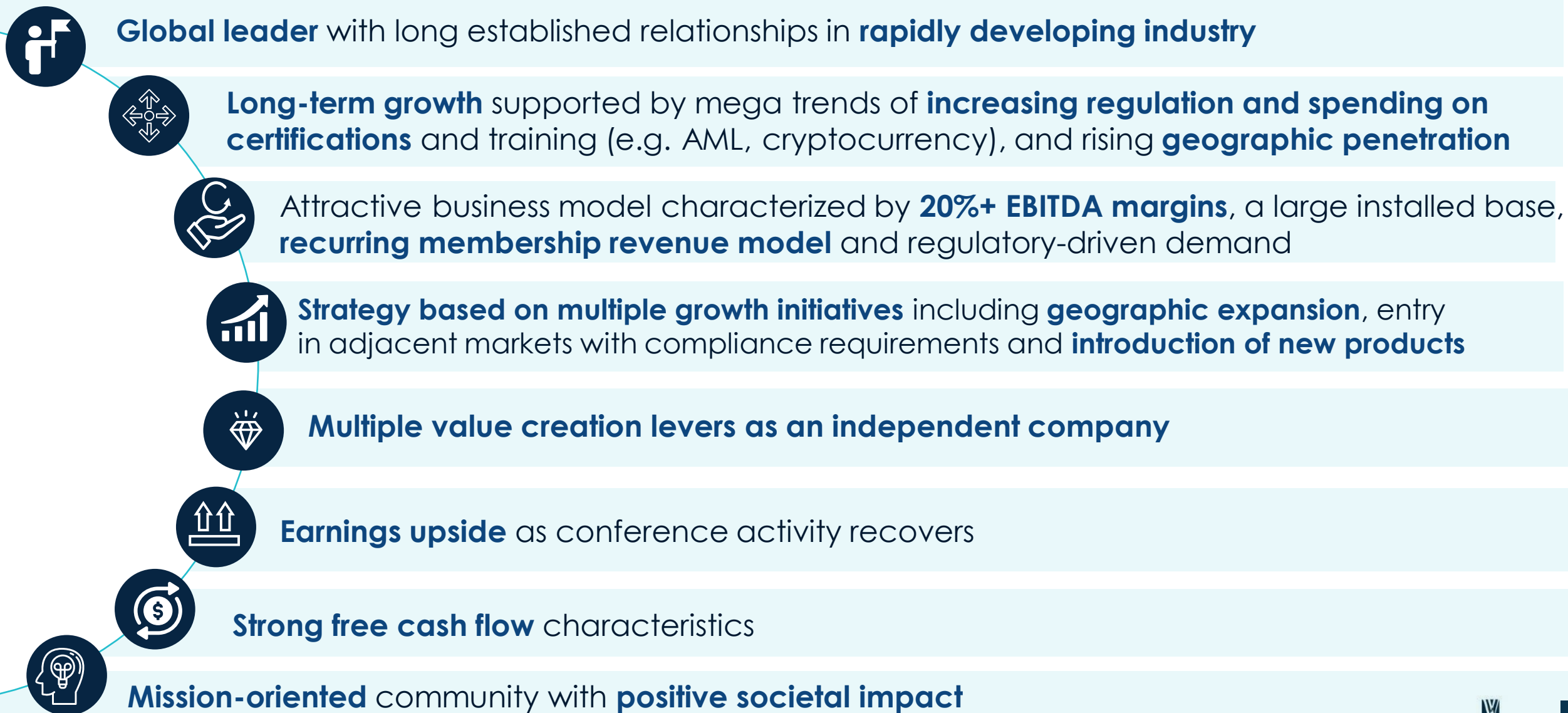
ACAMS supports individuals and organizations who are dedicated to **ending financial crime** through thought leadership, continuing **professional education**, and its **best-in-class peer network**.

The Company derives revenue primarily from 4 categories:



(1) As of 2019, pre covid

— Investment Rationale



— A compelling financial profile

Expected performance

**LTM Sept 2021
Revenue**

\$83 million



**High
organic CAGR**

**Expected
Standalone EBITDA ⁽¹⁾**

\$18 million ⁽¹⁾



>20% EBITDA margin

EBITDA to CF conversion ratio ⁽²⁾ : >75%



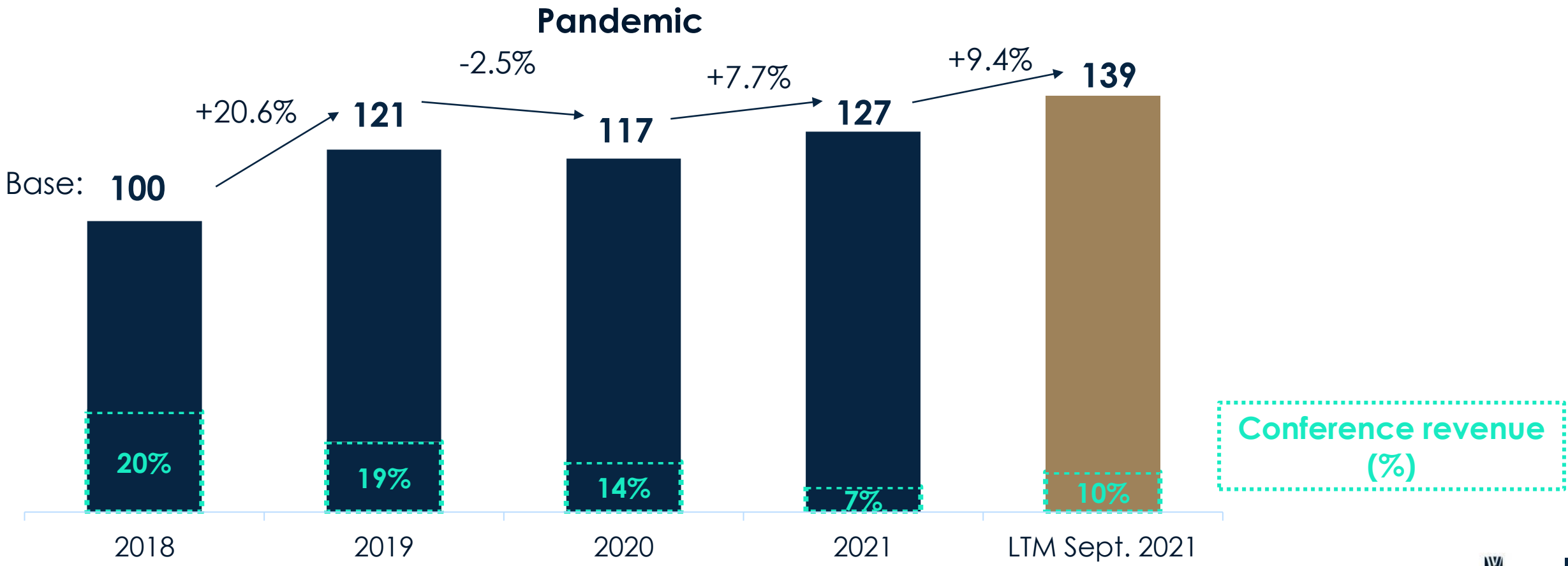
Value creation anticipated from (i) long-term global growth in anti-money laundering compliance services, (ii) introduction of new programs, (iii) increased membership engagement, and (iv) margin enhancement supported by technology investments and increased scale

(1) Unaudited US GAAP. EBITDA estimated according to Wendel usual definition, including Wendel's estimate of operating expenses required to support ACAMS on a stand-alone basis. The referenced EBITDA includes c.\$2m benefit non-recurring items.

(2) Defined as (EBITDA-CAPEX)/EBITDA

— Good Resilience During the Pandemic, Accelerating Rebound

Revenue (FY ending June 30), with 2018 as a reference year (100 index) ⁽¹⁾



— The Anti-Money Laundering Environment



Given the vast amounts being laundered every year, **Anti-Money Laundering** has become an increasingly prevalent matter **that governments and large institutions have been keen to address**



Banks and other regulated institutions operate in complex regulatory environments with a **high cost of failure, both economic and reputational**

Regulators enforced a total of c. 140 actions and levied c. **\$39bn in AML-related fines globally** over the past decade
(including multi-billion-dollar fines for larger institutions)

Anti-Money Laundering **related fines increased** by **c.3x since 2018**



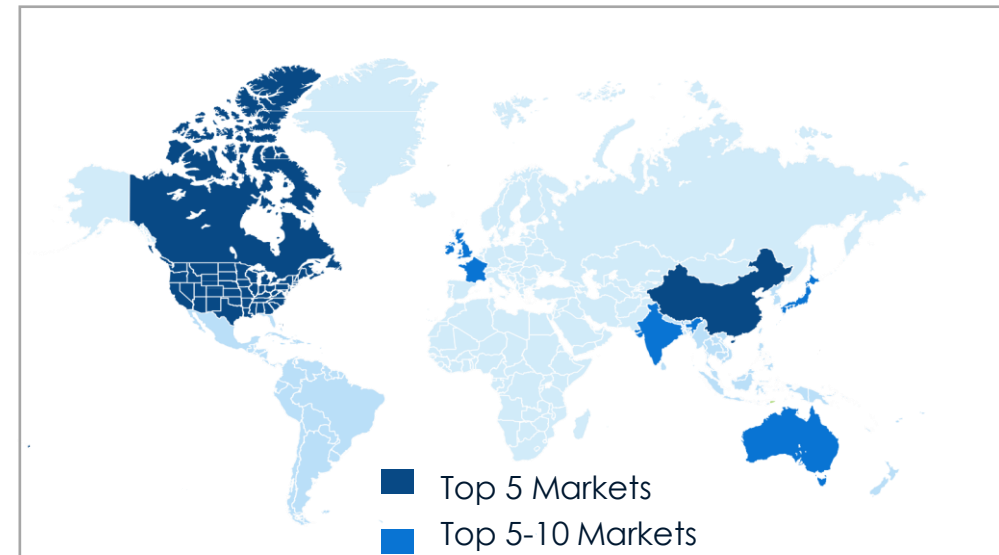
Relative to these risks, **the low expense of certifications and training like ACAMS protects customers and signals proficiency to regulators**

— ACAMS has a Broad Global Footprint with Room for Further Penetration

- ACAMS has a large, **global membership base** with >90,000 members **across 175 countries**
- No single customer accounted for more than 6% of revenue in 2021
- ACAMS **continues to strengthen its position** in U.S. market while **strategically expanding presence** in other growing international markets
- Growth coming from further penetration of ACAMS' core markets with existing products, much from outside the US

Global Presence

- **c. 60%** of sales made out of the US
- **Top 10** countries account for **71%** of revenues



— Wendel will help manage this transition to standalone business

ACAMS leadership and organization to remain in place

No disruption to customer relationships or member engagement

Wendel to support ACAMS' development to a stand-alone business over first 12 months

Certain administrative services to be provided by Adtalem during the transition

Wendel benefits from a proven track record in profitably managing carve-out and complex reorganizations: Editis, CSP Technologies, Deutsch...

— A mission-driven company, fitting with Wendel's values



A mission-driven, ESG-impactful business that provides training to help individuals and corporations **identify and prevent money laundering, bribery, cyber crime, sanctions evasion, and other financial crimes**



A key player in fighting against potential funding of illegal activities such as terrorism, human trafficking, cyber ransomware, and illegal wildlife trading...



40.3 MILLION

Number of **people estimated** to be in modern slavery or human trafficking



71%

of all human trafficking victims are **women and girls**



and **1/3** are children



US\$150 BILLION

Annual criminal earnings from slavery

Top countries affected by human trafficking

Malaysia Comoros
Cuba Nicaragua
Eritrea Russia
Afghanistan **Burma**
South Sudan North Korea
Syria Guinea-Bissau
Iran **Turkmenistan**
Algeria **Venezuela China**



10,000

Approximate number of people that must be removed daily from the global victim population in order to **eradicate modern slavery by 2030**



Q&A



WENDEL

Investing *for the long term*

2022

ACAMS 

A global community
dedicated to ending
financial crime



Reminder: NAV methodology since Dec. 31, 2020

2021 main updates regarding unlisted assets

Primarily valued with peers multiples sample, reviewed annually



Transaction multiples and purchase offers may be used
with application periods amended/ shortened in 2020



Valuation of a new acquisition, standstill **for new investment through a time-weighted average of :**
(a) multiples at acquisition and
(b) listed peer-group multiples for the first 18 months



Valuation **modifiers for small/underperforming companies no longer retained**



Auditors check the consistent application of the methodology and our NAV calculation is benchmarked by an independent valuation expert

— Disclaimer

- This document has been prepared by Wendel S.E. and its affiliates (“Wendel”) solely for use of this presentation, to be held on January 24, 2022. This document must be treated confidentially by attendees at such presentation or any other recipients and may not be reproduced or redistributed to any other person.
- No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained herein and Wendel and its affiliates expressly disclaims any liability relating thereto. Wendel is under no obligation to keep current the information contained in this presentation and any opinions expressed in this representation are subject to change without notice.
- This document may include forward-looking statements. These forward-looking statements relate to Wendel’s’ future prospects, developments and business strategies and are based on analyses of estimates of amounts not yet determinable. By their nature, forward-looking statements involve risks and uncertainties. Wendel cautions you that forward-looking statements are not guarantees of future performance and that its actual financial condition, actual results of operations and cash flows and the development of the industries in which Wendel or its affiliates operate may differ materially from those made in or suggested by the forward-looking statements contained in this presentation. Wendel does not undertake any obligation to review or confirm analysts’ expectations or estimates or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise after the date of this document, unless required by law or any applicable regulation.
- No liability is accepted for the consequences of any reliance upon any statement of any kind (including statements of fact or opinion) contained herein.
- This presentation includes only summary information and must be read in conjunction with Wendel’s Financial Reports, which may be obtained on the website of Wendel (www.wendelgroup.com) and the Universal Registration Document submitted on April 15, 2021 to the AMF under the number D. 21-0311. You are invited to take carefully into consideration the risk factors described in these documents.
- No information provided on this document constitutes, or should be used or considered as, an offer to sell or a solicitation of any offer to buy the securities or services of Wendel or any other issuer in any jurisdiction whatsoever. Wendel’s securities have not been and will not be registered under the US Securities Act of 1933, as amended (the “Securities Act”), and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.
- By attending this presentation and/or accessing this document you agree to be bound by the foregoing limitations.