



W E N D E L

October
2023



With the acquisition of IK Partners, Wendel initiates its development strategy in third-party asset management

Dear shareholders,

I know that you all pay close attention to Wendel's news, so you will no doubt have seen how dense and varied the last six months have been. During this time, we have presented our new strategic directions, moved forward with plans to develop a third-party asset management business, sold our stake in Constantia Flexibles, acquired Scalian, and strengthened our financial capabilities through the issue of bonds exchangeable for Bureau Veritas shares and the extension of our maturities. Wendel's teams have been extremely busy, and I would like to thank them warmly for using their considerable collective talent to advance the company's rapid development. Day after day, the roadmap I sketched out for you on March 16 is becoming a reality.

And today, Wendel is taking a major step forward in the implementation of its strategic ambitions by entering into exclusive negotiations with a view to acquiring IK Partners from its partners.

IK Partners is one of Europe's most recognized PE firms, with teams across seven Northern European countries focusing on the mid-market segment. The company invests in the Business Services, Healthcare, Consumer and Industrials sectors in France, Benelux, Germany, Austria, Switzerland, Scandinavia and the UK. IK Partners manages nearly €12 billion of private assets on behalf of third-party investors and has invested in over 180 companies since its creation. The Company's Investment teams have an excellent track record, having collectively achieved an average gross annual Internal Rate of Return (IRR) of around 26% for the 116 operations completed since 2012.



Laurent Mignon, Group CEO

By 2024, IK Partners' activities are expected to generate around €150 million in management fees and around €60 million in pre-tax Fee Related Earnings (FRE). Given its financial strength, Wendel will have the resources to support IK Partners' development over the long term, as well as to invest in its funds to gain access to the value created by its teams.

For Wendel and its shareholders, this transaction has three main dimensions:

- our aim to rapidly strengthen Wendel's recurring income by adding the management fees received by IK Partners;
- a special focus on aligning our mutual interests in a lasting way, since the way the transaction is structured means that IK Partners' teams will be committed to working alongside Wendel over the long term;
- the first concrete expression of our ambition to build, by 2027, a platform managing multiple private asset classes, alongside our historical investment activity. We will therefore continue to provide lasting support to attractive companies driven by long-term trends, as an active shareholder with value creation as our compass.

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A greater dividend
payout capacity

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Implementing this ambitious strategy will accelerate Wendel's diversification, boost recurring cash flow generation and enhance our attractiveness as an investor and as a listed

company, resulting in a greater dividend payout capacity for our shareholders. In addition, confident in the value-creating potential of our strategy, we have announced a €100 million share buyback program. These shares bought back on the market will be used to “pay” for our future acquisitions. So today we intend to seize the opportunity to buy back our shares at a significant discount, convinced that the success of our strategy will help both to increase the share price and reduce the discount.

Wendel's considerable potential is becoming clearer every day: our family heritage, solid balance sheet, strong investment capabilities, high-quality portfolio and talented teams will all stand us in good stead for the future.

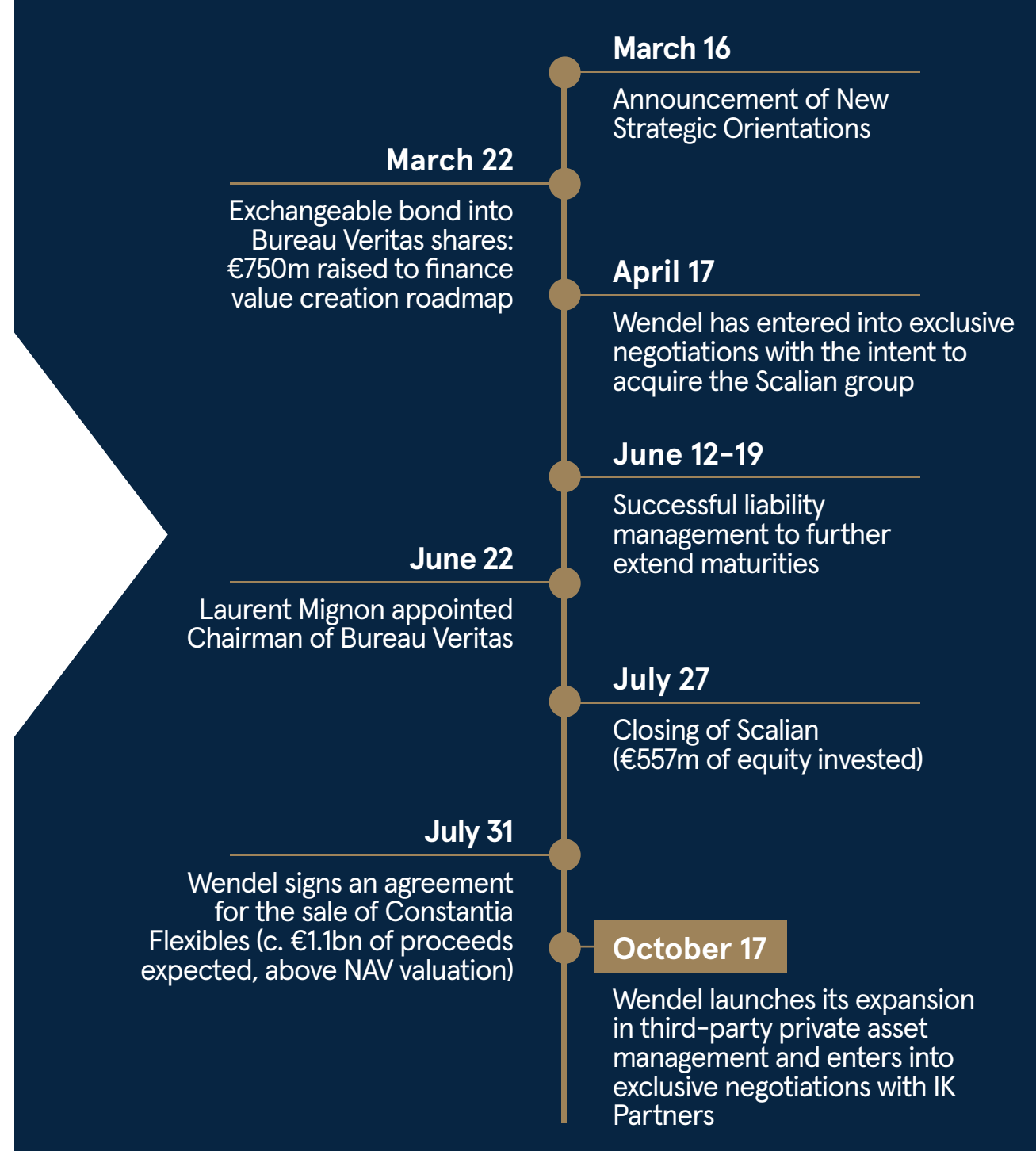
Laurent Mignon,
Group CEO

Consult [the press release](#) setting out the transaction in more detail on our website.

Wendel's strategic direction



Implementation







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