

WAVESTONE



September 2023

**Oddo - Roadshow**  
September 7 & 8, 2023

# Speakers



**Pascal Imbert**  
Co-founder, Chairman  
& CEO Wavestone



**Karsten Höppner**  
Co-founder  
& CEO Q\_PERIOR

# Agenda

1. **Wavestone** in a nutshell
2. **Q\_PERIOR** in a nutshell
3. **Building a European global champion** of consulting
4. **Main terms** of the combination
5. Indicative **timetable**

**WAVESTONE**  
IN A  
NUTSHELL

# Wavestone - An expert in management, digital and innovation consulting for 30 years





Wavestone - Supporting large organizations  
in their most critical transformations

**Pure player**  
in consulting

€532m  
in 2022/23

**Business  
Technology  
Sustainability**

**Europe  
US, Asia**

~4,400  
employees

# Wavestone - A 360° vision of transformations by combining business, technology and sustainability perspectives



Financial Services



Manufacturing & Life science



Consumer Goods, Retail & Luxury



Energy & Utilities



Transportation & Travel



Government & International Institutions

**Key Verticals**

**Transversal capabilities**

Customer Experience & Service Design

Cybersecurity

Data & AI

Finance, Performance & Procurement

Industry 4.0 & IoT

IT Strategy & CTO Advisory

Operating Model Design & Agility

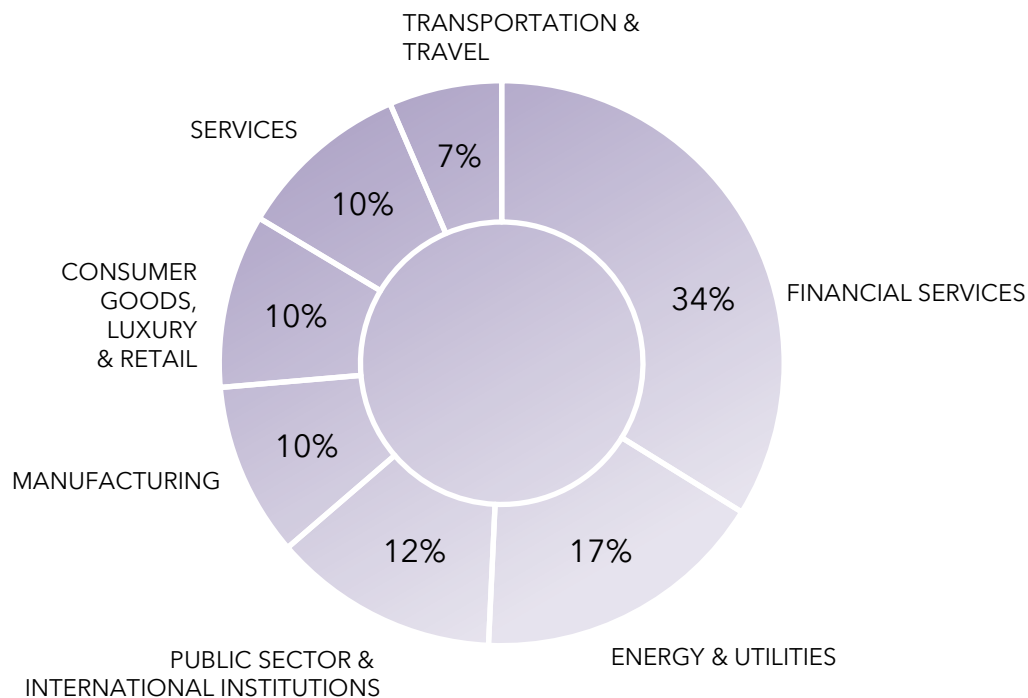
Sourcing & Services Optimization

Supply chain

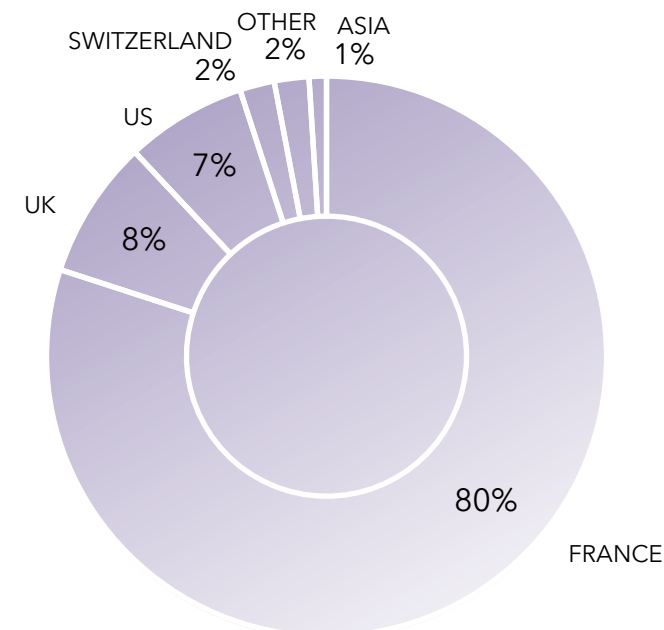
Sustainability

# Wavestone - Distribution of revenue at March 31, 2023

## By industry



## By geography



## Key customers

AXA  
BNP PARIBAS  
CREDIT AGRICOLE  
EDF  
ENGIE

L'OREAL  
LA POSTE  
SNCF  
SOCIETE GENERALE  
TOTAL ENERGIES

TWO EUROPEAN MAJOR PLAYERS



# Wavestone - Client stories of transformation projects

## British bank

Maturity of cybersecurity & operational resilience



## AIG

Creation of a data platform



## Société Générale

Operational resilience & compliance with DORA regulations



## Axa

Group-level HR & HRIS transformation



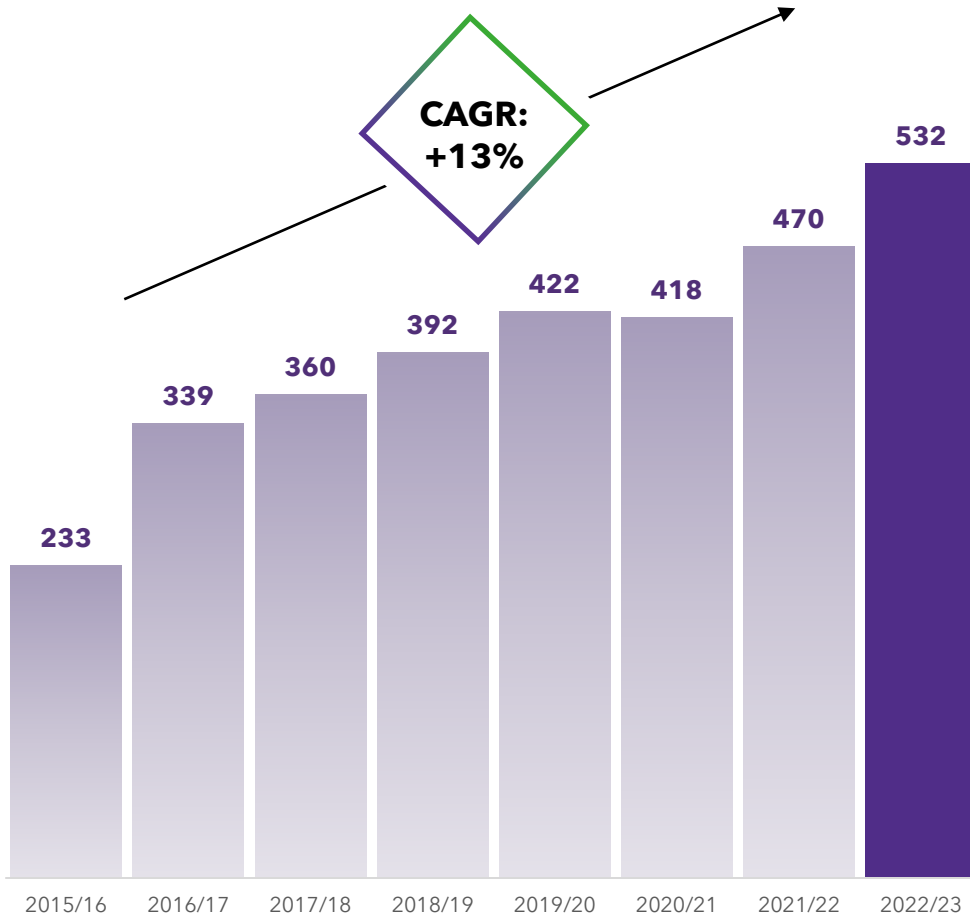
## Accor

Global sustainable development strategy

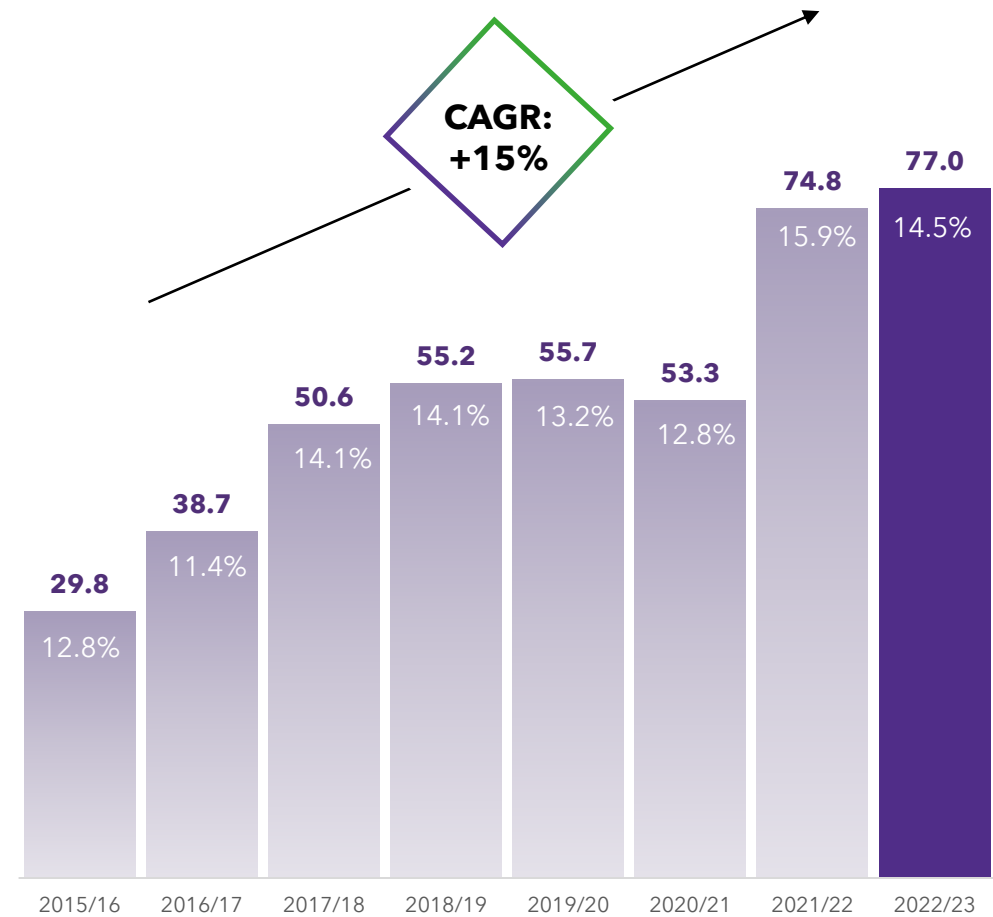


# Wavestone - A solid financial track record

Revenue (in €m)




EBIT (in €m)




# Wavestone - Governance & shareholding at March 31, 2023

**Board of Directors**


- 3 Directors representing employees**
- 55% independent Directors**  
(excl. employee representatives)



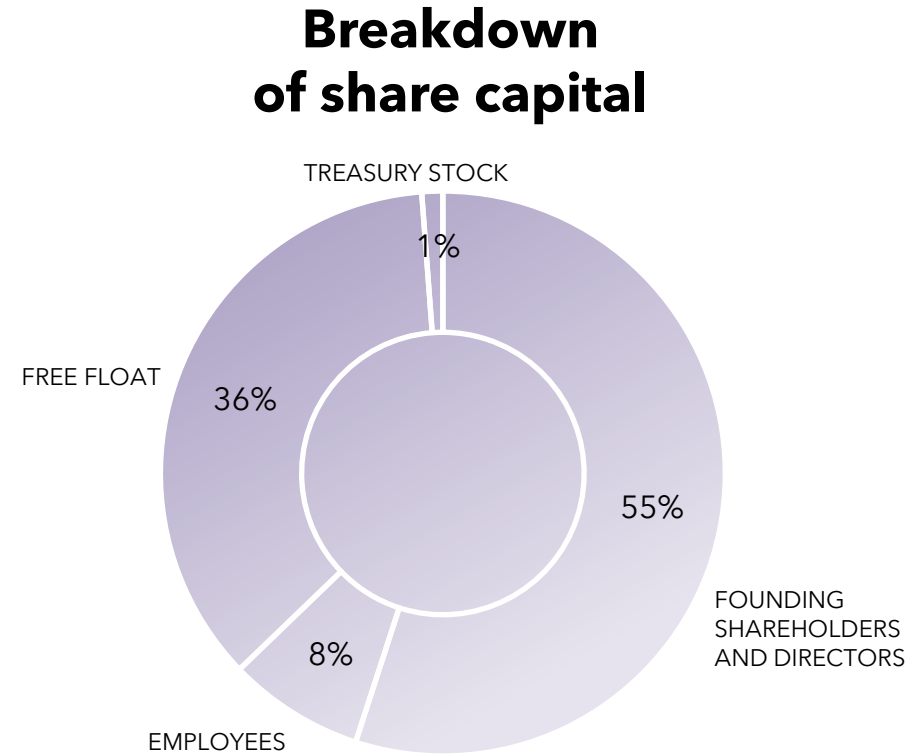
**Pascal Imbert,**  
Chairman & CEO



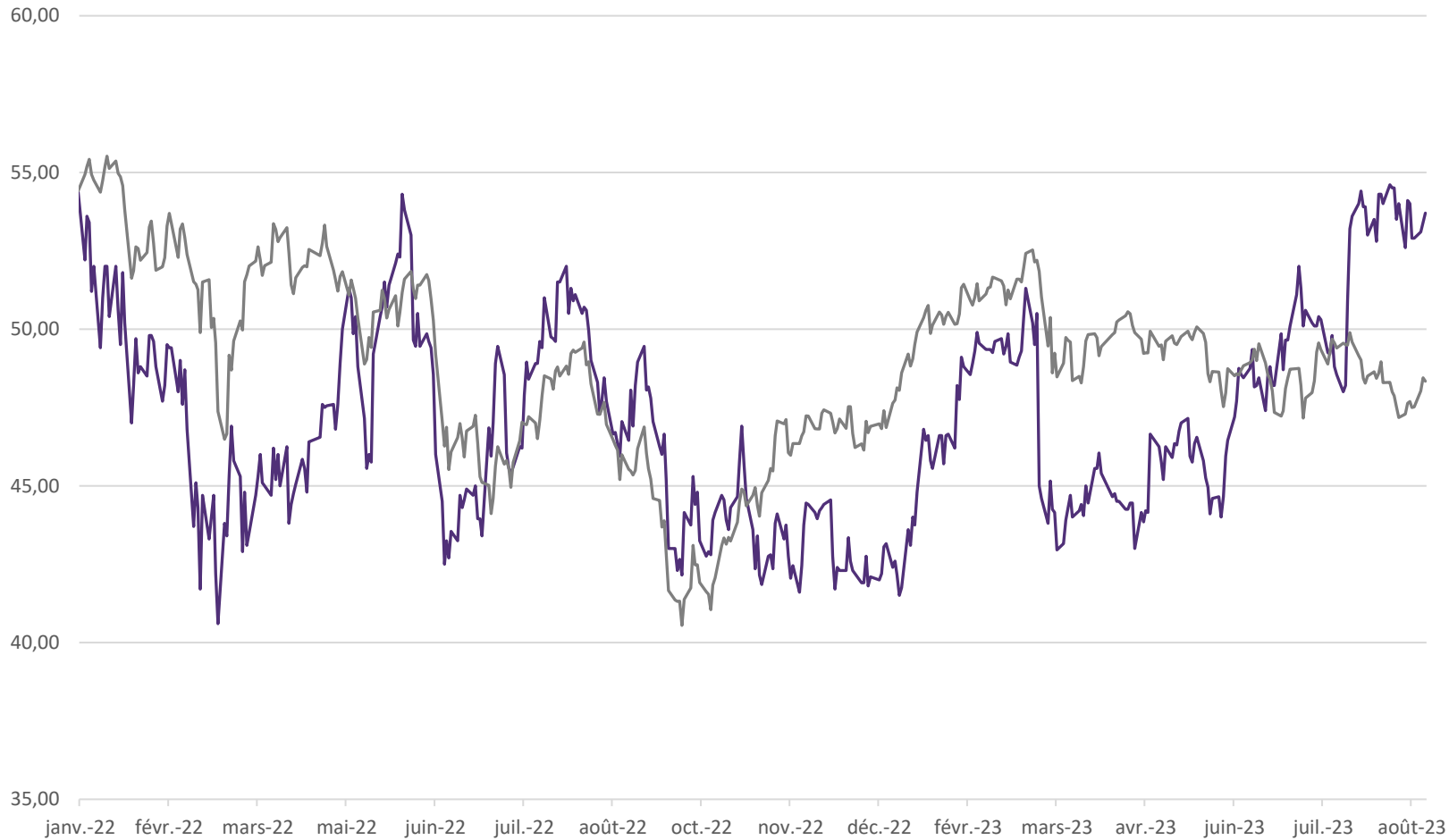
**Patrick Hirigoyen,**  
COO



**Marie-Ange Verdickt,**  
Lead Director



# Stock market price evolution since January 1, 2022



**YTD data 2023**  
 Wavestone: +24%  
 CAC Mid & Small: +3%

Wavestone  
 €53.70\*  
 -1%

CAC MID &  
 SMALL\*\*  
 -11%

\* Data as of August 30, 2023

\*\* CAC MID & SMALL rebased on Wavestone share price at December 31, 2021

## Recent news & outlook

### Buoyant start to the 2023/24 fiscal year: Q1 2023/24 revenue up +17%

Revenue	2023/24	2022/23	Change at constant scope <sup>1</sup> and on a constant forex basis	Change
<i>In €m - unaudited consolidated data</i>				
Q1	143.3	122.0	+11%	+17%

<sup>(1)</sup> Excluding PEN Partnership, consolidated since August 1, 2022; and Coeus Consulting, consolidated since October 1, 2022

### Confirmation of 2023/24 objectives

- A revenue of over €580m, which represents total growth of +9% (+7% at constant scope)
- An EBIT margin of about 15%
- These objectives are before combining with Q\_PERIOR. They exclude new acquisitions and are calculated on a constant forex basis

### July 25, 2023: Announcement of the project to join forces with Q\_PERIOR to create a European consulting champion

**Q\_PERIOR**  
IN A  
NUTSHELL

# Q\_PERIOR - A leading business and IT consulting company



QUPERIOR - A consulting leader in the GSA region

**Business  
& IT consulting**

€285m  
in 2022

**Strong  
transversal  
& vertical  
capabilities**

**Europe,  
North America**

1,410 employees



# Q\_PERIOR - A leading business and IT consulting company



Insurance



Banking



Automotive & Industries



Energy



Travel, Transport & Logistics



Public Services

**Key Verticals**

**Transversal capabilities**

Agile Transformation & Project Management

Business Intelligence & Data Analytics

Customer Management & Omnichannel

Cybersecurity

Financial & Management Accounting

IT Strategy, Sourcing & Service Management

Platforms & Software Development

Risk Management, Compliance & Regulation

SAP Consulting & Implementation

Test & Change Management

# Q\_PERIOR - Client stories

## International transportation player

Creation of an energy consumption app with the use of latest SAP technologies to support train drivers in energy-saving driving



## US-based health insurance company

Implementation of SAP's cash and disbursement module to enable automated payments in adherence to the Affordable Care Act ("Obama Care")



## One of the largest European reinsurance groups

Definition of the strategic use of one or multiple systems to price and administer Life Single Risk Policies



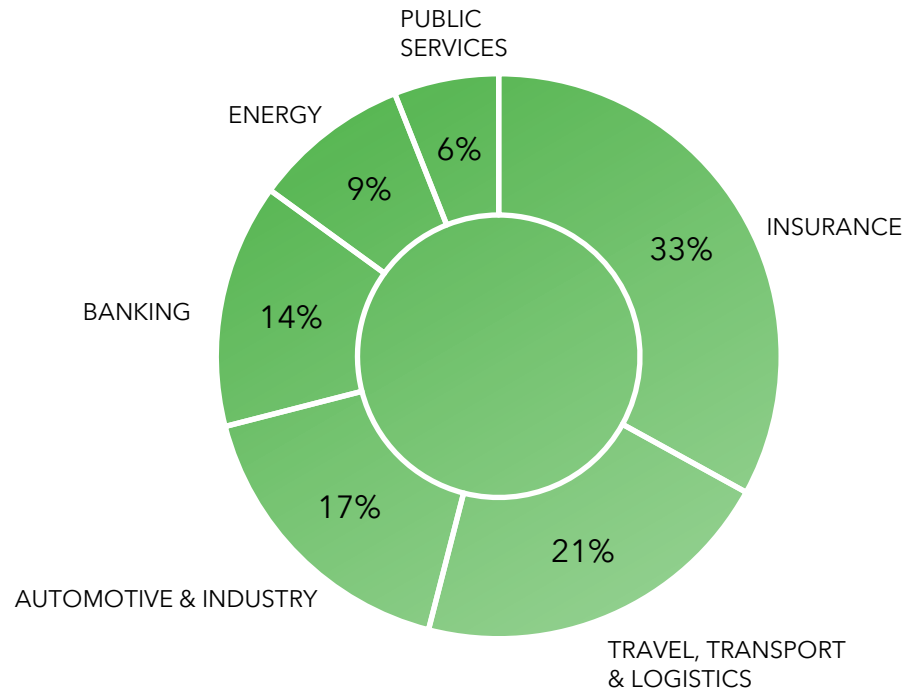
## One of the world's largest player in automotive

Building of a Cybersecurity Management Systems

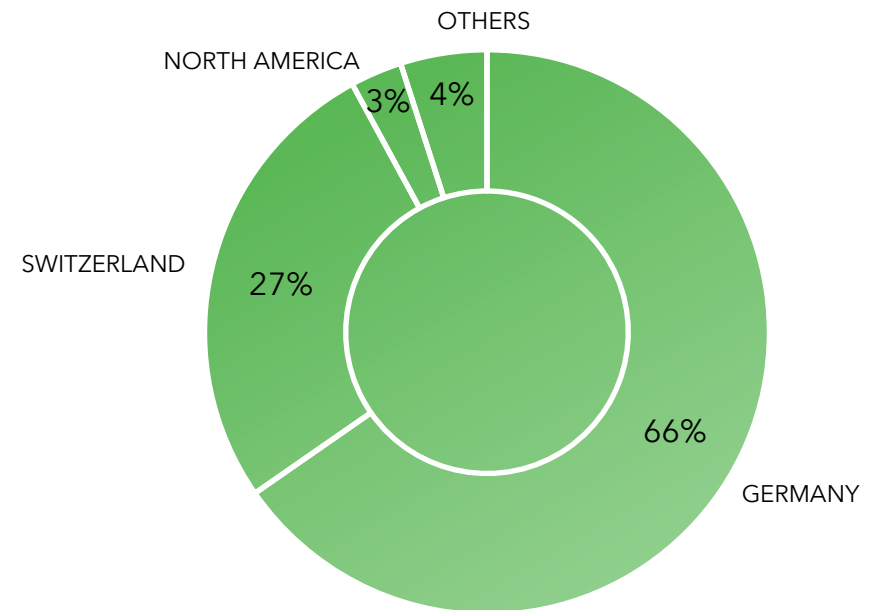


# Q\_PERIOR - Distribution of revenue at December 31, 2022

## By industry



## By geography



## Key customers

**BMW**  
**DEUTSCHE BAHN**  
**DZ BANK**  
**ENBW**  
**ERGO**

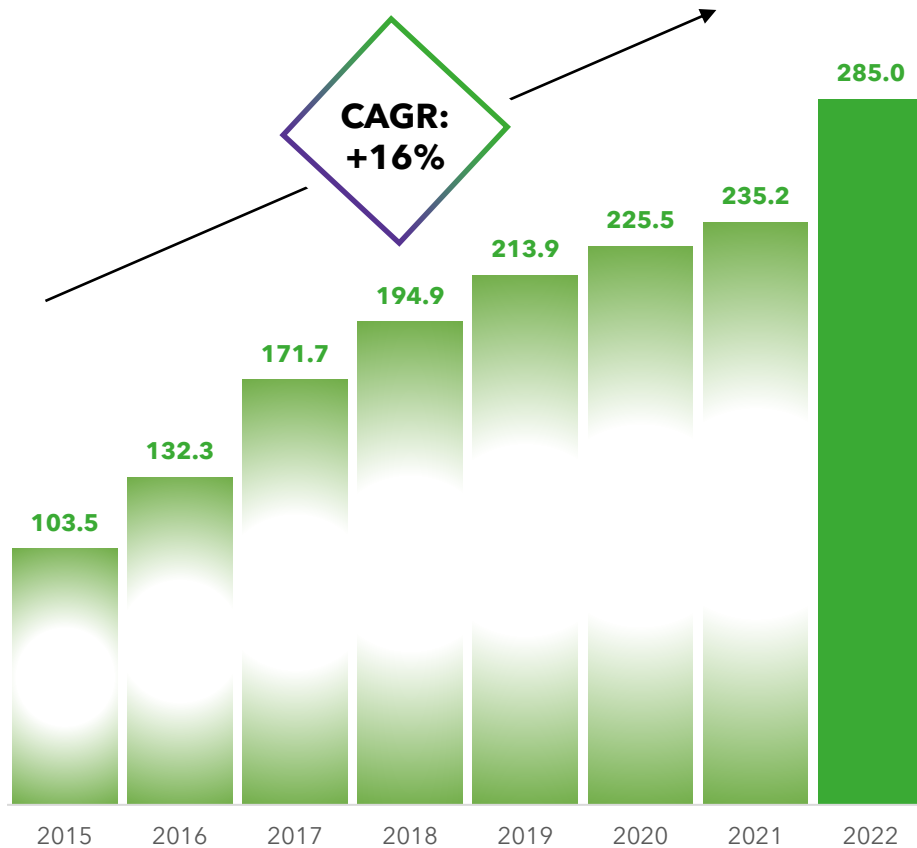
**KANTON LUZERN**  
**MAN**  
**MUNICH RE**  
**STADTWERKE MUNSTER**  
**SWISS RE**

TWO EUROPEAN MAJOR PLAYERS

# Q\_PERIOR - Track record of sustained growth and profitability

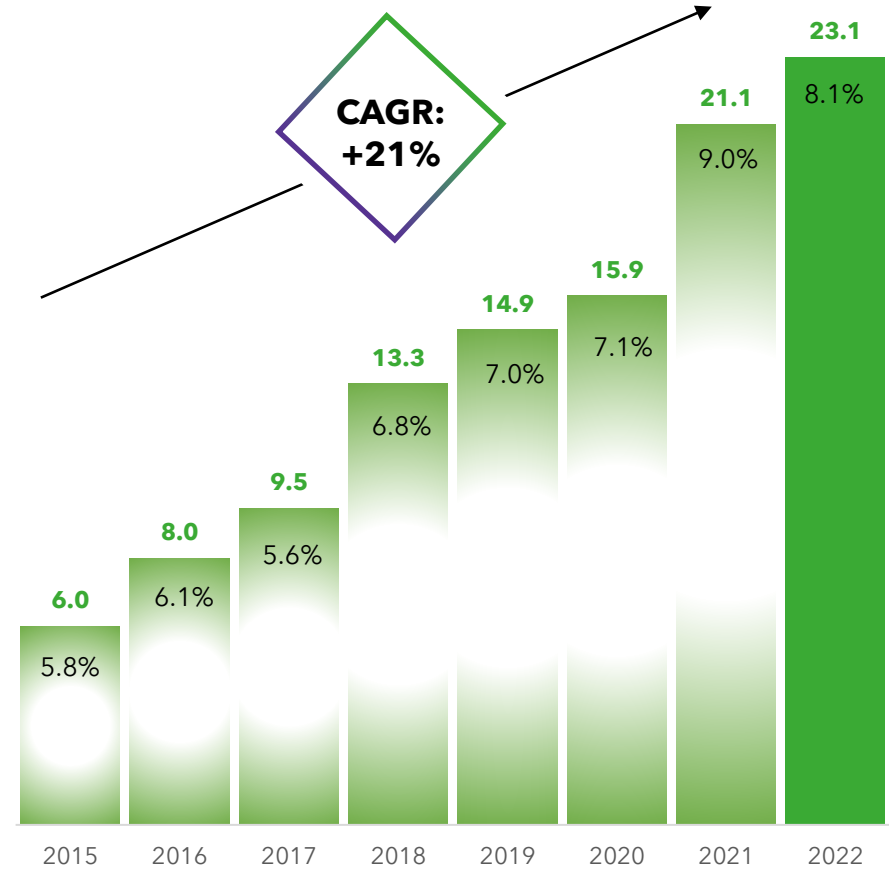
## Revenue (in €m)

according to German HGB



## EBIT (in €m)

according to German HGB



# Q\_PERIOR - Governance & shareholding

## Executive Board

**Karsten Höppner,**  
CEO

**Michael Girke,**  
CFO

**Hasan Tekin,**  
CTO

**Dr. Bernhard Braunmüller,**  
CSO

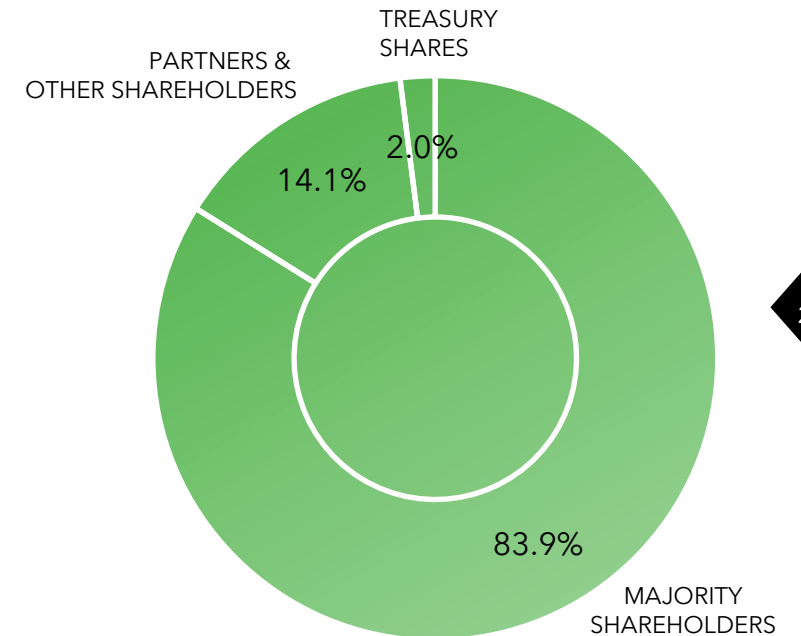
## Supervisory Board

**Stephan Marchner**  
Chairman of the Supervisory Board

**Markus Enggist**

**Dr. Karsten Schween**

## Current ownership



**BUILDING A  
EUROPEAN GLOBAL  
CHAMPION** OF  
CONSULTING

# Create a European global consulting champion

## Two successful consulting firms, already partners for several years

- Partnership since 2019 (non-equity)
- Success of business collaboration: development of joint business opportunities by leveraging geographical and industry complementarities
- Success of human collaboration: shared values and a genuine proximity between the teams



## Now, a new joint project to respond to the transformation challenges of the world's largest companies

- Build a strike force in the consulting market
- Offer a much broader geographic footprint to global clients
- Combine even more closely strengths and complementarities, with key expertise and transversal capabilities
- All united around a common set of values: *The Positive Way* (client satisfaction, employee development, responsibility & ethics, and team spirit)

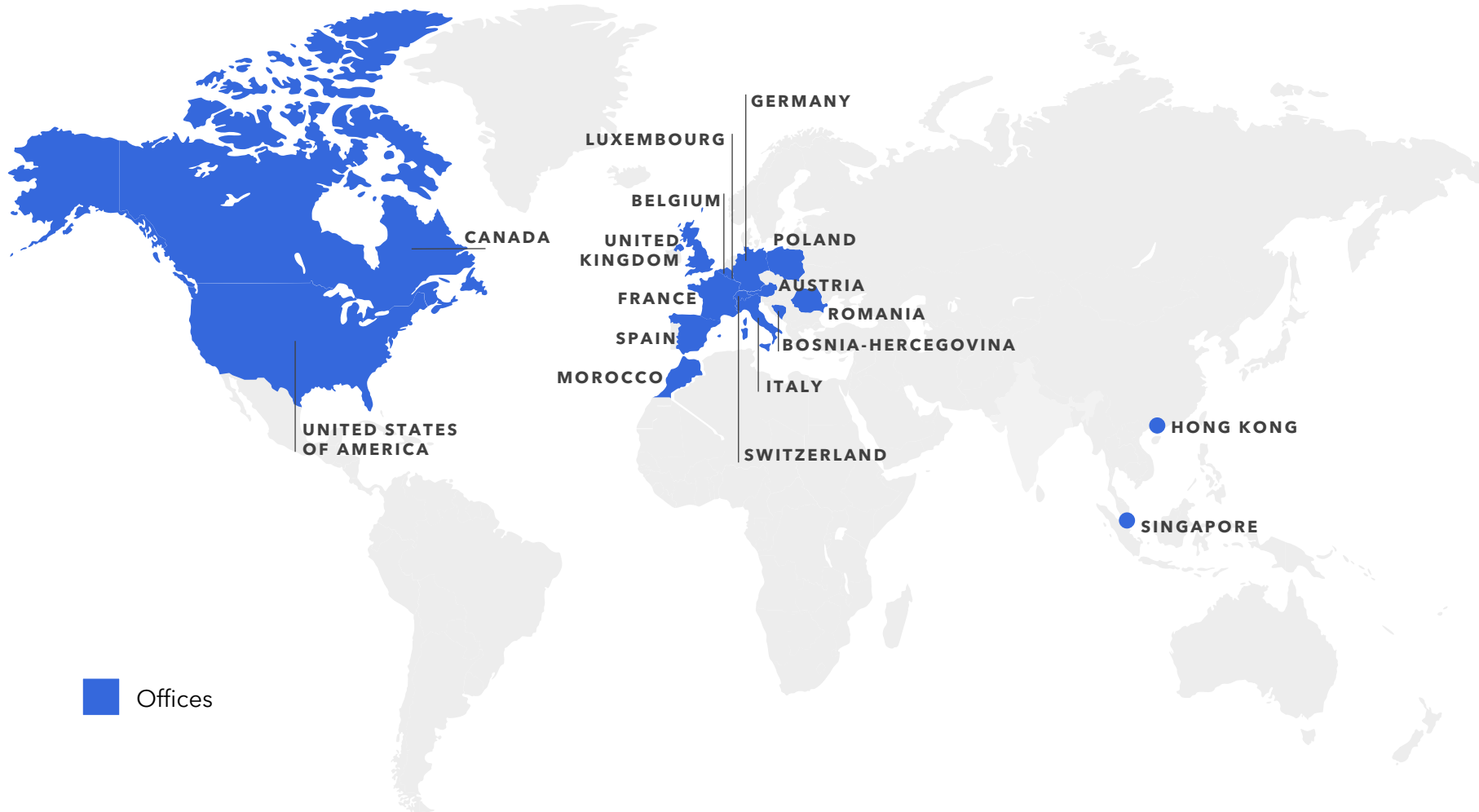
### Joint client stories

Sanofi  
Carve-Out  
project

Geodis  
ERP RFP Support  
& Pre-Framing

ANSSI  
Cybersecurity  
maturity study

# A European consulting champion



- €818m** consolidated<sup>1</sup> sales
- 5,500+** cumulated FTEs
- 17** countries in presence
- 18** Global 500 clients among the TOP 30

<sup>1</sup> based on the combined IFRS 12-month figures at March 31, 2023 for Wavestone (audited) and December 31, 2022 for Q\_PERIOR (unaudited)



# ▲ A new consulting player to face these many challenges and realize substantial growth opportunities

## Solid international footprint

- Leader among European consulting firms, with a solid footprint in three of continental Europe's main markets: **France, Germany and Switzerland**
- Established base in key geographies for major clients: **UK and USA**
- Presence in **Asia**

## Rich range of capabilities and expertise

Transversal capabilities

**CYBERSECURITY**

**AI & DATA**

**ERP SYSTEMS**

**IT STRATEGY**

**SUSTAINABILITY**

Deep vertical expertise

**INSURANCE**

**AUTOMOTIVE**

**BANKING**

**ENERGY & UTILITIES**

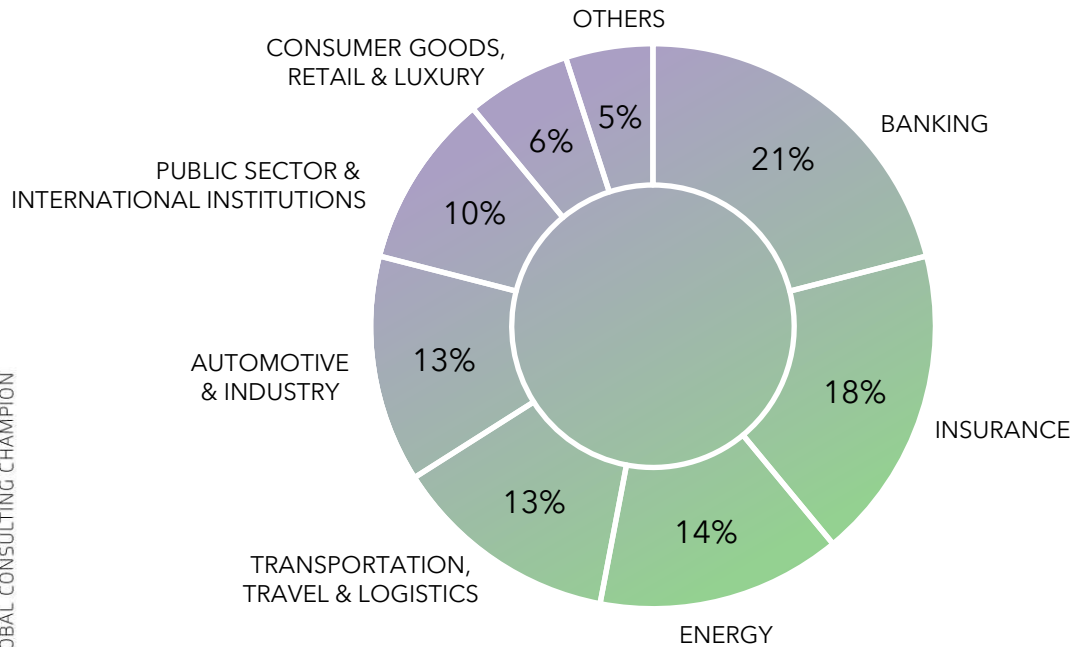
**TRANSPORTATION**

## "Best place to work"

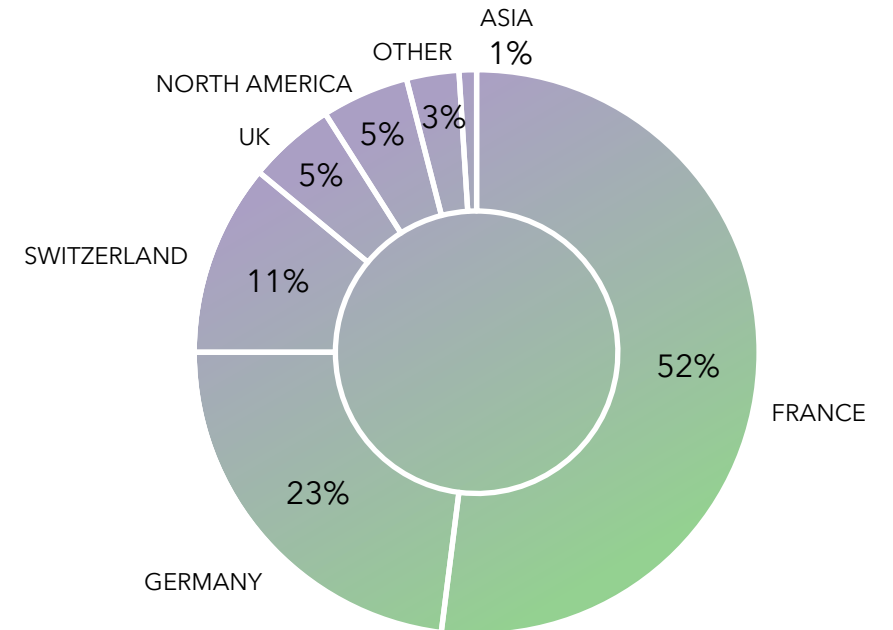
- Alliance of **two benchmark employers** in each of their respective markets
- **Values** in line with the aspirations and expectations of human talent
- **Platform to attract new employees** and strengthen their loyalty

# Sectorial and geographical complementarities with no revenue overlap

## Breakdown of revenue by sector



## Breakdown of revenue by geography



### Key customers

BMW  
CREDIT AGRICOLE  
DEUTSCHE BAHN  
EDF  
L'OREAL

MUNICH RE  
SNCF  
SOCIETE GENERALE  
SWISS RE  
TOTALENERGIES

# Main financial topics - combined P&L

Consolidated data (in €m)	WAVESTONE	Q_PERIOR	WAVESTONE Q_PERIOR
	FY 2022/23 <sup>1</sup> (3/31/2023) audited	FY 2022 <sup>2</sup> (12/31/2022) audited	Combined FY <sup>3</sup> unaudited
<b>Revenue</b>	<b>532.3</b>	<b>285.0</b>	<b>818.4</b>
<b>EBIT</b>	<b>77.0</b>	<b>23.1</b>	<b>101.4</b>
<i>EBIT margin</i>	14.5%	8.1%	12.4%
Amortization of client relationships	(1.5)	-	(1.5)
Other operating income and expenses	(2.9)	-	(2.9)
<b>Operating income</b>	<b>72.7</b>	<b>23.1</b>	<b>97.1</b>
Cost of financial debt	(1.8)	(0.2)	(2.0)
Other financial income and expenses	(2.3)	-	(2.3)
Income tax expenses	(18.5)	(7.1)	(25.6)
<b>Group share of net income</b>	<b>50.1</b>	<b>15.8</b>	<b>67.1</b>
<i>Net margin</i>	9.4%	5.5%	8.2%

<sup>1</sup> based on the March 31, 2023 figures in IFRS

<sup>2</sup> based on the December 31, 2022 figures in German HGB

<sup>3</sup> based on the combined IFRS 12-month figures at March 31, 2023 for Wavestone (audited) and December 31, 2022 for Q\_PERIOR (unaudited)

# Main financial topics - combined balance sheet

WAVESTONE Q\_PERIOR

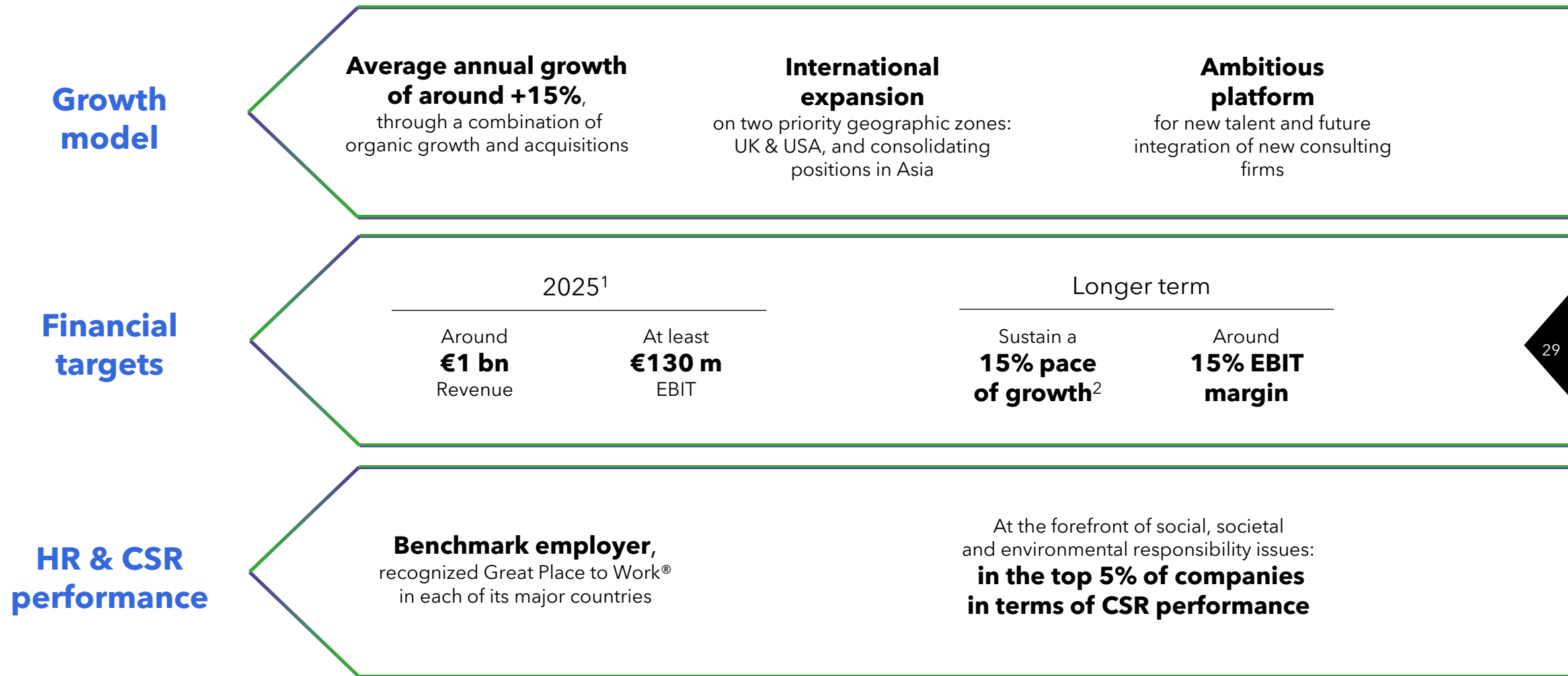
Consolidated data (in €m)	Combined FY <sup>1</sup> unaudited
<b>Non-current assets</b>	<b>295.3</b>
of which goodwill	246.1
including rights to use leased assets	21.0
of which tangible assets	11.6
<b>Current assets</b>	<b>260.2</b>
of which trade receivables	241.3
of which other receivables	18.9
<b>Cash &amp; cash equivalents</b>	<b>112.2</b>
<b>Total</b>	<b>667.7</b>

WAVESTONE Q\_PERIOR

Consolidated data (in €m)	Combined FY <sup>1</sup> unaudited
<b>Shareholders' equity</b>	<b>345.6</b>
<b>Financial liabilities</b>	<b>49.7</b>
of which less than one year	10.6
of which more than one year	39.1
<b>Lease liabilities</b>	<b>23.7</b>
<b>Non-financial liabilities</b>	<b>248.7</b>
of which tax and social security liabilities	132.5
of which trade payable	35.9
<b>Total</b>	<b>667.7</b>

<sup>1</sup> based on the combined IFRS 12-month figures at March 31, 2023 for Wavestone and December 31, 2022 for Q\_PERIOR

# A clear roadmap to growth and sustained profitability



<sup>1</sup> excluding new acquisitions  
<sup>2</sup> combined organic and inorganic

# **MAIN TERMS** OF THE COMBINATION

# Financial terms of the transaction

## Acquisition by Wavestone of 100% of Q\_PERIOR's share capital

### Transaction based on an enterprise value of €330.0 million<sup>1</sup>

- Base price: Equity value of €321.9 million (adjusted<sup>2</sup> net debt: €8.1 million)

### In addition, earn-out of up to €35.0 million, conditioned by Q\_PERIOR's EBIT at March 31, 2024

#### Financing:

- 79.0% of the base price financed by the issuance of new Wavestone shares (reference price: €54), representing 23.3% of the current share capital<sup>3</sup>
- Remaining of the base price (€67.6 million), plus the earn-out of up to €35.0 million (if any), financed in cash on Wavestone's available funds

### Transaction expected to be EPS accretive from fiscal year 2024/25

<sup>1</sup> Excluding any potential earn-out.

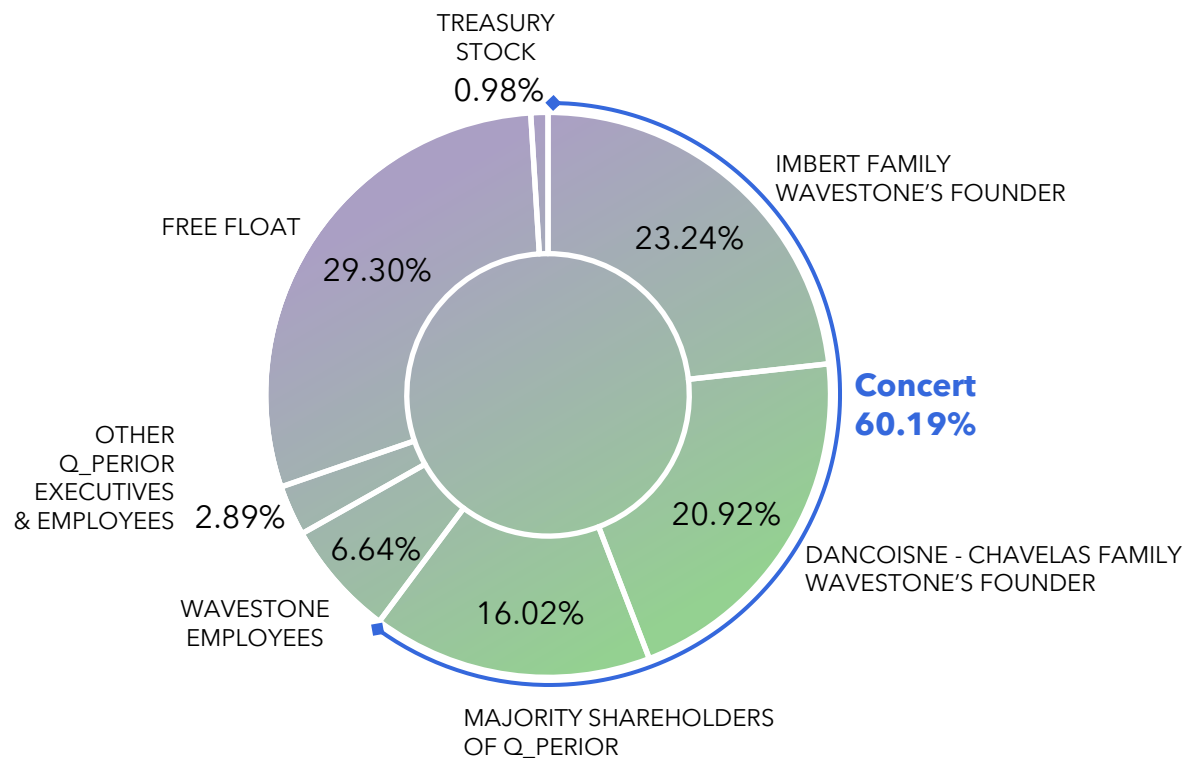
<sup>2</sup> Including financial net debt, debt-like items, and approximately €8 million corresponding to the value of some minority stakes owned by managers involved in the development of some Q\_PERIOR's subsidiaries.

<sup>3</sup> Consisting of 20,196,492 shares as of June 30<sup>th</sup>, 2023.

# Ownership and voting rights after transaction (1/2)

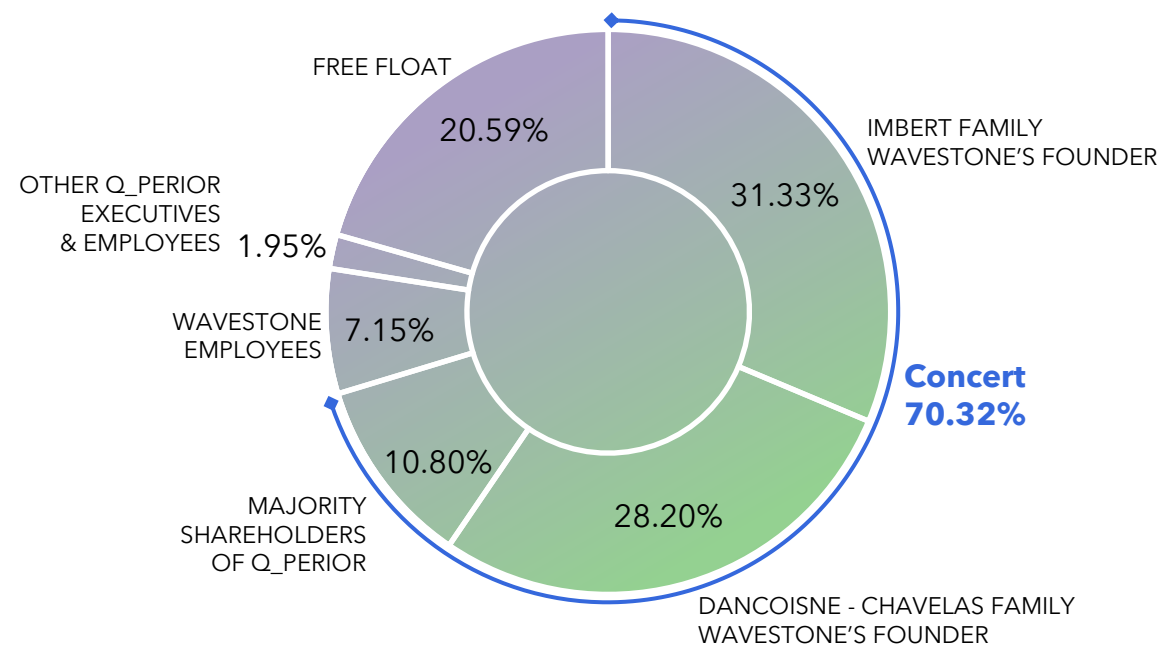
## Breakdown of share capital

(24,906,332 shares)



## Breakdown of voting rights

(36,960,842 voting rights<sup>1</sup>)



<sup>1</sup> Exercisable voting rights.



# Ownership and voting rights after transaction (2/2)

## New controlling shareholder of Wavestone:

- The main shareholders of the new group, comprising Pascal Imbert, the Dancoisne - Chavelas family and the majority shareholders of Q\_PERIOR act in concert
- 10-year shareholders' agreement, which testify to the strong and long-lasting alignment of all the main shareholders of the new group

## Lock-up mechanism for Wavestone shares:

- Controlling shareholders' commitment to the new group's growth strategy strengthened by a 4-year degressive<sup>1</sup> lock-up mechanism on 60.19% of the share capital
- Other Q\_PERIOR's minority shareholders subject to a 2-year degressive lock-up (2.89% of the share capital)

<sup>1</sup> Allowing transfer of up to: (i) 5% between closing and 2<sup>nd</sup> closing anniversary, (ii) 10% between 2<sup>nd</sup> and 3<sup>rd</sup> closing anniversaries, and (iii) 20% between 3<sup>rd</sup> and 4<sup>th</sup> closing anniversaries (any shares previously transferred shall be deducted from the 10% and 20% thresholds).

# Governance & leadership teams after the combination

**Q\_PERIOR's key executives would join Wavestone's management team: broader and more international Executive Committee**



**Pascal Imbert,**  
Chairman & CEO



**Karsten Höppner,**  
COO



**Patrick Hirigoyen,**  
COO

**6**  
New Executive Committee members from Q\_PERIOR

## The Board of Directors would be composed of:

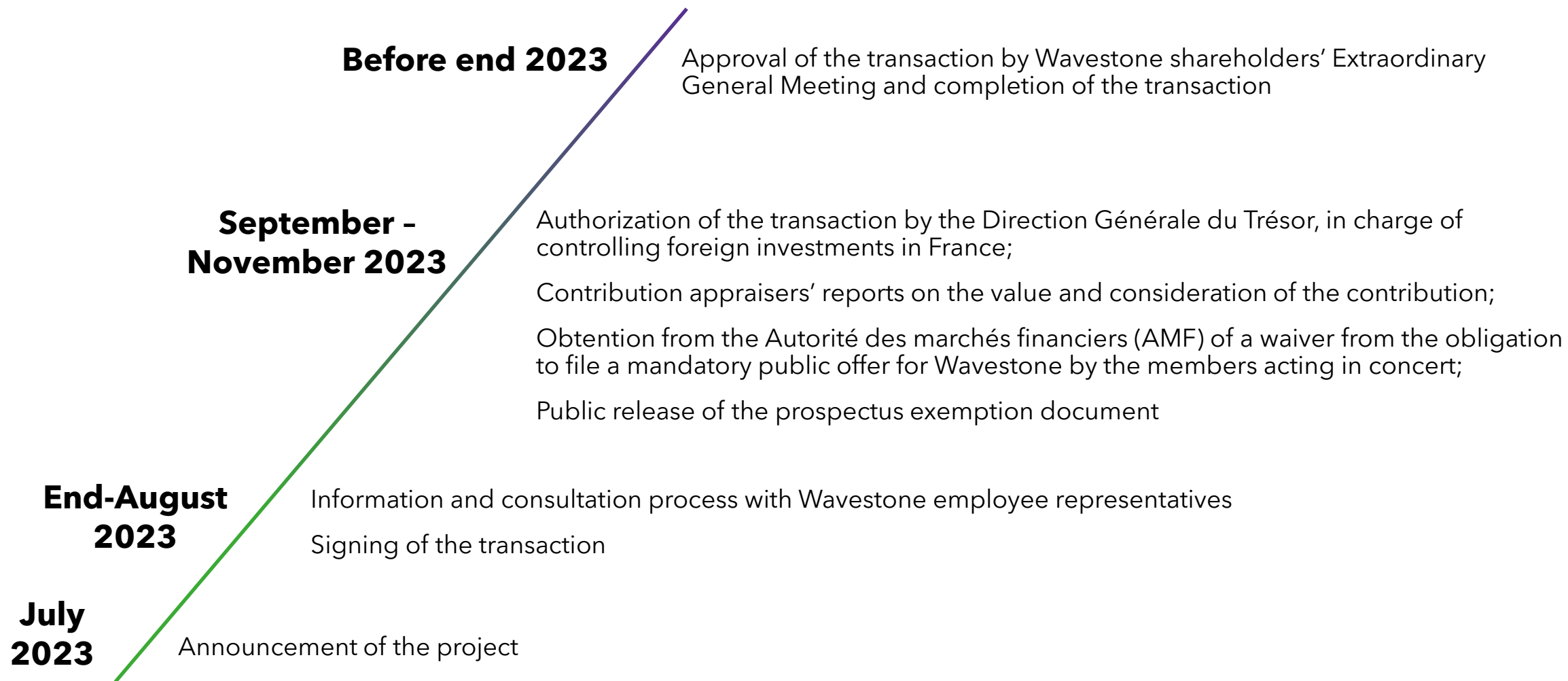
- 6 Directors representing the controlling shareholders (4 representatives of Wavestone and 2 representatives of Q\_PERIOR)
- 6 independent Directors (1 newly appointed, proposed by Q\_PERIOR)
- 3 employee representatives
- Appointment of the 3 new members will be submitted to the shareholders at the Extraordinary General Meeting called to ratify the transaction

**50%**  
Independent Directors (excl. employee rep.)

**42%**  
Women Directors

INDICATIVE  
**TIMETABLE**

# Indicative timetable



# Conclusion

**The combination  
of two successful players,  
partners for several years**

**A new consulting  
player, a new  
dimension**



**A project  
driven by growth,  
combining  
profitability and  
extra-financial  
performance**

**€1 billion of revenue by  
2025, 70%<sup>1</sup> EBIT growth  
by 2025...**

**...and EPS accretive  
transaction as of FY  
2024/25**

<sup>1</sup> compared with Wavestone's EBIT of €77.0m FY 2022/23

WAVESTONE



Thanks

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