

WAVESTONE



# WELCOME

Combined General Meeting  
of Wavestone shareholders

December 5, 2023

# Speakers



**Pascal Imbert**  
CEO



**Patrick Hirigoyen**  
COO



**Laurent Stoupy**  
CFO



**Olivia Guéguen**  
Meeting Secretary



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

# RECENT NEWS

# Growth of +17% in H1 2023/24

Consolidated data (in €m) Limited review for data at 09/30 Audited date at 03/31	<b>H1 2023/24</b> (6 months)	<b>H1 2022/23</b> (6 months)	<b>Change</b>	<b>2022/23</b> (12 months)
<b>Revenue</b>	<b>276.7</b>	<b>237.1</b>	<b>+17%</b>	<b>532.3</b>
<b>EBIT</b>	<b>36.8</b>	<b>29.7</b>	<b>+24%</b>	<b>77.0</b>
<i>EBIT margin</i>	13.3%	12.5%		14.5%
Amortization of client relationships	(0.7)	(0.7)		(1.5)
Other operating income and expenses	(2.8)	(3.3)		(2.9)
<b>Operating income</b>	<b>33.2</b>	<b>25.7</b>	<b>+29%</b>	<b>72.7</b>
Cost of net financial debt	(0.7)	(0.4)		(1.8)
Other income and expenses	(0.3)	(0.4)		(2.3)
Tax charges	(9.2)	(6.9)		(18.5)
<b>Group share of net income</b>	<b>23.0</b>	<b>17.9</b>	<b>+28%</b>	<b>50.1</b>
<i>Net margin</i>	8.3%	7.6%		9.4%

# **H1 2023/24: consultant utilization rate of 73% in H1 2023/24 and increase in sales price of +1.1%**

	<b>H1 2023/24</b> (6 months)	<b>2022/23</b> (12 months)	
<b>CONSULTANT UTILIZATION RATE</b>	<b>73%</b>	73%	> recovery in consultant utilization rate in H1 after the significant drop at the end of the 2022/23 fiscal year
<b>AVERAGE DAILY RATE</b>	<b>€900</b>	€890	> sales price up by +1.1%
<b>ORDER BOOK</b>	<b>3.6 months</b>	4.0 months	> typical slowdown in order intake during the summer, and deterioration of the business environment
<b>EMPLOYEES</b>	<b>4,305</b>	4,406	> reduced recruitment momentum
<b>TURNOVER</b>	<b>14%</b>	16%	> stabilization of the staff turnover rate

# Solid first half for 2023/24; caution maintained for the second half

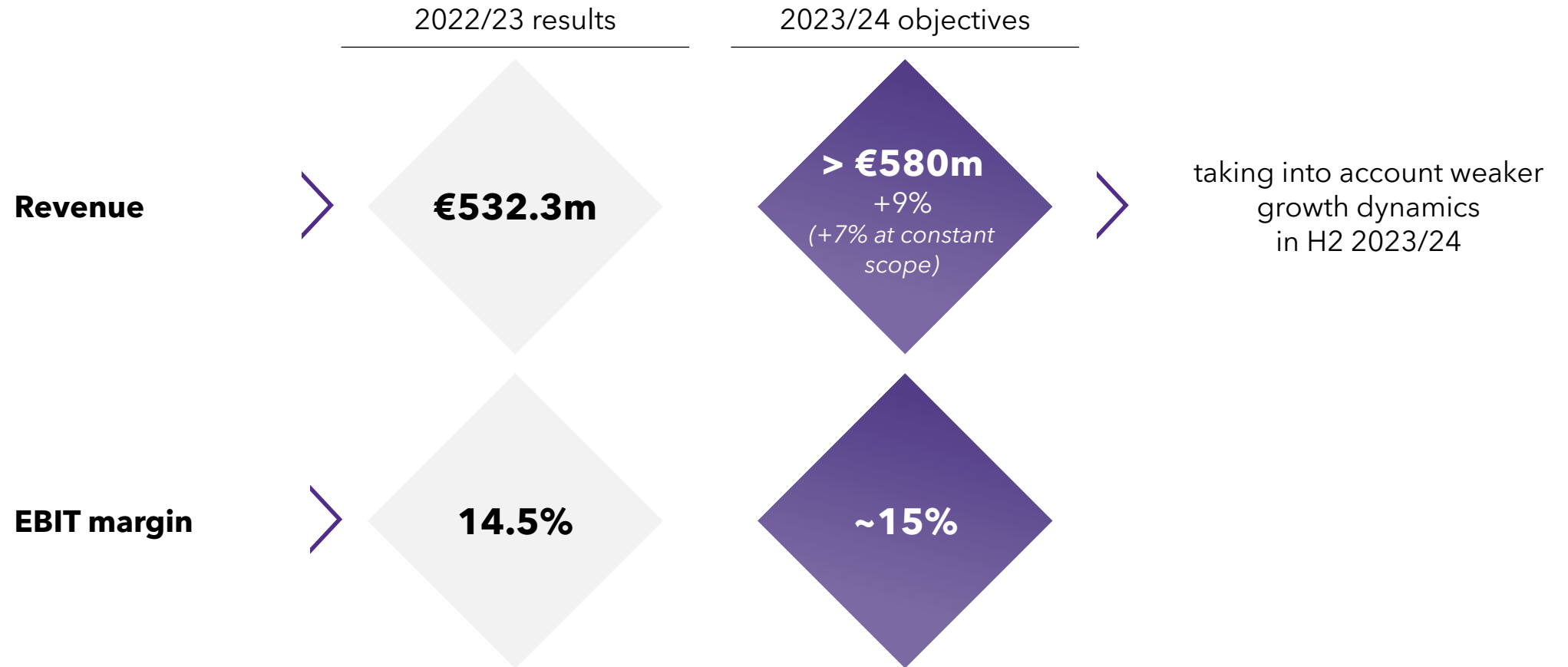
## / A first half of 2023/24 characterized by strong growth and a good level of profitability

- thanks to intense business development activity and a progressive recovery in the consultant utilization rate
- strongly positioned sales prices, good sales-price-to-salary ratio
- control of costs

## / A second six months marked by an uncertain economic environment

- overall demand declining
- some sectors particularly impacted, but others continue to offer opportunities  
**banking, retail, public sector**      **energy, insurance, luxury, transport**
- good resilience for technological projects (cybersecurity, IT strategy, Data & AI) and growing demand for projects around Generative AI

# Confirmation of objectives for 2023/24



Objectives at constant exchange rates, excluding Q\_PERIOR or any other new acquisition



**Q\_PERIOR  
IN A  
NUTSHELL**

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



Q\_PERIOR - 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 - 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



**BUILDING A  
EUROPEAN  
GLOBAL  
CHAMPION  
OF  
CONSULTING**

# Create a European global consulting champion (1/2)

## 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)

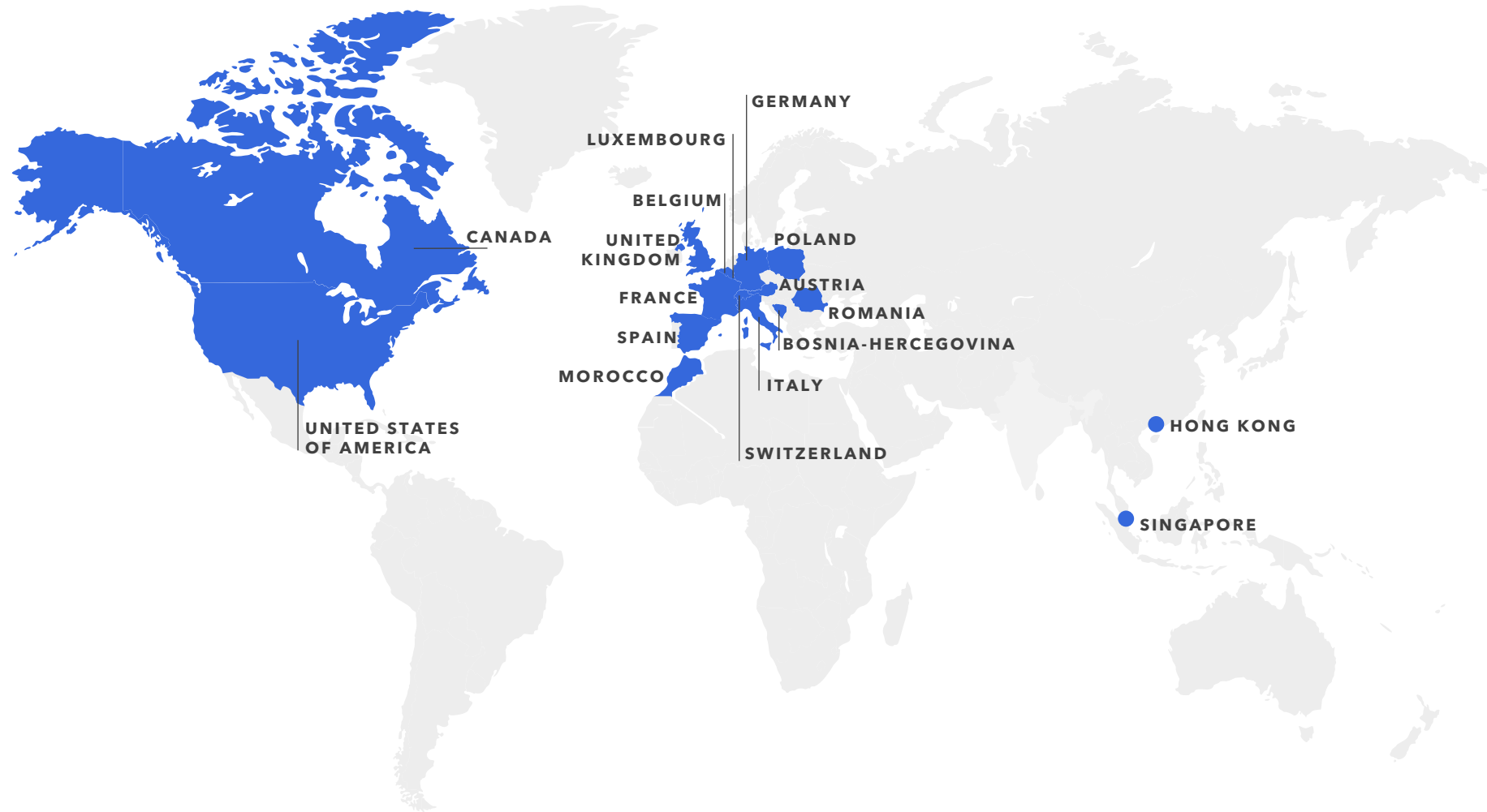
### Joint client stories

Sanofi  
Carve-Out  
project

Geodis  
ERP RFP Support  
& Pre-Framing

ANSSI  
Cybersecurity  
maturity study

# Create a European global consulting champion (2/2)



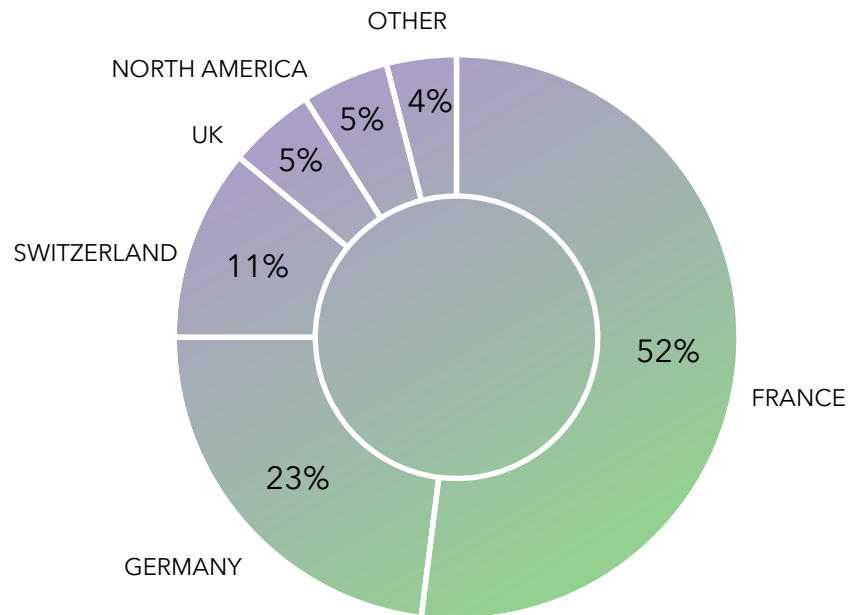
- > **€835m**  
consolidated<sup>1</sup>  
revenue
- > **12.1%**  
consolidated<sup>1</sup>  
EBIT margin
- > **5,500+**  
cumulated  
FTEs
- > **17**  
countries  
in presence
- > **18**  
Global 500 clients  
among the TOP 30

CREATE A EUROPEAN GLOBAL CONSULTING CHAMPION

<sup>1</sup> based on unaudited pro forma IFRS figures for the 12 months to March 31, 2023

# Breakdown of the new group's activities

## By geography



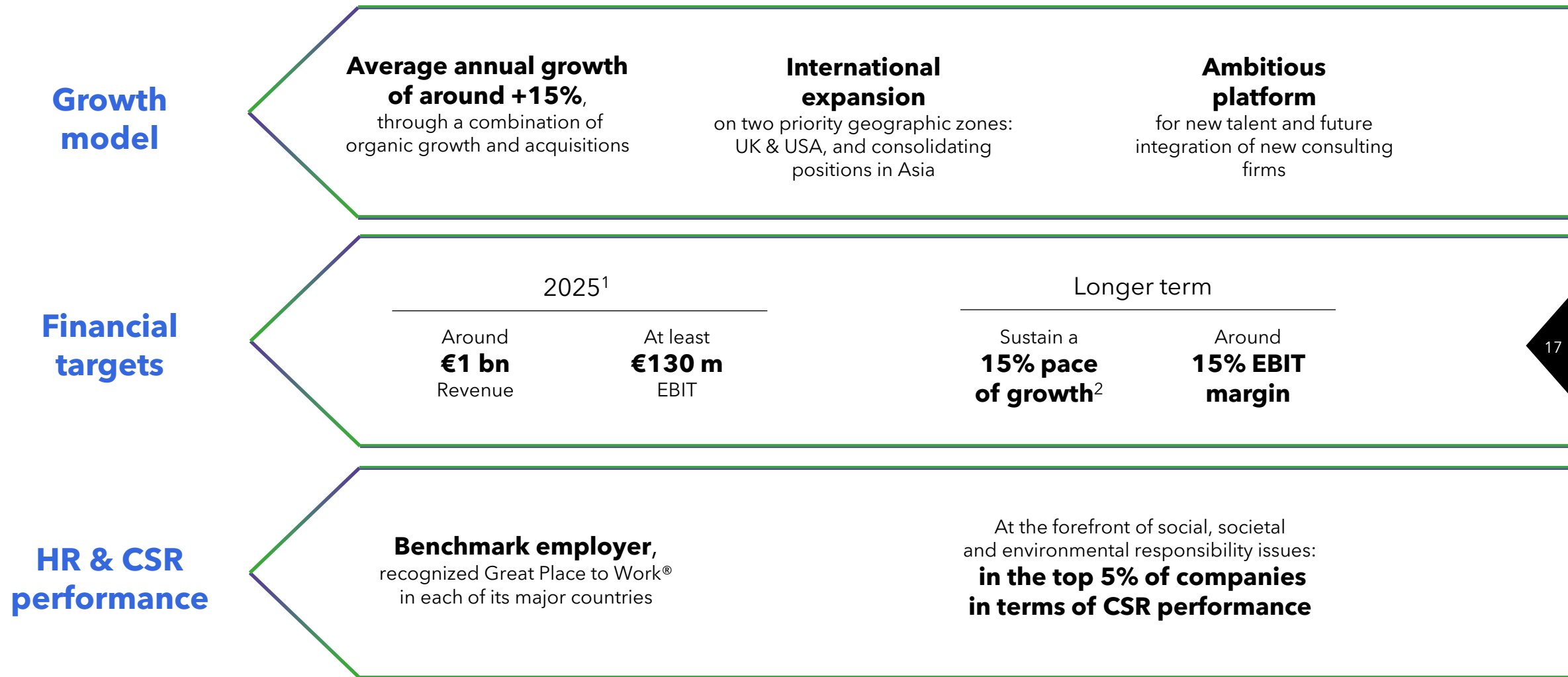
## By sector

<b>Banking</b>	<b>21%</b>
<b>Insurance</b>	<b>18%</b>
<b>Energy</b>	<b>14%</b>
<b>Transport, Travel &amp; Logistics</b>	<b>13%</b>
<b>Automotive &amp; Manufacturing</b>	<b>13%</b>

Data calculated from Wavestone data at 03/31/23 and Q\_PERIOR data at 12/31/22



# A project for growth and long-term development



## Growth model

**Average annual growth of around +15%**, through a combination of organic growth and acquisitions

**International expansion**  
on two priority geographic zones: UK & USA, and consolidating positions in Asia

**Ambitious platform**  
for new talent and future integration of new consulting firms

## Financial targets

2025<sup>1</sup>

Around **€1 bn** Revenue

At least **€130 m** EBIT

Longer term

Sustain a **15% pace of growth<sup>2</sup>**

Around **15% EBIT margin**

## HR & CSR performance

**Benchmark employer**, recognized Great Place to Work<sup>®</sup> in each of its major countries

At the forefront of social, societal and environmental responsibility issues: **in the top 5% of companies in terms of CSR performance**

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

**TERMS OF THE  
OPERATION AND  
SHAREHOLDING  
STRUCTURE**

# Financial terms of the transaction

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

### Transaction financial parameters

- 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
- Reference price of €54 for Wavestone shares (enterprise value of €1,110 million)

### 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> Before earn-out.

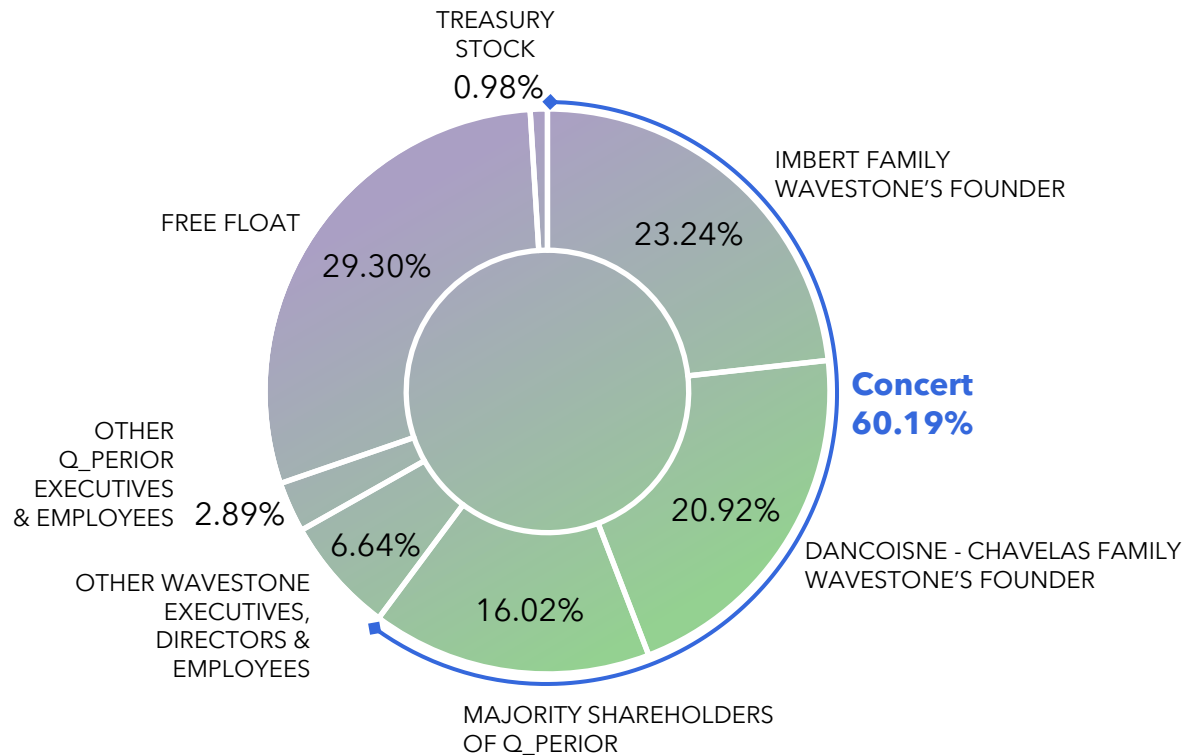
<sup>2</sup> Including financial net debt pre-IFRS16, debt-like items, and approximately €8 million corresponding to the value of some minority stakes owned by managers involved in the development of some Q\_PERIOR's subsidiaries.

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

# Ownership after transaction (1/2)

## Breakdown of share capital<sup>1</sup>

(24,906,332 shares)



## Action in concert materialized by a 10-year shareholders' agreement

Shareholder	Represented by
<b>Imbert Family</b>	<b>Pascal Imbert</b> (Co-Founder & CEO of Wavestone)
<b>Dancoisne-Chavelas Family</b>	<b>Michel Dancoisne</b> (Co-Founder of Wavestone)
<b>Majority shareholders of Q_PERIOR<sup>1</sup></b>	<b>Karsten Höppner</b> (Co-Founder & CEO of Q_PERIOR)

<sup>1</sup> based on Wavestone's capital structure at September 30, 2023

<sup>2</sup> groupe de 7 fondateurs et dirigeants.

## Ownership after transaction (2/2)

### **Lock-up mechanism for the members of the concert:**

- Controlling shareholders' commitment to the new group's growth strategy strengthened by a 4-year degressive lock-up mechanism
- Shares under lock-up representing 60.2% of the share capital

### **Other Q\_PERIOR's minority shareholders:**

- Subject to a 2-year degressive lock-up
- Shares under lock-up mechanism representing 2.9% of the share capital

**A  
STRENGTHENED  
AND  
EXTENDEND  
GOVERNANCE**

# Board of Directors after the combination

## Directors representing Wavestone majority shareholders



**Pascal Imbert**  
Chairman & CEO



**Patrick Hirigoyen**  
COO



**Michel Dancoisne**  
(representing FDCH)  
Director

## Directors representing Q\_PERIOR majority shareholders



**Karsten Höppner**  
COO



**Astrid Blechschmidt**  
Director

## Independent Directors



**Marie-Ange Verdickt**  
Lead Director



**Christophe Aulnette**  
Director



**Véronique Beaumont**  
Director



**Florence Didier-Noaro**  
Director



**Marlène Ribeiro**  
Director



**Rafaël Vivier**  
Director

## Directors representing employees & shareholders employees



**Pierre Allard**  
Director representing  
shareholders employees



**Benjamin Clément**  
Director representing  
employees



**Emilie Salas**  
Director representing  
employees

**42.9%**  
Independent Directors

**45.5%**  
Women Directors  
(excl. employee rep.)

# Leadership team 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 (total of 18 members vs. 16 before)

**33%**  
of Women



# OTHER INFORMATION

# Board of Directors' report to the Combined General Meeting of December 5, 2023

- Contribution and remuneration of the Contribution
- Neutralization of majority shareholders' voting rights
- Proposal to appoint Mr Karsten Höppner as Director
- Proposal to appoint Mrs Astrid Blechschmidt as Director
- Shareholder consultation on Karsten Höppner's compensation (ex ante say on pay vote)

p.3

p.4

p.4

p.4

p.7

# Presentation of Mr Karsten Höppner



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

German national  
56 years old

## **Professional Experience:**

Karsten Höppner is Partner, CEO, and co-founder of the IT and management consulting company Q\_PERIOR. Since the company's founding in 1995, he has been largely responsible for developing the company to its current position. He began his career in 1992 at Andersen Consulting (today Accenture) after graduating as an engineer from the University of Applied Science in Berlin and earning his MBA from Pennsylvania State University.

Besides his general management position within Q\_PERIOR, he is an experienced business consultant with a well-founded capability to manage large international transformation programs and has an in-depth expertise in Insurance. He has a passion for people and strives to give every person within Q\_PERIOR the best opportunities to live up to their full potential.

# Presentation of Mrs Astrid Blechschmidt



**Astrid Blechschmidt**  
Partner  
Q\_PERIOR

German national  
53 years old

## **Professional Experience:**

Graduated from University of Applied Science Munich in Business Administration, Astrid Blechschmidt has more than 25 years of experience in IT Professional Service Companies.

She started her career as an IT consultant in the mobility, transport, and logistics industry. In 2010, Astrid was appointed as Director Sales Department "Travel, Transport & Logistics" of T-Systems Switzerland, a Company of Deutsche Telekom. In 2014, she became CEO of T-Systems Data Migration Consulting AG a consultancy company of Deutsche Telekom in Switzerland.

In 2016, Astrid joined Q\_PERIOR AG, Munich. She is a Partner and the sector lead Travel, Transport and Logistics . She is also in charge of the Deutsche Bahn account.

Astrid's most notable competencies are in sales which she conveys to other colleagues in many places. She is active in many topics across the board: such as defining the Sales Curriculum and its execution, she has launched the Diversity Initiative, as Ambassador she accompanies the promotion process of new Associate Partners and Partners and she is host of the so-called Q\_AWARD, awarding outstanding project and sales achievements.

# Exemption document from the obligation to publish a prospectus

- Pro forma financial information
- Statutory auditors' report on the Pro Forma Financial Information for the year ended March 31, 2023

p.78

p.92

## ▾ Contribution auditor's report

- Contribution auditor's report on the value of the contribution of shares of Q\_PERIOR HOLDING AG to be granted to WAVESTONE SA
- Contribution auditor's report on the remuneration of the contribution of shares of Q\_PERIOR HOLDING AG to be granted to WAVESTONE SA

**QUESTIONS  
&  
ANSWERS**

# **VOTE ON THE RESOLUTIONS**



Resolution 0 | Test  
**Test of electronic voting boxes**

This resolution confirms that **the cocktail reception will be held at the close of the General Meeting.**



**Pour Abst. Contre**

Resolution 1 | Extraordinary part  
**Approval of the capital contribution in kind of 1,128,195 shares in Q\_PERIOR Holding AG to the Company, its valuation and its compensation**

The purpose of this resolution is to approve the contribution in kind by the shareholders of Q\_PERIOR Holding AG to the Company of 1,128,195 shares of Q\_PERIOR Holding AG, its valuation at €254,331,360 and its compensation, representing the allocation of 4,709,840 new ordinary shares.



## Resolution 2 | Extraordinary part

**Approval and acknowledgment of the completed capital increase subsequent to the contribution to the Company of 1,128,195 shares in Q\_PERIOR Holding AG, totaling 117,746 euros and validation of the provisions on the contribution premium and its allocation - Resulting issue of 4,709,840 ordinary shares**

The purpose of this resolution is to:

- note the fulfilment or waiver of the conditions precedent referred to in Article 5 of the Contribution Agreement;
- note the final completion of the contribution in kind by the shareholders of Q\_PERIOR Holding AG to the Company of 1,128,195 shares of Q\_PERIOR Holding AG;
- resolve to increase the Company's capital following the contribution in kind, by a nominal amount of €117,746, by issuing 4,709,840 new ordinary shares and creating a contribution premium of €254,213,614;
- decide on the allocation of the contribution premium.

**Pour****Abst.****Contre**

Resolution 3 | Extraordinary part  
**Amendment to Article 6 "Share capital" in the Company's Articles of Association as a result of the completed capital increase, subsequent to the contribution**

The purpose of this resolution is to amend the Article 6 "Share capital" in the Company's Articles of Association following the contribution in kind by the shareholders of Q\_PERIOR Holding AG to the Company of 1,128,195 shares of Q\_PERIOR Holding AG and the resulting increase in the Company's share capital by a nominal amount of €117,746 through the issuance of 4,709,840 new shares.



## Resolution 4 | Ordinary part Appointment of Mr. Karsten Höppner as Director

The purpose of this resolution is to approve the appointment of Mr Karsten Höppner as Director.



- Term of office: 4 years, i.e. until the close of the Ordinary General Meeting called to approve the financial statements for the year ending March 31, 2027



Resolution 5 | Ordinary part  
**Appointment of Ms. Astrid Blechschmidt as Director**

The purpose of this resolution is to approve the appointment of Mrs Astrid Blechschmidt as Director.



- Term of office: 4 years, i.e. until the close of the Ordinary General Meeting called to approve the financial statements for the year ending March 31, 2027

    
**Pour Abst. Contre**

Resolution 6 | Ordinary part

## Approval of the compensation policy for Mr. Karsten Höppner in respect of the fiscal year starting on April 1, 2023

The purpose of this resolution is to approve the components of the compensation policy for Mr Karsten Höppner in respect of the fiscal year starting on April 1, 2023.

- Refer to the Board of Directors' report to the Combined General Meeting of December 5, 2023



**Pour Abst. Contre**

## Resolution 7 | Ordinary part **Powers to carry out formalities**

The purpose of this resolution is to grant the powers to carry out the formalities required following the General Meeting.





WAVESTONE



# GOOD DAY

Join us on January 30, 2024

(after stock market closing) for the publication  
of the Q3 2023/24 revenue