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# ***Quilvest S.A.***

## **Valuation report**

21 September 2018



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# 1. Introduction

Quilvest S.A. (hereinafter “Quilvest SA” or the “Company”) is the ultimate holding company of the Quilvest Group (hereinafter “Quilvest” or the “Group”), an international independent wealth manager and private equity manager and investor. 99.66% of the shares in Quilvest SA are held by descendants of the Bemberg family and members of related families (hereinafter the “Bemberg Family”), who announced that they were acting in concert on May 14, 2018. The Bemberg Family is consequently the majority shareholder (hereinafter the “Majority Shareholder”) as defined by the Luxembourg law of 21 July 2012 on the squeeze-out and mandatory sell-out of securities of companies currently admitted or previously admitted to trading on a regulated market or having been offered to the public (hereinafter the “Law”). The remaining 0.34% of the outstanding shares in Quilvest SA (collectively the “Minority Shares”) are held by numerous minority shareholders (hereinafter the “Minority Shareholders”).

Further to the announcement by the Majority Shareholder dated 14 May 2018 referred to above, the Commission de Surveillance du Secteur Financier (hereinafter, the “CSSF”) added Quilvest on its list of companies for which information on holdings has been validly notified pursuant to article 3(1) of the Law on 6 August 2018. Then, on August 20, 2018, the Majority Shareholder notified the CSSF and informed Quilvest of its decision to exercise its right of squeeze-out on all the shares in the Company it does not yet directly or indirectly own (hereinafter the “Squeeze-Out”) pursuant to article 4(3) of the Law.

On the same date, the Company informed the Minority Shareholders of the Majority Shareholder’s decision to exercise its rights of Squeeze-Out. Under the article 4(5) of the Law, “within the month following the notification of the exercise of the right of mandatory squeeze-out [...] the majority shareholder shall communicate to the CSSF the proposed price and a Valuation Report of the securities and, where applicable, of the other transferable securities covered by the mandatory squeeze-out”.. The Law further states that “this valuation report, the costs of which shall be borne by the majority shareholder, shall be drawn up by an expert of his/her choice, independent from any party concerned, and who is not involved in any conflict of interest”.

The Majority Shareholder, represented by Mr Christian Baillet, has mandated PricewaterhouseCoopers Luxembourg, Société coopérative (hereinafter “PwC”) to act as an independent valuation expert in compliance with the Article 4(5) of the Law, to provide a valuation opinion in the context of the squeeze-out of the shares in the Company, previously admitted to trading on the Luxembourg Stock Exchange (“LSE”) up until 26 August 2016.

This Valuation is drawn up as at 17 September 2018 (the “Valuation Date”), and is based on latest financial accounts available dated 30 June 2018 (the “Accounts Date”). It corresponds to the most recent, reliable financial statements which were available as at Valuation Date. The Valuation has, where appropriate and/or indicated taken into account any significant event which occurred between the Accounts Date and the Valuation Date.

## 1.1. Summary of opinion

Based on our analysis, we are of the opinion that the Fair Price in the context of the Squeeze-Out is **\$171.2** per issued ordinary share of Quilvest as at the Valuation Date.

PwC acknowledges that the Valuation Report will be made public and communicated to all relevant parties, including the Minority Shareholders and the CSSF.

## 1.2. Key considerations

Our opinion is based solely on information made available to us as at the date of this report as set out at Appendix “G.2. Sources of information used”. We note that we have not undertaken to update the Valuation Report for events or circumstances arising after the Accounts Date other than those of a material nature, and notified to us, which would impact our valuation opinion.

For the purposes of the Valuation Report, such events or circumstances are deemed to be of a material nature if their omission or misstatement would be reasonably expected to influence the economic decisions of readers of the Valuation Report. We refer readers to the limitations and reliance on information as set out in section “2.3. Limitations and reliance on information”.

### 1.3. Other matters

In forming our opinion, we relied on objective and recognised methods which we considered adequate in the present context. Therefore, our opinion does not consider the financial situation, objectives or needs of individual Minority Shareholders. It is neither practical nor possible to assess the implications of the proposed price (the “Proposed Price”) for each individual Minority Shareholder as their financial circumstances are not known.

Our Valuation Report was prepared in accordance with the relevant provisions of the Law. We prepared the Valuation Report solely for the purpose of determining a Fair Price for the Minority Shares in the context of the Squeeze-Out as independent experts. We do not assume any responsibility or liability to any other party as a result of reliance on the Valuation Report for any other purpose.

All currency amounts in this report are denominated in US dollars (“USD” or “\$”) or euros (hereinafter “EUR” or “€”). Except where otherwise indicated, currencies have been translated into USD on the basis of the exchange rates as at 17 September 2018 (EUR/USD 0.857 as per Bloomberg).

The above opinion should be considered in conjunction with, and not independently from, the information set out in the Valuation Report, including its appendices.

### 1.4. Legal requirements

The relevant Law entered into force on October 1, 2012. The term “squeeze-out” refers to the right of the majority shareholder to compulsorily acquire the shares of all the minority shareholders in a company. Conversely, the term “sell-out” or “reverse squeeze-out” refers to the right by a minority shareholder to request the purchase of his or her shares from the majority shareholder.

The scope of the Law governs the squeeze-out and sell-out of securities of a company that has its registered office in Luxembourg and whose securities:

- are admitted to trading on a regulated market in one or several member states of the European Economic Area (“EEA”);
- were previously admitted to trading on a regulated market in one or more member states of the EEA, if the removal from trading took place less than five years ago, (which is the case for Quilvest); or,
- were subject to a public offering less than five years ago.

The term “majority shareholder” is defined by the Law as any natural or legal person holding alone or together with other persons acting in concert, directly or indirectly, securities representing not less than 95% of the capital carrying voting rights and 95% of the voting rights of the company.

The majority shareholder, exercising its squeeze-out right or being subject to a sell-out right, must provide the CSSF with a proposed Fair Price for the securities and a valuation report prepared by an independent expert. According to article 4(4) of the Law, “the mandatory squeeze-out must be exercised at a Fair Price according to objective and adequate methods applying to asset disposals”.

## 2. Scope of the Valuation Report

### 2.1. Basis of assessment

On August 20, 2018, the Majority Shareholder notified the CSSF of its decision to exercise its squeeze-out right as set out in the Law. As a result, a valuation report must be prepared by an independent expert in accordance with the requirements of the Law.

The Valuation was prepared as at the Valuation Date in accordance with Article 4 of the Law, which states that the contemplated Squeeze-Out has to be performed on the basis of a Fair Price derived according to objective and adequate methods applying to asset disposals. The Valuation has, where appropriate and/or indicated, taken into account any significant event which occurred in the period after the Valuation Date, and up to the date of the report. We relied on the guidance of the International Valuation Standards Council (“IVSC”) which defines “Fair Price” as “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”. Fair Price does not reflect attributes of an asset that are of value to a specific owner or purchaser that are not available to other buyers in the market.

Our Fair Price estimate is primarily based on information provided by Quilvest and the Majority Shareholder, industry research, public information about comparable companies/transactions and discussions held with the Majority Shareholder, and Quilvest’s management (the “Management”).

### 2.2. Valuation methodologies

Quilvest SA is a holding company. The value of its shares is therefore closely tied to the value of its subsidiaries and investment portfolio. In view of the Group’s diversified operations, we have considered as a primary methodology the sum-of-the-parts approach (“SOTP”), also commonly referred to adjusted net asset value (“Adjusted NAV”) approach, to assess the Fair Price per share of Quilvest SA. This methodology combines the fair value of Quilvest’s business units (“BUs”), each of which is valued separately, in order to derive the fair value of the Company. Methodologies used to derive the fair value of the BUs include:

- Income approach based on the free cash flow to equity (“FCFE”) and the dividend discount model (“DDM”);
- Adjusted NAV approach; and
- Market approach based on multiples implied by comparable transactions and comparable publicly traded companies.

For details on the methodologies, their selection and application, refer to section “4. Description of valuation methodologies”.

### 2.3. Limitations and reliance on information

In preparing this report, we reviewed and relied upon written information and representations provided to us by Management together with any information obtained from discussions with Management. We also relied upon information obtained from public sources of information. A list of the information received and relied upon is set out at Appendix “G.2. Sources of information used” of this report.

We considered that all the information communicated to us by the Company or its representatives is reliable. Quilvest remains responsible for the completeness and accuracy of the information provided. On 21 September 2018, we received a representation letter (the “Representation Letter”) from Management stating that the information used as a basis for the Valuation represents the Group’s executives’ best knowledge or expectation of the Group’s current and future financial position, respectively. The Representation Letter also confirms that, Management are not aware as at the date of this Valuation Report, of any information which may significantly impact the results of our work.

In accordance with our scope of work, the information provided and in particular forward-looking financial information (e.g. the BUs’ business plans) was not subject to any validation or independent verification procedures performed by PwC. We have not tested individual assumptions or attempted to substantiate the veracity or integrity of such assumptions in

relation to any forward-looking financial information. PwC cannot provide any assurance that the forward-looking financial information from the business plans of the BUs will be representative of the results which will actually be achieved by the Company and its subsidiaries during the forecast period. Variations of the forecasts compared to actual results would affect our valuation outcome. However, we made sufficient enquiries to satisfy ourselves that such information was prepared on a reasonable basis.

We note that, in the context of the Squeeze-Out, it is not the role of the independent expert to undertake a commercial and/or legal due diligence. The opinion of PwC is based on prevailing market, economic and other conditions as at the Valuation Date. Conditions can change over relatively short periods of time.

We worked under the provision that, at the time of completing the Valuation Report, Management disclosed to us all relevant and required information for the purposes of estimating the value of the Company. Whilst this report was prepared based on financial information dated 30 June 2018, we obtained a confirmation from Management that, to the best of their knowledge, no significant events that may influence the Fair Price occurred between the Accounts Date and the Valuation Date.

## **2.4. Procedures performed**

Our work was performed in accordance with guidelines provided by the IVSC and generally accepted valuation practices used by valuation practitioners which are applicable to this type of engagement. This included, but was not limited to, the following:

- Gathering relevant information on the background to and purpose of the Squeeze-Out, in particular by examining the related documentation and press releases;
- Holding discussions with executives of each BU to gather relevant information and develop an understanding of the financial and operational nature of their respective businesses;
- Selecting appropriate valuation methodologies relevant for valuing Quilvest and substantiating the methods selected and those which were disregarded;
- Estimating the value of Quilvest SA's shares and concluding on a Fair Price; and
- Verifying that the independent auditor has issued an unqualified report on Quilvest SA's stand-alone and consolidated financial statements as at 31 December 2017 and performed a high-level review of the key items included in the interim consolidated and stand-alone financial statements as at 30 June 2018 (the Company's interim financial statements are not subject to any limited review or audit).

## 2.5. Statement of independence

We and other PwC network firms made due enquiries and investigations on matters which may affect our independence or may cause any conflict of interest in relation to this engagement or the parties involved in the Squeeze-Out.

We note that:

- PwC is neither the independent external auditor (Réviseur d'Entreprises or equivalent in other jurisdictions) of, nor has an influential relationship with Quilvest SA (including its subsidiaries, affiliates or related companies), or with the Majority Shareholder which may impair our ability to act independently and objectively;
- PwC has only provided limited tax and financial advisory services to CBP Quilvest S.A., an indirect subsidiary of Quilvest SA, and not in connection with the Squeeze-Out. These services relate essentially to advice in conjunction to potential acquisitions and are all terminated.
- PwC was also appointed as the internal auditor of one of Quilvest & Partners' regulated subsidiaries in Luxembourg, Quilvest Luxembourg Services. Quilvest Luxembourg Services is regulated as a PSF and its value is estimated to represent around 1% of the total value of Quilvest Group. Quilvest & Partners is in turn a subsidiary of Quilvest S.A. Fees paid for this assignment do not represent a material amount for the Group nor PwC.
- Overall fees from the services provided to Quilvest SA (including its subsidiaries, affiliates or affiliated companies) by PwC Luxembourg over the last five years did not exceed 0.35% of PwC Luxembourg's total fee income.
- Fees from services provided by other PwC network firms to Quilvest Group entities (i.e. Quilvest SA and QWM) represent an immaterial amount to the relevant PwC firm (less than 0.1% of its total fee income); and
- The PwC entities and individual team members involved in this engagement are independent and do not have any personal or professional conflict of interest with Quilvest SA, any of its subsidiaries or affiliated companies, or the Majority Shareholder. They have not been involved in any of the assignment mentioned above.

Therefore, we did not identify any potential conflicts of interest or any elements questioning our independence as stated in article 4 (5) of the Law in the context of this report. We confirm the independence and the absence of any conflicts of interest of PwC employees assigned to the Engagement. This report should be considered in its entirety in conjunction with the appendices.



Grégoire Huret

Partner

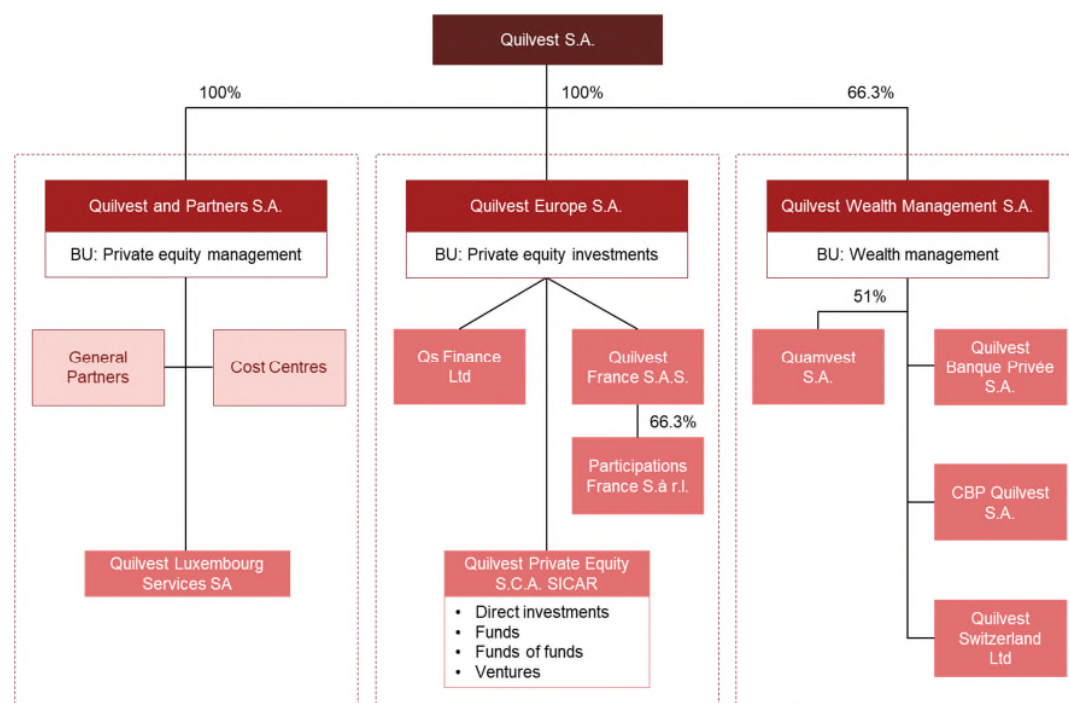
PricewaterhouseCoopers Luxembourg, Société coopérative



### 3. Overview of Quilvest SA

Quilvest SA is the ultimate holding company of the Quilvest Group and owns several subsidiaries, either directly or indirectly. Through its subsidiaries, the Group operates in private equity management, private equity investments and wealth management businesses.

**Figure 1: Quilvest's corporate structure**



Source: Management

#### 3.1. Shareholding structure

Quilvest SA is 99.66% owned by the Majority Shareholder. Its shares were withdrawn from public trading from the official list of the LSE at the close of trading on August 26, 2016. The last closing price made available on the LSE as at 25 August 2016 was \$95 per share.

As at 17 September 2018, Quilvest SA's subscribed capital consists of 6,560,858 fully paid shares without nominal value representing an issued share capital of \$44,346,540. The Company's financial year begins on January 1 and ends on December 31 of each year.

#### 3.2. Brief history

The Group was created in Paris on September 20, 1888, and has been managing the Bemberg Family's wealth for more than a century. Quilvest SA was incorporated in Luxembourg on December 20, 1960 with the company register number B 6091. Its registered office is 3, Boulevard Royal, L-2449 Luxembourg.

It has been active as a private equity investor since 1972 and, following the spin-off of other industrial activities in 1991, its sole focus is on managing financial assets. Today, the Group is an international independent wealth manager and private equity manager and investor. With a team of almost 400 professionals, it manages approximately \$36bn of client assets through offices in Luxembourg, New York, Zurich, Geneva, Paris, Dubai, London, Montevideo, Hong Kong, Singapore, Ghent, Brussels and Santiago de Chile. For the year ended December 31, 2017, consolidated profits amounted to \$76.1m with the net asset value growing 14% year on year. Wealth management and private equity investments remain Quilvest's core businesses, for the benefit of the Bemberg Family, other private investors and institutional clients.

### 3.3. Business overview

Quilvest SA directly owns three subsidiaries (hereinafter the “Subsidiaries” or “Entities”), operating in three distinct business segments, each of these representing a BU, as shown in Figure 1:

- **100% of Quilvest Europe S.A. (“Quilvest Europe” or “QVE”)** focusing on private equity investments.
- **100% of Quilvest and Partners S.A. (“Quilvest & Partners” or “Q&P”)** focusing on private equity management.
- **66.3% of Quilvest Wealth Management S.A. (“Quilvest Wealth Management” or “QWM”)** the wealth management arm of the group.

#### 3.3.1. Quilvest Europe (BU Private Equity Investment)

**Quilvest Europe** is fully owned by Quilvest SA. It was incorporated on January 5, 1991, and its registered office is at 3, Boulevard Royal, L-2449 Luxembourg. QVE operates mainly in the acquisition and holding of direct private equity investments, investment funds, and fund of funds (“FoF”) investments through its fully owned subsidiaries **Quilvest Private Equity S.C.A., SICAR (“QPE SICAR”)**, a Luxembourg-based private equity investment holding.

Quilvest seeks investment opportunities in profitable, small and medium-sized private companies with a strong track record of success and demonstrable growth characteristics. It accompanies them in their strategic development over the long term. QPE SICAR invests in securities and other assets through dedicated intermediary vehicles (QS Companies and QS Direct). Since 1972, Quilvest has made more than 150 direct investments and more than 300 fund investments. It acts as lead, co-lead or minority investor across multiple industries and geographic areas. In 2017, Quilvest generated an income from PE investments of approximately \$95m.

Other entities held by QVE include:

- Quilvest France S.A.S. (“Quilvest France”), a France-based company. It holds a building located 241 – 243, boulevard Saint-Germain, 75007 Paris (hereinafter the “Building”). Through its subsidiary Participations France S.à r.l. (“Participations France”), it also owns an equity stake in Gaspal Gestion S.A. (“Gaspal Gestion”), a France-based asset management company;
- Qs Finance Ltd. (“Qs Finance”), a BVI-based financial entity. It centralises carried interests payable to QVE’s investments teams, which will be settled as the related investments are sold. Quilvest is considering liquidating this entity as soon as practicable;
- Optisana Limited, a BVI-based company with no value as at Valuation Date and currently in the process of liquidation; and
- Participating interests in carried interest vehicles (73%, 39%, 32% and 16% respectively in Quilvest European Partners SICAR, QS Global SLP, QS Extra SLP and QS Crek). Their assets solely comprise carried interest receivables, with the exception of Quilvest European Partners SICAR, which also holds one direct private equity investment.

#### 3.3.2. Quilvest & Partners (BU Private Equity Management)

**Quilvest & Partners** is fully owned by Quilvest SA. It was incorporated on November 5, 2010, and its registered office is at 3, Boulevard Royal, L-2449 Luxembourg. Q&P manages investments in PE funds and FoFs. It has several subsidiaries internationally, operating as general partners or cost centres (as detailed at Appendix “C.1. Quilvest & Partners’ subsidiaries”). All the subsidiaries’ activities are similar and are allocated to certain funds or geographic areas, hence Q&P represents a consistent BU which can be valued on a consolidated basis.

Q&P developed several investment programmes as described below:

- The Q&P PE programme (“QSPEP”) launched its first FoF in 2002 and currently manages a portfolio of over 200 funds;

- The Q&P emerging markets programme (“QSGEO”) currently manages a portfolio of over 30 funds. It aims to have solid exposure to markets such as Brazil, India and China, while allocating a portion of the programme to less competitive geographic areas with the purpose to offer attractive risk reward opportunities;
- The Q&P real estate programme (“QSREP”) invests in opportunistic, distressed, debt and value-add real estate funds around the world. The aim is to provide Quilvest and other investors access to distressed opportunities, strategic investments in developed markets, and structural growth opportunities in emerging markets; and
- Dedicated energy funds (Quilvest Energies) and technology funds (Quilvest Ventures).

As at 31 December 2017, Q&P managed c.\$4.4bn of client assets. Business plan prepared by Management for FY18 onwards is based on client assets forecasts and corresponding revenues generated.

### 3.3.3. Quilvest Wealth Management (BU Wealth Management)

**Quilvest Wealth Management S.A. (“Quilvest Wealth Management” or “QWM”)** is 66.3% owned by Quilvest SA. The remaining 33.7% is owned by Vauban Participations SA. It was incorporated on May 3, 2011, and its registered office is at 48, rue Charles Martel, L-2134 Luxembourg. QWM is a financial holding company operating through four subsidiaries:

- CBP Quilvest S.A. (“CBPQ”), a Luxembourg-based private bank owned at 100% by QWM. It was created in 2011 through the merger of the Group’s wealth management activities and Compagnie de Banque Privée S.A.;
- Quilvest Banque Privée S.A. (“QBP”), a Paris-based private bank owned at 100% by QWM. It was established in 1917;
- Quilvest Switzerland Ltd. (“QVS”), a Zurich-based private bank owned at 100% by QWM. It was established in 1932; and
- Quamvest S.A. (“QAM”), a Luxembourg-based asset manager owned at 51% by QWM. It was incorporated in 2013, and holds an Alternative Investment Fund Management (“AIFM”) licence since October 2014.

QWM provides the following private banking and wealth management services to clients in Europe, Asia and Latin America:

- Investment and banking services: investment advice, discretionary asset management, custody bank and transaction efficiency, portfolio analysis and reporting, Lombard credits, trading room and bespoke structured products, as well as private equity and alternative investments;
- Wealth management and structuring services: tax and inheritance planning, trust advice and services, life insurance solutions, private investment vehicles, non-financial asset management and M&A support; and
- Family office and lifestyle services: family governance, consolidated reporting, concierge services, philanthropy and art advisory.

As at 31 December 2017, total assets under management (“AuM”) and assets under custody (“AuC”) amounted to \$29.4bn.

## 4. Description of valuation methodologies

This section describes the valuation methodologies used to value the shares in Quilvest SA and the BUs.

### 4.1. Description of valuation approach for Quilvest SA

In assessing the Fair Price per share of Quilvest SA, we have considered as a primary methodology the SOTP approach where we combine the fair value of Quilvest's BUs (i.e. Private Equity Investment, Private Equity Management and Wealth Management), adjusted for the elements related to Quilvest SA.

#### 4.1.1. SOTP valuation

The SOTP valuation is a process of valuing a company by aggregating the worth of each individual BU.

The valuation process comprises three key steps:

- (i) determination of the stand-alone fair value of each BU;
- (ii) aggregation of the fair value of the BUs at the holding level through the revaluation of the "investment in subsidiaries" asset line at fair value in the standalone balance sheet; and
- (iii) computation of the equity value by adjusting for the Company's net debt, non-operating assets and additional holding costs.

#### 4.1.2. Disqualified valuation methodologies

We selected the SOTP approach as the sole methodology to compute the value of Quilvest SA and disqualified both market and DCF approaches (applied on a consolidated basis).

- **Market approaches:** relative valuation derives the value of a firm by looking at how similar firms are priced. This is not applicable for firms that are engaged in multiple businesses – such as Quilvest – and operating in many countries, since usually there is no comparable company from which to derive multiples. Quilvest is also deriving a substantial share of its value from a diversified portfolio, of direct investments and investments in single funds, venture capital funds and FoF.
- **DCF:** Quilvest SA runs individual BU's businesses on a stand-alone basis. Each BU has its own financial reporting, budgeting, and management team. As no forecasts are available on a consolidated basis, the use of cash-flow based valuation methodologies can not be envisaged.

The alternative is to value each individual business segment as if it were a standalone company and then aggregate the value over all of the segments (i.e. SOTP approach).

#### 4.1.3. Intercompany charges & financing

Intercompany transactions occur when one entity is involved in a transaction with another entity within the Group. An intercompany transaction is recognized in the financial records of both entities of the Group as if it were an arm's-length transaction with an unrelated party. From the consolidated entity's perspective, this transaction should be eliminated to avoid double counting.

Intercompany transactions between an individual BU and Quilvest SA were cancelled out (i.e. revenues and costs stemming from services rendered by the holding to its subsidiaries).

BUs are included in the consolidated accounts of Quilvest SA as direct subsidiaries. We obtained financial statements at a sub-consolidation level for QWM and Q&P (including their respective subsidiaries), while no consolidated figures were prepared at QVE's level.

## 4.2. Description of valuation approaches for the BUs

Methodologies used in order to derive the fair value of the BUs include the following generally accepted valuation methodologies:

- **Market approach** which provides an indication of value by comparing the asset with comparable assets for which price information is available (comparable transactions or comparable company trading multiples);
- **Income approach** which provides an indication of value by reference to the present value of future income, cash flow or cost savings generated by the asset;
- **Cost approach** which provides an indication of value by calculating the current replacement or reproduction cost of an asset, under the assumption that a buyer will pay no more for an asset than the cost to obtain an asset of equal utility; and
- **NAV approach** (or adjusted book value) which provides an indication of value based on the financial situation of a company, once all assets and liabilities are adjusted to reflect fair market value (including off-balance sheet items).

The fair value of each individual BU was assessed under the assumption that these BUs operate within a group, and benefit from group support. Hence, the implied valuation derived at the BU level may differ from a standalone valuation, in a transactional context, where divisions would be spun off or acquired separately.

BU	Valuation methodology	Valuation methods for the underlying investments
Quilvest Europe	Adjusted NAV approach	<u>Direct investments</u> : Market multiples and cost approach <u>Funds and FoF investments</u> : NAV approach <u>Quilvest France</u> : NAV approach <u>Qs Finance</u> : NAV approach
Quilvest & Partners	Income approach	n.a.
Quilvest Wealth Management	Income approach Market approach	n.a.

These methodologies are further described in the following sections.

### 4.2.1. Market approach

#### (i) Trading multiples

The trading multiples method uses information on publicly traded comparables that are the same or similar to the subject asset to arrive at an indication of value. The valuation metrics/comparable can usually be computed as at the Valuation Date as detailed information on the comparables is publicly available, and the information contained in public filings is prepared under well understood accounting standards.

The method should be used only when the subject asset is sufficiently similar to the publicly traded comparables to allow for meaningful comparison. It consists in identifying the valuation metrics that are used by participants in the relevant market, calculate the key valuation metrics for comparables companies and apply the adjusted valuation metrics to the subject asset (considering necessary adjustments, if any, to the valuation metrics to reflect differences between the subject asset and the publicly traded comparables).

In the context of this engagement, trading multiples were used as an indication of value for QWM and its subsidiaries, and to value the direct investment in portfolio companies held by QVE.

#### (ii) Transaction multiples (external transactions)

The comparable transactions method uses information on transactions involving assets that are the same or similar to the subject asset to derive an indicative value.

The method should be used only when the subject asset is sufficiently similar to the observable transaction target to allow for meaningful comparison. It consists in identifying the valuation metrics that are used by participants in the relevant market, calculate the key valuation metrics for comparables transactions and to apply the adjusted valuation metrics to the subject asset (considering necessary adjustments, if any, to the valuation metrics to reflect differences between the subject asset and observed transactions). In the context of this engagement, external transaction multiples were used for QWM.

(iii) *Transaction multiples (internal transactions)*

When the comparable transactions considered involve the subject asset, this method is sometimes referred to as the *prior transactions* or *internal transactions* method.

Quilvest SA shares were admitted to trading on the LSE until 26 August. As part of the delisting process of Quilvest SA, the Company launched a tender offer for its shares from 6 July 2016 to 29 July 2016 at a price of \$126 (corresponding to a 10% discount to latest Management NAV). We were provided with a list of transactions from the delisting date to the issuance date of this report, whereby Quilvest SA acquired its own shares from existing shareholders. The list of and the price at which these transactions were performed are presented at Appendix “E.1. Internal transactions Quilvest SA”

We disqualified the prior transaction method for Quilvest SA shares as (i) the latest available close market price on Bloomberg of \$95 as at 25 June 2016 is outdated and there has been no trading since such date, (ii) subsequent share buybacks occurred at a 10% discount to the latest Management NAV, and (iii) Management valuation does not strictly comply with the definition of Fair Price, as defined in the Law, as it is a rule-based methodology (by opposition to a fair value analysis). Latest buybacks occurred during 2017 and were done at a price of \$153 per share. Buybacks which took place in 2016 were done at a price of \$126 per share.

Management of QWM and QVE also confirmed that no internal transaction was done on such entities’ shares, either between shareholders or in a buyback of shares.

We were also provided with a list and price of internal transactions on Q&P shares (presented at Appendix “E.2. Internal transactions Quilvest & Partners”). These transactions were related to the buyback of shares granted to Management. The maximum price reached in these transactions would value Q&P at \$29.4m. They were performed at a price which does not necessarily represent Q&P’s fair value, as it is computed following a rule-based approach, contractually agreed between the parties.

(i) *Selection of metrics*

Any market multiples may be applied to different financial metrics and/or cash flow measures. Based on the activity of each BU and its respective industry standards, we selected the metrics which are considered to be generally accepted multiples by market participants.

• **Quilvest Wealth Management:**

- P/EBTDA is a metric commonly used in the banking industry. It expresses the price of a company as a function of its earnings before tax, depreciation and amortisation. In the banking industry, interest income/expense is part of net banking income and not treated separately;
- P/AuM is a metric commonly used in the wealth management industry. It expresses the price of a company as a function of its level of AuM. Nonetheless, AuM multiples do not capture the operational performance of a firm nor the profitability of the assets under management and as such are rarely used in isolation. In order to capture the cost structure of the firm, we regressed P/AuM multiples against the EBTDA/AuM ratio;
- P/NBI is a metric commonly used in the banking industry. It expresses the price of a company in relation to its net banking income (“NBI”). As in the case of P/AuM, NBI multiples do not capture the operational performance of a firm and are rarely used in isolation. Again, in order to capture the cost structure of the firm, we regressed P/NBI multiples against the cost-income ratio (“CIR”); and
- Gw/AuM is a metric commonly used in the banking industry. It expresses the value of a company in relation to its tangible net assets – at book value – plus a premium for the fair value of intangibles, measured as a percentage of its AuM.

- **Quilvest Europe (direct investments)**

- EV/EBITDA is a common valuation ratio, and does not reflect the impact of different capital structures across companies. EBITDA is generally considered to be a proxy for the earning potential of a business. This metric may not be appropriate in certain contexts where EBITDA does not represent the operating performance of a business, as in financial services, infrastructure and real estate;
- EV/Revenues is a metric commonly used for companies with a negative EBITDA. However, it does not capture the profit-making ability of a firm at the operating level;
- P/E is also one of the most commonly used valuation indicators, calculated as the Equity Value divided by Net Income. This ratio provides a view on the value of equity considering the financing and cost structure of a business.

It should be noted that, in order to derive the value of the portfolio companies, we used financial aggregates provided by the Quilvest's investment team. Nonetheless, several factors may impact the outcome of the market multiple valuation such as expected growth prospects, return on invested capital, cyclicity and maturity of the target asset.

Multiples for comparable publicly traded companies were obtained from S&P Capital IQ (hereinafter "Capital IQ").

#### 4.2.2. Income approach

Methods under the income approach rely upon discounting future amounts of cash flow to present value (hereinafter "DCF"). DCF analysis reflects the net present value of the projected cash flows ("CF") that a business is expected to generate, net of the cash required to sustain the growth of the business. The projected CFs during the explicit forecast period are combined with the terminal value of the business, and discounted back to the present date at a rate representing time value of money and the risks associated with the type of CF and future operations of the asset, to reach the total value of the firm.

The explicit forecast period should be of such length to allow an asset to achieve a stabilised level of growth and profits, after which a normative CF can be used to derive terminal value. In the valuation of cyclical assets, the explicit forecast period should generally include an entire economic cycle.

The value of the asset beyond the explicit forecast period is called the Terminal Value ("TV") and is then discounted back to the valuation date, normally using the same discount rate as applied to the forecasted cash flows. The three most commonly used methods for calculating a terminal value are (i) Gordon growth model/constant growth model, (ii) market approach/exit value, and (iii) salvage value/disposal cost.

We applied the FCFE and DDM methodologies to Q&P and QWM respectively. FCFE estimates the equity value of a firm as a function of the cash flows available to its shareholders while DDM estimates the equity value based on the potential dividend distribution. Under these methods, cash flow is determined post interest expenses (net of taxes) and variation in debt, and is discounted using a Cost of Equity rate ("CoE"). The CoE reflects the compensation that shareholders demand in exchange for owning the asset and bearing the risk of ownership. The CoE is computed using the risk-free rate, the beta of the company, the equity market risk premium ("EMRP"), and a small-firm premium.

- **Risk-free rate** represents the yield investors expect from risk-free securities, such as government bonds for developed countries. Long-term German or US government bond yields are deemed to be appropriate proxies of the risk-free rate in the eurozone and in the US, respectively;
- **Beta** is a measure of the systematic (i.e. undiversifiable) risk of a security. The beta of private companies is estimated by reference to the observed betas of comparable public companies. We regressed the monthly historical return of comparable companies against the monthly returns of a market index in the corresponding geographic area over a five-year period. As we use a linear regression to estimate beta, the accuracy of the regression coefficient can be assessed with the coefficient of determination ("R-squared value") (i.e. the percentage of volatility of a security that can be explained by the volatility of the market index). Only peers with significant R-squared value were included in the analysis. We then eliminated the impact of the firms' capital structure by aligning the betas to a target capital structure, calculated as the median capital structure of the peers;



- **EMRP** represents the returns investors expect to compensate for the higher risk of securities. The EMRP selected in our analysis is based on recent academic studies and market consensus; and
- **Specific-firm premium** may be included to reflect additional risks associated to a single firm compared to wider, fully diversified companies (e.g. size, concentration or diversification).

#### 4.2.3. NAV approach

Under a NAV approach, the value of a business is based on the value of the net underlying assets less the liabilities of the business. Specifically, the NAV represents the equity value of a business and is determined by adjusting all assets and liabilities of the company's balance sheet to current fair market values equivalents (including off-balance sheet items).

This valuation technique is likely to be appropriate for a business whose value derives mainly from the underlying fair value of its assets rather than its earnings, such as property holding companies and investment businesses (such as fund interests).

The NAV approach may also be appropriate for a business for which a greater value can be realised by liquidating the business and selling its assets than by continuing operations (i.e. non-going concern companies). In the context of private equity, the NAV approach may therefore be appropriate, in certain circumstances, for valuing investments in loss-making companies and companies making only marginal levels of profits.

#### 4.2.4. Cost approach

The cost approach provides an indication of value using the economic principle that a buyer will pay no more for an asset than the cost to obtain an asset of equal utility, whether by purchase or by construction, unless undue time, inconvenience, risk or other factors are involved. The approach provides an indication of value by calculating the current replacement or reproduction cost of an asset and making assumptions for physical deterioration and all other relevant forms of obsolescence.

The cost approach may also exclusively be used as a mean of indicating the value of development property such as a proposed development of a building or other structure for which there is no active market on completion.

### 4.3. Discounts and premiums consideration

Under the market approach, the fundamental basis for making adjustments is to take into account the differences between the subject asset and comparable transactions (which relate to a non-marketable controlling interest of the target), or publicly traded securities (which relate to a marketable non-controlling interest (one share)). Some of the most common adjustments made in the market approach are discounts for lack of marketability ("DLOM"), control premium and for lack of control ("DLOC").

At the holding level, an additional discount (the "Holding Discount") may be considered to reflect the reduction in valuation by the capital market due to the organisational merger of business fields in order to form a holding.

#### 4.3.1. Discounts for Lack of Marketability

DLOM may be applied when the peer companies are deemed to have superior marketability to the subject asset. It is often the case for trading multiple analysis as publicly traded securities can be bought and sold, often at will on an instantaneous basis while shares in a private company may require a significant amount of time to identify potential buyers and complete a transaction. A DLOM reflects the fact that when comparing otherwise identical assets, a readily marketable asset would have a higher value than an asset requiring a longer marketing period or with restrictions on the ability to sell the asset.

#### 4.3.2. Control Premiums and Discounts for Lack of Control

Control Premiums and DLOC are applied to reflect differences between the comparables and the subject asset with regard to the ability to make decisions and the changes that can be made as a result of exercising control. All else being equal, participants would generally prefer to have control over a subject asset than not. However, participants' willingness to pay

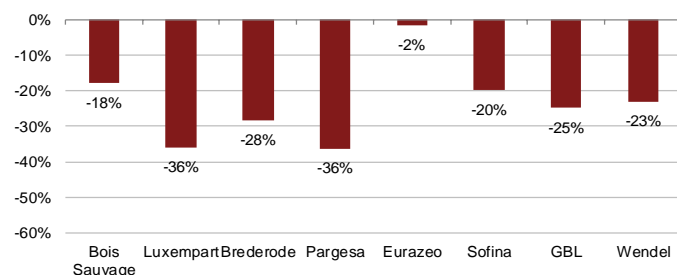


a Control Premium or DLOC will generally be a factor of whether the ability to exercise control enhances the economic benefits available to the owner of the subject asset.

#### 4.3.3. Holding Discounts

Factors such as regulatory risk, corporate governance, approaches to portfolio management and principal-agent risks play an important role in explaining discounts, and differences between holding companies. A simple structure often leads to smaller discounts. Commonly mentioned factors substantiating Holding Discounts are organisational complexity, structural costs, lack of transparency, lack of investment selection / diversification strategy influence. We performed an analysis on listed holdings and identified the latest observable discounts to NAV (median: 24%):

**Figure 2: Market Holding Discounts (expressed in % of NAV)**



Source: PwC analysis

#### 4.3.4. Applicability of discounts and premiums to our valuation

**Quilvest Wealth Management:** As Quilvest SA is a majority shareholder in QWM, a privately-owned company, we performed the valuation of QWM on a non-marketable controlling basis. Valuation methodologies used to assess QWM value are (i) trading multiples (marketable non-controlling basis), (ii) transactions multiples (non-marketable controlling basis) and (iii) income approach (fundamental value). QWM selected fair value being tilted towards transaction multiples, it already reflects marketability of and control on the subject asset.

**Quilvest Europe:** As QVE holds minority stakes in private companies, a DLOM and/or DLOC may be considered. These investments were valued essentially using trading multiples, appropriate to value non-controlling stakes, hence no DLOC adjustment should be applied. A DLOM was directly factored within trading multiples selection (i.e. lower end of the range). Moreover, the rationale behind trading multiples selection at the lower end of the range is also justified by lower liquidity and size observed for portfolio companies compared to listed peers. Hence, no further discount nor premium is deemed applicable as these parameters are already considered in the methodology applied or trading multiples selection.

**Quilvest & Partners:** As Quilvest SA is a majority shareholder in Q&P, we performed the valuation of Q&P on a non-marketable controlling basis. Selected valuation methodology (i.e. free cash-flow to equity) represents cash flow that can be redeployed outside the company without affecting the company's capital investments. A controlling equity interest can effect such redeployment. As a result, free cash flow valuation is appropriate for investors who want to take a control perspective. Q&P selected fair value being estimated using free cash-flow to equity approach, it already reflects potential discounts and premiums.

**Quilvest SA:** As Quilvest SA is a holding structure, the market would generally consider that the shares in the Company would trade at a discount compared to SOTP valuation (based on empirical evidence and observed discount to NAV of listed holdings). In our case, we disqualified the use of a Holding Discount as Quilvest SA is not a quoted entity and is controlled by the Majority Shareholder. Therefore, we apply an alternative methodology using the actual costs of the holding structure. Holding costs correspond to costs borne by the holding for the purpose of managing the whole Group. These costs estimates were provided by Quilvest and assume that expenses of the Group will remain stable.

They are borne at Quilvest SA's level (e.g. group management salaries, audit fees, reporting fees, regulatory fees, offices rental costs, etc).

## 5. Valuation results

### 5.1. Quilvest SA

#### 5.1.1. Introduction

We used an SOTP approach to estimate the fair value of the shares in Quilvest SA. The valuation process comprises the following steps:

- We determined the stand-alone value of each BUs as part of the whole Group. Please refer to sections “5.2. Quilvest Europe”, “5.3. Quilvest & Partners” and “5.4. Quilvest Wealth Management” for a detailed analysis of the valuation of the BUs; and
- We aggregated the fair value of the BUs at the holding level through the revaluation of the financial asset line at fair value in the standalone balance sheet of Quilvest SA. Then, we computed Quilvest SA’s equity value by adjusting for net debt and non-operating assets. Please refer to section “5.1.2. SOTP and adjustments”.

In order to derive the Fair Price of the shares in Quilvest SA, we deducted the present value of future holding costs from the Company’s NAV resulting from the SOTP analysis. Please refer to section “5.1.3. Fair Price calculation”.

#### 5.1.2. SOTP and adjustments

The table below depicts Quilvest SA’s standalone balance sheet as at 30 June 2018 and the fair value adjustments derived from this Valuation.

**Figure 3: Quilvest SA's stand-alone balance sheet**

<b>Balance Sheet Quilvest S.A. stand-alone</b>		
<b>\$ in millions</b>	<b>30-Jun-18</b>	<b>Fair value</b>
Shares in QVE	316.3	801.6
Shares in Q&P	6.5	61.7
Shares in QWM	268.5	280.0
Financial assets	591.3	1,143.3
Tangible assets	0.2	0.2
<b>Total fixed assets</b>	<b>591.5</b>	<b>1,143.5</b>
Trade debtors	0.3	0.3
Amounts owed by affiliated undertakings	78.2	0.0
Other debtors	32.0	32.0
Investments	0.0	0.0
Cash at bank and in hand	70.1	70.1
<b>Total current assets</b>	<b>180.7</b>	<b>102.5</b>
Prepayments	0.0	0.0
<b>Total assets</b>	<b>772.1</b>	<b>1,245.9</b>
Non convertible loans	-	-
Amounts owed to credit institutions	31.1	31.1
Trade creditors	0.3	0.3
Amounts owed to affiliated undertakings	29.7	-
Other creditors	19.8	19.8
<b>Total liabilities</b>	<b>80.8</b>	<b>51.1</b>
<b>Shareholders' equity</b>	<b>691.3</b>	<b>1,194.8</b>
Outstanding shares	6,560,858	6,560,858
NAV per share	105.4	182.1

Source: Stand-alone LuxGAAP management accounts as at 30 June 2018

Fair value adjustments include:

- Estimation of the fair value of 100% of shares in **Quilvest Europe** (the PE investment activities) held by Quilvest SA at \$801.6m, as detailed in section “5.2. Quilvest Europe”. Our analysis is based on the adjusted NAV approach. We adjusted the financial assets line of the entity at fair value.

- Our estimation of the fair value of 100% of shares in **Quilvest & Partners** (the PE management activities) held by Quilvest SA at \$61.7m, as detailed in section “**5.3. Quilvest & Partners**”. Our analysis is based on an income approach (FCFE).
- Estimation of the fair value of 66.3% of shares in **Quilvest Wealth Management** (the Wealth Management activities) held by Quilvest SA at \$280.0m, as detailed in section “**5.4. Quilvest Wealth Management**”. We applied a combination of Income approach (DDM) and Market approach (Trading and Transaction multiples) to perform our analysis;
- **Amounts owed by affiliated undertakings** consist mainly of a dividend receivable from Quilvest Europe for an amount of \$60.9m and a debt with Q&P for an amount of \$17.3m. We eliminated these intercompany transactions in relevant entities’ accounts.
- **Amounts owed to affiliated undertakings** mainly relates to subscribed capital unpaid in QWM, which amount to \$29.7m as at 30 June 2018. We eliminated this intercompany transaction in Quilvest SA and QWM accounts.
- For other assets and liabilities we considered that book value is a reasonable estimate of fair value.

**Based on the SOTP analysis, we estimated Quilvest SA’s fair value at \$1,194.8m as at Valuation Date.**

### 5.1.3. Fair Price calculation

It is commonly acceptable to apply a Holding Discount to reflect the difference between a SOTP valuation and actual group value. As previously mentioned, Quilvest SA being privately held and controlled group, we believe that it is more appropriate to compute the present value of future holding costs borne by Quilvest SA. Among others, holding costs comprise group management salaries, audit fees, reporting fees, regulatory fees, offices rental costs and external interest charges.

Quilvest SA’s investment portfolio exposure is principally in USD. Thus, we applied a 10.2% US-based CoE for the Group and a 1.5% perpetual growth rate to compute the present value of future holding costs (please refer to Appendix “A.1. Cost of equity calculations”). It should be noted that as the costs base of the Company is essentially in EUR, a lower CoE determined on EUR aggregates could have been used, resulting in a higher present value of the future holding costs. According to our analysis, the total impact of the holding cost represents a negative \$71.6m (i.e. 6% of Quilvest SA’s NAV before adjustment). Please refer to Appendix “A.2. Net present value of future holding costs” for more details. In order to derive the Fair Price, the present value of future holding costs was deducted from the Company’s NAV resulting from the SOTP.

**Figure 4: Fair Price**

Fair Price calculation	
Shareholder's equity Quilvest S.A. (\$m)	1,194.8
Present value of holding costs (\$m)	(71.6)
<b>Adjusted equity value</b>	<b>1,123.2</b>
Shares outstandings (in m)	6.6
<b>Fair Price (\$)</b>	<b>171.2</b>

Source: PwC analysis

#### 5.1.4. Reconciliation with Management NAV

IFRS NAV is the net equity as reported in the consolidated financial statements of Quilvest SA. Management perform adjustments to the IFRS NAV – based on an internal rule-based methodology – in order to derive the Management NAV.

We obtained from Management the reconciliation between IFRS NAV and Management NAV of Quilvest SA as at 31 December 2017. Based on the value breakdown per business, we also described PwC's fair value adjustments (expressed in USD per share) as at Valuation Date.

**Figure 5: Reconciliation between Management NAV as at 31 December 2017 and PwC NAV as at Valuation Date**

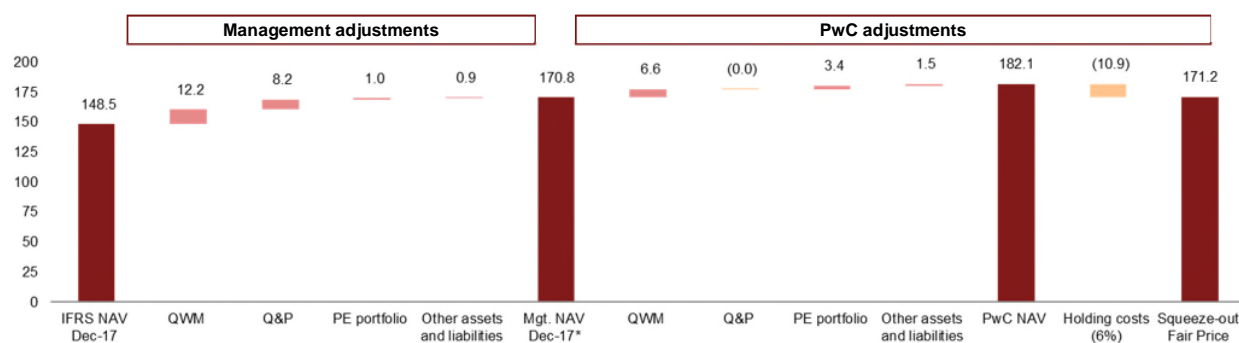
Quilvest SA - Management NAV vs PwC NAV				
	Mgt. 31-Dec-17	PwC NAV	Δ(\$m)	\$ per share
QWM	237.0	280.0	43.0	6.6
Q&P	62.0	61.7	(0.3)	(0.0)
Private equity portfolio *	719.0	741.1	22.1	3.4
Real Estate	43.0	43.2	0.2	0.0
Other assets and liabilities	59.8	68.8	9.0	1.5
<b>NAV</b>	<b>1,120.8</b>	<b>1,194.8</b>	<b>74.0</b>	<b>11.3</b>

(\*) Private equity portfolio held by QPE SICAR (\$736.3m), plus investment in Raise held by Quilvest France (\$4.8m)  
Source: Management, PwC analysis

For the calculation of the Fair Price, and as described above, we have considered an adjustment of c.6% reflecting the holding costs whereas Management NAV does not consider future holding structure costs supported by Quilvest SA. However, it should be noted that should the Fair Price be computed following a similar methodology as applied for the tender offer of 2016 (i.e. Management NAV minus 10%), it would result in a price per share of \$153.7.

The chart below depicts a gap analysis between IFRS NAV as at 31 December 2017 and our Fair Price estimate as at Valuation Date.

**Figure 6: Reconciliation between IFRS NAV of Quilvest SA as at 31 Dec 17 and Fair Price (in \$ per share)**



Source: Management, Quilvest SA consolidated annual report as at 31 December 2017, PwC analysis

#### 5.1.5. Conclusion

As at Valuation Date, we can conclude that the Fair Price of Quilvest SA amounts to \$171.2 per share.

## 5.2. Quilvest Europe

### 5.2.1. Overview

Our fair value estimation of 100% of the share of QVE is based on the adjusted NAV approach of the PE investment portfolio and the value of the Building in Paris. We reviewed balance sheet items to identify potential fair value adjustments. The table below depicts QVE's balance sheet as at 30 June 2018. Financial information reported in EUR was translated in USD, using the FX rate as at Valuation Date.

**Figure 7: Balance sheet of Quilvest Europe**

Balance Sheet Quilvest Europe S.A.		
\$ in millions	30-Jun-18	Fair value
Quilvest Private Equity SCA Sicar	n.d.	736.1
Quilvest France	n.d.	51.8
QS Finance	n.d.	(23.6)
Carried interests	n.d.	29.1
Financial assets	235.9	793.4
Tangible assets	-	0.0
<b>Total fixed assets</b>	<b>235.9</b>	<b>793.4</b>
Amounts owed by affiliated undertakings	0.8	0.8
Other debtors	0.9	0.9
Cash at bank and in hand	6.6	6.6
<b>Total current assets</b>	<b>8.2</b>	<b>8.2</b>
Prepayments	-	-
<b>Total assets</b>	<b>244.1</b>	<b>801.7</b>
Trade creditors	0.0	0.0
Amounts owed to affiliated undertakings	64.9	-
Other creditors	0.0	0.0
<b>Total liabilities</b>	<b>65.0</b>	<b>0.1</b>
<b>Shareholders' equity</b>	<b>179.1</b>	<b>801.6</b>

Source: Stand-alone LuxGAAP management accounts as at 30 June 2018

Fair value adjustments:

- PE investments through **QPE SICAR** are reported at acquisition cost. The estimated fair value of the shares in QPE SICAR as at the Valuation Date is estimated at \$736.1m. Please refer to section "**5.2.2. Private Equity Investments**".
- Shares held in **Quilvest France** are reported at acquisition cost. The estimated fair value as at Valuation Date should be \$51.8m. Please refer to section "**5.2.3. Quilvest France**".
- **Qs Finance** is a limited liability company. We reported the entity's negative equity at QVE's level, for a negative amount of \$23.6m, as it ultimately corresponds to a carried interest liability to investment teams, and a cash outflow for Quilvest. Please refer to section "**5.2.4. Qs Finance**".
- The fair value of carried interest receivables amounts to \$29.1m. Please refer to section "**5.2.5. Carried interest vehicles**".
- Amounts owed to affiliated undertakings consist of a dividend payable to Quilvest SA of €55.6m (\$64.9m). It may not reconcile with the amount booked at Quilvest SA level due to exchange rate differences. We cancelled out this intercompany transaction in related entities in accordance with the methodology described in section "**4.1.3. Intercompany charges & financing**".
- For other assets and liabilities we considered that book value is a reasonable estimate of fair value.

**Based on the adjusted NAV approach, we estimated Quilvest Europe's fair value at \$801.6m as at Valuation Date.**

### 5.2.2. Private Equity investments

The table below depicts QPE SICAR's balance sheet as at 30 June 2018.

**Figure 8: Balance sheet of QPE SICAR**

<b>Balance Sheet Quilvest Private Equity S.C.A. SICAR</b>		
<b>\$ in millions</b>	<b>30-Jun-18</b>	<b>Fair value</b>
Direct investments	n.d.	200.8
Single funds investments	n.d.	13.6
Venture funds investments	n.d.	90.1
FoF investments	n.d.	431.8
<b>Private equity investments</b>	<b>469.8</b>	<b>736.3</b>
Other receivables, accrued income and prepaid expenses	0.6	0.6
Income tax receivable	0.0	0.0
Cash and cash equivalents	27.0	27.0
<b>Total current assets</b>	<b>27.5</b>	<b>27.5</b>
<b>Total assets</b>	<b>497.3</b>	<b>763.8</b>
Accounts payable	0.2	0.2
Liabilities due to affiliates	27.5	27.5
<b>Total liabilities</b>	<b>27.7</b>	<b>27.7</b>
<b>Total equity</b>	<b>469.6</b>	<b>736.1</b>

Source: management accounts as at 30 June 2018

QPE SICAR's key assets consists of PE investments for an amount of \$736.3m. We performed fair value adjustments on these assets, which are detailed in the following sections "Direct investments" and "Single funds, venture capital funds and FoF investments". For other assets and liabilities, we considered that book value is a reasonable estimate of fair value.

#### Direct investments

The valuation of direct investments was performed as at Valuation Date, using the latest available financial information. We used the market approach and cost approaches to value QPE SICAR's direct investments. Please refer to Appendix "B.1. QPE SICAR's direct investments as at Valuation Date" for an overview of direct investments held as at Valuation Date. For information purposes, we obtained Management's valuation performed by Quilvest's investment team.

The procedures carried out by PwC are described below:

- **Valuation methodology:** we selected the appropriate valuation methodology for each direct investment. Typically, EV/EBITDA, EV/Revenues, P/E and P/B multiples were used depending on the industry and/or the company's financial position. Recent investments may also be valued under a cost approach.
- **Multiple selected:** we used S&P Capital IQ – a widely accepted data provider across market participants – to extract relevant multiples for each investment, under the following approach:
  - Peer group: we researched the peer group with respect to the industries, geographies and business descriptions of publicly listed comparable companies. Where appropriate, we have also considered peers suggested by Quilvest's investment team. We assessed the relevance and comparability of the selected companies constituting the peer group, compared to the target company being valued.
  - Market multiples: we extracted last-twelve months ("LTM") multiples from Capital IQ. We performed an independent valuation, based on the appropriate financial aggregates of underlying companies, provided by the Quilvest's investment team.
  - Multiple selection: in some cases there may be some discrepancies between the median peer group multiple and the selected multiple substantiated by a difference in size, market, diversification, liquidity, and DLOC (i.e. minority stake). Market events such as IPOs, lead investor decisions, SPA negotiations, or binding offers were also considered.

**Our analysis resulted in a value of \$200.8m for direct investments as at Valuation Date.**

### Single funds, venture capital funds and FoF investments

Quilvest is investing alongside other investors in a variety of funds managed by Q&P. Quilvest is usually a minority shareholder in such funds, investing seed money to launch them and to grow them. Investors in these funds are third party investors. The funds are audited on an annual basis.

We used a NAV approach to value shares in single funds, venture capital funds and FoFs. Please refer to Appendix “B.2. Overview of funds and FoF investments as at Valuation Date” for an overview of fund and FoF investments held.

We obtained from Management latest available extracts of the funds’ NAV from Quilvest’s internal accounting reporting tool eFront. eFront is a widely used tool across market participants, and offers software solutions to limited partners to manage multiple asset classes, including direct and indirect investments in private equity and real estate. The fair value of each fund is based on the latest NAV reported to investors as at 31 March 2018 adjusted for cash flows until 30 June 2018.

**Our analysis resulted in a fair value of \$13.6m, \$90.1m, and \$431.8m for single funds, venture capital and FoF investments respectively (total \$535.5m), as at Valuation Date.**

#### 5.2.3. Quilvest France

Quilvest France is a financial holding company essentially owning a building and a participation in an asset management company. We used an NAV approach to estimate the fair value of Quilvest France. The table below depicts Quilvest France’s balance sheet as at 30 June 2018.

**Figure 9: Balance sheet of Quilvest France**

<b>Balance Sheet Quilvest France S.A.S.</b>		
<b>\$ in millions</b>	<b>30-Jun-18</b>	<b>Fair value</b>
Investments in subsidiaries and associates	1.6	2.8
Investment property	42.8	43.2
Other investments	4.9	4.9
Other receivables, accrued income and prepaid expenses	0.7	0.7
Income tax receivable	0.1	0.1
Cash and cash equivalents	9.5	9.5
<b>Total assets</b>	<b>59.7</b>	<b>61.3</b>
Provisions for litigations	2.3	2.3
Other liabilities, deferred income and accrued expenses	0.9	0.9
Deferred tax liabilities	12.5	6.2
<b>Total liabilities</b>	<b>15.7</b>	<b>9.4</b>
<b>Total equity</b>	<b>44.0</b>	<b>51.8</b>

Source: management accounts as at 30 June 2018

Our fair value estimation of 100% of the shares in Quilvest France is based on the adjusted NAV approach. We have reviewed balance sheet items to identify potential fair value adjustments.

- “Participations in subsidiaries and associates” consist mainly of an indirect investment in Gaspal Gestion, a French-based asset management company, through Quilvest France’s 66.3% equity stake in Participations France. Participations France has a 23% equity stake in Gaspal Finance, a financial holding company which fully owns Gaspal Gestion. Our fair value estimation of \$2.8m represents Gaspal Finance’s tangible equity plus a goodwill calculated as 2% of AuM of €565.2m as at Valuation Date.
- “Investment property” refers to the Building located 241 – 243, boulevard Saint-Germain, 75007 Paris. The Building is valued at €35.9m as per the valuation report dated 4 April 2017, prepared by an independent expert (Knight Frank). As at Valuation Date, the USD equivalent amounted to \$41.9m of the prevailing EUR/USD spot rates. We considered an increase in market rent of 3.1% (Paris CBD Cushman & Wakefield’s Q2 2018 Office Market Snapshot) as at Valuation Date. The same study indicated that prime office yields remained constant over the last year. It resulted in a fair value of \$43.2m.
- Our estimation of the deferred tax liabilities amounts to \$6.2m, based on the 33% statutory tax rate in France. It corresponds to 50% of the potential tax liability on capital gains, which would be incurred were the Building to be sold by Quilvest France at the retained value in an asset deal.

- Other investments for a total amount of \$4.9m comprise notably an investment in a fund denominated Raise Investment at fair value.
- For other assets and liabilities, we considered that book value is a reasonable estimate of fair value.

**Our analysis resulted in a value of \$51.8m for 100% of the shares in Quilvest France as at Valuation Date.**

#### 5.2.4. Qs Finance

Qs Finance is a financial entity centralising a carried interest payable to QVE's investment teams. We used a NAV approach to estimate Qs Finance's fair value. The table below depicts Qs Finance's balance sheet as at 30 June 2018.

**Figure 10: Balance sheet of Qs Finance**

Balance Sheet Quilvest Finance Ltd		
\$ in millions	30-Jun-18	Fair value
Financial fixed assets	0.0	0.0
Short-term investment securities	0.4	0.4
Amounts owed by affiliated undertakings	-	-
Other debts receivables	0.0	0.0
Cash at bank	2.7	2.7
<b>Total assets</b>	<b>3.1</b>	<b>3.1</b>
Suppliers	-	-
Amounts owed to affiliated undertakings	-	-
Carried interest payable	27.7	26.9
Suspens accounts	(0.2)	(0.2)
<b>Total liabilities</b>	<b>27.5</b>	<b>26.7</b>
<b>Total equity</b>	<b>(24.4)</b>	<b>(23.6)</b>

Source: management accounts as at 30 June 2018

The fair value of carried interest payable amounts to \$26.9m. Please refer to section "5.2.5. Carried interest vehicles"

**As at Valuation Date, Qs Finance's NAV amounts to a negative \$23.6m. However, as it represents carried interest payable to investment teams, even if the entity would be liquidated, this payable would remain a liability of QPE SICAR as the condition for these carried interests to be paid are fully met.**

#### 5.2.5. Carried interest vehicles

Quilvest SA manages several categories of carried interest both as receivables or as payables:

- **Carried interest payable** is accrued on proprietary monies (i.e. Quilvest's cash invested in the Private Equity self-managed portfolio). Quilvest's share of carried interest on proprietary monies is fully retroceded to investment teams by Qs Finance which generates a corresponding liability in the entity. Until it is actually paid to the management team, the equivalent carried interest receivable remains embedded within the value of the funds and/or direct investments and does not appear in the accounts of the Group.
- **Carried interest receivable** corresponds to performance fees due to Quilvest on funds invested by third-party investors in Quilvest funds. Carried interest shares are held within QVE and generates a receivable for an amount of \$29.1m as at Valuation Date. Typically, Quilvest retains 25% - 35% of the total carried shares, the rest being held by other managers of the fund. Usually these shares allow to receive a performance fee of c. 5% and 15% of the excess return in FoFs and Direct Investments respectively. Carried interest shares were initially held by Q&P (i.e. the asset management arm of the Group) but were subsequently for the main part transferred to QVE during 2017. Q&P only retained a limited part of these carried interest shares.



Management prepares and maintains a model for both receivable and payable carried interest, based on the fair market value of eligible investments of the portfolio. It considers contractual agreements on waterfall, preferred return, hurdle, performance fee rates, capital calls and distributions, and the share of carried attributable to Quilvest.

As at Valuation Date, the fair value of the carried interest was estimated using the fair value of the underlying relevant assets, for all categories of investments:

- for direct investments, the fair value of each investment is based on the valuation as at Valuation Date;
- for FoFs, the fair value of each fund under management is based on the NAV reported as at 31 March 2018 adjusted for cash flows until 30 June 2018; and
- for funds managed by third parties, where Quilvest acted as an intermediary, the fair value of each target fund is based on the NAV reported by the third party manager as at 30 June 2018.

We reviewed and discussed the Management model of carried interest with the relevant team in order to assess its consistency, methodology and the overall logic of the computation:

- for direct investments, we reviewed the calculation performed and understood the model's calculation scheme, which starts with underlying funds' NAV at cost, extracts the unrealised gain, and applies the performance fee rate (after consideration of any hurdle, capital calls or distributions). Out of this total carried interest, Quilvest's share is computed;
- for FoF, we understand that the carried interest is directly calculated in eFront which includes all relevant aspects of the legal documentation and economic events for the carried calculation; and
- for third-party funds, Quilvest may also be entitled to a share carried interest as a business provider.

## 5.3. Quilvest & Partners

### 5.3.1. Introduction

Q&P operates in the management of PE funds and FoFs. Our fair value estimation of 100% of the share of Q&P is based on an income approach (FCFE). Please refer to sections “5.3.2. Business plan” and “5.3.4. FCFE” for more details.

Q&P is currently in a development phase and has a low profitability as the cost base (comprising essentially staff costs) is calibrated to support Management’s ambition to further develop the business: (i) increase clients’s assets, (ii) almost double revenues by 2027 and (iii) reach its target profitability level in line with industry standards. Indeed, over the past 3 years, its operating margin ranged between 4% and 8% (compared to 13% to 65% for peers).

Furthermore private equity management is usually characterised by an important volatility in operating results, depending on vintage and underlying funds individual performance, which requires to perform an analysis over a complete business cycle. In particular, higher net result observed in 2017 was generated by carried interest income (now transferred to Quilvest Europe).

Hence, we did not overlay our primary valuation with a market approach as multiples should be used for firms with comparable maturity levels, and Q&P is not comparable to large public funds managers at a mature stage.

### 5.3.2. Business Plan (“BP”)

The Business Plan represents Q&P Management best estimate of Q&P’s future performance as at Valuation Date. It is based on Management’s assumptions related to AuM growth, fee income, and ability to reach operational margin within industry standards. The BP was validated by Q&P Management on September 18, 2018. Moreover, we held a meeting with Management where we discussed and reviewed key assumptions from the BP such as revenues forecasts and profitability level target. Please refer to Appendix “C.2. Business plan” for an overview of Q&P’s business plan for the period 2018 to 2027.

Quilvest & Partners’ main sources of revenues consist of management fees from direct investments and FoF. The BP relies upon the assumption that Q&P will continue to launch new funds in the future. Thus, forecasted costs are also calibrated to support the launch of new funds. Expenses related to fundraising activities comprise personnel, travel and entertainment costs.

### 5.3.3. Balance sheet

The table below depicts Q&P’s balance sheet as at 30 June 2018.

**Figure 11: Balance sheet of Q&P**

Balance sheet Quilvest & Partners S.A. Consolidated		
\$ in millions	30-Jun-18	Fair Value
Carried shares held	3.1	1.7
Property, plant and equipment	0.2	0.2
Intangible assets	4.9	4.9
<b>Total fixed assets</b>	<b>8.3</b>	<b>6.8</b>
Cash and cash equivalents	14.8	14.8
Other assets	7.2	7.2
<b>Total current assets</b>	<b>22.0</b>	<b>22.0</b>
<b>Total assets</b>	<b>30.3</b>	<b>28.8</b>
<b>Total liabilities</b>	<b>23.8</b>	<b>23.8</b>
<b>Total equity</b>	<b>6.5</b>	<b>5.0</b>

Source: management accounts as at 30 June 2018

We note that:

- **Excess asset** comprises only carried shares held for \$1.7m.

- **Working capital** is c. \$0m. Total current assets (including cash) are to be used solely for the purpose of financing other liabilities. These two elements being approximately equivalent, we have not considered any excess cash as part of our valuation. According to Management, we understand that future working capital needs should amount to c. \$1m per year. Please refer to next section “5.3.4. FCFE”.

#### 5.3.4. FCFE

We conducted a FCFE valuation analysis to derive the fair value for 100% of the shares in Q&P. Our analysis is based on Q&P’s business plan for the period 2018 to 2027. Key assumptions used in our analysis are presented below:

**Figure 12: FCFE model for Quilvest & Partners**

Quilvest & Partners FCFE model											Terminal year
17 September 2018	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	
EBIT	(2.7)	(1.4)	(1.5)	0.2	2.7	5.5	8.9	7.9	10.6	12.8	13.0
(-) Income tax	(1.0)	(0.9)	(0.7)	(0.8)	(0.8)	(0.9)	(1.0)	(1.0)	(1.1)	(1.2)	(1.2)
(+) D&A and value adjustments	1.2	1.2	1.2	1.2	0.4	0.4	0.4	0.4	0.4	0.4	0.4
(-) Capital expenditures	(1.2)	(1.2)	(1.2)	(1.2)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)
(-) NWC investment	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)
(-) Interest expenses	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Debt repayment / (drawdown)	-	-	-	-	-	-	-	-	-	-	-
<b>Free cash flow to equity</b>	<b>(5.0)</b>	<b>(3.6)</b>	<b>(3.5)</b>	<b>(1.8)</b>	<b>0.6</b>	<b>3.3</b>	<b>6.7</b>	<b>5.7</b>	<b>8.2</b>	<b>10.3</b>	<b>10.5</b>
Growth rate											1.5%
Discount rate											10.2%
<b>Terminal value (TV)</b>											<b>121.0</b>
Partial Period	29%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b>Period-adjusted FCFE</b>	<b>(1.4)</b>	<b>(3.6)</b>	<b>(3.5)</b>	<b>(1.8)</b>	<b>0.6</b>	<b>3.3</b>	<b>6.7</b>	<b>5.7</b>	<b>8.2</b>	<b>10.3</b>	<b>121.0</b>
Years to discount	0.1	0.8	1.8	2.8	3.8	4.8	5.8	6.8	7.8	8.8	8.8
Discount factor	0.986	0.927	0.841	0.763	0.693	0.629	0.571	0.518	0.471	0.427	0.427
<b>PV of FCFE</b>	<b>(1.4)</b>	<b>(3.4)</b>	<b>(2.9)</b>	<b>(1.4)</b>	<b>0.4</b>	<b>2.1</b>	<b>3.8</b>	<b>2.9</b>	<b>3.9</b>	<b>4.4</b>	<b>51.7</b>
Sum PV of FCFE during forecast period	8.4										
PV of terminal value											51.7
<b>Business Equity value (BEqV)</b>	<b>60.0</b>										
Carried Interest	1.7										
<b>Equity value (EqV)</b>	<b>61.7</b>										

Source: Q&P Management’s business plan, PwC analysis

The projected free cash flows to equity, during the explicit forecast period, are combined with the terminal value of the business, and discounted back to present value using a CoE of 10.2%, representing time value of money and the risks associated with the business. Please refer to Appendix “C.3. Cost of equity calculations”. Further, we used a terminal growth rate of 1.5% to reflect the potential future growth of Q&P’s business and to derive the TV of future cash flows based on the Gordon Growth Model. The following parameters were considered to derive FCFE:

- **Earnings before interest and tax (“EBIT”)** are based on Management’s business plan for the forecast period. The business plan reflects the higher risks (i.e. commitment risk, investment risk, execution risk and macro-economic environment) associated with cash flows generated by the non-existing funds as at the Valuation Date. Those risks are mitigated for existing funds. As such, we considered that the two cash-flow streams (i.e. from existing and new funds) bear a similar level of risk, and can be discounted at a single rate;
- **Capital expenditures (“Capex”)** were adjusted to match D&A forecasts as the PE management business is not a capital-intensive business;
- **Net working capital (“NWC”)** is expected to amount to c.\$1m in future years to cover the business needs, as per Management’s assumption;
- **Interest expenses** are related to a loan from Quilvest SA. It is ultimately financed by an external bank at Quilvest SA’s level. Thus, interest expenses were solely allocated to Q&P in this specific case; and
- **Carried interest** was added to the business equity value (“BEqV”) to reflect excess assets.

**Based on Q&P’s Business Plan and our analysis, we estimated Q&P’s fair value at \$61.7m as at Valuation Date.**

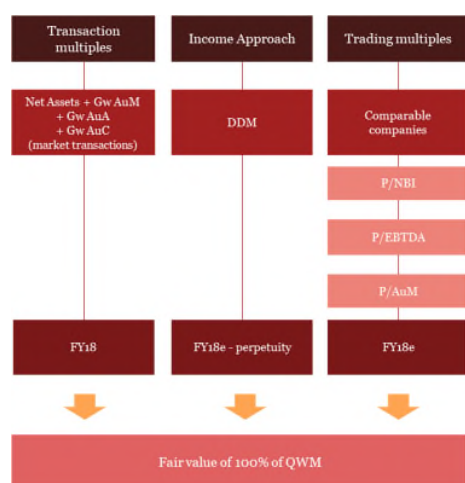
## 5.4. Quilvest Wealth Management

### 5.4.1. Introduction

We applied a combination of Income approach (DDM) and Market approach to estimate the fair value of QWM:

- **Transaction multiples** is based on the sum of tangible book value of QWM (adjusted from goodwill and intangible assets) and of the estimated market goodwill on the client base (AuM, AuA and AuC) based on recent transactions. Please refer to section “5.4.3. Transaction multiples”;
- **DDM approach** is based on the present value of the theoretical dividends that QWM may be expected to distribute to its shareholders in the future. Such dividends are discounted at the CoE which reflects the time value of money and the risks associated with the business. Please refer to section “5.4.4. DDM”; and
- **Trading multiples** is based on comparable companies’ trading multiples for NBI, operating profit and AuM. Please refer to section “5.4.5. Trading multiples”.

Figure 13: QWM valuation methodology



### 5.4.2. Business plan

QWM’s business plan reflects the financial projections used for regulatory capital determination purposes (ICAAP). It represents QWM Management’s best estimate of QWM’s future performance as at the Valuation Date and was built by Management based on their assessment of reasonable assumptions with regard to the current economic conditions and industry forecasts. Please refer to Appendix “D.1. Business plan” for an overview of QWM’s business plan for the period 2018 to 2020.

We have normalised the financial results in order to calculate a recurring adjusted net income which is used as a basis for the DDM valuation. Based on our understanding and on the information provided to us, normalisation adjustments include:

- Exceptional income/expenses;
- Amortisation of intangible assets accounted for as part of QWM’s first consolidation in 2010 (Purchase Price Allocation). The amortisation expense is expected to remain until 2035 for customer relationships and brand;
- Cost of \$1m invoiced to QWM by Quilvest SA’s shareholders in relation with the Quilvest brand and consolidation tools; and
- Income tax adjustment reflecting the impact on tax from normalisations.

Please note that in the absence of financial due diligence, we were not able to ascertain the normalised levels of earnings. These normalisation adjustments were deemed relevant from a market participant perspective. Profit and loss accounts as at 30 June 2018 are based on Management accounts.

### 5.4.3. Transaction multiples

We adjusted QWM's equity for goodwill, intangible assets and associated deferred tax liability, to derive the tangible book value. Then, we added the estimated goodwill on the client base (including AuM, AuA and AuC) for each entity to derive QWM's fair value, based on recent transactions.

**Figure 14: Transaction multiples valuation**

Transaction multiples valuation			
€ in thousands	Low	Central	High
Total Group equity	298,297	298,297	298,297
(-) Intangible adjustments	(165,989)	(165,989)	(165,989)
<b>Net asset value</b>	<b>132,309</b>	<b>132,309</b>	<b>132,309</b>
QBP AuM - (€m)	1,688	1,688	1,688
Multiple (Gw/AuM)	1.0%	1.3%	1.7%
<b>QBP Goodwill AuM</b>	<b>16,739</b>	<b>22,741</b>	<b>29,083</b>
QBP AuM Instit. - (€m)	868	868	868
Multiple (Gw/AuM)	0.25%	0.33%	0.36%
<b>QBP Goodwill AuM Instit.</b>	<b>2,170</b>	<b>2,864</b>	<b>3,125</b>
QVS AuM (€m)	6,728	6,728	6,728
Multiple (Gw/AuM)	1.0%	1.3%	1.7%
<b>QVS Goodwill AuM</b>	<b>66,713</b>	<b>90,635</b>	<b>115,911</b>
CBPQ AuM (€m)	6,456	6,456	6,456
Multiple (Gw/AuM)	1.0%	1.3%	1.7%
<b>CBPQ Goodwill AuM</b>	<b>64,019</b>	<b>86,975</b>	<b>111,230</b>
QAM (AIFs) AuA (€m)	2,700	2,700	2,700
Multiple (Gw/AuA)	0.13%	0.15%	0.17%
<b>QAM (AIFs) Goodwill AuA</b>	<b>3,510</b>	<b>4,050</b>	<b>4,590</b>
CBPQ/QVS/QBP AuC (€m)	5,063	5,063	5,063
Multiple (Gw/AuC)	0.13%	0.15%	0.17%
<b>CBPQ/QVS/QBP Goodwill AuC</b>	<b>6,582</b>	<b>7,594</b>	<b>8,607</b>
<b>Fair value</b>	<b>292,041</b>	<b>347,168</b>	<b>404,853</b>
Total Goodwill (AuM + AuA + AuC)	159,732	214,859	272,545

Source: PwC analysis

We estimated the total goodwill to range between €159.7m and €272.6m. This range was calculated as follows:

- **AuM:** we calculated a goodwill on AuM multiple range for QBP, QVS, and CBPQ.
  - For QBP, we split the AuM of QBP between (i) AuM that relates to the Private Banking activity; and (ii) AuM that relate to institutional clients (direct mandates and UCITS). For Private Banking activities, we selected a goodwill on an AuM multiple range of 1.0% to 1.7% in line with comparable transactions (please refer to Appendix "D.2. Private banking and wealth management transactions"). For AuM related to institutional clients, we applied a goodwill on an AuM multiple range of 0.25% to 0.36% based on recent transactions for comparable businesses and recent bids on QWM's similar assets.
  - For QVS and CBPQ, we assumed a goodwill on an AuM multiple in the range of 1.0% to 1.7% in line with comparable transactions (please refer to Appendix "D.2. Private banking and wealth management transactions"). Please note that for CBPQ, we did not consider any goodwill for an identified security deposit due to its low profitability (c. 0% margin).
- **AuA:** we assumed a goodwill on an AuA multiple in the range of 0.13% to 0.17% for QAM, in line with comparable transactions (please refer to Appendix "D.3. Fund administration transactions").
- **AuC:** we assumed a goodwill on an AuC multiple in the range of 0.13% to 0.17% for CBPQ, QVS and QBP, in line with comparable transactions (please refer to Appendix "D.3. Fund administration transactions").

**Based on our transaction multiples valuation, we estimated QWM's fair value to range between €292.0m and €404.9m.**

#### 5.4.4. DDM

We estimated the present value of the theoretical dividends that QWM may be expected to distribute to its shareholders in the future to derive the fair value of the Entity.

**Figure 15: DDM valuation (consolidated)**

Minimum required equity and EEC		EUR in thousands			
	Actual 30 Jun 18	FY18E	FY19E	Forecast FY20E	Terminal value
Risk weighted assets	511,518	645,619	674,080	716,691	727,441
Growth in RWA	n.a.	26.2%	4.4%	6.3%	1.5%
Minimum regulatory capital (CAD ratio 10.5%)	53,709	67,790	70,778	75,253	76,381
Supplementary equity capital requirement	53,709	14,081	2,988	4,474	1,129
<b>Dividend Discount Model</b>					
Normalised net income	14,462	14,269	16,607	20,705	21,016
Less: interest loss from EEC	(151)	(118)	(130)	(145)	(147)
<b>Adjusted net income</b>	<b>14,311</b>	<b>14,151</b>	<b>16,477</b>	<b>20,560</b>	<b>20,868</b>
Supplementary equity requirement	(53,709)	(14,081)	(2,988)	(4,474)	(1,129)
<b>Total distributable dividend</b>	<b>(39,398)</b>	<b>70</b>	<b>13,489</b>	<b>16,086</b>	<b>330,361</b>
Time period		0.5	1.5	2.5	2.5
Discount factor (Cost of Equity)		0.96	0.90	0.84	0.84
<b>Discounted dividend income</b>		<b>68</b>	<b>12,106</b>	<b>13,433</b>	<b>275,879</b>
<b>Present Value of future dividends</b>		<b>301,485</b>			
(+) EEC		75,425			
(+) Value of tax losses		1,670			
<b>Equity value</b>		<b>378,581</b>			

Source: QWM Management business plan (ICAAP), PwC analysis

The following assumptions were used:

- To support the increase in Risk-Weighted-Assets ("RWA"), the supplementary equity capital requirement was considered in the valuation;
- Management estimated interest lost from Excess Equity Capital ("EEC") at 0.27% per year. Please refer to Appendix "D.4. Excess equity capital";
- The long-term growth rate used for terminal value is estimated at 1.5%, in line with long-term inflation in Europe and market consensus;
- CoE estimated at 7.5% as at Valuation Date as presented at Appendix "D.5. Cost of equity calculations";
- We included €75.4m as a surplus asset, corresponding to the EEC. Please refer to Appendix "D.4. Excess equity capital"; and
- Tax losses consist of the discounted tax benefit from losses carried forward booked at CBPQ's level. Management estimated this amount at c.€1.7m.

Please note that €31.9m in tax losses carried forward at QWM S.A. level were not considered for this valuation as the entity (before consolidation) is loss making and not expected to generate taxable profit in the foreseeable future on a stand-alone basis.

**Based on the DDM analysis, we estimated QWM's fair value to range between €371.4m and €396.3m.**

#### 5.4.5. Trading multiples

We used a market approach using comparable public companies to estimate the fair value of QWM. Please refer to Appendix "D.6. Peer Group" for more details on the peer group selected.

**Figure 16: Trading multiples**

Trading multiples			
€ in millions	P/NBI*	P/EBTDA*	P/AuM*
	FY18e	FY18e	LTM
QWM financial aggregate	105.2	23.1	15,740
Interest lost from EEC	(0.1)	(0.1)	n.a.
Total allocated results after adjustment	105.1	23.0	n.a.
Lower multiple bound	2.21x	9.7x	1.7%
<b>Retained multiple</b>	<b>2.46x</b>	<b>10.7x</b>	<b>1.9%</b>
Upper valuation bound	2.71x	11.8x	2.0%
Lower EV	232.7	222.4	263.0
<b>Mid EV</b>	<b>258.5</b>	<b>247.1</b>	<b>292.2</b>
High EV	284.4	271.9	321.5
(+) EEC	75.4	75.4	75.4
(+) Value of tax losses	1.7	1.7	1.7
Lower EV	309.8	299.5	340.1
<b>Mid EV</b>	<b>335.6</b>	<b>324.2</b>	<b>369.3</b>
High EV	361.5	349.0	398.6

Source: Capital IQ, PwC analysis

\*Regressed multiples

We selected P/NBI, P/EBTDA and P/AuM multiples, which are commonly used in the banking and wealth management industry, as described in section “4.2.1 Market Approach”.

It should be noted that with respect to transaction multiples, we are able to identify samples of transactions related to both wealth management and custody / fund administration, in order to apply a specific multiple on AuM and AuC. However, trading multiples are computed based on one peer group of companies active in both market segments. As such, a single P/AuM trading multiple was derived from comparable companies and applied to the subject asset AuM (i.e. excluding low yielding AuC).

We extracted forward-looking FY18 multiples from Capital IQ and performed our valuation based on adjusted financial aggregates:

- We added the Management’s estimation of interest lost from EEC at 0.27% per year to QWM’s financial aggregates when applicable; and
- We added to the valuation an amount of €75.4m and €1.7m a surplus asset, corresponding to the EEC and value of tax losses respectively.

**Based on the market approach analysis, we estimated the fair value of QWM to range between €299.5m and €398.6m.**

#### 5.4.6. Conclusion

**Based on the income approach and market approaches, we estimate QWM’s fair value at €361.5m, or \$422.3m as at Valuation Date. The 66.3% stake in QWM held by Quilvest S.A. represents \$280.0m.**

## 6. Appendices



## Appendix A. - Quilvest SA valuation

### A.1. Cost of equity calculations

Quilvest SA's investment portfolio exposure is principally in USD. Thus, we applied a 10.2% US-based CoE for the Group to compute the present value of future holding costs.

**Figure 17: Quilvest SA CoE calculations**

Cost of equity calculations		
	PwC	Industry
Rf rate	3.1%	2.4%
Beta	1.32	0.99
EMRP	5.0%	5.1%
SFP	1.6%	1.6%
<b>Cost of equity</b>	<b>11.3%</b>	<b>9.1%</b>
<b>Selected</b>	<b>10.2%</b>	

Source: PwC analysis, Damodaran data

We based our analysis on the methodology described in section "4.2.2 Income approach" and industry data widely used across market participants. The selected CoE corresponds to the mid-point between the two approaches.

Based on the capital asset pricing model ("CAPM"), we derived a CoE of 11.3% as follows:

- risk-free rate of 3.1% (20-year US Treasury bonds yield as at Valuation Date);
- relevered beta of 1.32 determined using the equity betas of comparable US companies regressed against the S&P 500;
- 5.0% EMRP based on market consensus and PwC methodology; and
- specific-firm premium of 1.6% to reflect additional risks associated with the size of the Company (according to the CRSP Decile Premia Study).

Based on industry data for US investment and asset management companies, we derived a CoE of 9.1% as follows:

- long-term risk-free rate of 2.4% based on long-term US Treasury bonds yield;
- relevered industry beta of 0.99 based on companies operating within the investment and asset management industry;
- 5.1% EMRP based on Damodaran analysis; and
- specific-firm premium of 1.6% to reflect additional risks associated with the size of the Company (according to CRSP Decile Premia Study).

**Based on the methodologies described above, we derived a 10.2% US-based CoE for the Group.**

## A.2. Net present value of future holding costs

**Figure 18: Net present value of future holding costs**

Quilvest S.A. NPV of future holding costs	
\$ in millions	FY17
Operating expenses	(6.2)
Value adjustments	(0.1)
<b>Adjusted Op. Ex.</b>	<b>(6.1)</b>
Cost of equity	10.2%
Growth rate	1.5%
<b>PV of future expenses</b>	<b>(71.6)</b>
In % of unadjusted NAV	6.0%

Source: Management, PwC analysis

## Appendix B. - Quilvest Europe valuation

### B.1. QPE SICAR's direct investments as at Valuation Date

Figure 19: Overview of direct investments

Direct deals							
QS Company	Underlying investment	Valuation methodology	Financial Metric LTM18	Multiple LTM Sep-18	Net debt	% fully diluted stake	Valuation (\$ in millions)
QS Concrete	Command Alkon	EV/EBITDA	27.4	14.5x	(164.2)	12.6%	29.3
QS Cement	Command Alkon	EV/EBITDA	27.4	14.5x	(164.2)	7.4%	17.3
QS Capital Strategies	SBIC	NAV	n.a.	n.a.	n.a.	n.a.	13.1
QS Laundry	Crown Health Care Laundry Services, LLC	EV/EBITDA	10.0	7.9x	(38.0)	35.9%	14.7
QS Bottling	San Miguel Industrias PET	EV/EBITDA	81.2	8.4x	(386.3)	3.3%	9.5
QS Tube	ST Products	EV/EBITDA	15.8	8.5x	(36.5)	15.7%	15.3
QS Cash	Pay-O-Matic	EV/EBITDA	15.7	8.0x	(47.5)	7.8%	6.1
QS Asia Invest	Matthews International	EV/EBITDA	107.6	8.0x	58.5	0.4%	3.4
QS BBB Pik	Tiendas 3B	Principal + acc. interests	n.a.	n.a.	n.a.	n.a.	3.1
QS Microfinance	Bharat Financial Inclusion Ltd (SKS Microfinance)	P/B	437.9	5.4x	-	0.2%	4.2
QS Donuts	Metro Franchising	EV/EBITDA	12.2	12.4x	(48.3)	0.6%	0.7
QS Pizza	Anthony's Coal Fired Pizza	EV/EBITDA	13.0	10.1x	(71.0)	4.2%	2.5
QS PDI Sca Sicar - CLub 4S	Creative Extruded Products	EV/EBITDA	8.5	8.8x	(23.5)	22.1%	14.4
QS PDI Sca Sicar - CLub 3S	AFC	EV/EBITDA	28.2	7.5x	(115.1)	21.5%	20.8
QS PDI Sca Sicar - CLub 6S	EDH	Acquisition cost	n.a.	n.a.	n.a.	0.0%	0.5
QS PDI Sca Sicar - CLub 5S	Eudonet	EV/EBITDA	2.2	8.9x	(2.8)	19.0%	3.2
n.a.	Vanksen	Cash distribution	n.a.	n.a.	n.a.	n.a.	0.2
Algeco / Scotsman	Algeco - Scotsman	EV/EBITDA	348.9	9.1x	(3,395.0)	0.4%	(1.0)
QS Direct SI 2 deals	Alliant Group	EV/EBITDA	146.7	11.2x	-	0.6%	9.7
QS Lease SLP	Leaseplan	P/E	640.4	12.0x	(1,569.9)	0.1%	5.5
QS Direct SI 2 deals	Tortilla Mexican Grill	EV/EBITDA	3.8	9.0x	(4.1)	15.9%	4.8
QS Direct SI 2 deals	Aminoagro	EV/EBITDA	18.2	9.2x	(25.4)	2.7%	3.9
QS Direct SI 2 deals	Wholesome Sweeteners	EV/EBITDA	19.0	9.0x	(70.4)	2.1%	2.1
Qs India Broadband	ACT	EV/EBITDA	86.4	13.5x	(21.9)	0.4%	5.0
QS Direct SI 2 deals	BCI	EV/EBITDA	22.4	7.3x	(77.1)	1.3%	1.1
QS Direct SI 2 deals	Walnut Co Investors	EV/EBITDA	46.2	12.1x	(284.9)	1.4%	4.0
QS Direct SI 2 deals	Shock Doctor	EV/EBITDA	28.3	15.8x	(224.6)	1.2%	2.6
QS Towers (Digital Bridge Mexico)	Mexico Tower Partners	EV/Revenues	32.8	12.3x	16.4	0.3%	1.3
QS Direct SI 2 deals	GAMO Outdoor	EV/EBITDA	13.9	9.5x	(53.6)	2.1%	1.6
QS Direct SI 2 deals	Tiendas 3B	EV/Sales	511.3	0.6x	(121.9)	0.4%	0.8
QS Direct SI 2 deals	PF Chang's	EV/EBITDA	83.1	10.1x	(620.5)	n.a.	0.4
Other direct investments	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0.9
<b>Total direct investments</b>							<b>200.8</b>

Source: Management, PwC analysis

## Direct investments – peer group details

First quartile of LTM 18 multiples were used, except indicated otherwise, in accordance with valuation methodology described in Section “4.3.4. Applicability of discounts and premiums to our valuation”.

### Command Alkon

Command Alkon Incorporated develops hardware and software systems for producers, suppliers, and haulers of ready-mixed concrete, concrete products, aggregate, asphalt, and cement worldwide.

Company	Country	EV/EBITDA LTM 18
Alphabet Inc.	United States	18.8x
Microsoft Corporation	United States	18.3x
Oracle Corporation	United States	11.6x
International Business Machines Corporation	United States	9.9x
SAP SE	Germany	20.4x
CA, Inc.	United States	14.4x
Garmin Ltd.	Switzerland	14.9x
ANSYS, Inc.	United States	32.6x
Trimble Inc.	United States	22.0x
Manhattan Associates, Inc.	United States	23.3x
Fair Isaac Corporation	United States	33.9x
Aspen Technology, Inc.	United States	39.2x
Progress Software Corporation	United States	12.9x
American Software, Inc.	United States	24.2x
1st quartile		14.5x
<b>Median</b>		<b>19.6x</b>
3rd quartile		24.0x

### SBIC

QS Capital Strategies Fund is a Small Business Investment Companies (“SBIC”) fund. It specialises in investing in small to medium sized companies based in United States. We obtained the latest available NAV from Management.

### Crown Health Care Laundry Services

Crown Health Care Laundry Services, Inc. operates as a healthcare laundry processor and linen rental company.

Company	Country	EV/EBITDA LTM 18
Cintas Corporation	United States	19.2x
Aramark	United States	13.5x
Rentokil Initial plc	United Kingdom	14.8x
UniFirst Corporation	United States	11.8x
ABM Industries Incorporated	United States	11.8x
Johnson Service Group PLC	United Kingdom	6.1x
Superior Group of Companies, Inc.	United States	13.1x
Servizi Italia S.p.A.	Italy	3.4x
Elis SA	France	8.9x
K-Bro Linen Inc.	Canada	12.9x
1st quartile		9.6x
<b>Median</b>		<b>12.4x</b>
3rd quartile		13.4x

We obtained confirmation from Management that QS Laundry anticipates to raise capital at a similar level of valuation than at acquisition (i.e. at a **7.9x LTM 18 EBITDA multiple**). Therefore, we disregarded the observed multiples from the peer group and used the entry multiple.

### San Miguel PET

San Miguel Industrias PET S.A. engages in the manufacture and blowing of preforms for non-returnable containers. Its products include bottles, PET preforms, closures, clamshells, punnets, bandejas, and sheet extrusion products; and PET flakes and recycled resins.

Company	Country	EV/EBITDA LTM 18
Silgan Holdings Inc.	United States	9.8x
AptarGroup, Inc.	United States	14.5x
Amcor Limited	Australia	11.6x
CCL Industries Inc.	Canada	13.0x
Pact Group Holdings Ltd	Australia	8.4x
Resilux NV	Belgium	8.4x
Berry Global Group, Inc.	United States	9.1x
Polycon International Ltd.	India	12.6x
Taiwan Hon Chuan Enterprise Co., Ltd.	Taiwan	7.2x
1st quartile		8.4x
<b>Median</b>		<b>9.8x</b>
3rd quartile		12.6x

### ST Products

SMALL Tube Products, LLC operates a precision redraw tube mill that manufactures standard and custom size non-ferrous tubes and tube fabrications for consumer products, controls, electrical, heat transfer, transportation, and welding industries in North America.

Company	Country	EV/EBITDA LTM 18
The Timken Company	United States	8.7x
Commercial Metals Company	United States	10.9x
Mueller Industries, Inc.	United States	10.8x
Kaiser Aluminum Corporation	United States	9.9x
Materion Corporation	United States	12.1x
Steel Partners Holdings L.P.	United States	4.6x
AK Steel Holding Corporation	United States	8.5x
Allegheny Technologies Incorporated	United States	11.4x
Nucor Corporation	United States	7.6x
1st quartile		8.5x
<b>Median</b>		<b>9.9x</b>
3rd quartile		10.9x

### Pay-O-Matic

The Pay-O-Matic Corporation provides check cashing, money transfer, and bill payment services. It offers prepaid card, direct deposit, prepaid, money order, deposit/withdrawal, and other services.

Company	Country	EV/EBITDA LTM 18
CENIT Aktiengesellschaft	Germany	9.3x
EZCORP, Inc.	United States	7.8x
Green Dot Corporation	United States	22.3x
The Western Union Company	United States	8.0x
Global Payments Inc.	United States	19.9x
1st quartile		8.0x
<b>Median</b>		<b>9.3x</b>
3rd quartile		19.9x

### Matthews International

Matthews International Capital Management, LLC is a privately owned investment manager.

Company	Country	EV/EBITDA LTM 18
BlackRock, Inc.	United States	12.4x
Invesco Ltd.	United States	10.4x
T. Rowe Price Group, Inc.	United States	10.9x
Affiliated Managers Group, Inc.	United States	8.7x
Legg Mason, Inc.	United States	8.0x
Eaton Vance Corp.	United States	10.4x
Federated Investors, Inc.	United States	6.2x
Cohen & Steers, Inc.	United States	11.1x
GAMCO Investors, Inc.	United States	4.8x
1st quartile		8.0x
<b>Median</b>		<b>10.4x</b>
3rd quartile		10.9x

### BBB PIK

We were confirmed by Management that the investment through BBB PIK corresponds solely to a Payment-in-kind ("PIK") loan held by Quilvest. We obtained from Management the latest available amount of principal plus accrued interest attributable to Quilvest.

### Bharat Financial Inclusion Ltd

Bharat Financial Inclusion Limited, a non-banking financial company - micro finance institution, provides micro finance services to women in the rural areas in India who are enrolled as members and organized as joint liability groups.

Company	Country	P/B H1
First Finance Limited	Bangladesh	0.8x
Peninsula Group Ltd	Israel	1.8x
China Huirong Financial Holdings Limited	China	0.5x
Ujjivan Financial Services Limited	India	2.2x
Arman Financial Services Limited	India	5.0x
Satin Creditcare Network Limited	India	1.5x
DCB Bank Limited	India	1.9x
Magma Fincorp Limited	India	1.4x
L&T Finance Holdings Limited	India	2.4x
Aksesstoday Limited	Australia	1.5x
Financiera Credinka S.A.	Peru	1.8x
Moongipa Capital Finance Limited	India	0.3x
Zuoli Kechuang Micro-Finance Company Limited	China	0.3x
People's Leasing & Finance PLC	Sri Lanka	0.8x
Fortis Microfinance Bank PLC	Nigeria	2.9x
1st quartile		0.8x
<b>Median</b>		<b>1.5x</b>
3rd quartile		2.0x

We understand from the investment team that a **5.41x P/B multiple** should apply. It is based on the valuation of the shares in Bharat Financial in the context of the potential merger with IndusInd Bank (still pending approval). As such, we disregarded the observed multiples from the peer group which are significantly lower.

## Metro Franchising

Metro Franchising Commissary, LLC owns and operates Dunkin Donuts Baking Centers.

Company	Country	EV/EBITDA LTM 18
Starbucks Corporation	United States	14.6x
Dunkin' Brands Group, Inc.	United States	17.8x
Chipotle Mexican Grill, Inc.	United States	26.8x
YUM! Brands, Inc.	United States	19.2x
Fiesta Restaurant Group, Inc.	United States	14.8x
The Wendy's Company	United States	16.9x
McDonald's Corporation	United States	15.3x
Carrols Restaurant Group, Inc.	United States	8.0x
Red Robin Gourmet Burgers, Inc.	United States	5.4x
Jack in the Box Inc.	United States	10.2x
Shake Shack Inc.	United States	25.9x
1st quartile		12.4x
<b>Median</b>		<b>15.3x</b>
3rd quartile		18.5x

## Anthony's Pizza

Anthony's Pizza Holding Company, Inc. owns and operates a chain of pizza restaurants.

Company	Country	EV/EBITDA LTM 18
Darden Restaurants, Inc.	United States	14.4x
Brinker International, Inc.	United States	8.5x
Cracker Barrel Old Country Store, Inc.	United States	9.9x
Dine Brands Global, Inc.	United States	14.8x
Texas Roadhouse, Inc.	United States	16.6x
The Cheesecake Factory Incorporated	United States	10.6x
BJ's Restaurants, Inc.	United States	13.3x
Red Robin Gourmet Burgers, Inc.	United States	5.4x
Noodles & Company	United States	20.6x
Kona Grill, Inc.	United States	8.6x
Famous Dave's of America, Inc.	United States	8.8x
McDonald's Corporation	United States	15.3x
YUM! Brands, Inc.	United States	19.2x
Jack in the Box Inc.	United States	10.2x
Sonic Corp.	United States	13.7x
Starbucks Corporation	United States	14.6x
Chipotle Mexican Grill, Inc.	United States	26.8x
Domino's Pizza, Inc.	United States	25.9x
Papa John's International, Inc.	United States	11.9x
1st quartile		10.1x
<b>Median</b>		<b>13.7x</b>
3rd quartile		16.0x

### Creative Extruded Products

Creative Extruded Products, Inc. designs, engineers, and produces custom plastic profile extrusions and assemblies.

Company	Country	EV/EBITDA
		LTM 18
Adient plc	Ireland	5.2x
American Axle & Manufacturing Holdings, Inc.	United States	4.6x
Gentex Corporation	United States	9.2x
Gentherm Incorporated	United States	13.8x
Johnson Controls International plc	Ireland	9.4x
Lear Corporation	United States	5.0x
Magna International Inc.	Canada	4.9x
Meritor, Inc.	United States	5.4x
Tenneco Inc.	United States	4.1x
Visteon Corporation	United States	10.2x
Axalta Coating Systems Ltd.	United States	11.8x
Cooper Tire & Rubber Company	United States	5.1x
Dorman Products, Inc.	United States	13.5x
Modine Manufacturing Company	United States	6.3x
Motorcar Parts of America, Inc.	United States	11.8x
Snap-on Incorporated	United States	11.1x
Standard Motor Products, Inc.	United States	9.4x
The Goodyear Tire & Rubber Company	United States	5.6x
Valvoline Inc.	United States	8.8x
1st quartile		5.2x
<b>Median</b>		<b>8.8x</b>
3rd quartile		10.7x

It should be noted that we added \$4.0m to Creative Extruded Products business valuation to reflect the market value of five recently acquired properties by Quilvest. As the properties were acquired recently, we kept the acquisition cost.

### AFC

AFC is a leading operator of 68 Taco Bell and 50 Applebee's restaurants located in the U.S.; AFC's Taco Bell locations are currently located primarily in and around Connecticut and Ohio, while its Applebee's locations are located throughout the Midwest.

The AFC transaction was closed over a two-step process. Quilvest invested twice in AFC, first in March 2017 to acquire a stake in AFC and subsequently in August 2017 to acquire 37 Taco Bell units in Ohio. We understand that the **entry multiple of 7.5x EBITDA** is still applicable given that the transaction is recent and that no significant company specific events occurred since. The entry multiple was applied on LTM 18 EBITDA.

### EDH

EDH is a French network of higher education schools dedicated to communication, arts management and journalism, operating 3 brands (EFAP, ICART and EFJ) over 6 campuses in 4 French cities (Paris, Lyon, Bordeaux, Lille) as well as in New York and Shanghai.

We understand that the transaction is recent (November 2017). Therefore, we valued the investment at acquisition cost.



### **Eudonet**

EUDOWEB SAS develops and publishes Customer Relationship Management (CRM) software.

<b>Company</b>	<b>Country</b>	<b>EV/EBITDA LTM 18</b>
Blackbaud, Inc.	United States	38.0x
IAC/InterActiveCorp	United States	37.7x
NICE Ltd.	Israel	21.0x
salesforce.com, Inc.	United States	n.m.
Veeva Systems Inc.	United States	78.1x
Yext, Inc.	United States	n.m.
Coheris SA	France	8.5x
Entersoft S.A.	Greece	8.0x
Logismos Information Systems S.A.	Greece	7.9x
Prodware	France	7.4x
1st quartile		8.0x
<b>Median</b>		<b>14.8x</b>
3rd quartile		37.8x

We understand from the investment team that the transaction was closed in March 2017 at an entry multiple of **8.9x EBITDA**. The financial environment and company specific factors have not changed significantly since. Therefore, we disregarded the observed multiples from the peer group and used the entry multiple. Based on our methodology, we would have retained a multiple of 8.0x.

### **Vanksen**

The investment in Vanksen was sold recently. A last distribution amounting to €190k is still pending.

### **Algeco Scotsman**

Algeco Scotsman, Inc. designs, manufactures, leases, maintains, and sells prefabricated modular space, secure portable storage, and remote workforce accommodation management solutions.

<b>Company</b>	<b>Country</b>	<b>EV/EBITDA LTM 18</b>
Aggreko Plc	United Kingdom	5.7x
Brambles Limited	Australia	9.1x
Intertek Group plc	United Kingdom	15.6x
Iron Mountain Incorporated	United States	13.2x
Mobile Mini, Inc.	United States	14.5x
SGS SA	Switzerland	17.1x
Bird Construction Inc.	Canada	30.0x
Black Diamond Group Limited	Canada	7.6x
Civeo Corporation	United States	16.8x
1st quartile		9.1x
<b>Median</b>		<b>14.5x</b>
3rd quartile		16.8x

### Alliant

Alliantgroup, LP provides tax advisory solutions. The company offers research and development tax credit, energy efficient commercial building deduction, export incentives, and government relations and tax advisory services.

Company	Country	EV/EBITDA LTM 18
Accenture plc	Ireland	17.0x
H&R Block, Inc.	United States	6.0x
FTI Consulting, Inc.	United States	12.1x
Huron Consulting Group Inc.	United States	15.3x
PRGX Global, Inc.	United States	n.m.
Resources Connection, Inc.	United States	10.9x
Booz Allen Hamilton Holding Corporation	United States	14.7x
CBIZ, Inc.	United States	14.0x
Navigant Consulting, Inc.	United States	9.8x
Murgitroyd Group PLC	United Kingdom	13.3x
ICF International, Inc.	United States	15.9x
1st quartile		11.2x
<b>Client multiple</b>		<b>13.6x</b>
3rd quartile		15.1x

### Leaseplan

LeasePlan Corporation N.V., together with its subsidiaries, operates as a fleet and driver mobility company in Europe and internationally.

Company	Country	P/E LTM 18
Sixt Leasing SE	Germany	13.1x
Northgate plc	United Kingdom	16.1x
Prime Car Management S.A.	Poland	5.0x
Element Fleet Management Corp.	Canada	n.m.
Super Group Limited	South Africa	14.1x
McMillan Shakespeare Limited	Australia	18.1x
ALD S.A.	France	15.2x
Cramo Oyj	Finland	13.6x
Autohellas SA	Greece	8.7x
1st quartile		12.0x
<b>Median</b>		<b>13.9x</b>
3rd quartile		15.4x

We understand that Leasplan may IPO in the near future. The selected valuation multiple is in line with a recent transaction observed in the maket for a close competitor (i.e. ALD, which is now valued around 10x the company's net profit).

## Tortilla

Mexican Grill Limited, trading as Tortilla, operates Mexican restaurants in London.

Company	Country	EV/EBITDA LTM 18
Greene King plc	United Kingdom	7.9x
J D Wetherspoon plc	United Kingdom	9.8x
Mitchells & Butlers plc	United Kingdom	8.2x
Marston's PLC	United Kingdom	11.0x
Ei Group plc	United Kingdom	10.0x
Fuller, Smith & Turner P.L.C.	United Kingdom	10.0x
Young & Co.'s Brewery, P.L.C.	United Kingdom	13.4x
The Restaurant Group plc	United Kingdom	7.0x
Patisserie Holdings plc	United Kingdom	16.3x
Tasty plc	United Kingdom	13.9x
Comptoir Group plc	United Kingdom	15.5x
1st quartile		9.0x
<b>Median</b>		<b>10.0x</b>
3rd quartile		13.6x

## Aminoagro

Qualyquímica Indústria e Comércio de Produtos Químicos S.A. is a special fertilizer company that engages in the production and marketing of liquid bio-stimulants for the cultivation of grains, vegetables and fruits in Brazil.

Company	Country	EV/EBITDA LTM 18
The Mosaic Company	United States	10.7x
Israel Chemicals Ltd.	Israel	9.2x
Sociedad Química y Minera de Chile S.A.	Chile	13.6x
Saudi Arabian Fertilizers Company	Saudi Arabia	21.4x
PJSC PhosAgro	Russia	7.8x
Incitec Pivot Limited	Australia	11.2x
Terra Nitrogen Company, L.P.	United States	8.4x
Coromandel International Limited	India	10.7x
Fertilizantes Heringer S.A.	Brazil	n.m.
Soquimich Comercial S.A.	Chile	17.0x
1st quartile		9.2x
<b>Median</b>		<b>10.7x</b>
3rd quartile		13.6x

## Wholesome Sweeteners

Wholesome Sweeteners, Inc. sources, packages and supplies sweeteners and honey.

Company	Country	EV/EBITDA LTM 18
The Hain Celestial Group, Inc.	United States	15.9x
SunOpta Inc.	Canada	23.7x
Koninklijke Wessanen N.V.	Netherlands	15.6x
Rogers Sugar Inc.	Canada	9.6x
Mitsui Sugar Co., Ltd.	Japan	8.9x
Empresas Iansa S.A.	Chile	7.8x
Ensuiko Sugar Refining Co., Ltd.	Japan	9.2x
1st quartile		9.0x
<b>Median</b>		<b>9.6x</b>
3rd quartile		15.7x

## ACT

Atria Convergence Technologies Limited provides broadband Internet services and cable TV services through Internet over fiber optics, digital TV and HDTV in India.

Company	Country	EV/EBITDA LTM 18
Hathway Cable and Datacom Limited	India	10.3x
SITI Networks Limited	India	8.6x
DEN Networks Limited	India	6.0x
BDCOM Online Limited	Bangladesh	8.6x
Intech Limited	Bangladesh	23.9x
PT Link Net Tbk	Indonesia	6.0x
HwaCom Systems Inc.	Taiwan	6.4x
Ortel Communications Limited	India	6.0x
VEON Ltd.	Netherlands	4.6x
TeraGo Inc.	Canada	14.1x
Charter Communications, Inc.	United States	9.9x
Cogent Communications Holdings, Inc.	United States	18.9x
WirelessGate, Inc.	Japan	9.6x
Altice USA, Inc.	United States	9.3x
Millicom International Cellular S.A.	Luxembourg	6.3x
1st quartile		6.1x
<b>Median</b>		<b>8.6x</b>
3rd quartile		10.1x

We obtained confirmation from the investment team that the lead investor has ACT valued at 2.4x CoC (i.e. equivalent to a **13.5x LTM 18 EBITDA multiple**). As such, we disregarded the observed multiples from the peer group which would be significantly lower.

## BCI

Vyve Broadband provides broadband communication services to homes and businesses. It offers high speed Internet and home phone services. Vyve Broadband was formerly known as BCI Broadband Holdings, LLC and changed its name to Broadband in January 2014.

Company	Country	EV/EBITDA LTM 18
Charter Communications, Inc.	United States	9.9x
Consolidated Communications Holdings, Inc.	United States	6.9x
Cogent Communications Holdings, Inc.	United States	18.9x
Comcast Corporation	United States	8.1x
Alaska Communications Systems Group, Inc.	United States	4.5x
Verizon Communications Inc.	United States	7.3x
Windstream Holdings, Inc.	United States	5.7x
CenturyLink, Inc.	United States	8.1x
Liberty Broadband Corporation	United States	6.1x
1st quartile		6.1x
<b>Median</b>		<b>7.3x</b>
3rd quartile		8.1x

We selected the median multiple of the peer group for BCI to reflect BCI's premium market position, favorable competitive dynamics and value of recently upgraded fiber network.

### Walnut Co Investors

Woodstream Corporation manufactures and markets solutions for the lawn and garden, birding, pet, rodent control, hobby farm and animal control needs of consumers.

Company	Country	EV/EBITDA
		LTM 18
Spectrum Brands Holdings, Inc.	United States	11.8x
The Scotts Miracle-Gro Company	United States	14.8x
Central Garden & Pet Company	United States	12.5x
1st quartile		12.1x
<b>Median</b>		<b>12.5x</b>
3rd quartile		13.6x

### Shock Doctor

Shock Doctor Sports is a manufacturer of protective and performance sports equipment and trusted by youth, amateur and professional athletes.

Company	Country	EV/EBITDA
		LTM 18
NIKE, Inc.	United States	25.3x
adidas AG	Germany	15.8x
Under Armour, Inc.	United States	26.6x
Lululemon Athletica Inc.	Canada	27.5x
Columbia Sportswear Company	United States	15.6x
PUMA SE	Germany	16.8x
Amer Sports Corporation	Finland	16.9x
Prosegur Compañía de Seguridad, S.A.	Spain	6.9x
1st quartile		15.8x
<b>Median</b>		<b>16.8x</b>
3rd quartile		25.6x

### Mexico Tower Partners

Mexico Tower Partners, LLC, a cell tower company, owns, manages, and leases wireless sites to telecommunications carriers and other users of wireless technology in Mexico.

Company	Country	EV/SALES
		LTM18
SBA Communications Corporation	United States	15.6x
American Tower Corporation (REIT)	United States	12.6x
Crown Castle International Corp. (REIT)	United States	12.6x
Telesites, S.A.B. de C.V.	Mexico	11.5x
1st quartile		12.3x
<b>Median</b>		<b>12.6x</b>
3rd quartile		13.3x

### GAMO Outdoor

Gamo Outdoor, S.L. manufactures and sells air gun ammunitions for shooters.

Company	Country	EV/EBITDA
		LTM 18
Rapala VMC Corporation	Finland	9.8x
Johnson Outdoors Inc.	United States	11.7x
Globeride, Inc.	Japan	8.7x
American Outdoor Brands Corporation	United States	10.6x
1st quartile		9.5x
<b>Median</b>		<b>10.2x</b>
3rd quartile		10.8x

### Tiendas 3B

Tiendas Tres B, S.A. de C.V owns and operates a chain of convenience stores in Mexico. It provides drinks, sweets and snacks, refills, dairy and cold meats, household items, general merchandise, edible groceries, personal hygiene, and personal care products. It primarily focuses on 'Hard Discount' concept. The company was founded in 2004 and is based in México, Mexico.

Company	Country	EV/SALES
		LTM18
Wal-Mart de México, S.A.B. de C.V.	Mexico	1.6x
Cencosud S.A.	Chile	0.8x
Organización Soriana, S. A. B. de C. V.	Mexico	0.5x
BİM Birlesik Magazalar A.S.	Turkey	0.8x
Almacenes Éxito S.A.	Colombia	0.4x
Grupo Comercial Chedraui, S.A.B. de C.V.	Mexico	0.5x
SPAR Group, Inc.	United States	0.2x
La Comer S.A.B. De C.V.	Mexico	1.1x
1st quartile		0.5x
<b>Median</b>		<b>0.6x</b>
3rd quartile		0.9x

We selected median multiple to reflect that Tiendas' growth is higher than the peer companies.

### P.F. Chang's

P.F. Chang's is a leader in the US restaurant industry and a market leader in Asian-inspired cuisine. The Company owns and operates three restaurant concepts: P.F. Chang's China Bistro, a Chinese-inspired upscale casual dining concept, Pei Wei Diner, a fast casual dining concept offering pan-Asian cuisine and True Food Kitchen, a nascent health oriented casual dining concept.

Company	Country	EV/EBITDA
		LTM 18
Chipotle Mexican Grill, Inc.	United States	26.8x
Fiesta Restaurant Group, Inc.	United States	14.8x
Noodles & Company	United States	20.6x
Potbelly Corporation	United States	8.6x
Darden Restaurants, Inc.	United States	14.4x
Bloomin' Brands, Inc.	United States	7.7x
The Cheesecake Factory Incorporated	United States	10.6x
BJ's Restaurants, Inc.	United States	13.3x
1st quartile		10.1x
<b>Median</b>		<b>13.9x</b>
3rd quartile		16.3x

Quilvest owns 1.1% of PF Chang's and 0.6% of True Food Kitchen. As of June 2018 we valued TFK based on a \$240m total enterprise valuation, given that a third party investor completed an investment into TFK at that valuation in June 2018. P.F. Chang's China Bistro is valued using the first quartile EV/EBITDA LTM 18 multiple of the peer companies.

Source: PwC analysis

## B.2. Overview of funds and FoF investments as at Valuation Date

Figure 20: Overview of funds investments

FoF investments	Valuation (\$ in millions)
QS PEP 2002	1.6
QOL PEP 2003	2.1
QOL PEP 2004	3.4
QOL PEP 2005	3.6
QPE PEP 2006	9.6
QPE PEP 2007	10.9
QPE PEP 2008	35.2
QPE PEP 2009	18.2
QPE PEP 2010	24.0
QPE PEP 2011	47.4
QPE PEP 2012	49.9
QPE PEP CORE	62.3
QS PE-DM	3.1
QS ITALY	1.3
QS REP I	25.6
QS REP II	35.4
QS REP III	2.6
QS GEO	38.3
QS GEO II	49.5
QS GEO III	4.9
Other FoF investments	2.9
<b>Total FoF investments</b>	<b>431.8</b>
MCH Iberian Capital Fund III	4.7
MCH Iberian Capital Fund II	5.2
TPG Partners VI	1.0
Bain Capital Fund X	0.8
Bain Capital Europe III	0.4
TA Atlantic and Pacific VI	0.5
Other single funds investments	1.0
<b>Total single funds investments</b>	<b>13.6</b>
Intarcia	35.7
Quilvest Venture II FCPR	23.6
Quilvest Energies (Dollar) FCPR	24.9
Intrinsic Therapeutics	3.2
Neotract, Inc.	2.4
Myriad Group (formerly Esmertec)	0.3
<b>Total venture funds investments</b>	<b>90.1</b>
<b>Total funds investments</b>	<b>535.4</b>

Source: Management, PwC analysis

## Appendix C. - Quilvest & Partners valuation

### C.1. Quilvest & Partners' subsidiaries

Figure 21: Overview of Q&P's subsidiaries

Quilvest & Partners' subsidiaries
Quilvest Luxembourg Services S.A.
<b>General partners</b>
QS PEP Sàrl
QS Direct SI 2 Sàrl
QS REP Sàrl
QS GEO Sàrl
Quilvest Private Equity Sàrl
QS PDI Sàrl
QS Master GP Sàrl
QS Master GP I Sàrl
QS Master GP II Sàrl
QS Master GP III Sàrl
QS Master GP IV Sàrl
QS Reseop GP Sàrl
QS FF SLP GP Ltd
QS REP GP Sàrl
QS PE Fund GP Sàrl
QS Management Ltd
QS FF Management Ltd
<b>Cost centres</b>
Quilvest & Partners France S.A.S.
Quilvest & Partners USA, LLC
Quilvest UK Ltd
Quilvest Hong Kong Ltd
Quilvest Dubai Ltd

Source: Management



## C.2. Business plan

Figure 22: Q&P forecast P&L

Q&P Forecast P&L											
	Forecast										
USD (m)	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	CAGR
Fund Management fees	23.7	24.5	24.3	22.9	23.1	23.2	22.0	19.0	21.0	23.1	-0.3%
Direct Management fees	9.0	9.5	10.8	12.6	14.9	19.1	22.0	24.9	26.2	27.0	13.0%
Mandate Management fees	1.2	1.5	1.8	2.3	2.4	2.4	3.0	2.9	3.0	3.4	12.1%
Monitoring fees	1.2	1.1	1.0	1.0	0.9	0.9	1.1	1.3	1.3	1.3	0.9%
<b>Total recurring revenues</b>	<b>35.1</b>	<b>36.7</b>	<b>37.9</b>	<b>38.8</b>	<b>41.3</b>	<b>45.6</b>	<b>48.1</b>	<b>48.2</b>	<b>51.5</b>	<b>54.8</b>	<b>5.1%</b>
Fund Set-Up fees	-	-	-	-	-	-	-	-	-	-	-
Transaction fees	2.6	3.8	3.3	4.9	4.2	4.3	4.8	4.8	5.2	5.2	8.2%
Consulting fees	2.1	2.5	2.9	3.4	3.8	4.2	4.6	5.0	5.5	5.9	12.1%
Domiciliation fees	4.3	4.5	5.3	5.6	6.4	6.6	7.0	6.9	7.3	7.5	6.4%
Old strategy fees	0.5	0.5	0.4	0.4	0.4	0.3	0.3	0.3	0.2	0.2	-10.0%
Other income	2.2	2.3	2.3	2.1	2.6	1.0	2.3	2.5	2.2	2.2	-0.1%
<b>Total non-recurring revenues</b>	<b>11.7</b>	<b>13.6</b>	<b>14.3</b>	<b>16.4</b>	<b>17.4</b>	<b>16.4</b>	<b>19.0</b>	<b>19.4</b>	<b>20.4</b>	<b>21.0</b>	<b>6.7%</b>
<b>Retrocessions</b>	<b>(3.6)</b>	<b>(3.1)</b>	<b>(2.9)</b>	<b>(2.8)</b>	<b>(2.7)</b>	<b>(2.6)</b>	<b>(2.5)</b>	<b>(2.2)</b>	<b>(2.1)</b>	<b>(1.9)</b>	<b>-7.0%</b>
<b>Total revenues</b>	<b>43.2</b>	<b>47.1</b>	<b>49.2</b>	<b>52.4</b>	<b>56.0</b>	<b>59.5</b>	<b>64.6</b>	<b>65.4</b>	<b>69.8</b>	<b>73.9</b>	<b>6.1%</b>
Personnel salary	(17.1)	(18.6)	(19.7)	(20.4)	(21.2)	(21.6)	(22.3)	(23.1)	(24.0)	(24.8)	4.2%
Personnel bonuses	(9.3)	(10.2)	(10.8)	(11.2)	(11.6)	(11.7)	(12.1)	(12.5)	(13.0)	(13.5)	4.2%
Personnel charges, 401k	(6.4)	(6.5)	(6.5)	(6.8)	(7.1)	(7.2)	(7.5)	(7.7)	(8.0)	(8.3)	2.9%
Travel & Entertainment	(2.8)	(2.9)	(3.0)	(3.1)	(3.3)	(3.3)	(3.4)	(3.6)	(3.7)	(3.8)	3.7%
Telecommunications	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	1.0%
Rent	(2.0)	(2.1)	(2.1)	(2.2)	(2.3)	(2.3)	(2.4)	(2.5)	(2.5)	(2.6)	3.0%
Office expenses	(0.9)	(0.9)	(0.9)	(0.9)	(0.9)	(0.9)	(0.9)	(0.9)	(1.0)	(1.0)	1.0%
Consulting, Legal and IT Fees	(5.0)	(5.0)	(5.1)	(5.1)	(5.2)	(5.2)	(5.3)	(5.3)	(5.4)	(5.4)	1.0%
Subscriptions & Memberships	(0.6)	(0.6)	(0.6)	(0.6)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	1.0%
Exceptional items	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>(44.7)</b>	<b>(47.4)</b>	<b>(49.5)</b>	<b>(51.0)</b>	<b>(52.9)</b>	<b>(53.6)</b>	<b>(55.3)</b>	<b>(57.0)</b>	<b>(58.8)</b>	<b>(60.7)</b>	<b>3.5%</b>
<b>EBITDA</b>	<b>(1.5)</b>	<b>(0.2)</b>	<b>(0.3)</b>	<b>1.4</b>	<b>3.1</b>	<b>5.9</b>	<b>9.3</b>	<b>8.3</b>	<b>11.0</b>	<b>13.2</b>	<b>n.a.</b>
Depreciation	(1.2)	(1.2)	(1.2)	(1.2)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	-
<b>EBIT</b>	<b>(2.7)</b>	<b>(1.4)</b>	<b>(1.5)</b>	<b>0.2</b>	<b>2.7</b>	<b>5.5</b>	<b>8.9</b>	<b>7.9</b>	<b>10.6</b>	<b>12.8</b>	<b>n.a.</b>
Finance costs	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	-
Carried interests	-	-	-	-	-	-	-	-	-	-	-
LTIP	-	-	-	-	-	-	-	-	-	-	-
Corporate allocation	-	-	-	-	-	-	-	-	-	-	-
<b>EBT</b>	<b>(3.0)</b>	<b>(1.7)</b>	<b>(1.8)</b>	<b>(0.1)</b>	<b>2.4</b>	<b>5.2</b>	<b>8.6</b>	<b>7.6</b>	<b>10.3</b>	<b>12.5</b>	<b>n.a.</b>
Taxes	(1.0)	(0.9)	(0.7)	(0.8)	(0.8)	(0.9)	(1.0)	(1.0)	(1.1)	(1.2)	-
<b>Net Income</b>	<b>(4.0)</b>	<b>(2.6)</b>	<b>(2.5)</b>	<b>(0.8)</b>	<b>1.6</b>	<b>4.3</b>	<b>7.7</b>	<b>6.7</b>	<b>9.2</b>	<b>11.3</b>	<b>n.a.</b>

Source: Q&P Management

## C.3. Cost of equity calculations

Q&P projected free cash flows to equity, during the explicit forecast period, are combined with the terminal value of the business, and discounted back to present value using a CoE of 10.2%, representing time value of money and the risks associated with the business.

**Figure 23: Q&P CoE calculations**

Cost of equity calculations		
	PwC	Industry
Rf rate	3.1%	2.4%
Beta	1.32	0.99
EMRP	5.0%	5.1%
SFP	1.6%	1.6%
<b>Cost of equity</b>	<b>11.3%</b>	<b>9.1%</b>
<b>Selected</b>	<b>10.2%</b>	

Source: PwC analysis, Damodaran data

We based our analysis on the methodology described in section “4.2.2 Income approach” and industry data widely used across market participants. The selected CoE corresponds to the mid-point between the two approaches.

Based on the capital asset pricing model (“CAPM”), we derived a CoE of 11.3% as follows:

- risk-free rate of 3.1% (20-year US Treasury bonds yield as at Valuation Date);
- relevered beta of 1.32 determined using the equity betas of comparable US companies regressed against the S&P 500;
- 5.0% EMRP based on market consensus and PwC methodology; and
- specific-firm premium of 1.6% to reflect additional risks associated with the size of the Entity (according to the CRSP Decile Premia Study).

Based on industry data for US investment and asset management companies, we derived a CoE of 9.1% as follows:

- long-term risk-free rate of 2.4% based on long-term US Treasury bonds yield;
- relevered industry beta of 0.99 based on companies operating within the investment and asset management industry;
- 5.1% EMRP based on Damodaran analysis; and
- specific-firm premium of 1.6% to reflect additional risks associated with the size of the Entity (according to the CRSP Decile Premia Study).

**Based on the methodologies described above, we derived a 10.2% CoE for Q&P.**

## Appendix D. - Quilvest Wealth Management valuation

### D.1. Business plan

Figure 24: QWM forecast P&L

QWM Forecast P&L					
€ in thousands	LTM Jun-18	Forecast			CAGR FY17A - FY20E
		FY18E	FY19E	FY20E	
Net commission income	78,025	77,138	96,606	104,973	9%
Net interest margin	20,120	15,566	12,956	13,902	-10%
Other operating income	10,943	12,494	3,618	3,605	-27%
<b>Net Banking Income (NBI)</b>	<b>109,088</b>	<b>105,199</b>	<b>113,180</b>	<b>122,480</b>	<b>4%</b>
Staff expenses	(58,868)	(61,270)	(60,470)	(63,097)	-1%
Other administrative expenses	(20,238)	(22,521)	(20,119)	(21,144)	-6%
QV Group income (PE admin/IT)	442	64	67	70	-39%
Regulatory expenses	(1,254)	-	-	-	-100%
Head-office costs	(7,600)	840	(7,220)	(7,706)	-256%
<b>Total operating expenses</b>	<b>(87,518)</b>	<b>(82,887)</b>	<b>(87,742)</b>	<b>(91,876)</b>	<b>1%</b>
<i>o/w cost to use Quilvest brand &amp; consol. tool</i>	<i>(857)</i>	<i>(833)</i>	<i>(833)</i>	<i>(833)</i>	<i>0%</i>
<b>Operating Profit</b>	<b>21,571</b>	<b>22,312</b>	<b>25,438</b>	<b>30,603</b>	<b>13%</b>
Depreciation & amortisation	(2,971)	(3,635)	(3,884)	(4,401)	12%
Amortisation of intangible assets (IFRS3)	(1,533)	(1,900)	(1,900)	(1,900)	n.a.
Restructuring costs	-	-	-	-	n.a.
MIP provision	200	-	-	-	n.a.
Exceptional income/(expenses)	(1,339)	-	-	-	n.a.
Current/deferred taxes	(3,965)	(4,498)	(5,005)	(5,515)	6%
Reversal of goodwill (disposal of ex-FR QAM busin	(700)	-	-	-	
<b>Net income</b>	<b>11,263</b>	<b>12,278</b>	<b>14,649</b>	<b>18,786</b>	<b>21%</b>
Non-controlling interests (NCI)	31	31	64	103	n.m.
<b>Net income after NCI</b>	<b>11,232</b>	<b>12,247</b>	<b>14,585</b>	<b>18,683</b>	<b>21%</b>
(-) QV Group income (PE admin/IT)	-	-	-	-	-
(-) Exceptional income/expense	2,039	-	-	-	-
(-) Restructuring costs	-	-	-	-	-
(-) IFRS3 Amortisation	1,533	1,900	1,900	1,900	-
(-) Tax planning adjustments	-	-	-	-	-
(-) Quilvest brand & consolidation tool (\$1m)	857	833	833	833	-
(-) Income tax adjustment	(1,199)	(711)	(711)	(711)	-
<b>Normalisation of Net Income</b>	<b>3,230</b>	<b>2,022</b>	<b>2,022</b>	<b>2,022</b>	
<b>Normalised Net income</b>	<b>14,462</b>	<b>14,269</b>	<b>16,607</b>	<b>20,705</b>	<b>16%</b>

Source: QWM Management, PwC analysis

## D.2. Private banking and wealth management transactions

Figure 25: Private banking and wealth management transactions

Private banking and wealth management transactions					
Target	Target Country	Buyer	Date announced	Stake	Goodwill/AuM
Notenstein La Roche Private Bank Ltd	Switzerland	Vontobel Holding AG	May-18	100%	1.8%
Ohman Bank Luxembourg	Luxembourg	Project Duke	Mar-18	100%	Confidential
Wagner Wealth Management LLC	USA	Private Capital Management Inc	Jan-18	100%	0.3%
Kairos Partners SGR spa	Italy	Julius Baer Group Limited	Jan-18	20%	n.m.
Semper Constantia Privatbank Aktiengesellschaft	Austria	Liechtensteinische Landesbank AG (LLB)	Dec-17	100%	0.8%
Raiffeisen Bank Liechtenstein AG	Liechtenstein	Mason Group Holdings Limited	Oct-17	100%	1.5%
Bank Hapoalim Switzerland Ltd	Switzerland	Bank J. Safra Sarasin AG	Oct-17	100%	0.5%
Wiener Privatbank SE	Austria	Arca Investments a.s.	Sep-17	61%	1.7%
Banque Internationale a Luxembourg SA	Luxembourg	Legend Holdings Corporation	Sep-17	90%	1.3%
Danske Bank A/S (UK's discretionary portfolio management wealth business)	UK	J&E Davy Holdings Ltd	Jul-17	100%	1.0%
Hargreave Hale Limited	UK	Canaccord Genuity Wealth Management	Jul-17	100%	0.4%
UBS AG (Domestic wealth management activities in the Netherlands)	Netherlands	Van Lanschot NV	Jun-17	100%	1.1%
Fibi Bank (Switzerland) Ltd.	Switzerland	CBH Compagnie Bancaire Helvetique SA	Dec-16	100%	1.0%
ABN AMRO Group N.V. (private banking business in Asia and the Middle East)	Asia and Middle East	LGT Group	Dec-16	100%	Confidential
Bank Insinger de Beaufort N.V.	Netherlands	KBL European Private Bankers S.A.	Apr-16	100%	
J. Chahine Capital	Luxembourg	Iris Finance International S.A.	Dec-15	n.d.	
Commerzbank International S.A.	Luxembourg	Julius Baer Group Ltd.	Dec-15	100%	2.1%
Fransad Gestion SA	Switzerland	Julius Baer Group Ltd.	Nov-15	100%	1.0%
Finter Bank Zürich AG	Switzerland	Vontobel Holding AG	Sep-15	100%	1.1%
UBS Belgium SA/NV	Belgium	Puilaetco Dewaay Private Bankers SA	Nov-14	100%	Confidential
Quilter Cheviot Limited	UK	Old Mutual Wealth Limited	Oct-14	100%	3.0%
Banque Pasche (Liechtenstein) SA	Liechtenstein	Banque Haviland SA	Oct-14	53%	1.6%
Vadian Bank AG	Switzerland	St. Galler Kantonalbank	Aug-14	100%	1.6%
Banca IPIBI Financial Advisory S.p.A.	Italy	Capital Shuttle Srl	Aug-14	59%	2.0%
Leumi Private Bank AG's business	Switzerland / Luxembourg	Julius Baer Group Ltd.	Jul-14	100%	0.8%
Banyan Partners LLC's Assets	USA	Boston Private Bank&Trust Company	Jul-14	100%	1.0%
Crédit Suisse Italy's Spa's affluent and upper affluent PB Business Unit	Italy	Banca Generali Spa	Jul-14	100%	1.4%
HSBC's Private Banking Holdings (Suisse) SA's certain assets	Switzerland	LGT Bank Ltd	Jun-14	100%	1.2%
La Française Bank (private banking activities)	Luxembourg	Banque Haviland SA	Apr-14	100%	1.4%
Societe Generale (Asia private banking and trust business)	Singapore / Hong Kong	DBS Group Holdings Limited	Mar-14	100%	1.7%
Low Range					1.0%
Median					1.3%
High Range					1.7%

Source: MergerMarket, press releases, annual reports, PwC analysis

## D.3. Fund administration transactions

Figure 26: Fund administration transactions

Fund administration transactions					
Target	Target Country	Buyer	Date announced	Stake	Goodwill/AuA or Goodwill/AuC
Luxembourg Investment Solutions; Compliance Partners S.A	Luxembourg	Sanne Group plc	Sep-17	100%	0.63%
UBS Asset Management's fund administration (Luxembourg and Conifer Financial Services, LLC	Luxembourg, Switzerland	Northern Trust Corporation	Feb-17	100%	0.04%
International Financial Services Limited	USA	SS&C Technologies Holdings Inc	Dec-16	100%	0.08%
FLSV Fund Administration Services	Mauritius	Sanne Group	Nov-16	100%	0.15%
Wells Fargo Global Fund Services LLC	UK	Sanne Group	Oct-16	100%	0.11%
Rydex Fund Services, Inc.	USA	SS&C Technologies Holdings Inc	Sep-16	100%	0.18%
Pensco Trust Company	USA	Mitsubishi UFJ Financial Group, Inc.	Jul-16	100%	0.37%
Viteos Capital Market Services Limited	USA	Opus Bank	Jan-16	100%	1.01%
Citigroup (Alternative Investor Services business)	USA	Wipro Ltd.	Dec-15	100%	0.20%
UBS Alternative Fund Services business	USA	SS&C Technologies Holdings Inc	Aug-15	100%	0.08%
Banco Santander SA (Custody business in Spain, Mexico and Banco Popular Espanol S.A. (Depositary & custodian)	Switzerland, Cayman Islands, UK, Hong Kong, Ireland, Luxembourg, USA, Channel Islands	Mitsubishi UFJ Financial Group, Inc.	Jun-15	100%	0.17%
Meridian Fund Services Group	Spain	Consortium led by Warburg Pincus LLC	Jun-14	51%	0.05%
	Spain	BNP Paribas Securities Services	Apr-14	100%	0.38%
	USA	Mitsubishi UFJ Fund Services Holding Limited	Mar-14	100%	0.07%
Low Range					0.08%
High Range					0.32%

Source: MergerMarket, press releases, annual reports, PwC analysis

## D.4. Excess equity capital

Figure 27: Excess equity capital calculations

Calculation of Excess Equity Capital				
€ in millions	Actual Jun-18	FY18E	FY19E	Forecast FY20E
Risk weighted assets	511.5	645.6	674.1	716.7
Regulatory capital	117.9	114.6	121.1	129.3
(-) Target regulatory capital (CAD ratio 10.5%)	(53.7)	(67.8)	(70.8)	(75.3)
(+) Profit after tax	11.2	12.2	14.6	18.7
<b>Surplus (EEC)</b>	<b>75.4</b>	<b>59.1</b>	<b>64.9</b>	<b>72.7</b>
<b>Ratios</b>				
Actual CAD ratio	23.0%	17.8%	18.0%	18.0%
Minimum CAD ratio	(10.5%)	(10.5%)	(10.5%)	(10.5%)
Calculation of interest forgone on EEC				
	Actual Jun-18	FY18E	FY19E	Forecast FY20E
Estimated return on equity capital	0.27%	0.27%	0.27%	0.27%
€ in millions				
EEC	75.4	59.1	64.9	72.7
<b>Interest forgone on EEC</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>
Tax rate	26.0%	26.0%	26.0%	26.0%
<b>Interest forgone on EEC (after tax)</b>	<b>0.2</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>

Source: QWM Management, PwC analysis

## D.5. Cost of equity calculations

The theoretical dividends that QWM may be expected to distribute to its shareholders in the future were discounted back to present value using a CoE of 7.5%, representing time value of money and the risks associated with the business.

**Figure 28: QWM CoE calculations**

Cost of equity calculations		
	PwC	Industry
Rf rate	1.0%	1.0%
Beta	0.80	0.83
EMRP	6.0%	6.0%
SFP	1.6%	1.6%
<b>Cost of equity</b>	<b>7.4%</b>	<b>7.6%</b>
<b>Selected</b>	<b>7.5%</b>	

Source: PwC analysis, Damodaran data

We based our analysis on the methodology described in section “4.2.2 Income approach” and industry data widely used across market participants. The selected CoE corresponds to the mid-point between the two approaches.

Based on the capital asset pricing model (“CAPM”), we derived a CoE of 7.4% as follows:

- risk-free rate of 1.0% (20-year German Government bonds yield as at Valuation Date);
- beta of 0.80 determined using the equity betas of comparable EU companies regressed against the MSCI World Index;
- 6.0% EMRP based on market consensus and PwC methodology; and
- specific-firm premium of 1.6% to reflect additional risks associated with the size of the Entity (according to the CRSP Decile Premia Study).

Based on industry data for Western EU investment and asset management companies, we derived a CoE of 7.6% as follows:

- risk-free rate of 0.9% (20-year German Government bonds yield as at Valuation Date);
- industry beta of 0.83 based on companies operating within the investment and asset management industry;
- 6.0% EMRP based on Damodaran analysis; and
- specific-firm premium of 1.6% to reflect additional risks associated with the size of the Entity (according to the CRSP Decile Premia Study).

**Based on the methodologies described above, we derived a 7.5% CoE for QWM.**

## D.6. Peer group

Figure 29: QWM peer group

### Peer group data as at Valuation Date

Company	Country	Currency	Short business description	Market Cap (in m)	Sales (in m)
EFG International AG	Switzerland	CHF	EFG International AG, together with its subsidiaries, provides private banking, wealth management, and asset management services to individual and business clients.	2,103	1,047
Julius Baer Group Ltd.	Switzerland	CHF	Julius Baer Group Ltd. provides private banking products and services to private clients, family offices, and external asset managers primarily in Switzerland, rest of Europe, Asia, and South America.	10,531	3,449
Liechtensteinische Landesbank Aktiengesellschaft	Liechtenstein	CHF	Liechtensteinische Landesbank Aktiengesellschaft provides banking products and services in Liechtenstein, Switzerland, Austria, Germany, Central and Eastern Europe, the Middle East, and internationally.	1,800	393
Van Lanschot Kempen N.V.	Netherlands	EUR	Van Lanschot Kempen N.V. provides financial services in the Netherlands and internationally.	890	567
VP Bank AG	Liechtenstein	CHF	VP Bank AG provides asset-management and investment-advisory services for private and institutional investors, and financial intermediaries in Liechtenstein and internationally.	891	293
Vontobel Holding AG	Switzerland	CHF	Vontobel Holding AG provides various financial services to private and institutional clients.	3,918	1,124
St. Galler Kantonalbank AG	Switzerland	CHF	St. Galler Kantonalbank AG, a cantonal bank, provides banking services to the local population, and the small and middle-sized companies in the Cantons of St. Gallen and Appenzell Ausserrhoden.	2,746	471
Edmond de Rothschild (Suisse) S.A.	Switzerland	CHF	Edmond de Rothschild (Suisse) S.A. provides wealth management services to private and institutional clients in Switzerland and internationally.	1,490	671

Source: Capital IQ



## Appendix E. - List of internal transactions

### E.1. Internal transactions Quilvest SA

Quilvest SA acquired its own shares from existing shareholders during a tender offer started on 6 July 2016 and ended 29 July 2016. During this period, Quilvest SA repurchased 38,244 shares at a price of \$126 – a 10% discount to the latest Management valuation available during such period – for a total amount of \$4.8m.

We were provided with a list of internal transactions which occurred between the end of the tender offer and the issuance date of this report. Consistently with the tender offer of 2016, these transactions were done at the latest published Management NAV minus 10%. The list of and the price at which these transactions were performed are depicted in the table below.

**Figure 30: List of internal transactions Quilvest SA**

Acquisition date	Shareholder	Purchase price	Shares purchased	Sale price (in \$)
19-Sep-16	n.d.	126	746	93,996
21-Sep-16	n.d.	126	50	6,300
29-Sep-16	n.d.	126	3,886	489,636
05-Oct-16	n.d.	126	5,434	684,684
05-Oct-16	n.d.	126	365	45,990
19-Oct-16	n.d.	126	29,914	3,769,164
20-Oct-16	n.d.	126	200	25,200
24-Oct-16	n.d.	126	150	18,900
24-Oct-16	n.d.	126	300	37,800
31-Oct-16	n.d.	126	30	3,780
30-Nov-16	n.d.	126	1,146	144,396
01-Dec-16	n.d.	126	3,037	382,662
16-Dec-16	n.d.	126	50	6,300
06-Jan-17	n.d.	126	309	38,934
28-Feb-17	n.d.	126	500	63,000
18-Apr-17	n.d.	126	121	15,246
27-Apr-17	n.d.	126	500	63,000
22-Aug-17	n.d.	126	15	1,890
17-Nov-17	n.d.	126	100	12,600
29-Mar-18	n.d.	126	55	6,930
18-Jun-18	n.d.	153	191	29,223
02-Jul-18	n.d.	153	37	5,661
			<b>47,136</b>	<b>5,945,292</b>

Source: Management

## E.2. Internal transactions Quilvest & Partners

As at 31 December 2011, Quilvest SA owned 100% of shares in Quilvest & Partners. On January 1, 2012, 20% of the shares in Q&P were sold to general partners at the consolidated book value price estimated on December 31, 2011. Management reserved an additional 5% of shares in Q&P for future distribution to general partners.

In May 2017, Quilvest purchased 60,978 additional shares in Quilvest & Partners from minority shareholders for a total amount of \$1.47m, as depicted in the table below. Sale prices were determined according to a rule-based methodology, corresponding to the book value of Q&P plus goodwill, calculated as at 31 December 2011.

It should be noted that as at the issuance date of this Report, Quilvest SA owned 100% of the shares in Q&P.

**Figure 31: List of internal transactions Q&P**

Acquisition date	Date of sale	Shareholder	%	Shares purchased	Sale price (in \$k)
24-Apr-12	11-May-17	n.d.	1.0%	12,196	294.2
25-Apr-12	11-May-17	n.d.	0.5%	6,098	147.1
07-May-12	11-May-17	n.d.	0.5%	6,098	147.1
25-May-12	11-May-17	n.d.	0.5%	6,098	147.1
18-Nov-13	11-May-17	n.d.	0.5%	6,098	147.1
30-Oct-13	19-May-17	n.d.	0.5%	6,098	147.1
29-Apr-15	19-May-17	n.d.	0.5%	6,098	147.1
30-Oct-13	11-May-17	n.d.	1.0%	12,196	294.2
				<b>60,978</b>	<b>1,471</b>
<b>Implied valuation (\$m)</b>					<b>29.4</b>

Source: Management

## **Appendix F. - PwC disclosures**

### **F.1. Qualifications**

The individual responsible for preparing this report on behalf of PwC is Grégoire Huret. He is a partner at PwC Luxembourg. Since joining PwC in 2003, Grégoire Huret has been leading the transaction services and valuation practice.

### **F.2. Disclaimers**

It is not intended that this report should be used, or relied upon, for any purpose other than assisting Quilvest SA in assessing a proposed price for the securities of the Minority Shares covered by the Proposal in the context of a Squeeze-Out. PwC expressly disclaims any liability to any Quilvest SA shareholder, or any other party, who relied, or purports to rely, on the report for any other purpose whatsoever.

### **F.3. Independence**

In assessing our independence it is relevant to consider that, during the course of this engagement, PwC provided draft copies of this report to Management for comment as to factual accuracy, as opposed to opinions which are the responsibility of PwC alone. Changes made to this report as a result of those reviews have not altered the opinions of PwC as stated in this report.

### **F.4. Consent**

PwC consents that this Valuation Report is to be issued to the shareholders of Quilvest SA in the form and context in which it appears. Neither the whole nor any part of this report, nor any reference thereto may be included in any other document without the prior written consent of PwC.

## **Appendix G. - Work performed**

### **G.1. List of people who provided information**

The people who provided information used in this Valuation Report are:

- Christian Baillet, Chairman of the Board;
- Jean-Benoît Lachaise, Secretary General and CFO of Quilvest SA;
- Marc Hoffmann, CEO of Quilvest Wealth Management;
- Alexis Meffre, CEO of Quilvest Private Equity;
- Delphine Weisse, CFO of Quilvest Wealth Management;
- Renan Bergery, Consolidation team;
- Daniel Alsterholm, Consolidation team;
- Eric Triestini, Head of Transfer Agent and Investor Relations at Quilvest & Partners SA; and
- Rida Ait Hamou, Manager Investors Relations.

## G.2. Sources of information used

The proposed Fair Price for the shares in Quilvest S.A. contained in this report is based on the information made available to us as at the date of this document. The documents received from Management are listed below:

<b>1. Quilvest SA</b>
1.1. Annual report 2017
1.2. FY17 consolidated financial statements
1.3. Trial balance as at 30 June 2018
1.4. Group corporate structure as at 30 June 2018
1.5. Tender offer dated of 6 July 2016
1.6. Action in concert announcement as at 17 May 2018
1.7. List of internal transactions occurring between the end of the tender offer and the issuance date of this report
<b>2. Quilvest Europe and its subsidiaries</b>
2.1. Trial balance as at 30 June 2018
2.2. Management model of carried interests as at 30 June 2018
<b>2.3. QPE SICAR</b>
2.3.1. Trial balance as at 30 June 2018
2.3.2. Investments portfolio as at 30 June 2018
2.3.3. NAV portfolio of private equity investments as at 30 June 2018
2.3.4. Investment team valuation of private equity investments as at 30 June 2018
<b>2.4. Quilvest France</b>
2.4.1. Trial balance as at 30 June 2018
2.4.2. Investments portfolio as at 30 June 2018
2.4.3. Valuation report of the Building dated 4 April 2017
2.4.4. Participations France's management accounts as at 30 June 2018
2.4.5. Gaspal Finance's stand-alone management accounts as at 31 December 2017
2.4.6. Gaspal Gestion's stand-alone management accounts as at 31 December 2017
2.4.7. Gaspal Gestion's client assets under management as at 30 June 2018
<b>2.5. Qs Finance</b>
2.5.1. Trial balance as at 30 June 2018
<b>3. Quilvest &amp; Partners and its subsidiaries</b>
3.1. Consolidated management accounts as at 30 June 2018
3.2. Management business plan for the period 2018 to 2027
3.3. List of internal transactions on Q&P shares
<b>4. Quilvest Wealth Management and its subsidiaries</b>
4.1. FY17 consolidated financial statements and auditor's report
4.2. Consolidated income statement for the period from 1 July 2017 to 30 June 2018
4.3. FY18 consolidated budget
4.4. Management business plan of QWM for the period 2019 to 2020
4.5. Consolidated ICAAP for the period 2013 to 2020
4.6. Client assets as at 30 June 2018 per subsidiary (CBPQ, QBP, QVS, and Quamvest)

# Glossary

Term	Definition
<b>Adjusted NAV</b>	Adjusted net asset value
<b>AIF</b>	Alternative investment fund
<b>AIFM</b>	Alternative investment fund manager
<b>AuA</b>	Assets under administration
<b>AuC</b>	Assets under custody
<b>AuM</b>	Assets under management
<b>Bemberg Family</b>	The descendants of the Bemberg family and members of related families
<b>BEqV</b>	Business equity value
<b>bn</b>	Billion
<b>BU</b>	Business unit
<b>Building</b>	The building located 241 – 243, boulevard Saint-Germain, 75007 Paris
<b>BVI</b>	British Virgin Islands
<b>CAD ratio</b>	Capital adequacy ratio
<b>Capex</b>	Capital expenditures
<b>Capital IQ</b>	S&P Capital IQ
<b>CAPM</b>	Capital asset pricing model
<b>CBPQ</b>	CBP Quilvest S.A.
<b>CF</b>	Cash flows
<b>CIR</b>	Cost-income ratio
<b>CoE</b>	Cost of Equity
<b>CSSF</b>	Commission de Surveillance du Secteur Financier
<b>D&amp;A</b>	Depreciation and amortisation
<b>DCF</b>	Discounted Cash Flow
<b>DDM</b>	Dividend Discount Model
<b>DLOC</b>	Discount for lack of control
<b>DLOM</b>	Discount for lack of marketability
<b>EBIT</b>	Earnings before interests and tax
<b>EBITDA</b>	Earnings before interests, tax, depreciation and amortisation
<b>EBTDA</b>	Earnings before tax, depreciation and amortisation
<b>EEA</b>	European Economic Area
<b>EEC</b>	Excess equity capital
<b>EMRP</b>	Equity market risk premium
<b>EqV</b>	Equity value
<b>EV</b>	Enterprise value
<b>EUR or €</b>	Euro

<b>Fair Price</b>	The estimated price for which an asset or liability should exchange on the Valuation Date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.
<b>FCFE</b>	Free cash flow to equity
<b>FoF</b>	Fund of funds
<b>FY</b>	Financial Year
<b>FY18e</b>	Forward-looking financial year 2018
<b>Gaspal Gestion</b>	Gaspal Gestion S.A., a French-based asset management company
<b>Gw</b>	Goodwill
<b>i.e.</b>	In other words
<b>ICAAP</b>	Internal capital adequacy assessment process
<b>IVSC</b>	International Valuation Standards Council
<b>Law</b>	The law of July 21, 2012 on the squeeze-out and mandatory sell-out of securities of companies currently admitted or previously admitted to trading on a regulated market or having been offered to the public
<b>LSE</b>	Luxembourg Stock Exchange
<b>LTM</b>	Last-twelve months
<b>m</b>	Million
<b>Majority Shareholder</b>	The descendants of the Bemberg family and members of related families
<b>Management</b>	Quilvest's Management
<b>Minority Shareholders</b>	Shareholders of Quilvest S.A. other than the Majority Shareholder
<b>Minority Shares</b>	Shares in Quilvest S.A. held by Minority Shareholders
<b>n.a.</b>	Not applicable
<b>NAV</b>	Net asset value
<b>NBI</b>	Net banking income
<b>NWC</b>	Net working capital
<b>Participations France</b>	Participations France S.à r.l.
<b>PE</b>	Private Equity
<b>Proposed Price</b>	The price per share in Quilvest S.A. proposed in this report in the context of the squeeze-out
<b>PV</b>	Present value
<b>PwC</b>	PricewaterhouseCoopers Luxembourg, Société coopérative
<b>QAM</b>	Quamvest S.A.
<b>QBP</b>	Quilvest Banque Privée S.A.
<b>QPE SICAR</b>	Quilvest Private Equity S.C.A. SICAR
<b>Qs Finance</b>	Qs Finance Ltd.
<b>QSGEO</b>	Quilvest & Partners S.A.'s emerging markets programme
<b>QSPEP</b>	Quilvest & Partners S.A.'s private equity programme
<b>QSREP</b>	Quilvest & Partners S.A.'s real estate programme
<b>Quilvest &amp; Partners or Q&amp;P</b>	Quilvest and Partners S.A.

<b>Quilvest or the Group</b>	Quilvest Group
<b>Quilvest France</b>	Quilvest France S.A.S.
<b>Quilvest Europe or QVE</b>	Quilvest Europe S.A.
<b>Quilvest SA or the Company</b>	Quilvest S.A.
<b>QVS</b>	Quilvest Switzerland Ltd.
<b>Quilvest Wealth Management or QWM</b>	Quilvest Wealth Management S.A.
<b>R-squared value</b>	Coefficient of determination
<b>Representation Letter</b>	The representation letter received from the Management on 21 September 2018 stating that the information used as a basis for the Valuation represents Quilvest's executives best knowledge of the current and future financial position. The letter also confirms that Management are not aware, as at the date of this valuation report, of any information which may significantly impact the results of the present valuation.
<b>RWA</b>	Risk-weighted-assets
<b>SOTP</b>	Sum-of-the-parts
<b>Squeeze-Out</b>	The right under the Law by the Majority Shareholder to compulsorily acquire the shares of all the Minority Shareholders in the Company.
<b>Subsidiaries or Entities</b>	Quilvest S.A.'s direct subsidiaries, namely Quilvest Europe S.A., Quilvest and Partners S.A., and Quilvest Wealth Management S.A.
<b>TV</b>	Terminal value
<b>USD or \$</b>	US Dollar
<b>Valuation Date</b>	September 17, 2018
<b>Valuation Report</b>	This valuation report prepared in the context of the Squeeze-Out.