

PRESS RELEASE



SOCOTEC GROUP ACQUIRES BASE QUANTUM IN THE UNITED KINGDOM

- ▶ **Based in London, Base Quantum is dedicated to the evaluation of change, loss, damages and risks in the context of litigation or pre-litigation situations, in relation to large or complex projects in the world of construction and infrastructure.**
- ▶ **Base Quantum's expertise naturally reinforces SOCOTEC's value proposition in the UK, allowing the development of high value-added services.**

SOCOTEC Group, a global leader in testing, inspection and certification (TIC) in the construction, infrastructure and environment sectors, has acquired Base Quantum, a Quantity Surveying, Dispute Resolution and Expert Witness practice, based in the UK.

Base Quantum is a fast-growing organisation dedicated to the provision of Quantity Surveying services in relation to the pre and post contract commercial management of construction and infrastructure projects, and Expert Witness services involving the evaluation of change, loss, damages and risks in disputes and litigation in relation to a wide range of construction and infrastructure projects across the globe. Comprising quantum experts, quantity surveyors, commercial and technical experts, risk analysts and construction economists, the acquisition of Base Quantum naturally reinforces SOCOTEC's value proposition in the UK, extending its offering of high value-added services.

With a turnover of £11m and an accretive margin for SOCOTEC, Base Quantum identifies, analyses and manages the risks that are inherent in any significant construction, renovation or maintenance project in the construction, real estate, infrastructure, and environment sectors.

Risk analysis can be carried out at any stage of the project lifecycle; from contemporaneous, proactive risk management such as advising on and negotiating contracts, commercial contract management and administration, and project advisory services, to post contract forensic quantum assessments in disputes, litigation, and other formal dispute resolution proceedings.

Base Quantum's Expert Witnesses are instructed by law firms throughout the UK and globally in the context of litigation, arbitration and other dispute resolution for participants in the construction process including international contractors, government institutions, insurance companies, investors, developers and major groups in the construction and infrastructure sectors.

The organisation offers two key service lines:

- Expert Witness services, in relation to the analysis and quantification of change, loss and damages in relation to construction disputes in the transport, marine, oil and gas, building, rail and energy sectors, both in the UK and internationally ('forensic expert witness services', which represent 75% of revenues).
- Quantity Surveying services in relation to construction and infrastructure projects in the UK, at all stages of the construction process ("quantity surveying services" which represent the remaining 25%).

Hervé Montjotin, CEO of the SOCOTEC Group, said: "Any important construction project, coupled with the ageing of our infrastructures and the challenges posed by renovations, represents significant opportunities for risk analysis. Furthermore, the ability to assess and quantify these hazards is key for stakeholders, as economic factors play a significant role in the development of the project."

"Consulting and quantitative analysis are paramount in any large-scale project. A detailed analysis requires a solid understanding of the business (such as an expert engineer in construction) and a capacity for data processing and quantitative risk analysis. This is combined with the growing demand for the need to resolve complex disputes and provide independent advice. Our role as an independent trusted third party is fostered by this additional expertise delivered by Base Quantum.

He added: "The SOCOTEC Group wishes to continue developing its consulting services, quantitative studies and analyses and expert reports in the context of dispute resolution and project advisory in the construction, infrastructure and industry sectors. With 10,000 employees worldwide, the group already has close to 200 experts in those fields in the USA, representing nearly \$70m in revenues developed in this line of services.

Nicolas Detchepare, CEO of SOCOTEC UK (which achieved a turnover of €170m in 2021), added: "The acquisition of Base Quantum reinforces the expertise of SOCOTEC's construction and infrastructure, with the added capacity to analyse our clients' projects and the associated risks (such as delays and costs). It also allows us to support them with litigation matters by offering a combination of engineering, quantified risk analysis and expert witnesses.

"Combining consulting and expert witness with technical expertise allows SOCOTEC UK to hold a unique strategic position in the TIC market, integrating all of the value chain. Beyond the obvious strategic fit, there is also a strong cultural fit between SOCOTEC and Base Quantum, a company marked by the entrepreneurial dynamic embodied by Duncan Hughes-Phillips, who is committed to working with us in the long term."

Duncan Hughes-Phillips, CEO of Base Quantum, commented: "since founding Base, I have been inspired by the individual expertise of my colleagues and the collective capabilities of my team to bring their diverse range of expertise together for the benefit of our clients. Joining with SOCOTEC UK will allow us to build on the reputation that we have engendered in the construction industry to allow us to offer a much wider range of services beyond the traditional quantum services that we have hitherto provided, strengthening our team of quantum analysts, Quantity Surveyors and economists with engineers who are experts in their respective field will enable us to provide the high standard of service that our clients have come to expect across a far broader cross section of the industry. SOCOTEC's culture of using technological advancements to develop new ways of solving the industry's problems will enable us to build on our own methodologies for data analysis, risk management and quantum assessment to provide novel and valuable solutions on the range of complex, high value international projects that we currently work on.

"Every project is different with its own gamut of hazards and complexities and I look forward to bringing the full range of SOCOTEC expertise together where our current expertise on costs, deadlines, quality and performance, can be backed up by the expertise of a core business engineer. Accordingly, Base Quantum, which already achieves 50% of its turnover abroad, will be able to rely on the strong international dimension of the SOCOTEC Group for its future development."

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ABOUT SOCOTEC

Accompanying companies for 70 years, the SOCOTEC Group, chaired by Hervé Montjotin, has built its reputation as an independent trusted third party in the fields of risk management, compliance, safety, health and environment in the Building, Real Estate, Infrastructure and Industry sectors.

As a guarantor of the integrity, sustainability and performance of built assets, SOCOTEC is developing a range of services in testing, inspection and certification, from technical control, the group's historical expertise, to technical consulting and risk management services related to construction, infrastructure and industrial facilities. Its expertise enables it to support its private and public sector clients throughout the life cycle of their buildings and equipments in order to strengthen their sustainability.

No. 1 in construction inspection in France, No. 1 in geotechnical services and construction quality control in the United Kingdom and Italy, the group is a major player in TIC(1) services in the Construction and Infrastructure sectors in Europe and the United States. The SOCOTEC group has consolidated revenues of €1 billion in 2021 (50% of which generated outside France) with 200,000 clients. With a presence in 25 countries and 10,000 employees, it has more than 250 external accreditations, enabling it to act as a trusted third party in many projects. More information on www.socotec.com