

# WELCOME

## 2021/22 annual results

Videoconference | May 31, 2022



# Presenters



**Pascal Imbert**

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CEO



**Laurent Stoupy**

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CFO



## Annual growth of +13% in 2021/22; equivalent to +10% organic growth

Consolidated non-audited data (in €m)	2021/22	2020/21	Change	Change at constant scope <sup>1</sup> and on a constant forex basis
Revenue	470.1	417.6	+13%	+10%

(1) Excluding Everest Group *consulting* consolidated since 5/01/2021, why innovation! consolidated since 11/01/2021, and NewVantage Partners consolidated since 1/01/2022.

/ €470.1m at the end of the 2021/22 fiscal year, exceeding the objective of €462m

- > sustained growth of +13%; equivalent to +10% at constant scope and exchange rates

## Consultant utilization rate of 77% and modest increase in sales prices

	2021/22 fiscal year (12 months)	2020/21 fiscal year (12 months)	
Consultant utilization rate	77%	71%	▶ consultant utilization rate high over 2021/22, above the 75% normative level
Average daily rate	€854	€842	▶ sales prices up on a constant scope basis ▶ increase of +€7 linked to the integration of Everest Group <i>consulting</i> , why innovation!, and NewVantage Partners
Order book	4.3 months	4.1 months	▶ strong levels of order intake at the end of the fiscal year, despite the geopolitical situation

# International activity strongly positioned overall

UK, Luxembourg, Belgium, Morocco,  
Hong Kong



Resurgent growth and excellent profitability

Switzerland



After a difficult first quarter, profitability recovered strongly over the fiscal year

US



Very slightly negative operating margin, continuation of the recovery plan



# Three targeted acquisitions during the fiscal year

## / Consulting practice of Everest Group – Dallas, USA

- › IT sourcing and business process outsourcing – average revenue of \$11m (~€9.1m) over the last three fiscal years
- › purchase price: \$9.1m (~€7.5m) in enterprise value
- › consolidated since May 1, 2021

## / why innovation! – Singapore

- › agile transformation – average revenue of S\$5m (~€3.2m) over the last three fiscal years
- › acquisition price: between S\$6.7m and S\$7.9m (~€4.3m and €5.1m) in enterprise value
- › consolidated since November 1, 2021

## / NewVantage Partners – Boston, USA

- › data strategy – revenue of \$2.6m (~€2.3m) in 2021
- › acquisition price: between \$2.7m and \$3.9m (~€2.4m and €3.5m) in enterprise value
- › consolidated since January 1, 2022



# Good recruitment dynamic but staff turnover high

## / 2021/22 recruitment plan targets exceeded

- › nearly 1,000 gross hires over the fiscal year, exceeding the target which was raised to 900 new starters in December 2021

## / Staff turnover rate of 18% over the fiscal year

- › against a target of 15%

## / 3,732 employees at March 31, 2022

- › compared with 3,453 at March 31, 2021

## / Wavestone takes 1<sup>st</sup> place in the *Great Place to Work*® rankings for France

- › 1<sup>st</sup> place for companies with over 2,500 employees in France, and 3<sup>rd</sup> place in Luxembourg
- › 86% of all employees consider Wavestone to be a Great Place To Work®



## Solid EBIT margin of 15.9%

Consolidated data (in €m) Audited data	2021/22 (12 months)	2020/21 (12 months)	<i>Change</i>
<b>Revenue</b>	<b>470.1</b>	<b>417.6</b>	<i>+13%</i>
Purchases consumed	(11.2)	(14.0)	
Personnel costs	(336.0)	(310.2)	
External expenses	(34.4)	(23.7)	
Levies and taxes	(7.7)	(7.2)	
Net allocation for depreciation and provisions	(6.0)	(9.7)	
Other operating income and expenses	0.2	0.5	
<b>EBIT</b>	<b>74.8</b>	<b>53.3</b>	<i>+40%</i>
<i>EBIT margin</i>	<i>15.9%</i>	<i>12.8%</i>	

exceptionally low level due to the savings plan put in place during the Covid-19 crisis

reduction of the footprint of premises as part of the Smartworking@Wavestone project



## Doubling of the group share of net income

Consolidated data (in €m) Audited data	2021/22 (12 months)	2020/21 (12 months)	Change
<b>EBIT</b>	<b>74.8</b>	<b>53.3</b>	<b>+40%</b>
<i>EBIT margin</i>	<i>15.9%</i>	<i>12.8%</i>	
Amortization of client relationships	(1.5)	(1.5)	
Other operating income and expenses	(0.5)	(8.5)	
<b>Operating income</b>	<b>72.8</b>	<b>43.3</b>	<b>+68%</b>
Cost of net financial debt	(0.9)	(1.1)	
Other income and expenses	(0.0)	(1.5)	
Income tax expenses	(20.9)	(15.3)	
<b>Group share of net income</b>	<b>51.0</b>	<b>25.4</b>	<b>+101%</b>
<i>Net margin</i>	<i>10.9%</i>	<i>6.1%</i>	

includes €8.3m in provisions and depreciation for the Smartworking@Wavestone project

reduction in the corporate tax rate and CVAE

## Increase in self-financing capacity

Consolidated data (in €m) Audited data	2021/22 (12 months)	2020/21 (12 months)
<b>Self-financing capacity before net financial debt and tax expenses</b>	<b>79.0</b>	<b>67.0</b>
Tax paid	(15.8)	(17.0)
Change in WCR	(6.9)	20.8
<b>Net cash flow from operations</b>	<b>56.3</b>	<b>70.8</b>
<b>Net cash flow from investments</b>	<b>(12.5)</b>	<b>(0.8)</b>
of which fixed asset acquisitions	(0.5)	(0.7)
of which changes in scope	(12.5)	-
<b>Net cash flow from financing operations</b>	<b>(24.0)</b>	<b>(47.2)</b>
of which dividends paid	(4.6)	-
of which sales (acquisitions) of company shares	(2.4)	0.1
of which loans received net of repayments	(8.5)	(38.3)
of which repayments of lease liabilities	(7.6)	(7.8)
<b>Change in cash and cash equivalents</b>	<b>19.9</b>	<b>22.8</b>

## Available cash and cash equivalents of €60.3m at March 31, 2022

Consolidated data (in €m) Audited data	3/31 2022	3/31 2021
<b>Non-current assets</b>	214.9	212.6
of which goodwill	178.5	162.0
including rights to use leased assets	14.5	21.0
<b>Current assets</b>	171.1	145.8
of which trade receivables	147.8	125.7
<b>Cash and cash equivalents</b>	108.3	88.0
<b>TOTAL ASSETS</b>	<b>494.2</b>	<b>446.5</b>

Consolidated data (in €m) Audited data	3/31 2022	3/31 2021
<b>Shareholders' equity</b>	257.0	206.1
of which minority interests	0.0	0.0
<b>Financial liabilities</b>	47.9	56.2
of which less than one year	8.1	8.2
<b>Lease liabilities</b>	18.1	30.3
<b>Non-financial liabilities</b>	171.3	154.0
<b>TOTAL LIABILITIES</b>	<b>494.2</b>	<b>446.5</b>

**Net cash and cash equivalents: €60.3m**

*compared with €31.8m at March 31, 2021*

*Impact:* Wavestone's strategic plan for 2025

/ Major transformations in response to pressing challenges



**Competition**



**Digital**



**Climate**

Wavestone, the privileged partner of major companies facing these challenges

/ Three ambitions for the 2025 horizon

<b>€750m</b> <i>Revenue</i>	<b>5</b> <i>5 non-French clients in the TOP 20</i>	<b>5%</b> <i>Among the 5% of best-performing companies in CSR terms</i>
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# Nomadéis, an acquisition fully in line with *Impact*

## / Independent French consulting firm specializing in the environment and social responsibility

- › key player in supporting the energy, environmental, and social responsibility transition of companies and public-sector institutions
- › 20 years' experience and over 700 projects in 70 countries

## / The backbone of Wavestone's new Sustainability Practice

- › combining of Nomadéis's understanding of the challenges and CSR expertise with Wavestone's skills
- › become a major player in sustainable development consulting

## / Details of the purchase

- › acquisition of a 100% stake in Nomadéis
- › purchase price: €2.8m in enterprise value
- › financed entirely in cash from Wavestone's own funds

- Registered office: **Paris, France**
- **Revenue of €1.9m** in 2021/22; growth of 28%
- Stable profitability
- Consolidated since **April 1, 2022**

# 2022/23, continued pursuit of growth despite a more complex environment

## / Continue to implement *Impact*

- › align Wavestone's operational model with the challenges of *Impact*, globalize certain offers, strengthen expertise
- › accelerate external growth in the US and the UK, without ruling out tactical purchases in France

## / Manage a more pressurized context for salaries

- › adjust the firm's salary policy as soon as required to remain competitive
- › increase sales prices to better manage the sales price/salary ratio

## / Remain vigilant to the changing economic environment

- › capitalize on the momentum of recent quarters and the high level of the order intake at the start of the fiscal year
- › maintain a sustained level of business development activity to build resilience against a potential slowdown in some sectors



## 2022/23 objectives

Revenue



**2021/22  
results**

**€470.1m**



**2022/23  
objectives**

**> €505m**

EBIT margin

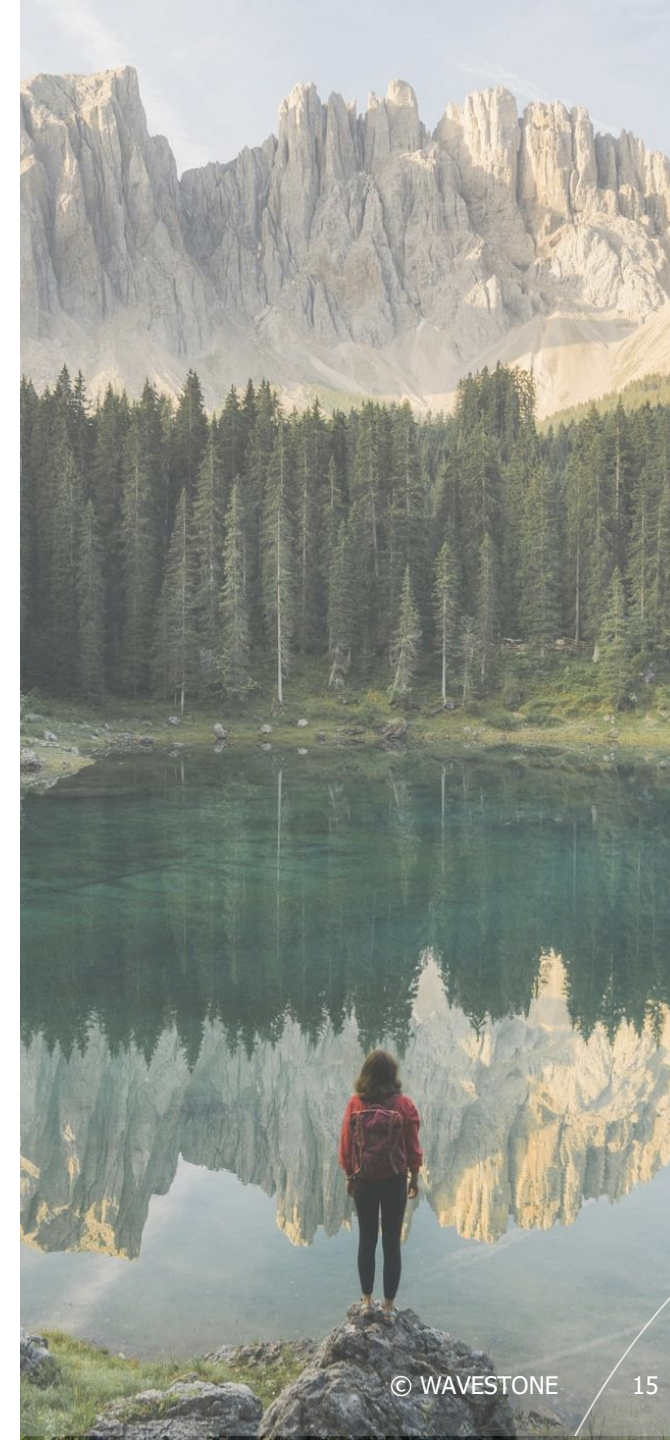


**15.9%**



**~15%**

*including Nomadéis*



A wide-angle photograph of a city skyline at sunset. The sky is filled with soft, colorful clouds in shades of orange, pink, and purple. The city buildings are illuminated with warm lights, and their reflections are visible on the water in the foreground. The water is a deep blue with gentle ripples.

**2021/22 ANNUAL RESULTS**

**Q&A SESSION**





# GOODBYE!

Join us on July 27, 2022

for the publication of the Q1 2022/23 revenue

