

INVESTOR MEETING

September 27, 2023



AGENDA

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Supporting large organizations in their most critical transformations

Pure player
in consulting

~€532m
in 2022/23



Europe
US, Asia

~4,400 employees



Business
Technology
Sustainability



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2022/23 annual revenue grows by +13%

<i>Audited consolidated data at 03/31 (in €m)</i>	2022/23	2021/22	Change	<i>Change at constant scope¹ and on a constant forex basis</i>
12-month total	532.3	470.1	+13%	+7%

¹ Excluding Everest Group consulting, consolidated since 05/01/2021; why innovation!, consolidated since 11/01/2021; NewVantage Partners, consolidated since 01/01/2022; Nomadéis, consolidated since 04/01/2022; PEN Partnership, consolidated since 08/01/2022; and Coeus Consulting, consolidated since 10/01/2022.

/ €532.3m at the end of the 2022/23 fiscal year – up +13%, of which +7% was organic growth

- > €528.6m at constant exchange rates, in line with the annual target of €525m
- > three external growth acquisitions during the year: the sustainable-development consulting firm Nomadéis in France, and the firms PEN Partnership, and Coeus Consulting in the UK
- > working day impact of -0.3%

+4% increase in sales prices over the fiscal year; consultant utilization rate down at 73%

	2022/23 fiscal year (12 months)	2021/22 fiscal year (12 months)	
Consultant utilization rate	73%	77%	▶ down at the end of the fiscal year due to the high number of new starters in H2 and a slower Q4
Average daily rate	€890	€854	▶ sales prices up +4% (+3% at constant exchange rates)
Order book	4.0 months	4.3 months	▶ order book at March 31, 2023, identical to that of December 31, 2022

2022/23 recruitment plan target exceeded; staff turnover rate reducing

- / A very solid rate of recruitment over the fiscal year
 - > about 1,300 new employees over the fiscal year, against a target of 1,000
- / Continuing fall in staff turnover rate
 - > 16% in 2022/23
 - > compared with 19% on a rolling 12-month basis at the mid-year point, and 18% in 2021/22
- / 4,406 employees at Friday, March 31, 2023
 - > including 126 from the Nomadéis, PEN Partnership, and Coeus Consulting acquisitions
 - > compared with 3,732 at March 31, 2022
- / Wavestone, certified Great Place to Work® for all offices, worldwide
 - > 1st in Great Place To Work® France in its category

Great
Place
To
Work®



EBIT margin of 14.5% in 2022/23

Audited consolidated data at 03/31 (in €m)	2022/23 (12 months)	2021/22 (12 months)	Change
Revenue	532.3	470.1	+13%
Purchases consumed	(21.8)	(11.2)	
Personnel costs	(373.3)	(336.0)	
External expenses	(46.6)	(34.4)	
Levies and taxes	(8.0)	(7.7)	
Net allocation for depreciation and provisions	(5.8)	(6.0)	
Other operating income and expenses	0.2	0.2	
EBIT	77.0	74.8	+3%
<i>EBIT margin</i>	<i>14.5%</i>	<i>15.9%</i>	

higher level of subcontracting at PEN Partnership and Coeus Consulting including a non-recurring charge of €1.4m linked to changes in Syntec retirement benefits
operating expenses still subdued in 2021/22, in a post Covid-19 context
acceleration of expenditure on recruitment and HR

Net margin of 9.4% in 2022/23

Audited consolidated data at 03/31 (in €m)	2022/23 (12 months)	2021/22 (12 months)	Change
EBIT	77.0	74.8	+3%
<i>EBIT margin</i>	<i>14.5%</i>	<i>15.9%</i>	
Amortization of client relationships	(1.5)	(1.5)	
Other operating income and expenses	(2.9)	(0.5)	
Operating income	72.7	72.8	+0%
Cost of net financial debt	(1.8)	(0.9)	
Other income and expenses	(2.3)	(0.0)	
Income tax expenses	(18.5)	(20.9)	
Group share of net income	50.1	51.0	-2%
<i>Net margin</i>	<i>9.4%</i>	<i>10.9%</i>	

in particular, acquisition costs of PEN Partnership and Coeus Consulting

related to acquisitions during the fiscal year and the rise in interest rates

of which €0.8m in foreign exchange losses
of which €1.3m in financial instrument costs
of which €0.2m in IFRS 16 interest charges

lower tax rate in France

Increase in self-financing capacity and €41.1m in operating cash flow

Audited consolidated data at 03/31 (in €m)	2022/23 (12 months)	2021/22 (12 months)
Self-financing capacity before financial debt and tax expenses	83.8	79.0
Tax paid	(21.1)	(15.8)
Change in WCR	(21.6)	(6.9)
Net cash flow from operations	41.1	56.3
Net cash flow from investments	(52.7)	(12.5)
of which fixed asset acquisitions	(3.7)	(0.5)
of which change in financial assets	0.0	0.3
of which changes in scope	(49.2)	(12.5)
Net cash flow from financing operations	(25.8)	(24.0)
of which dividends paid	(7.6)	(4.6)
of which sales (acquisitions) of company shares	(6.4)	(2.4)
of which loans received net of repayments	(4.4)	(8.5)
of which repayments of lease liabilities	(5.1)	(7.6)
Change in cash and cash equivalents	(37.4)	19.9

Available cash and cash equivalents of €27.1m at March 31, 2023

Audited consolidated data at 03/31 (in €m)	3/31/23	3/31/22
Non-current assets	272.8	214.9
of which goodwill	235.4	178.5
including rights to use leased assets	13.2	14.5
Current assets	193.1	171.1
of which trade receivables	176.6	147.8
Cash and cash equivalents	70.8	108.3
TOTAL ASSETS	536.8	494.2

Audited consolidated data at 03/31 (in €m)	3/31/2023	3/31/2022
Shareholders' equity	299.1	257.0
of which minority interests	0.0	0.0
Financial liabilities	43.7	47.9
of which less than one year	5.7	8.1
Lease liabilities	15.9	18.1
Non-financial liabilities	178.2	171.3
TOTAL LIABILITIES	536.8	494.2

Net cash and cash equivalents: €27.1m

compared with €60.3m net cash and cash equivalents at March 31, 2022

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Continued progress on sustainability in 2022/23

/ Employee engagement

- > Great Place To Work® certification for all offices, 1st in France
- > staff turnover rate under control

/ Re-expression of the firm's values: "The Positive Way"

/ Implementation of a trajectory aligned with the SBTi's Net Zero Standard

- > validation of short-term (2026) and long-term (2050) targets by SBTi

/ Achievement of the objective of being in the 5% of most successful companies

- > Ethifinance ESG Ratings (ex Gaïa Research): 80/100; Top 5% nationally
- > Ecovadis: score of 78/100, "Platinum" level, Top 1%

/ ... but an area for improvement in the year ahead





- > client satisfaction, measured by the NPS®, below our target

EthiFinance
ESG ratings

ecovadis
Business Sustainability Ratings



Assessment 2022/23

	Commitments	Indicators	2022/23 results	2022/23 objectives	2021/22 results
1	Improve clients' satisfaction and support them in sustainable performance	NPS®	 45	50	48
		Number of projects carried out using the responsible consulting approach	 119	100	37
2	Promote employee engagement , well-being, and quality of life at work	Employee engagement index	 74	71	70
		Staff turnover rate	 16%	15%	18%
3	Act for diversity , and create an inclusive working environment where everyone is free to be themselves and has the same opportunity to fulfill their potential	Proportion of women in management	 35%	33%	33%
		Number of employees with a disability	 49	40	35
4	Be a good corporate citizen that behaves ethically and responsibly	Employees trained in applying the business ethics charter	 96%	95%	97%
		Workforce time spent on societal commitments	 1.3%	1.0%	1.0%
5	Minimize the impact of our activity on the environment	Reduction in carbon footprint, compared with 2019/20	 -51% ²	-13%	-
		Scope 3 (footprint per employee)	 -27% ²	-20%	-

¹ The NPS® or Net Promoter Score® is a tool for measuring customer satisfaction, which can range from -100 to 100 (NPS® is a registered trademark of Bain & Company, Inc., Satmetrix Systems, Inc., and Fred Reichheld).

² As part of the SBTi trajectory, emissions are now calculated and reported using the GHG Protocol methodology. The scope of the SBTi commitment includes all three scopes (market-based) and excludes optional emissions as defined by the GHG Protocol (hotel accommodation, remote employee working, external use of sites) and firms integrated in the 2022/23 fiscal year.

Our priorities for the coming fiscal year

1. Improvement in client satisfaction

- › more resources to execute the action plan

2. Supporting clients on sustainable development issues

- › accelerated dissemination of the responsible consulting approach
- › development of the sustainability offer

3. Actions to reduce greenhouse gas emissions

- › to ensure success on a demanding SBTi trajectory



2023/24 objectives

	Commitments	Indicators	2023/24 objectives	2022/23 results	
1	Improve clients' satisfaction and support them in sustainable performance	NPS®	50	45	
		Number of projects carried out using the responsible consulting approach	300	119	
2	Promote employee engagement , well-being, and quality-of-life at work	Employee engagement index	74	74	
		Staff turnover rate	15%	16%	
3	Act for diversity , and create an inclusive working environment where everyone is free to be themselves and has the same opportunity to fulfill their potential	Proportion of women in management	34.5%	35%	
		Number of employees with a disability	58	49	
4	Be a good corporate citizen that behaves ethically and responsibly	Employees trained in applying the business ethics charter	95%	96%	
		Workforce time spent on societal commitments	1.0%	1.3%	
5	Minimize the impact of our activity on the environment	Reduction in carbon footprint, compared with 2019/20			
			Scope 1 & 2 (total Wavestone footprint)	-17%	-51%
			Scope 3 (footprint per employee)	-25%	-27%

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

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

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

/ Q1 2023/24 consolidated revenue of €143.3m

- > a solid increase of +17%

/ Organic growth of +11%

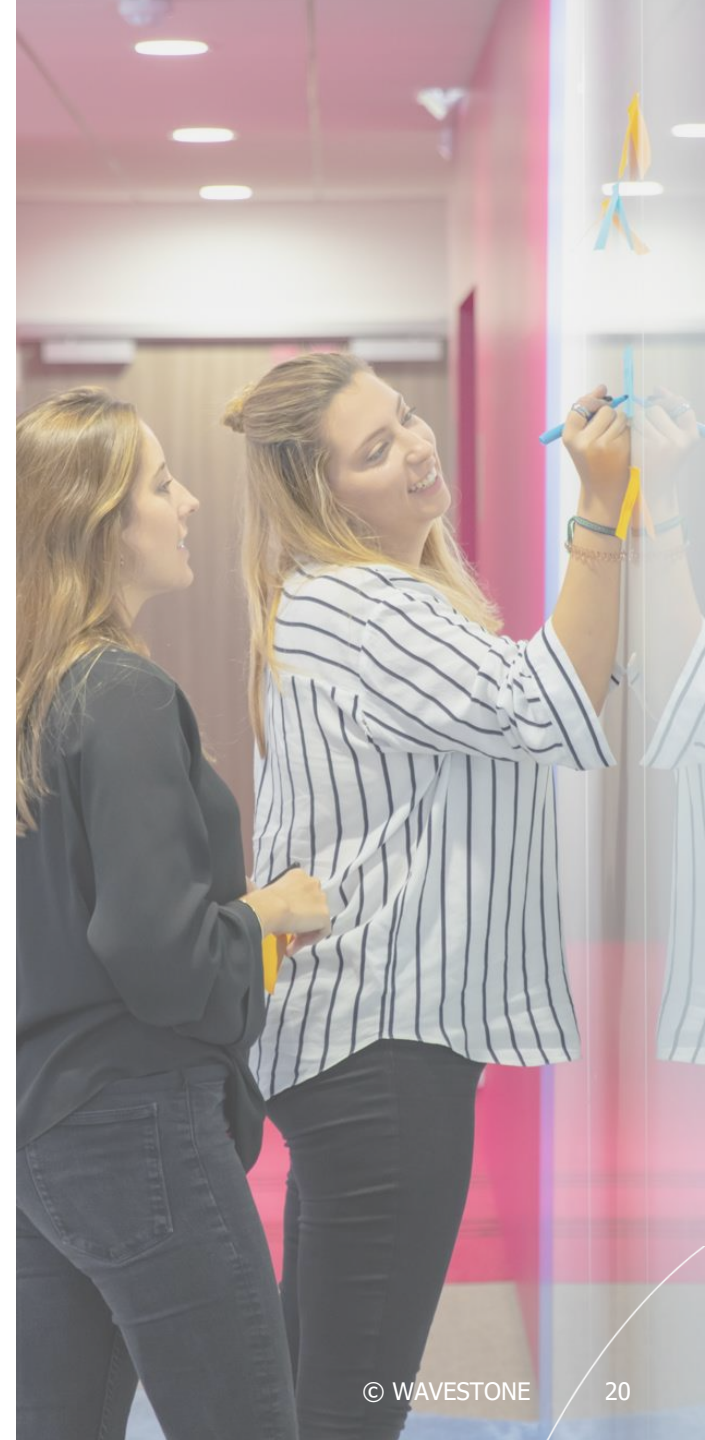
- > despite a very unfavorable working day impact over the quarter (-2.9%)
- > slightly ahead of the firm's business plan and supported by the increase in the firm's headcount at the end of the 2022/23 fiscal year

Recovery in the consultant utilization rate in Q1 at 73%; sales prices up by +1%

	Q1 2023/24 (3 months)	2022/23 fiscal year (12 months)	
Consultant utilization rate	73%	73%	▶ compared with 71% over Q4 2022/23
Average daily rate	€896	€890	▶ sales prices up +0.7% compared with average sales price for the whole of the 2022/23 fiscal year growth of +1.0% at constant exchange rates (€899)
Order book	4.2 months	4.0 months	▶ slight increase in order book to 4.2 months at the end of June 2023, compared with 4.0 months at March 31, 2023

Staff turnover rate returns to its normative level and slowdown in recruitment activity

- / Slowdown in recruitment activity over the year
 - > due to a more uncertain business environment and lower staff turnover rate
- / Staff turnover rate of 15% at June 30, 2023 (on a rolling 12-month basis)
 - > compared with 16% at March 31, 2023
- / 4,348 employees at June 30, 2023
 - > compared with 4,406 at March 31, 2023 – the end of the 2022/23 fiscal year
 - > downturn typical of this time of year

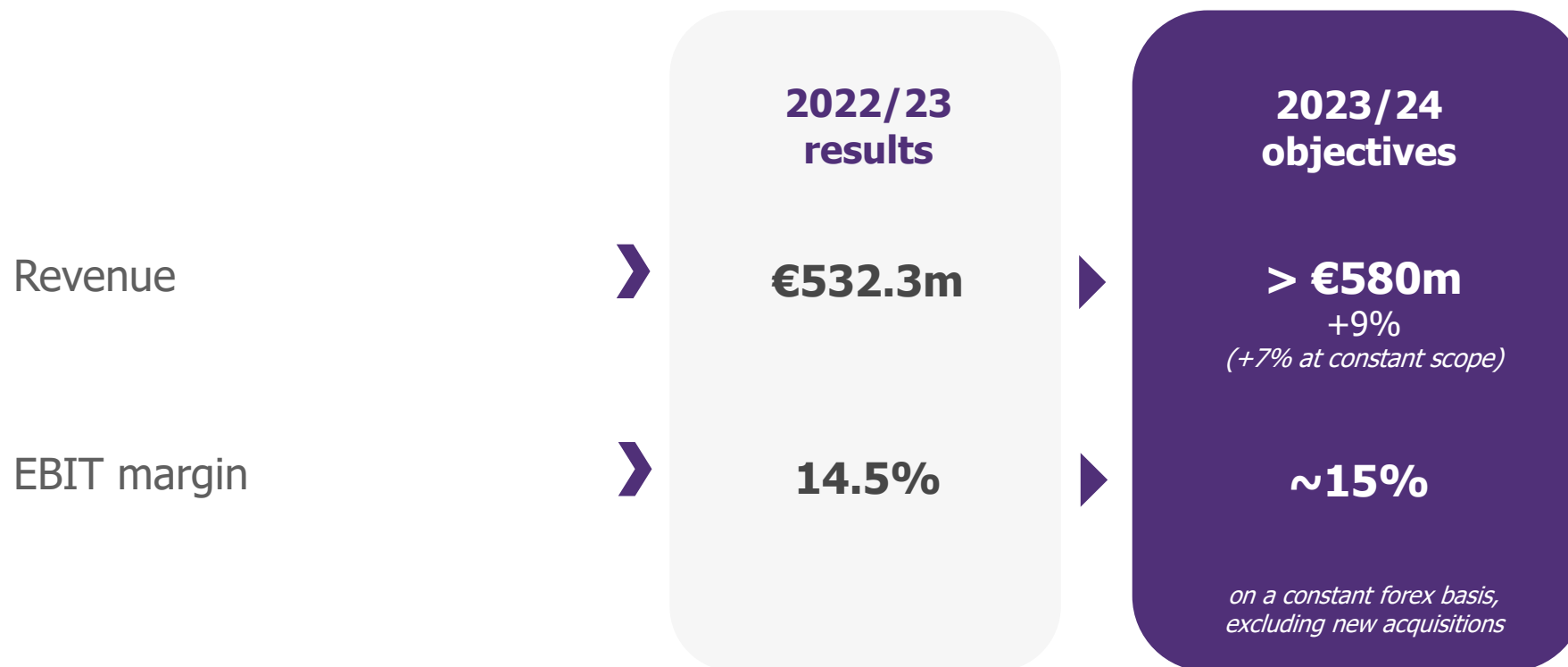


Start to the fiscal year that exceeded expectations; prudent approach maintained for the rest of the year

- / Q1 2023/24 slightly ahead of business plan, despite working day impact
 - > recovery in the consultant utilization rate after a significant drop in the previous quarter
 - > prices remained solid
- / More marked volatility and a wait-and-see approach from decision makers
 - > maintenance of intense business development activity
 - > confirmation of a more cautious recruitment plan
- / Continued pursuit of the external growth policy
 - > priority to targeted acquisitions in the UK and US, without ruling out tactical purchases in other geographies



2023/24 objectives



Reminder: profitability for H1 2023/24 will be penalized by an unfavorable working day impact (-2.4%)

Wavestone and Q_PERIOR: joining forces to create a European consulting champion

- / A new consulting player to better answer our clients' challenges and realize substantial growth opportunities
 - > a solid international footprint
 - > a rich range of capabilities and expertise
 - > a best place to work, at the forefront of social, societal and environmental responsibility issues
- / A roadmap aiming at sustained growth and profitability
 - > 2025 financial targets¹: revenue of ~€1bn, at least €130m EBIT
 - > longer term financial targets: average annual growth of around +15%², ~15% EBIT margin
- / Main terms of the operation
 - > acquisition by Wavestone of 100% of Q_PERIOR's share capital
 - > purchase price: €330m in enterprise value (equity value of €321.9m), plus an earn-out of up to €35.0 million
 - > 79% of the initial equity value financed in shares

- / **€818m** consolidated³ revenue
- / **5,500+** cumulated FTEs
- / **17** countries in presence
- / **18** Global 500 clients among the Top 30

¹ excluding new acquisitions

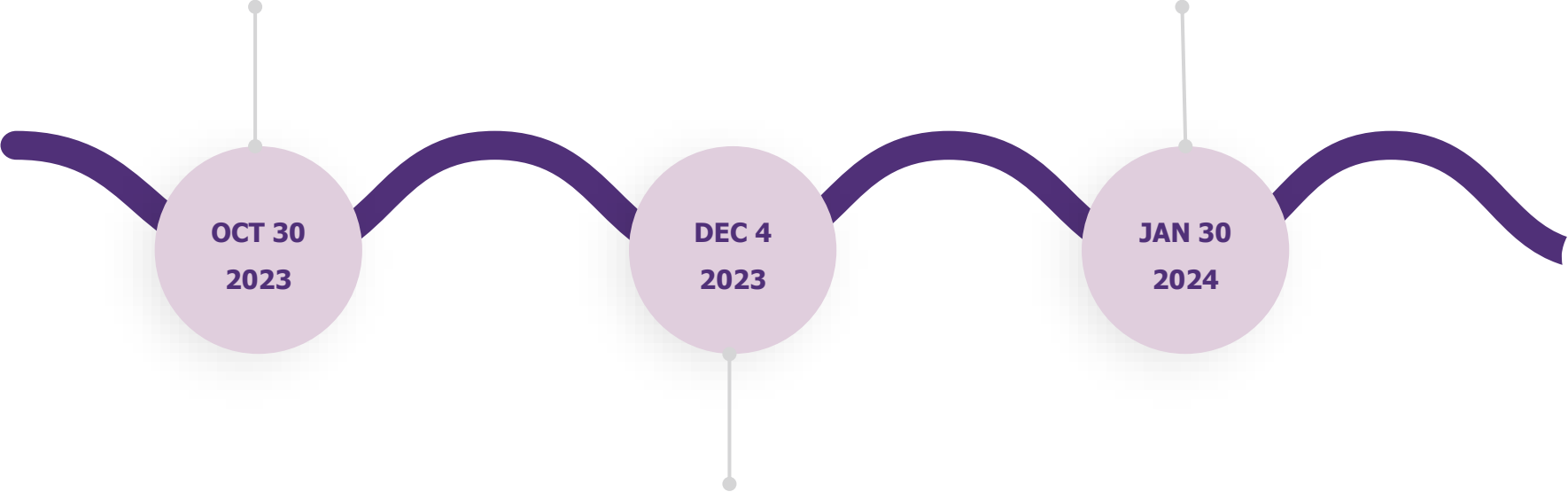
² combined organic and inorganic

³ based on the combined IFRS 12-month figures at March 31, 2023 for Wavestone (audited) and December 31, 2022 for Q_PERIOR (unaudited)

Financial agenda

1 H1 2023/24 revenue
(after stock market closing)

3 Q3 2023/24 revenue
(after stock market closing)



2 H1 2023/24 results
(after stock market closing)

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