

WELCOME

2023/24 H1 results

Wavestone | December 5, 2023



Presenters



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CEO



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COO



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CFO



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





2023/24 H1 RESULTS

**ACTIVITY AND HIGHLIGHTS for
H1 2023/24**



Growth of +17% in H1 2023/24

Revenue <i>In €m - unaudited consolidated data</i>	2023/24	2022/23	<i>Change at constant scope ¹ and on a constant forex basis</i>	<i>Total variation</i>
Q1	143.3	122.0	+11%	+17%
Q2	133.4	115.1	+14%	+16%
H1	276.7	237.1	+12%	+17%

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

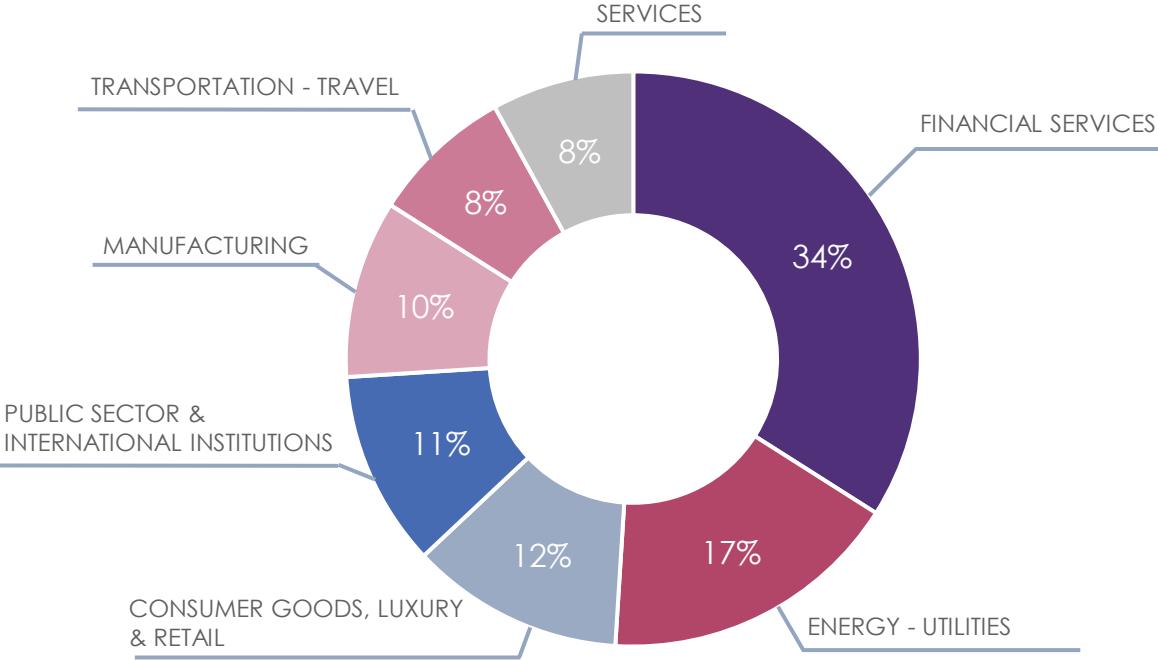
/ Revenue of €276.7m in H1 2023/24: +17%

- › growth of +12% at constant scope and exchange rates (unfavorable working day impact of -2.2%)
- › result of the intensification of business development activity and growth driven by headcount at the end of the 2022/23 fiscal year

Consultant utilization rate of 73% in H1 2023/24 and increase in sales price of +1.1%

	H1 2023/24 (6 months)	2022/23 fiscal year (12 months)	
Consultant utilization rate	73%	73%	▶ recovery in consultant utilization rate in H1 after the significant drop at the end of the 2022/23 fiscal year (71% in Q4)
Average daily rate	€900	€890	▶ sales price up by +1.1% ▶ growth of +1.3% at constant exchange rates (€902)
Order book	3.6 months	4.0 months	▶ reduction in the order book, reflecting the typical slowdown in order intake during the summer, as well as the deterioration of the business environment

Distribution of revenue at September 30, 2023



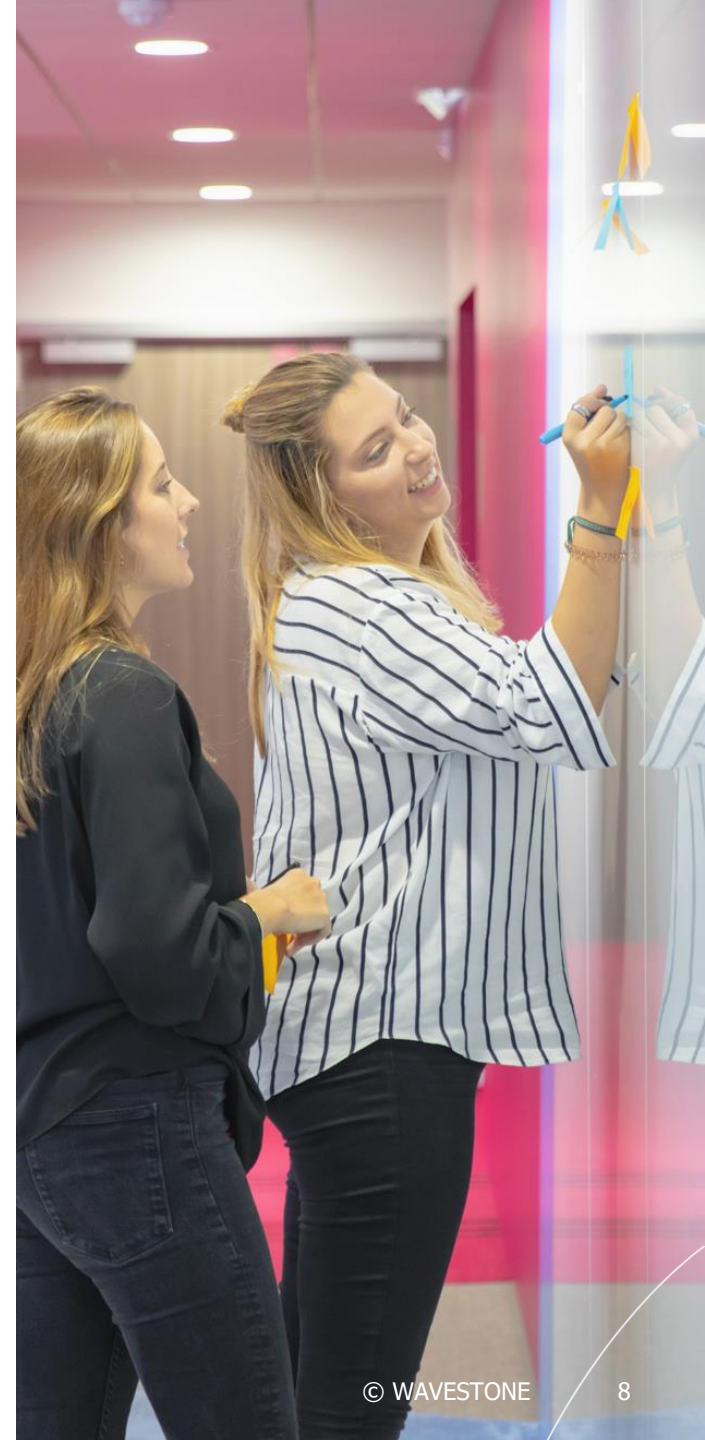
H1 2023/24 revenue	
FRANCE	77%
INTERNATIONAL	23%

TOP-20 CLIENTS in H1 2023/24	
EDF	7%
AXA	5%
TOTALENERGIES	5%
CREDIT AGRICOLE	5%
SNCF	5%
SOCIETE GENERALE	5%
BNP PARIBAS	3%
LA POSTE	3%
ENGIE	3%
L'OREAL	2%
CHANEL	2%
STELLANTIS	2%
HERMES	2%
UGAP	2%
BPCE	2%
DANONE	1%
ALLIANZ	1%
FINTECH US (confidential)	1%
RENAULT	1%
SUEZ	1%



Stabilization of the staff turnover rate at 14%; recruitment pace remains moderate

- / Continued decline in staff turnover, stabilized at 14% at the end of September
 - > compared with 16% over the whole of the previous fiscal year (on a rolling 12-month basis)
- / Reduced recruitment momentum in 2023/24
 - > due to a degraded economic environment and lower staff turnover rate
- / 4,305 employees at September 30, 2023
 - > compared with 4,406 at the end of March – the end of the 2022/23 fiscal year
- / An increase in headcount expected over the whole of the 2023/24 fiscal year
 - > despite the moderation of recruitment activity



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

2023/24 H1 RESULTS
FINANCIAL RESULTS
H1 2023/24



+24% increase in EBIT – 13.3% profitability

Consolidated data (in €m) Limited review	H1 2023/24 (6 months)	H1 2022/23 (6 months)	<i>Change</i>	2022/23 (12 months)
Revenue	276.7	237.1	<i>+17%</i>	532.3
Purchases consumed	(13.3)	(8.0)		(21.8)
Personnel costs	(199.4)	(170.9)		(373.3)
External expenses	(20.9)	(22.7)		(46.6)
Levies and taxes	(3.4)	(3.1)		(8.0)
Net allocation for depreciation and provisions	(3.4)	(2.4)		(5.8)
Other operating income and expenses	0.5	(0.2)		0.2
EBIT	36.8	29.7	<i>+24%</i>	77.0
<i>EBIT margin</i>	<i>13.3%</i>	<i>12.5%</i>		<i>14.5%</i>

impact of the consolidation of
PEN Partnership and Coeus Consulting

Net margin for H1 of 8.3%

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

largely linked to the proposed combination with Q_PERIOR

rising interest rates

Increase of 31% in self-financing capacity to €39.4m

Consolidated data (in €m) Limited review	H1 2023/24 (6 months)	H1 2022/23 (6 months)	2022/23 (12 months)
Self-financing capacity before financial debt and tax expenses	39.4	30.1	83.8
Tax paid	(9.8)	(12.2)	(21.1)
Change in WCR	(20.3)	(25.4)	(21.6)
Net cash flow from operations	9.3	(7.5)	41.1
Net cash flow from investments	(6.5)	(52.1)	(52.7)
of which fixed asset acquisitions	(1.1)	(0.9)	(3.7)
of which change in financial assets	(0.2)	(22.1)*	0.0
of which changes in scope	(5.3)	(29.3)	(49.2)
Net cash flow from financing operations	(19.7)	(21.1)	(25.8)
of which dividends paid	(7.6)	(7.6)	(7.6)
of which sales (acquisitions) of company shares	(6.0)	(6.5)	(6.4)
of which loans received net of repayments	(2.8)	(4.1)	(4.4)
of which repayments of lease liabilities	(2.6)	(2.5)	(5.1)
Change in cash and cash equivalents	(16.9)	(80.8)	(37.4)

* including €22.2m in acquisition of Coeus Consulting shares

Net cash of €13.3m at September 30, 2023

Consolidated data (in €m) Limited review	09/30 2023	31/03 2023
Non-current assets	269.8	272.8
of which goodwill	237.8	235.4
including rights to use leased assets	11.4	13.2
Current assets	193.5	193.1
of which trade receivables	175.2	176.6
Cash and cash equivalents	54.1	70.8
TOTAL ASSETS	517.4	536.8

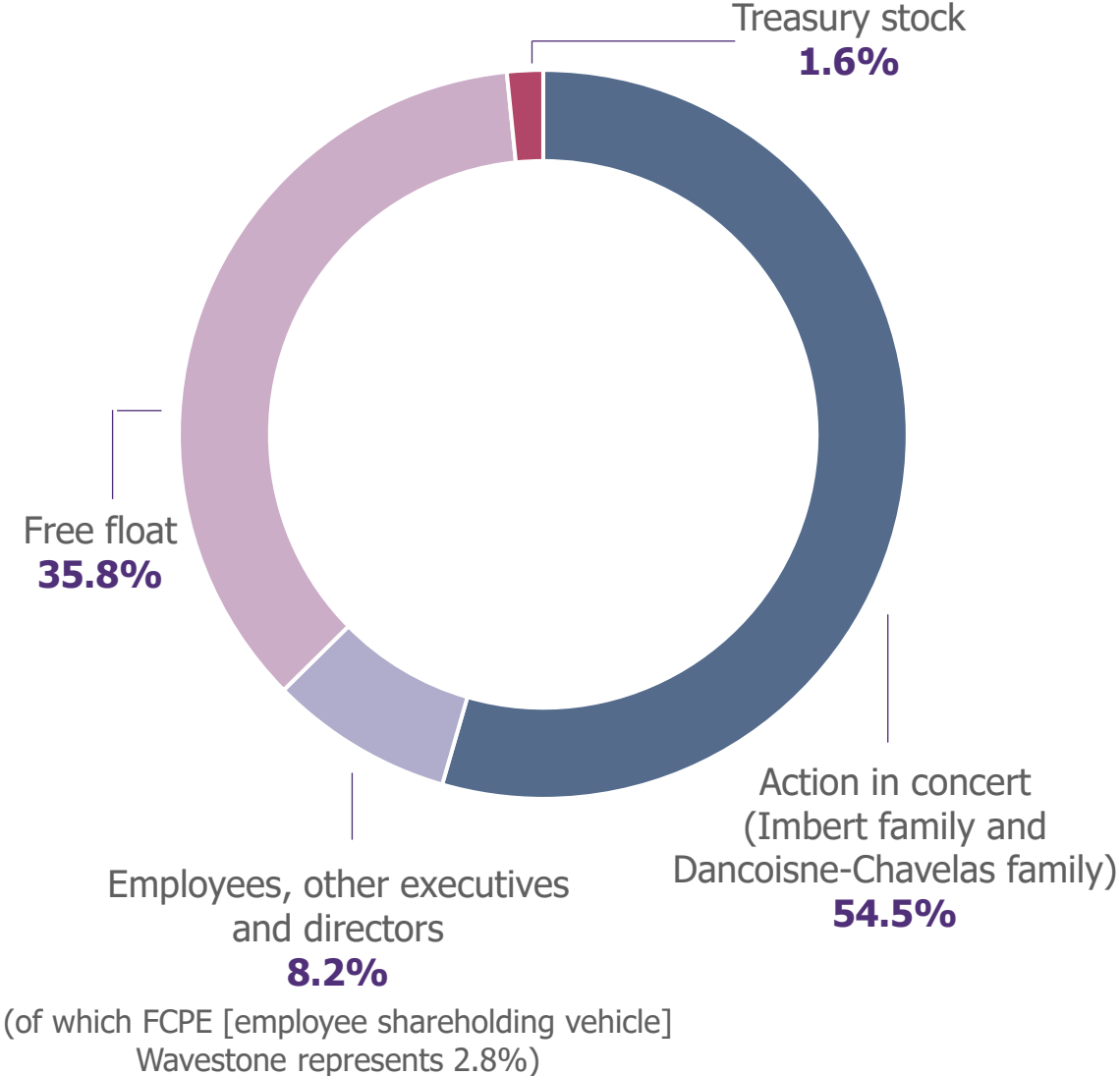
Consolidated data (in €m) Limited review	09/30 2023	31/03 2023
Shareholders' equity	311.9	299.1
Financial liabilities	40.9	43.7
of which less than one year	5.6	5.7
Lease liabilities	13.5	15.9
Non-financial liabilities	151.2	178.2
TOTAL LIABILITIES	517.4	536.8

Net cash¹: €13.3m

compared with €27.1m at March 31, 2023

¹ Excluding IFRS 16 lease liabilities

Breakdown of share capital at September 30, 2023

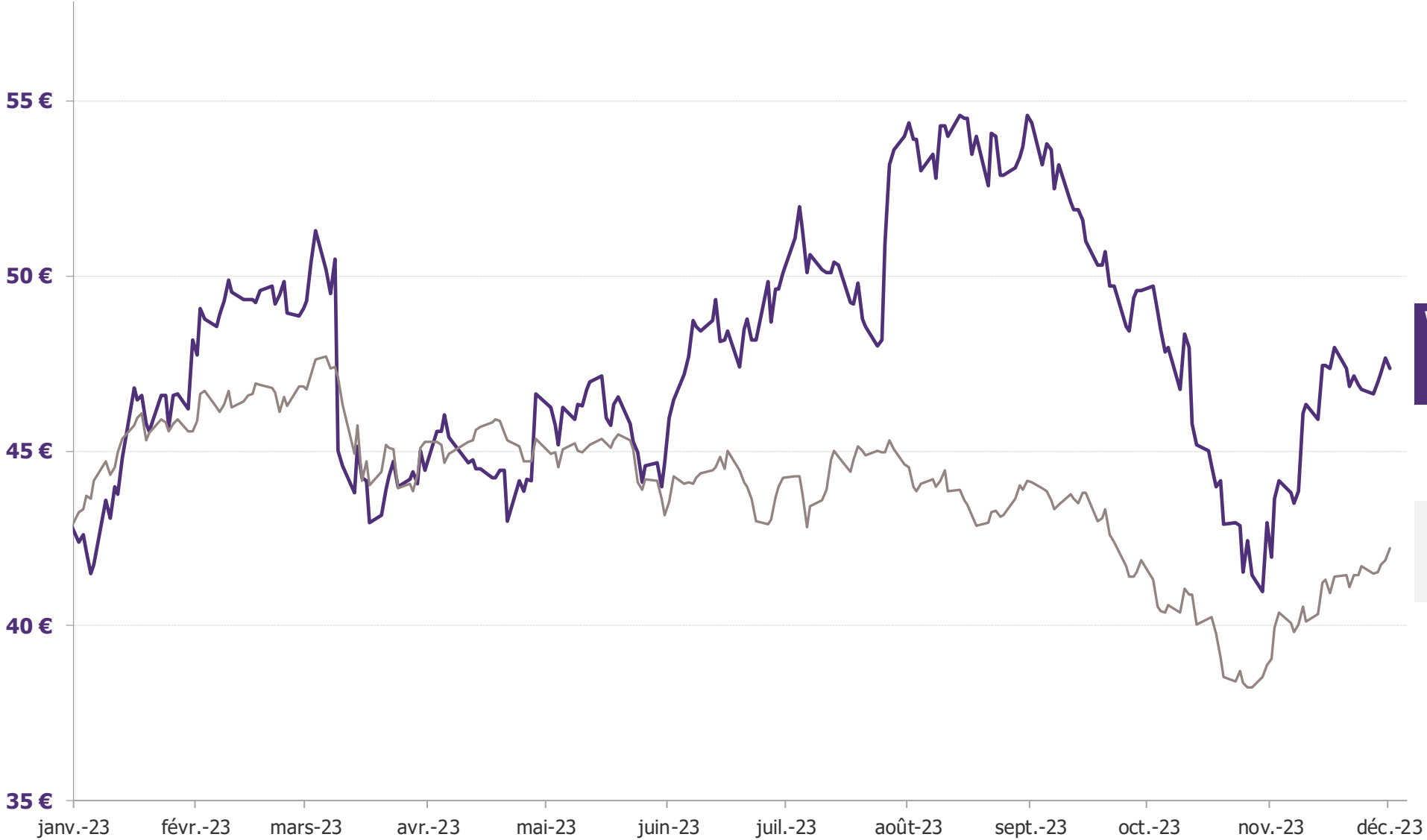


Number of shares: **20,196,492**

Excluding the proposed combination with Q_PERIOR, no other potential dilution



10% increase in share price since January 1, 2023



Average daily liquidity on Euronext: **€381k**
 (average daily trading on Euronext, YTD 2023 at December 1 - source: Euronext)

Wavestone
 €47.35 €*
 +10%

CAC MID & SMALL**
 -1%

* Data at Friday, December 1 2023

** CAC MID & SMALL rebased on Wavestone's opening price at December 31, 2022



2023/24 H1 RESULTS

OUTLOOK 2023/24



Wavestone and Q_PERIOR: creating a European consulting champion with global reach (1/2)

/ A new consulting player with strong growth potential

- > better respond to clients' challenges as a result of a change in size and a broader international presence
- > a rich set of skills and expertise

/ A roadmap aimed at sustained growth and profitability

- > financial objectives 2025¹:
 - > revenue of ~ €1bn
 - > EBIT of at least €130 million
- > long-term financial objectives:
 - > average annual growth rate of ~ 15%²
 - > EBIT margin of ~ 15%
- > a "*best place to work*", at the forefront of social, societal and environmental responsibility issues
 - > aiming to be in the top 5% of companies in terms of CSR performance

¹ excluding new acquisitions

² combining organic growth and acquisitions

³ based on IFRS unaudited *pro forma* figures over 12 months at March 31, 2023

/ **€835m** in consolidated revenue³

/ **5,500+** employees

/ **17** countries

/ **18** Global 500 clients in the Top 30

Wavestone and Q_PERIOR: creating a European consulting champion with global reach (2/2)

/ Details of the operation

- > acquisition by Wavestone of 100% of Q_PERIOR's share capital
- > base price: €321.9m (€330m in enterprise value)
- > 79% of the base price financed by shares
- > earnout of up to €35m

/ Action in concert concretized by a ten-year shareholders' agreement

/ 4-year lock-up for parties acting in concert

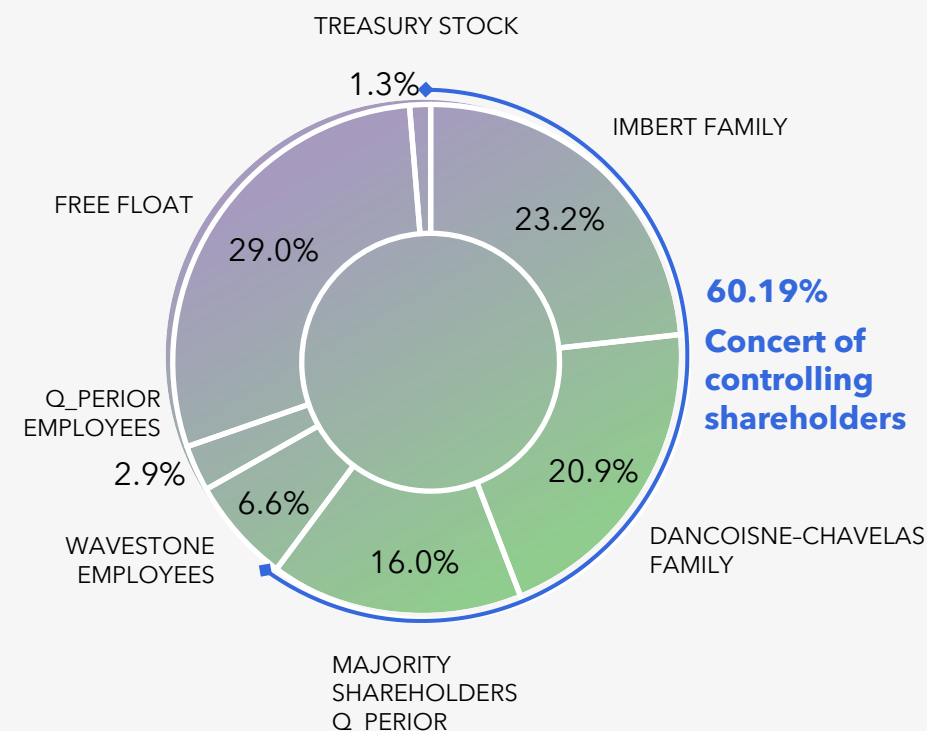
- > shares in lock-up mechanism representing 60.19% of the capital
- > with a degression mechanism over 4 years

/ Extended and strengthened governance

- > appointment of 2 new Directors from Q_PERIOR
- > General Management extended from 2 to 3 people

Breakdown of capital after the operation¹

(24,906,332 shares)



¹ based on the breakdown of Wavestone's capital at September 30, 2023

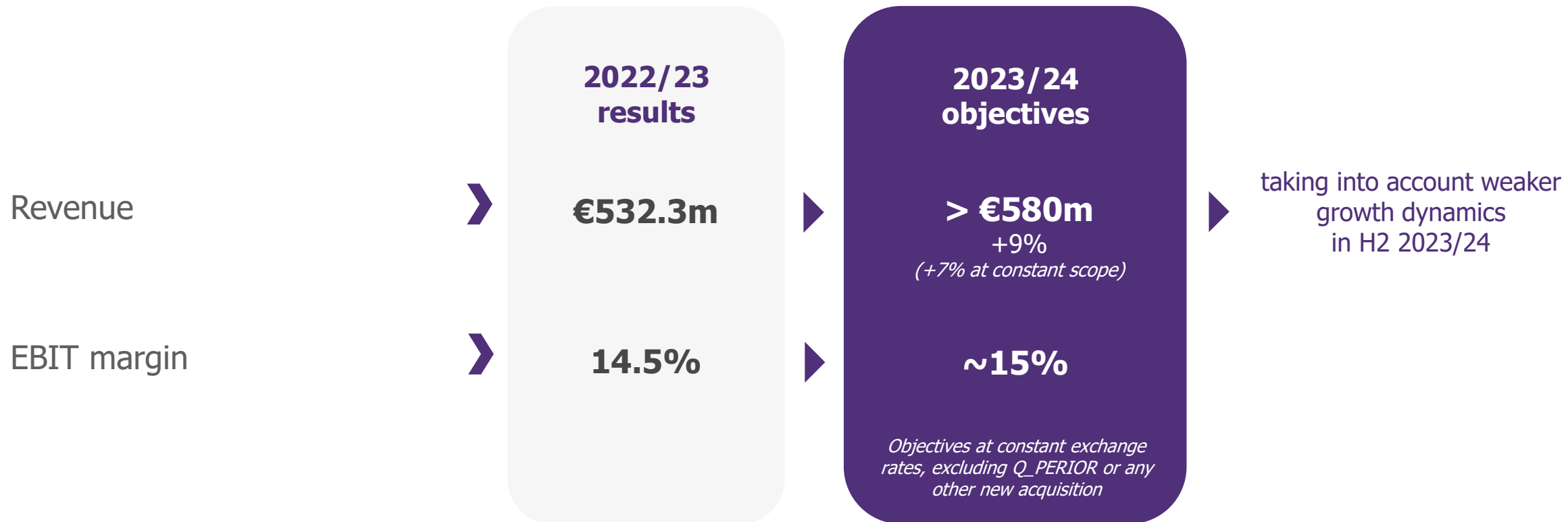


Solid first half for 2023/24; caution maintained for the second half

- / A first half of 2023/24 characterized by strong growth and a good level of profitability
 - > thanks to intense business development activity and a progressive recovery in the consultant utilization rate
 - > strongly positioned sales prices, good sales-price-to-salary ratio
 - > control of costs

- / A second six months marked by an uncertain economic environment
 - > overall demand declining
 - > some sectors particularly impacted, but others continue to offer opportunities
 - banking, retail, public sector**
 - energy, insurance, luxury, transport**
 - > good resilience for technological projects (cybersecurity, IT strategy, Data & AI) and growing demand for projects around Generative AI

Confirmation of objectives for 2023/24



A city skyline at sunset with a white-bordered box containing text. The skyline features various skyscrapers, some with lights on, set against a sky with soft orange and blue tones. The foreground is a body of water reflecting the sky and buildings.

2023/24 H1 RESULTS QUESTION AND ANSWER SESSION



Financial agenda

1 **Q3 2023/24 revenue** (after stock market closing)

3 **2023/24 annual results** (after stock market closing)



2 **2023/24 annual revenue** (after stock market closing)

HAVE A GOOD DAY

Join us on January 30, 2024

for the publication of Q3 2023/24 revenue

