

H1 2024/25 results Outlook

Investor meeting | December 5, 2024

WAVESTONE



Speakers



Pascal Imbert
CEO



Karsten Höppner
COO



Laurent Stoupy
CFO

We offer high-value consulting services



360°

portfolio of best-in-class consulting services



Worldwide

presence



5,500+

employees



€944m

pro forma revenue in 2023/24



Independent

perspective & solution-based actions



The Positive Way

our values



We seamlessly combine teams to deliver the right solutions for your needs

A leading position in the three main markets of continental Europe:

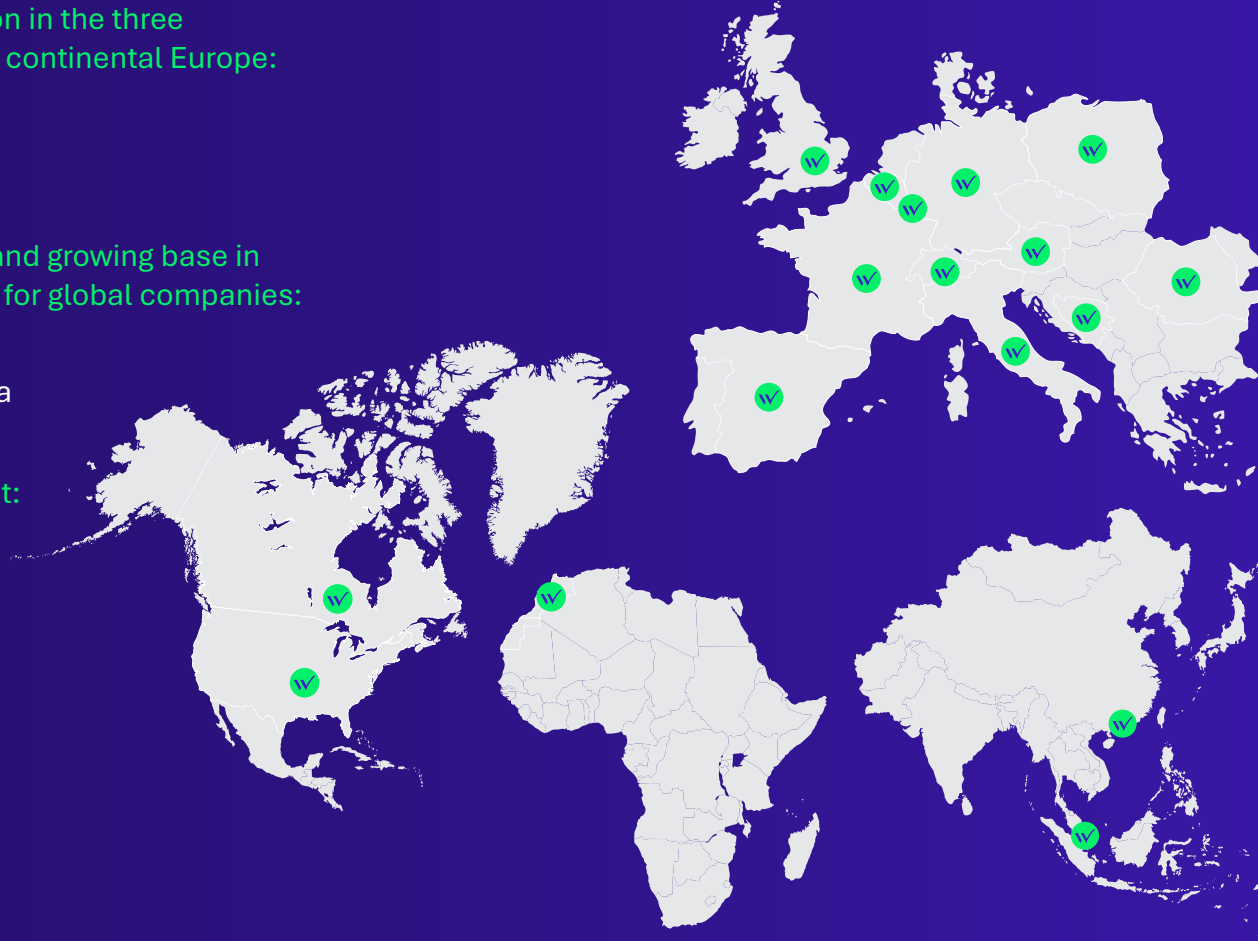
- France
- Germany
- Switzerland

An established and growing base in key geographies for global companies:

- UK
- North America
- Asia

A global footprint:

- Austria
- Belgium
- Bosnia & H.
- Italy
- Morocco
- Luxembourg
- Poland
- Romania
- Spain

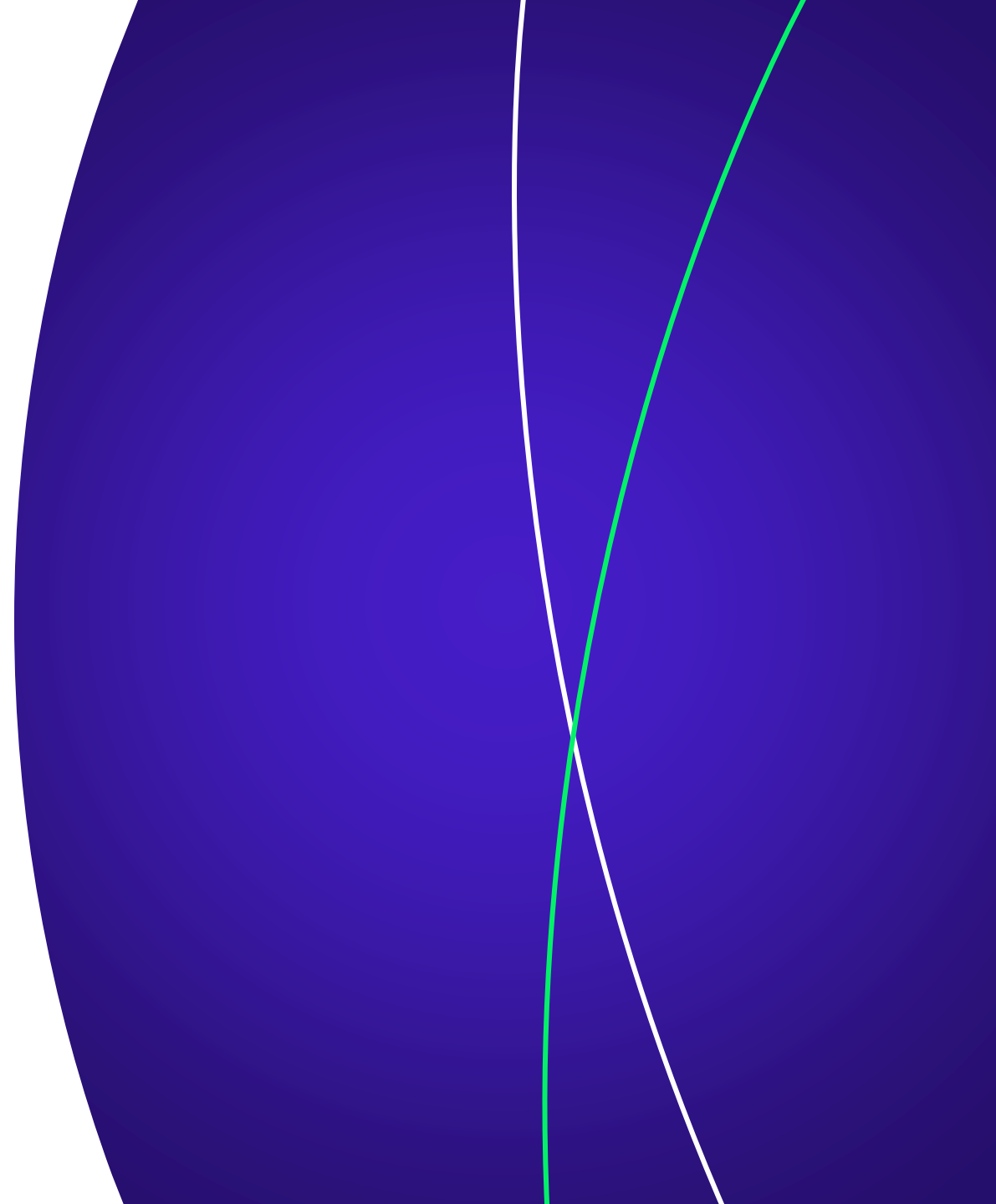


Integrated expertise

We are not siloed.
Teams collaborate creating a collective global capability more powerful than the sum of the parts.

1.

Activity & highlights
for the H1 2024/25



+2% organic growth in H1 2024/25

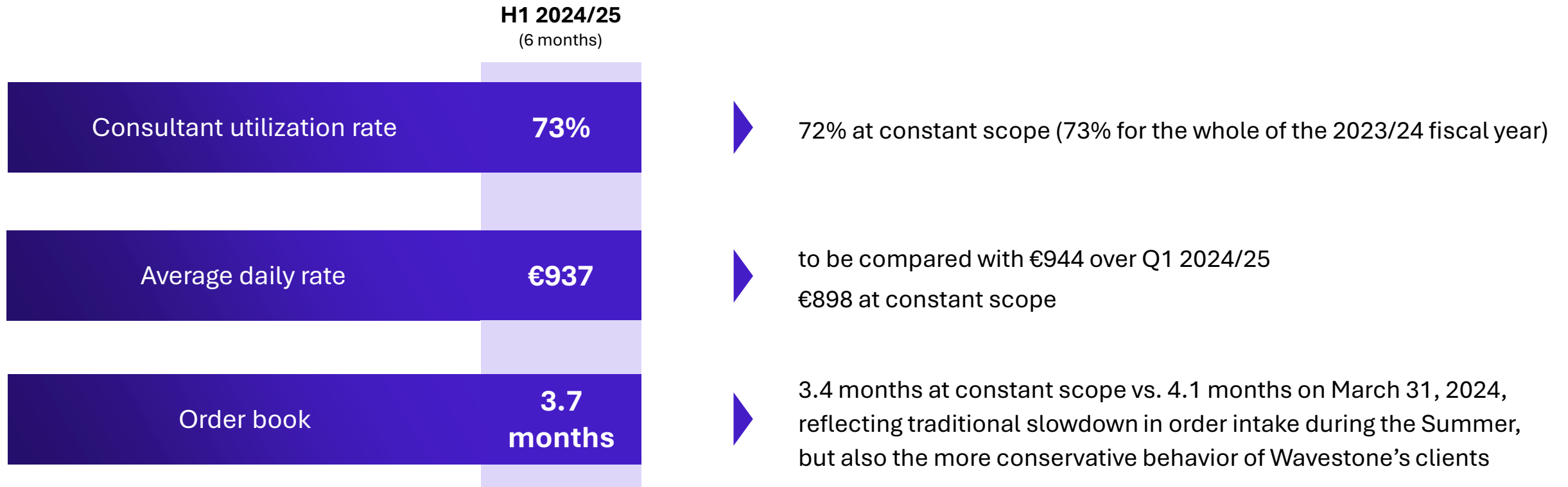
Revenue in €m Limited review	2024/25 consolidated	2023/24 consolidated	2023/24 pro forma ¹	<i>Total growth</i>	<i>Organic growth (pro forma basis¹)</i>
Q1	232.4	143.3	229.3	+62%	+1%
Q2	225.4	133.4	219.7	+69%	+3%
H1	457.8	276.7	449.0	+65%	+2%

- **Revenue of €457.8m in H1 2024/25**
 - up +65%
- **+2% organic growth (pro forma basis¹)**
 - favorable working day impact of +2%²
 - as a reminder, 1% on a constant scope and forex basis

¹ the 2023/24 pro forma financial information has been calculated as if the acquisitions of Q_PERIOR and Aspirant Consulting had taken place on April 1, 2023

² taking into account the geographical distribution of Wavestone's workforce

Consultant utilization rate of 73%; average daily rate of €937



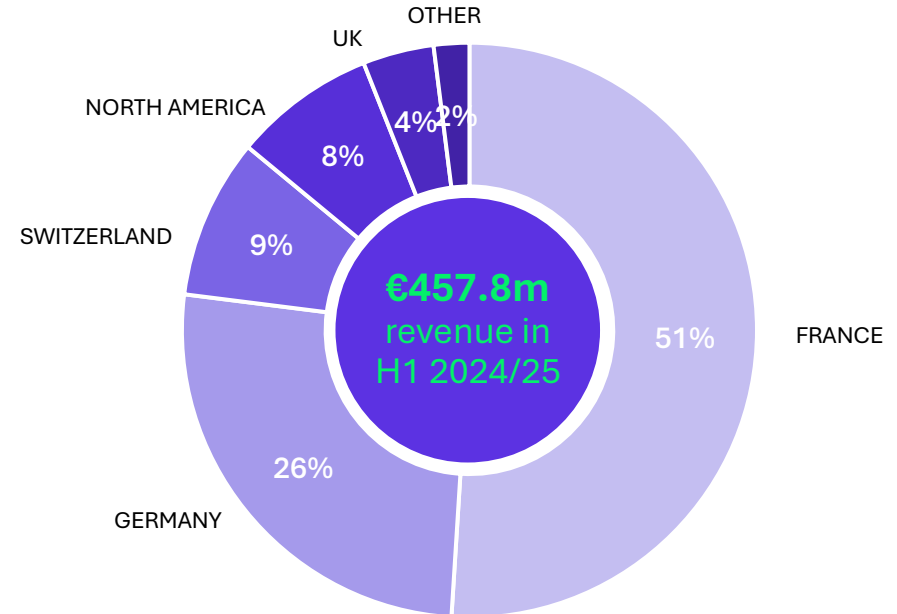
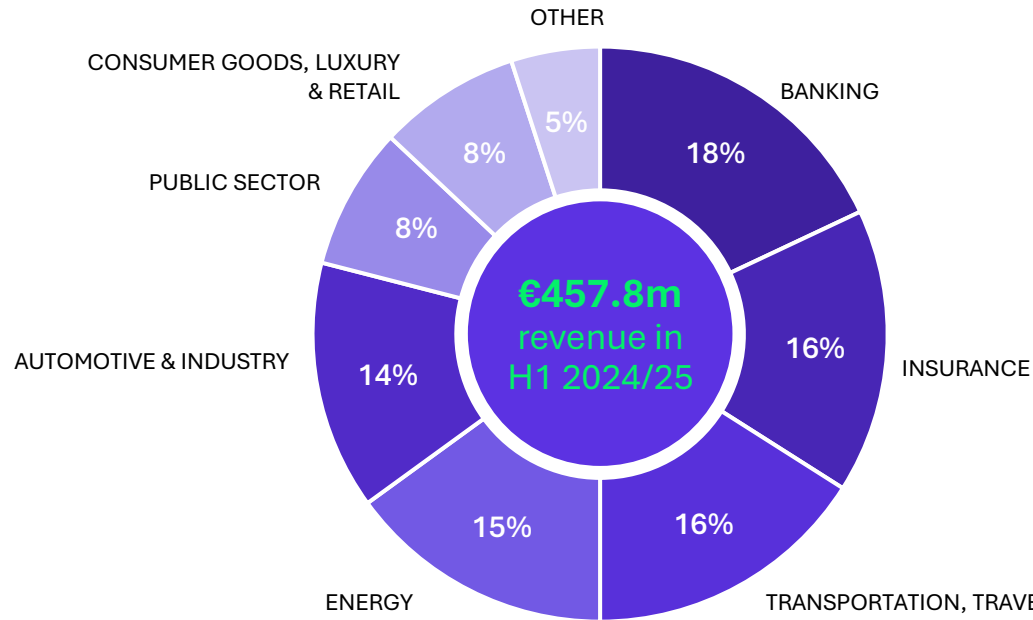
Wavestone has deployed consolidated operating indicators across the whole firm from FY 2024/25. The calculation of the order book is still being finetuned.

Moderate recruitment plan; stable staff turnover rate

- **Staff turnover rate of 13% on September 30, 2024 (on a rolling 12-month basis)**
 - level identical to the one on June 30, 2024
 - 14% at constant scope, equivalent to previous fiscal year
- **5,875 employees on September 30, 2024**
 - vs. 5,894 at the end of 2023/24 fiscal year
- **Moderate recruitment plan of 1.000 gross hires over 2024/25**
 - as planned at the beginning of the fiscal year



Distribution of consolidated revenue on September 30, 2024



TOP-20 CLIENTS			
DEUTSCHE BAHN	8%	CONFIDENTIAL (INSURANCE)	2%
EDF	5%	L'OREAL	2%
CREDIT AGRICOLE	3%	CHANEL	2%
TOTALENERGIES	3%	SOCIETE GENERALE	2%
AXA	3%	BPCE	2%
SNCF	3%	LA POSTE	1%
MUNICH RE	2%	R+V VERSICHERUNGEN	1%
BNP PARIBAS	2%	SBB	1%
ENGIE	2%	HERMES	1%
VOLKSWAGEN	2%	WESTINGHOUSE ELECTRIC COMPANY	1%

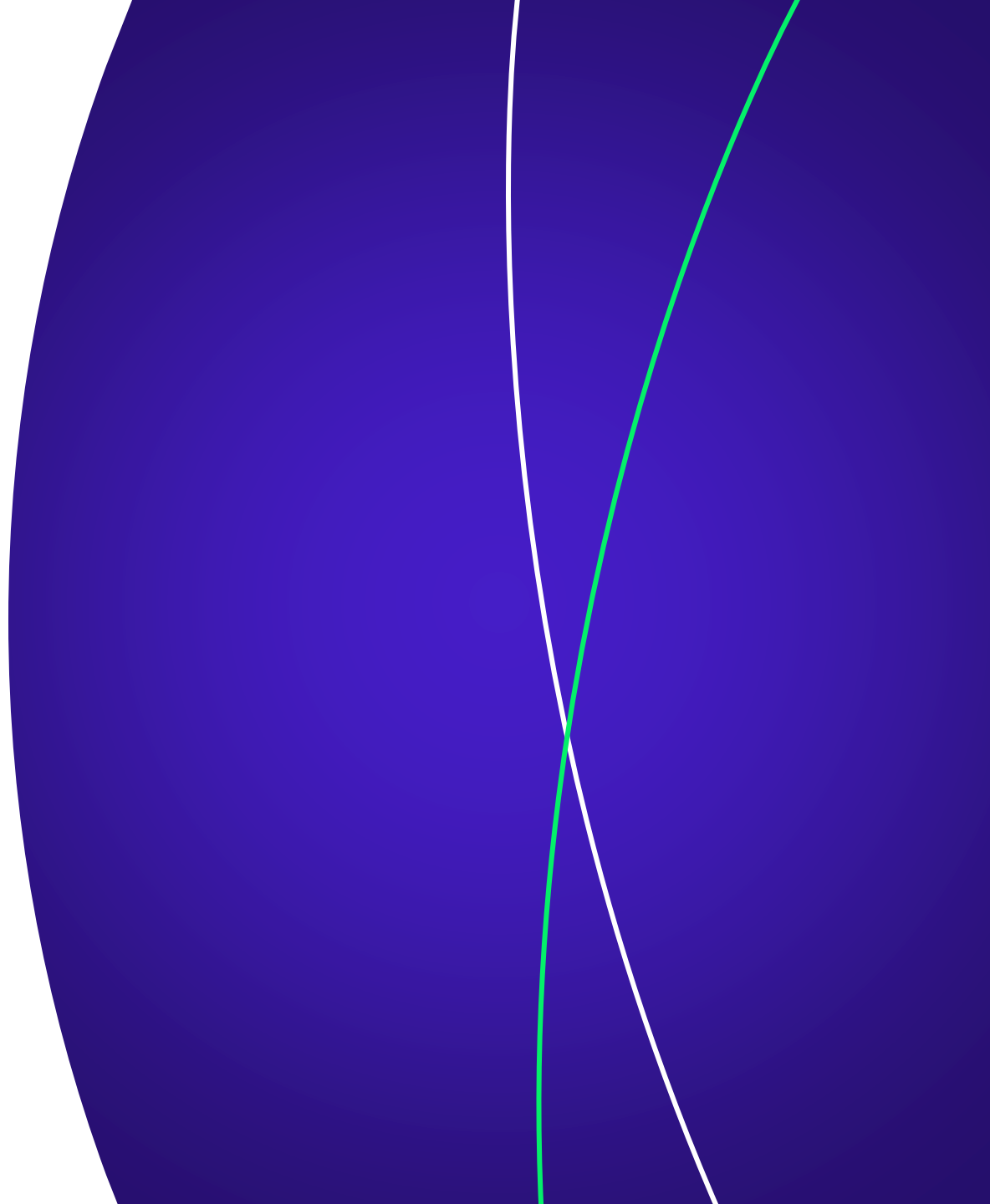
Successful integration program between Wavestone and Q_PERIOR

- **H1 2024/25 integration plan: securing foundations of the new company**
 - integrated operational governance, with members from Q_PERIOR on the Excom
 - common accounting and controlling
 - IT systems gradually homogenized to seamlessly work together
 - laying the foundations for a shared CSR strategy
- **Very smooth integration of operations**
 - rapid integration of operations, supported by proactive teams
 - speeding up the integration process, particularly in terms of operating models
- **Growing sales synergies**
 - common *go-to-market* materials
 - stronger legitimacy in new areas of expertise on both sides, notably insurance, SAP and cybersecurity
 - projects cross-sold and cross-delivered representing \approx €25m, rapidly growing



2.

Financial results
for the H1 2024/25



10.1% recurring operating margin in H1 2024/25

On 09/30 (in €m) Limited review	H1 2024/25 (6 months)	H1 2023/24 (6 months)	Change
Revenue	457.8	276.7	+65%
Subcontracting purchases	(75.0)	(13.3)	
Personnel costs	(289.5)	(199.4)	
External expenses	(38.5)	(20.9)	
Taxes & duties	(3.4)	(3.4)	
Depreciation, amortization and provisions	(5.9)	(3.4)	
Other current income & expenses	1.0	0.5	
Recurring operating profit	46.4	36.8	+26%
<i>Recurring operating margin</i>	10.1%	13.3%	

costs linked to the integration program between Wavestone and Q_PERIOR

Profitability impacted by the usual seasonal effect and exceptional external expenses

+19% increase in net income, representing a net margin of 6.0%

On 09/30 (in €m) Limited review	H1 2024/25 (6 months)	H1 2023/24 (6 months)	Change	
Recurring operating profit	46.4	36.8	+26%	
<i>Recurring operating margin</i>	<i>10.1%</i>	<i>13.3%</i>		
Amortization of customer relationships	(4.4)	(0.7)		including €3.6m of amortization of Q_PERIOR's client relationships
Other operating income & expenses	(0.5)	(2.8)		
Operating profit	41.6	33.2	+25%	
Cost of net financial debt	(1.6)	(0.7)		due to an increase in financial debt as a result of the recent acquisitions
Other financial income and expenses	(1.7)	(0.3)		of which €0.6m relates to the unwinding of the discount effect of Q_PERIOR's earn out
Tax expenses	(11.0)	(9.2)		
Net income	27.3	23.0	+19%	
<i>Net margin</i>	<i>6.0%</i>	<i>8.3%</i>		
Group share of net income	27.2	23.0	+19%	
<i>Earnings Per Share (in €)</i>	<i>1.11</i>	<i>1.16</i>	<i>-4%</i>	

Self-financing capacity up by +38%; €2.5m of operating cash flow

On 09/30 (in €m)
Limited review

Self-financing capacity before costs of net financial debt and tax

Tax paid

Change in WCR

Net operating cash flow

Net investing cash flow

of which fixed asset acquisitions

of which changes in scope

Net financing cash flow

of which dividends paid

of which sales (acquisitions) of company shares

of which loans received net of repayments

of which repayments of lease liabilities

Net change in cash and cash equivalents

	H1 2024/25 (6 months)	H1 2023/24 (6 months)	
	54.3	39.4	
	(22.1)	(9.8)	inclusion of Q_PERIOR and Aspirant
	(29.7)	(20.3)	usual reduction in employee-related liabilities in the H1 and to an increase of 5% in DSO
	2.5	9.3	
	(37.8)	(6.5)	
	(2.2)	(1.1)	
	(35.6)	(5.3)	€35.0m related to the payment of Q_PERIOR's earn-out
	8.6	(19.7)	
	(10.1)	(7.6)	
	(6.4)	(6.0)	
	31.2	(2.8)	
	(4.1)	(2.6)	
	(26.7)	(16.9)	

Net financial debt of €38.5m on September 30, 2024

On 09/30 (in €m) Limited review	09/30 2024	03/31 2024
Non-current assets	633.7	633.7
of which goodwill	510.5	507.9
of which client relationships	70.2	74.5
of which rights-of-use assets	26.0	23.9
Current assets	263.9	266.6
of which trade receivables	239.3	245.9
Cash & cash equivalents	51.0	77.5
TOTAL ASSETS	948.5	977.7

On 09/30 (in €m) Limited review	09/30 2024	03/31 2024
Shareholders' equity	579.6	571.4
of which minority interests	1.2	1.9
Financial liabilities	89.5	58.2
of which less than one year	40.7	6.0
Lease liabilities	28.5	26.2
Non-financial liabilities	250.9	322.0
TOTAL LIABILITIES	948.5	977.7

Net debt: €38.5m

(excluding IFRS 16 lease liabilities)

compared with €19.3m net cash on March 31, 2024

Earnouts

Q_PERIOR

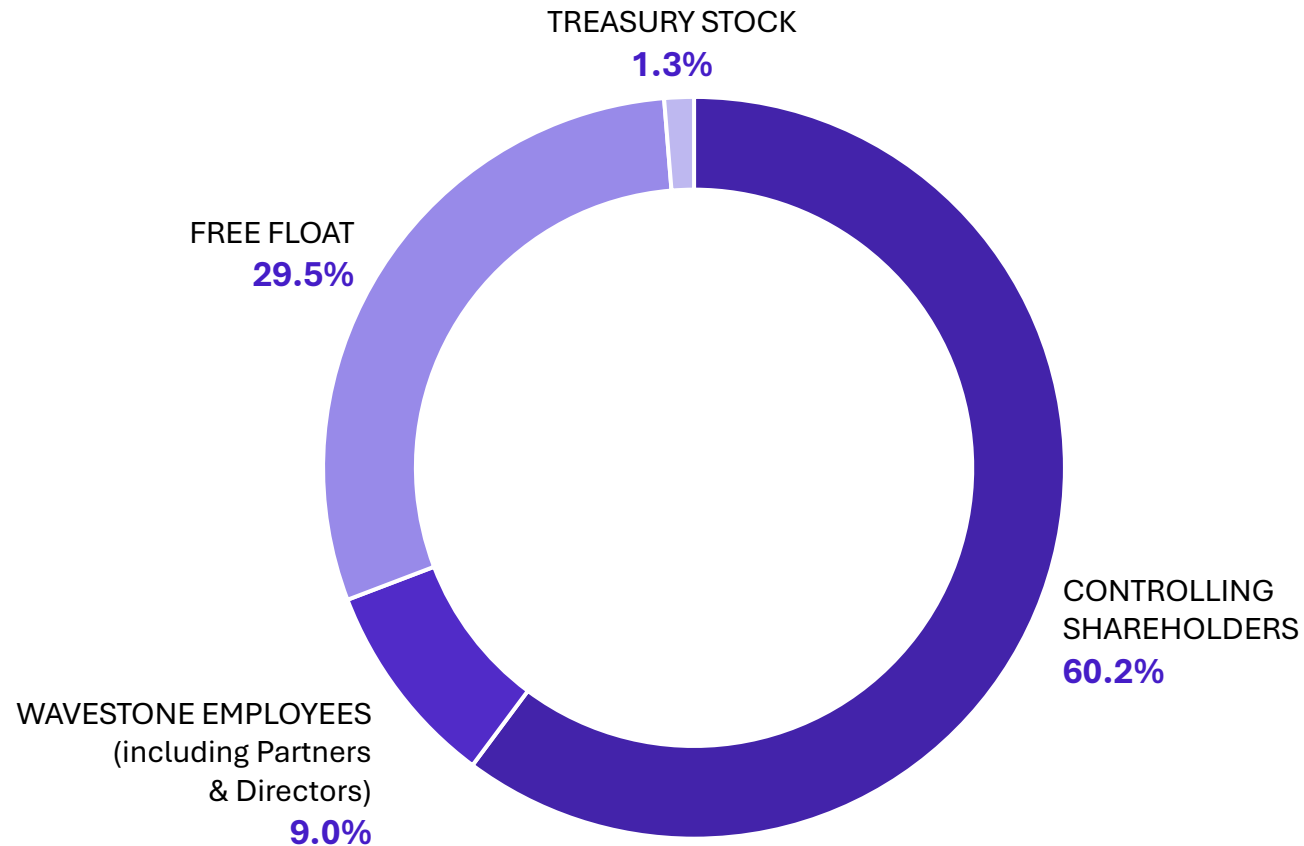
€35m paid in Q1 2024/25

Aspirant

up to \$10m (\$8m provisioned)

potentially be paid in Q4 2024/25

Breakdown of share capital on March 31, 2024



Number of shares: **24,906,332**

No potential dilution



Share price since January 1, 2023



Average daily liquidity on Euronext: €560k
since January 1st, 2023
(source: Euronext)

Data for 2024 YTD
Wavestone: -25%
CAC Mid & Small : -9%

Data on December 3, 2024

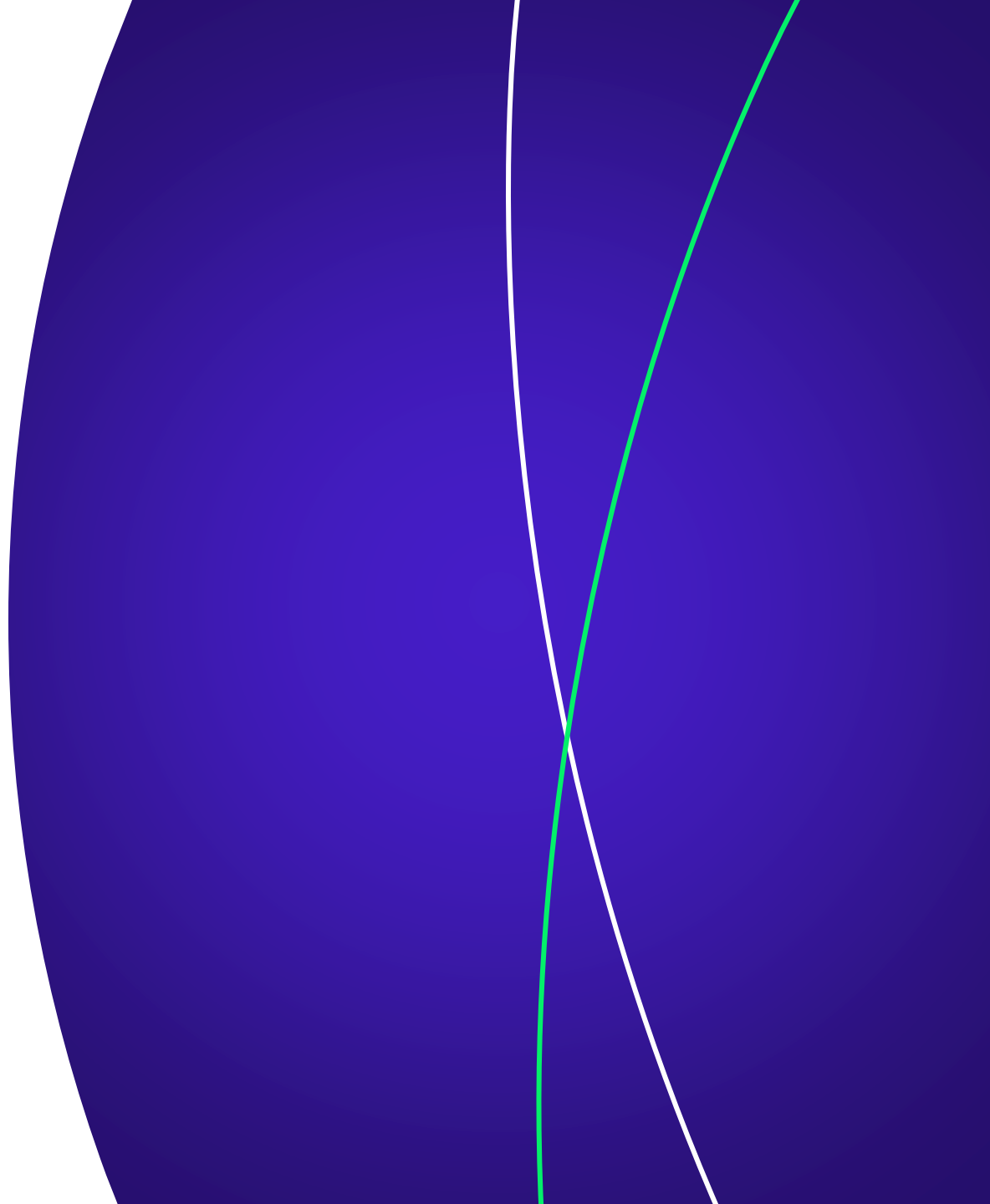
Wavestone
€43,85
+2%

CAC MID & SMALL*
-8%

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

3.

Outlook



A hardening business environment

- **Weaker-than-expected demand for consulting services**
 - continued wait-and-see attitude among clients toward new investments and consulting expenditures
 - tougher competition
- **Slowdown across numerous sectors...**
 - banking, industry - particularly automotive industry, retail and the French public sector remain under pressure
 - luxury sector also showing a slowdown since this Summer
- **... despite some areas of resilience**
 - energy, transport, life sciences and insurance are still resilient, as well as certain topics such as cybersecurity, the cloud, SAP, and artificial intelligence
- **Growing price pressure**
 - impact on profitability mitigated by lower pressure on salaries
 - limited effect expected in 2024/25

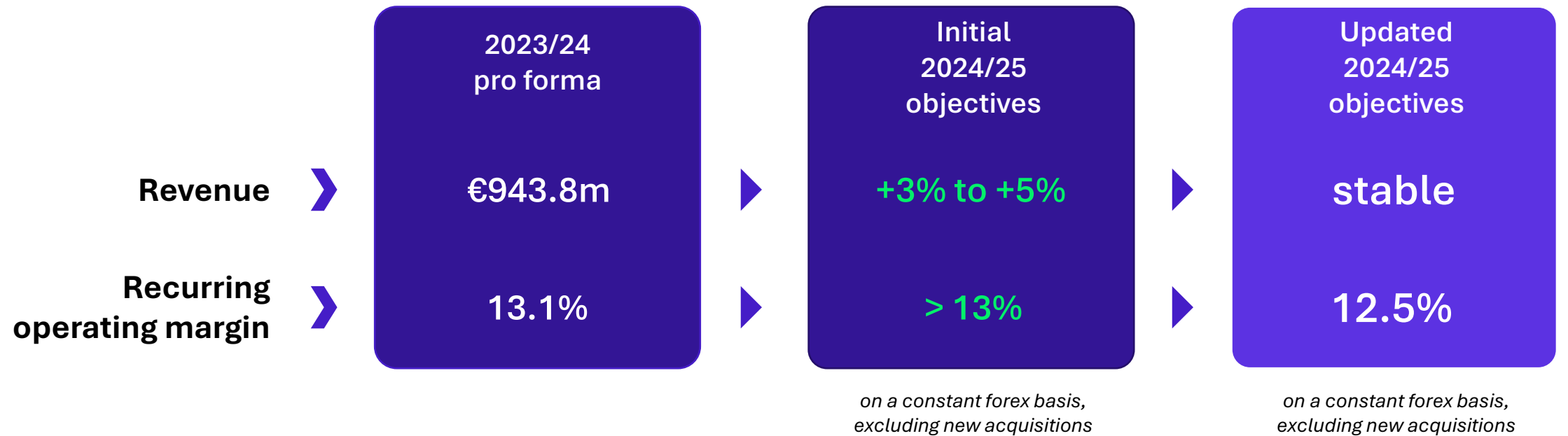


Lack of visibility for the next months

- **Lower than anticipated business activity since September**
- **Lack of visibility on Q4 2024/25**
 - investments likely to remain under pressure in the short term, despite the easing interest rates
 - absence of signs of economic recovery in Europe
 - risk of a slow start to the 2025 calendar year (Q4 2024/25)
- **Impact on the firm's revenue**
 - profitability also impacted, although effects partly mitigated by the cost-saving plan implemented by the firm
- **However, decision to keep recruitment plan unchanged**
 - +3% of net growth in consultant headcount targeted over 2024/25



More cautious 2024/25 objectives



H1 2024/25 results | Outlook 2024/25

QUESTIONS & ANSWERS

Financial agenda



