

INVESTOR MEETING

Investor Access

October 15, 2024

WAVESTONE



Agenda

- 1 **Wavestone, a consulting champion**
- 2 Recent news and outlook
- 3 Appendix

We offer high-value consulting services



360° portfolio of best-in-class consulting services



Worldwide presence



5,500+ employees



€944m pro forma revenue



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:

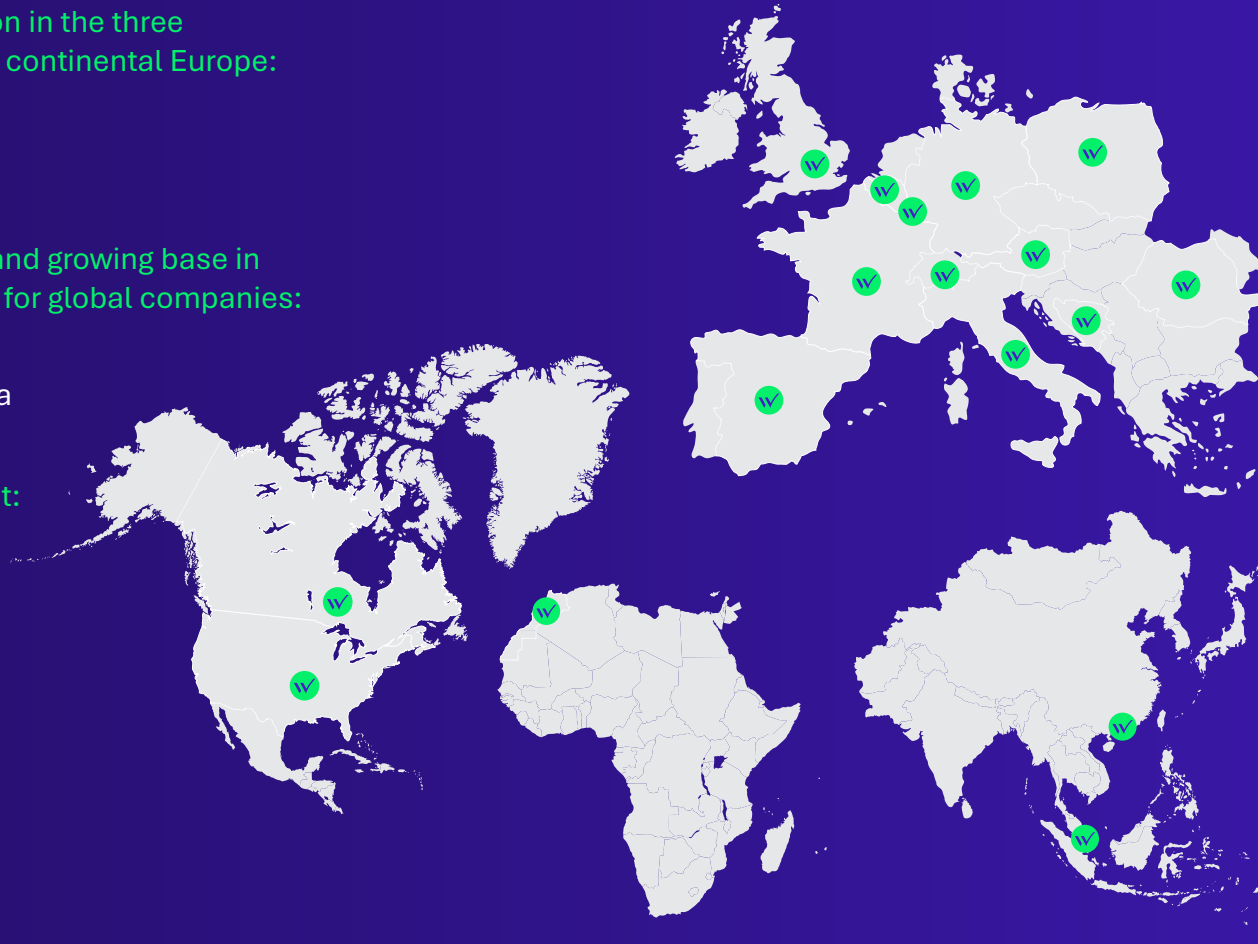
- France
- Germany
- Switzerland

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.

We provide a 360° transformation portfolio of consulting services

Four sets of sector-specific and transversal capabilities

Matching the knowledge and skills of our consultants with the requirements of our clients to provide the best possible results.

Core-business process

Customer Experience, Supply Chain,
Compliance, Risk and Regulations

Corporate functions and support-process

Corporate Finance, HR and Procurement,
Sourcing & Services Optimization,
Change Management

Technology & integration

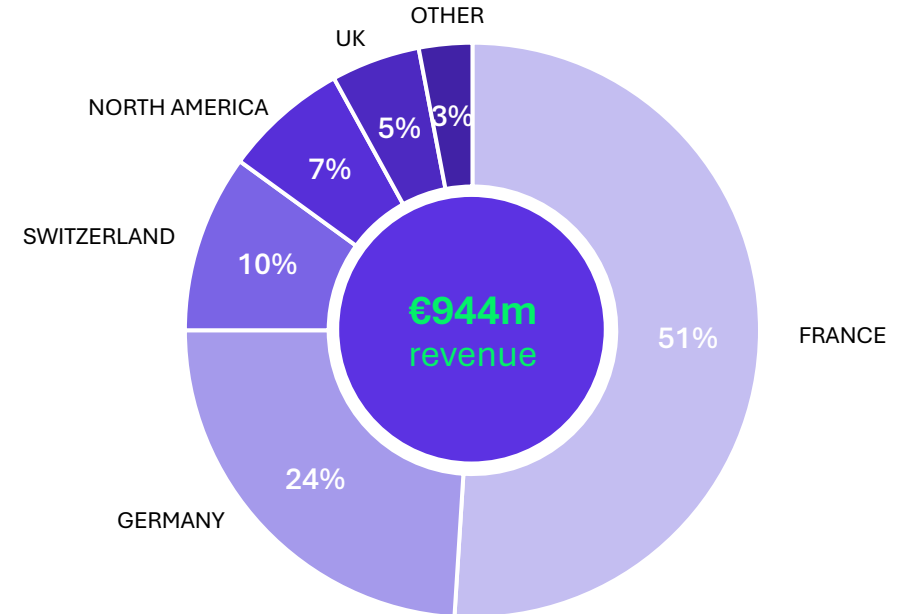
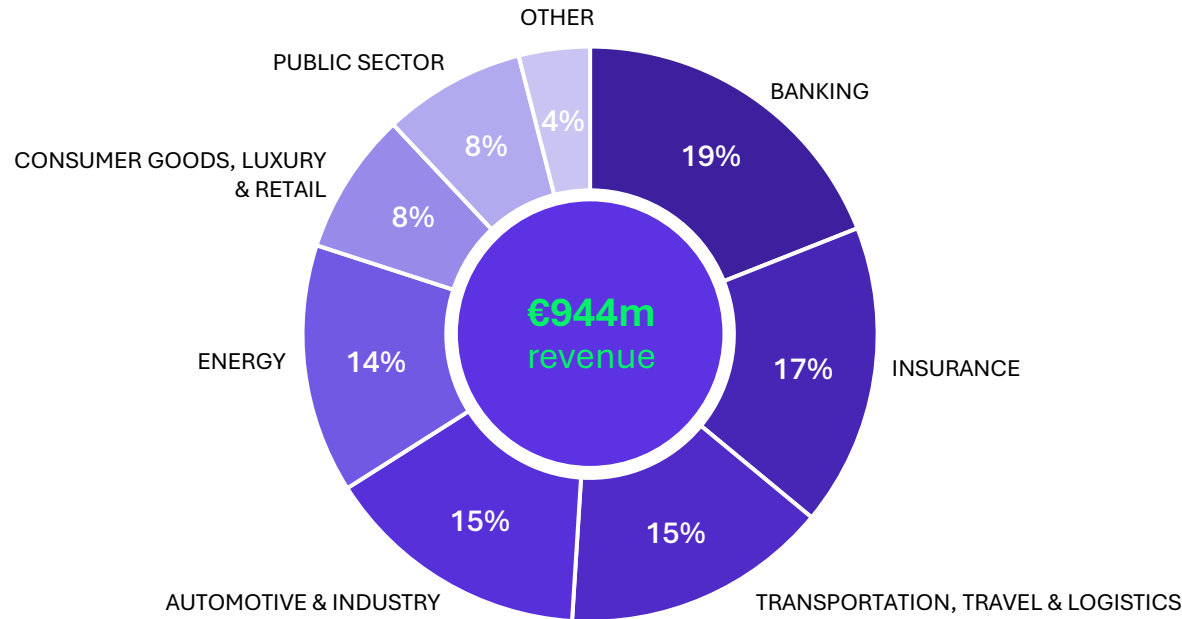
Data & Artificial Intelligence, Cybersecurity,
SAP Consulting, IT Strategy & CTO Advisory

Sustainability

Decarbonization, Green IT, IT for Green,
CSRD – Double Materiality Assessment



Distribution of pro forma revenue at March 31, 2024



TOP-20 CLIENTS

DEUTSCHE BAHN	7%	LA POSTE	2%
EDF	4%	VOLKSWAGEN	2%
AXA	3%	CHANEL	1%
TOTALENERGIES	3%	MUNICH RE	1%
CREDIT AGRICOLE	3%	L'OREAL	1%
SNCF	3%	SBB	1%
SOCIETE GENERALE	3%	UGAP	1%
BNP PARIBAS	2%	HERMES	1%
CONFIDENTIAL (INSURANCE)	2%	BPCE	1%
ENGIE	2%	R+V VERSICHERUNGEN	1%

Our ambition: become a European Global champion in the business of consulting

1

Enter the league of **global consulting firms** to successfully pursue our journey

- break the **glass ceiling** linked to our current 'local player' status
- become the **preferred partner** of some of the largest European companies

2

Remain at the forefront of delivering **Client success, HR and CSR** best practices

- embody our **European DNA**
- target **sustainable and successful trajectory** over the long term

3

Deliver **sustained and profitable growth**

- **15% revenue growth rate**, combining organic growth and acquisitions
- **15% EBIT margin**



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A hardening business environment

- **Weaker demand than expected at the start of the 2024/25 fiscal year**

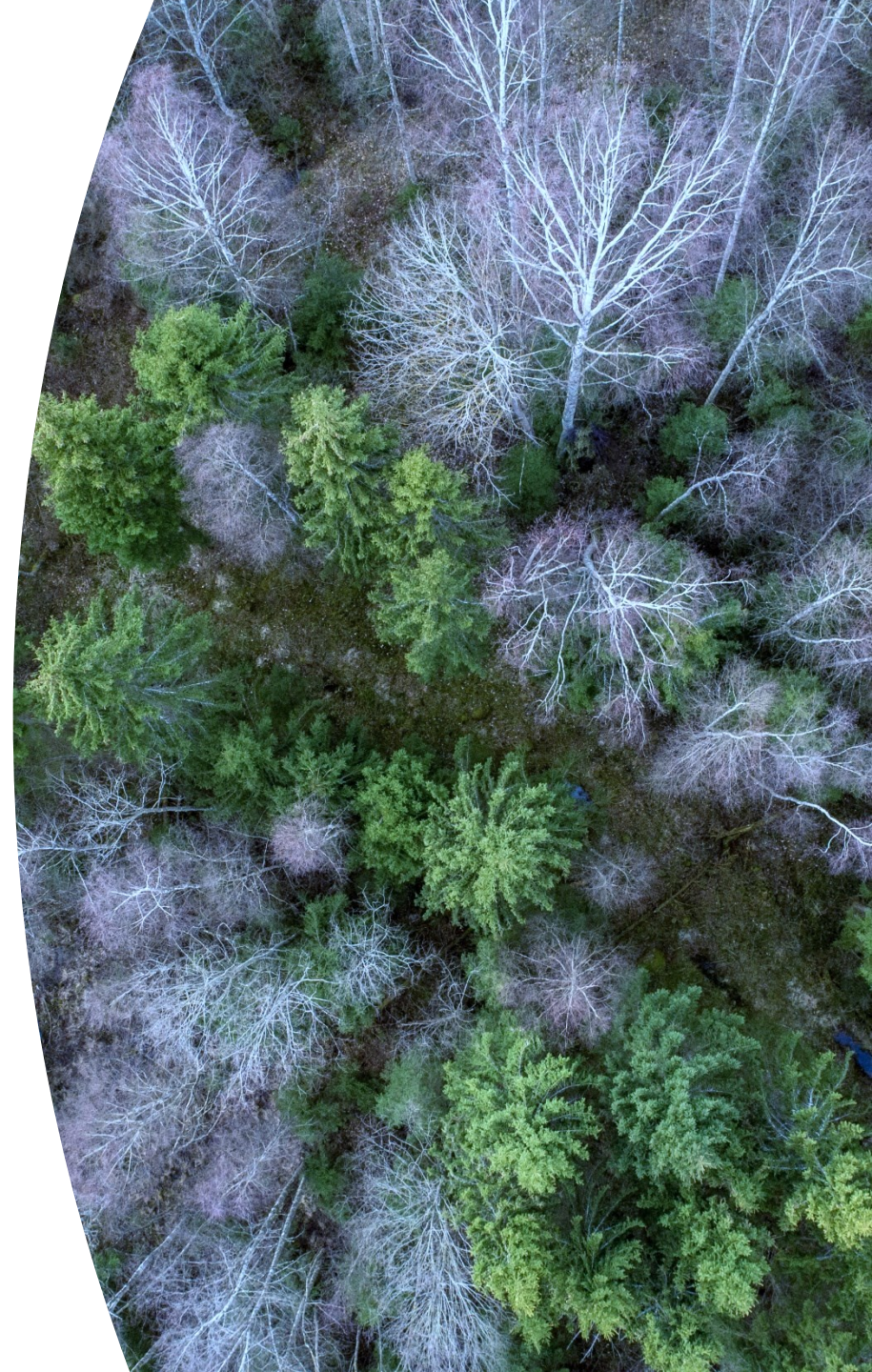
- economic and geopolitical uncertainties
- Olympic and Paralympic Games
- political turmoil in France
- further slowdown in the German economy



a more marked wait-and-see attitude on new consulting expenditures

- **Diverse sector dynamics**

- banking, retail, industry and French public sector under pressure
- signs of a slowdown among some insurance and luxury accounts
- no significant differences between geographies



Wavestone's line of conduct in this challenging environment

- **A high intensity of business development activity**
- **A strong focus on the most resilient accounts and sectors**
 - notably energy, transport and life sciences
- **A strong push in the topics that remain the most active**
 - CSRD, Sourcing and service optimization
 - SAP (notably SAP/4 HANA migration), Cloud migration, Cybersecurity
 - AI (partnership with Microsoft on Copilot proofs of concept and roll-out)
- **A cautious approach**
 - Moderate recruitment pace
 - No M&A opportunities considered except if riskless and easy to integrate



Successful first steps of the combination between Q_PERIOR and Wavestone

- **Fostering business thanks to the combination**
 - ~15 projects won together since the merger and several pitches delivered
 - strong added value in the fields of Insurance, SAP and Cybersecurity
- **Securing foundations of the new company**
 - integrated operational governance under the supervision of a new Excom
 - convergence of Finance, CSR, Communication & marketing, IT
 - "The Positive Way", the set of values that bind the teams together with the goal of making a positive impact for our clients, our employees and the world around us
- **“Together As One” event on May 24**
 - gathering of all employees from 17 countries in Paris
 - intensive networking to learn about each other services and markets
 - adoption of the Wavestone brand by Q_PERIOR – reveal of a reinvigorated brand identity
- **From September 2024, an acceleration in the integration dynamic**
 - enhancing the brand’s visibility in the market, for our clients and our teams
 - pursuing the integration of our teams
 - selling and delivering our offerings in a unified way



Aspirant's integration on good track

- **Cultural fit completely confirmed**
 - low staff turnover and no resignation of key people
 - easy integration of Aspirant's team in Wavestone despite the smooth PMI approach
 - sales synergies building up nicely between Aspirant and Wavestone (including former Q_PERIOR units)
- **Good operational and financial performance**
 - in line with the business plan despite the challenging US market
 - earn-out target should be achieved or over-achieved
- **Towards a complete integration in April 2025**



+1% organic growth in Q1 2024/25

Revenue in €m unaudited data	2024/25 consolidated	2023/24 consolidated	2023/24 pro forma ¹	Total growth	Organic growth (pro forma basis ¹)
Q1	232.4	143.3	229.3	+62%	+1%

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

- **Q1 2024/25 revenue on total scope: €232.4m**
 - up +62%
 - stable at constant scope and forex basis
- **Q1 2024/25 organic growth: +1%**
 - as expected, organic growth in Q1 was slower than the one targeted for the entire fiscal year (reminder: +11% growth at constant scope and forex basis in Q1 2023/24)

Consultant utilization rate of 73% in Q1 2024/25; average daily rate of €944

	Q1 2024/25 (3 months)	2023/24 fiscal year* (12 months – constant scope)	
Consultant utilization rate	73%	73%	▶ stable at constant scope
Average daily rate	€944	€898	▶ €901 at constant scope, increase of +0.3% compared with the previous fiscal year
Order book	4.3 months	4.1 months	▶ 3.9 months at constant scope at June 30, 2024

Wavestone has deployed consolidated operating indicators across the whole firm from Q1 2024/25.
To be noted: consolidated order book computation remains to be finetuned.

2023/24 indicators(*) are at constant scope, i.e. excluding Q_PERIOR and Aspirant Consulting.

Caution maintained on recruitment; low staff turnover rate

- **Staff turnover rate of 13% in Q1 2024/25 (on a rolling 12-month basis)**
 - including Q_PERIOR and Aspirant Consulting
 - 14% at constant scope, stable compared with previous fiscal year
- **Moderate recruitment plan in 2024/25**
 - about 1,000 hires across the entire firm
- **5,868 employees at June 30, 2024**
 - compared with 5,894 at the end of 2023/24 fiscal year
 - decrease typical for this period of the year

Decision to move our headquarters from La Défense to Paris Central Business District in the first calendar half of 2027 to:

- reduce carbon footprint
- increase attractiveness towards new talents
- strengthen Wavestone's image among major international accounts

No impact on the objective to deliver normative recurring operating margin of 15%



Our priorities for the end of 2024/25 fiscal year

1.

Make the combination between Wavestone and Q_PERIOR a success

- capitalize on the first months' good momentum

2.

Maintain an unwavering intensity of business development

- mitigate the effect of the uncertain economic environment

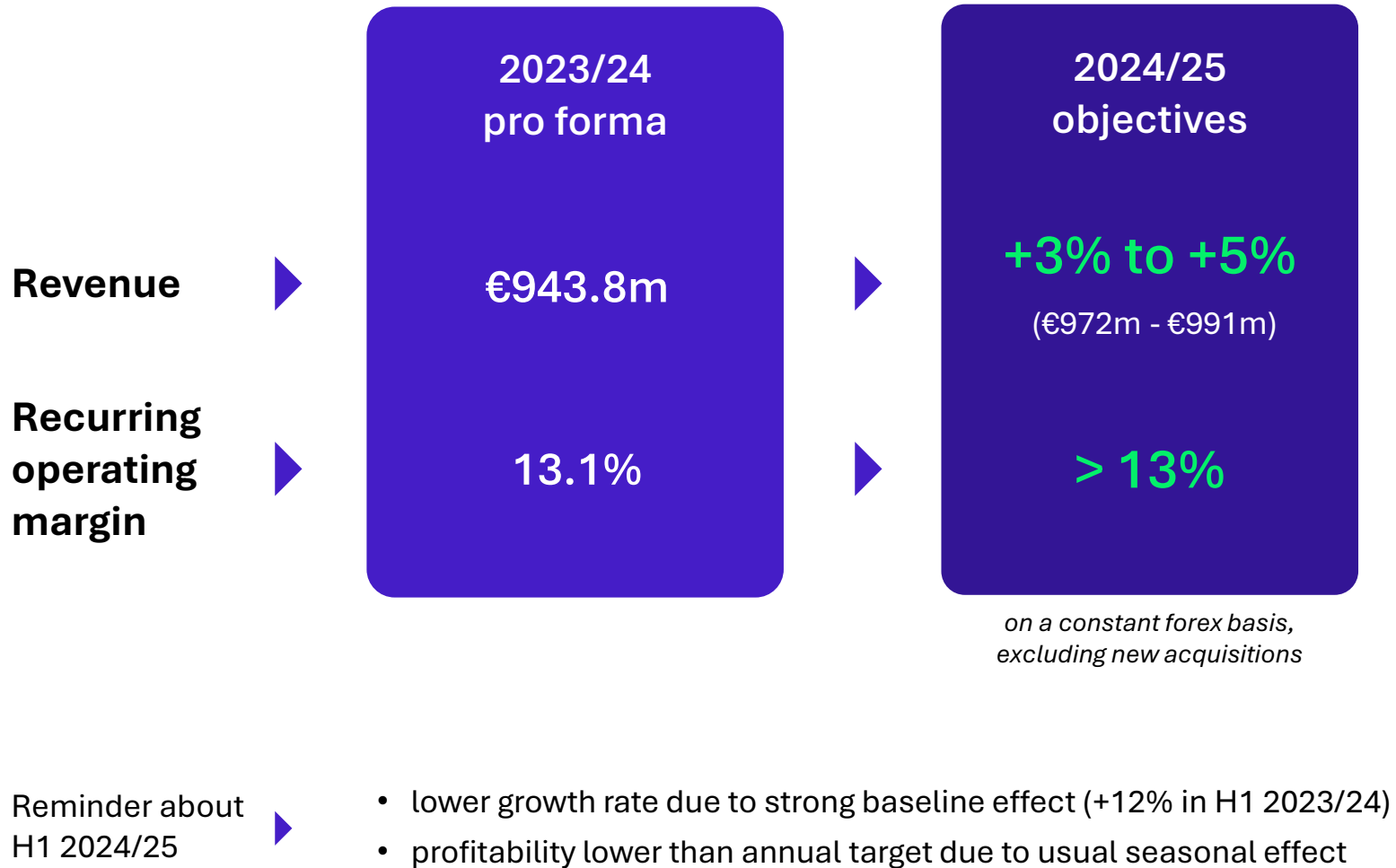
3.

Prioritize profitability over growth until visibility improves

- moderate recruitment plan, of about 1,000 hires across the entire firm



2024/25 financial objectives



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2023/24 Results - Profitability target overachieved

Audited data at 03/31 (in €m)	2023/24 (12 months)	2022/23 (12 months)	Change	2023/24 (pro forma ¹)
Revenue	701.1	532.3	+32%	943.8
Recurring operating profit	101.3	77.0	+32%	123.9
<i>Recurring operating margin</i>	14.5%	14.5%		13.1%
Amortization of client relationships	(3.8)	(1.5)		
Other operating income & expenses	(11.8)	(2.9)		
Operating income	85.8	72.7	+18%	103.4
Cost of net financial debt	(1.6)	(1.8)		
Other financial income and expenses	(2.9)	(2.3)		
Income tax expenses	(22.7)	(18.5)		
Net income	58.6	50.1	+17%	68.5
<i>Net margin</i>	8.4%	9.4%		
Group share of net income	58.2	50.1	+16%	67.7

15.4% excluding Q_PERIOR and Aspirant Consulting, above target

¹ the 2023/24 pro forma accounts have been calculated as if the acquisitions of Q_PERIOR and Aspirant Consulting had taken place on April 1, 2023.

Recurring Operating Profit (ROP) is an alternative performance indicator related to current activities. This indicator corresponds to the « Operating income » adjusted for the following amortization of customer relationships and other operating income and expenses. It should be noted that the ROP is identical to the aggregate previously named EBIT (“résultat opérationnel courant”) in Wavestone’s financial communication.

2023/24 Results - Net cash of €19.3m at March 31, 2024

Audited data at 03/31 (in €m)	2023/24 (12 months)	2022/23 (12 months)
Non-current assets	633.7	272.8
of which goodwill	507.9	235.4
of which client relationships	74.5	2.6
of which rights to use leased assets	23.9	13.2
Current assets	266.6	193.1
of which trade receivables	245.9	176.6
Cash & cash equivalents	77.5	70.8
TOTAL ASSETS	977.7	536.8

Audited data at 03/31 (in €m)	2023/24 (12 months)	2022/23 (12 months)
Shareholders' equity	571.4	299.1
of which minority interests	1.9	0.0
Financial liabilities	58.2	43.7
of which less than one year	6.0	5.7
Lease liabilities	26.2	15.9
Non-financial liabilities	322.0	178.2
TOTAL LIABILITIES	977.7	536.8

Net cash: €19.3m

compared with €27.1m net cash at March 31, 2023

Earnouts

Q_PERIOR

€35m

Aspirant

to be paid in Q1 2024/25

up to \$10m (**\$6m** provisioned)

potentially paid in Q4 2024/25

2023/24 Results - Doubling of operational cash flow to €83.1m

Audited data at 03/31 (in €m)	2023/24 (12 months)	2022/23 (12 months)	
Self-financing capacity before financial debt & tax expenses	101.8	83.8	
Tax paid	(21.7)	(21.1)	
Change in WCR	2.9	(21.6)	→ due to a reduction in DSO
Net cash flow from operations	83.1	41.1	
Net cash flow from investments	(69.0)	(52.7)	
of which fixed asset acquisitions	(3.1)	(3.7)	
of which changes in scope	(66.0)	(49.2)	→ acquisitions of Q_PERIOR (cash portion) and Aspirant Consulting, and earnouts of PEN Partnership and Coeus Consulting
Net cash flow from financing operations	(7.4)	(25.8)	
of which dividends paid	(7.6)	(7.6)	
of which sales (acquisitions) of company shares	(5.9)	(6.4)	
of which loans received net of repayments	14.1	(4.4)	
of which repayments of lease liabilities	(6.2)	(5.1)	
Change in cash & cash equivalents	6.7	(37.4)	

Wavestone's key achievements in CSR in 2023/24



Re-enchanting client satisfaction

- strong increase of our NPS®, at 73, compared with 45 a year earlier
- result of actions taken to make it a priority within the firm & to tackle our weaknesses, but also potential effect of the switch from an online survey to face-to-face interviews



Acceleration of our responsible consulting approach

- across 387 projects, way above the objective of 300



High position in the Great Place to Work® rankings

- 1st place in France, Top 25 for UK Large Companies, and certification of all offices...
- ...low turnover rate, below our objective of 15%...
- ...however, decrease in the employee engagement index at 70, below the objective of 74



Top 5% of best performing companies in CSR terms for 2023/24

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



9 over 10 objectives achieved or exceeded in 2023/24

Our CSR priorities for 2024/25

1. Embark gradually Q_PERIOR on Wavestone's CSR journey

- common CSR foundations on which to leverage: sustainable growth and performance, people-centric culture, social commitment, and attention paid to our environmental impact
- starting by women representativity in management positions and carbon footprint reduction as part of our SBTi trajectory
- defining more globally our CSR objectives for the future

2. Ensure compliance with CSRD regulation

- without jeopardizing our CSR momentum

3. Scale-up the responsible consulting approach across the company

- revisiting the responsible consulting approach to do so



Financial agenda



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