

## Growth of +20% over 9 months; equivalent to +12% organic growth

### Confirmation of the 2023/24 annual objectives

Revenue in €m unaudited consolidated data	2023/24	2023/24 excluding Q_PERIOR	2022/23	Change at constant scope* and on a constant forex basis	Total change
Q1	143.3	143.3	122.0	+11%	+17%
Q2	133.4	133.4	115.1	+14%	+16%
Q3	175.6	150.9	139.1	+10%	+26%
<b>9-month total</b>	<b>452.2</b>	<b>427.6</b>	376.2	<b>+12%</b>	<b>+20%</b>

\* excluding PEN Partnership, consolidated since August 1, 2022; Coeus Consulting, consolidated since October 1, 2022; and Q\_PERIOR consolidated since December 1, 2023. Aspirant Consulting will be consolidated from February 1, 2024.

### Revenue growth of +26% in Q3 2023/24 – equivalent to +10% organic growth

In Q3 of the 2023/24 fiscal year (October 1 to December 31, 2023), Wavestone generated consolidated revenue of €175.6m, an increase of +26% compared with Q3 of the previous fiscal year.

As a reminder, Wavestone has integrated the British firms PEN Partnership, since August 1, 2022, and Coeus Consulting, since October 1, 2022. In addition, since December 1, 2023, Wavestone has consolidated Q\_PERIOR, a German consulting firm.

On a constant scope and forex basis, Q3 revenue was up +10%.

At the end of the first nine months of the fiscal year, Wavestone's consolidated revenue amounted to €452.2m, an increase of +20% – equivalent to +12% at constant scope and on a constant forex basis. As a reminder, the working day impact was unfavorable over the period – standing at -1.5%<sup>1</sup>.

Excluding Q\_PERIOR, nine-month revenue totaled €427.6m. Note that, excluding Q\_PERIOR and Aspirant Consulting, Wavestone is targeting annual revenue of over €580m.

### Consultant utilization rate stabilized at 73% over the nine-month, good level of order book

On Wavestone scope, excluding Q\_PERIOR, after its recovery in the first half of 2023/24, the nine-month consultant utilization rate remained stable at 73%.

The average daily rate for the nine months reached €898 – an increase of +1% compared with the average sales price for the whole of the previous fiscal year (€890). At constant exchange rates, the average daily rate was €900, slightly down compared with the €902 published for the 1<sup>st</sup> half of the year.

<sup>1</sup> taking into account the geographical distribution of Wavestone's workforce

On the sales side, order intake showed strong momentum at the end of the calendar year, as it is typically the case during this period. As a result, the firm's order book stood at 4.2 months of work at December 31, 2023, compared with 3.6 months at the end of September 2023.

These indicators relate to Wavestone's scope excluding Q\_PERIOR while waiting to deploy consolidated operating indicators across the new firm.

### **Stable staff turnover rate and moderate recruitment policy maintained**

Staff turnover remained stable over the past quarter. At the end of December, it stood at 14% on a rolling 12-month basis (a figure calculated on the scope excluding Q\_PERIOR), compared with 16% over the whole of the previous fiscal year.

Given the still uncertain economic environment and the reduction in staff turnover, Wavestone is maintaining a moderate rate of recruitment compared with the previous fiscal year.

At December 31, 2023, Wavestone had 5,764 employees, including 1,332 from the combination with Q\_PERIOR since December 1, 2023. This compares with 4,406 at the end of March – the end of the 2022/23 fiscal year.

### **A solid business activity in Q3, both for Wavestone and Q\_PERIOR**

Wavestone's activity in Q3 was solid as a result of intense business development efforts by the firm's teams, despite the deterioration in the economic environment.

Business activity was also strong across Q\_PERIOR's scope, with an increase in consultant utilization rate and a good level of order intake. In line with the rest of the firm, Q\_PERIOR's recruitment policy was cautious, while the staff turnover rate remained at a low level of about 10%.

### **Caution maintained for the start of 2024**

While the tougher business environment continues to impact global demand, in particular in several sectors, such as banking, retail, and the public sector, others such as insurance, energy, luxury, and transport remain more resilient.

Q4 of the fiscal year is likely to see a marked slowdown in the firm's growth at constant scope and exchange rates. Consultant utilization rate will be down slightly, penalized by increased hesitancy among decision makers in proceeding with projects, especially at the start of the calendar year, as well as less favorable market conditions in the UK in recent months.

Wavestone remains nevertheless confident that it can sustain its growth in the months ahead, maintaining intense business development activity focused on the best-positioned sectors.

Q\_PERIOR begins the 2024 calendar year with an utilization rate following its performance in the final months of 2023, but as for Wavestone, with a marked slowdown in growth.

### **Strengthening position in the US with the acquisition of Aspirant Consulting**

In mid-January, Wavestone announced the acquisition of Aspirant Consulting<sup>2</sup> in the United States, a consulting firm specializing in the digital transformation of businesses and consisting of about 100 employees.

Founded in 2003 and based in Pittsburgh, Aspirant Consulting's clients include Global 500 companies as well as large US companies, across multiple sectors, and with a strong footprint in Life Sciences.

Over its last fiscal year (ending December 31, 2023), Aspirant Consulting estimated consolidated revenue is \$26.1m (€23.8m), with an adjusted EBITDA margin expected to be over 10%.

Aspirant Consulting will be consolidated into Wavestone's accounts from February 1, 2024.

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<sup>2</sup> Read the press release of January 16, 2024: [Wavestone and Aspirant Consulting join forces to strengthen their position in the US](#)

## **Confirmation of 2023/24 financial objectives (excluding Q\_PERIOR and Aspirant Consulting)**

At the end of the first nine months of the fiscal year and including the slowdown expected in Q4, Wavestone confirms its objective of achieving, for the 2023/24 fiscal year, organic growth at least equal to that of the 2022/23 fiscal year (+7%).

With the consolidation of PEN Partnership and Coeus Consulting, Wavestone confirms its objective of achieving revenue of over €580m, which represents total growth of +9% for an EBIT margin of about 15%.

These objectives are set at constant exchange rates, and, at this stage, do not include the contribution of Q\_PERIOR (consolidated for four months), and Aspirant Consulting (consolidated for two months).

**Next event:** publication of Q4 2023/24 revenue – Monday, April 29, 2024, after Euronext market closing.

## **About Wavestone**

*Wavestone, a leading independent consultancy headquartered in France, and Q\_PERIOR, a consulting leader in the Germany-Switzerland-Austria region, joined forces in 2023 to become the most trusted partner for critical transformations.*

*Drawing on more than 5,500 employees across Europe, North America and Asia, the firm combines seamlessly first-class sector expertise with a 360° transformation portfolio of high-value consulting services.*

*Wavestone is listed on Euronext Paris and recognized as a Great Place to Work®.*

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