

Revenue target exceeded; +9% organic growth over the 2023/24 fiscal year EBIT margin objective for 2023/24 confirmed

Revenue in €m Unaudited consolidated data	2023/24	2023/24, excluding Q_PERIOR and Aspirant Consulting	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%
Q4	248.8	159.3	156.0	+4%	+59%
12-month total	701.1	586.9	532.3	+9%	+32%

* Excluding PEN Partnership, consolidated since August 1, 2022; Coeus Consulting, consolidated since October 1, 2022; Q_PERIOR consolidated since December 1, 2023; and Aspirant Consulting consolidated since February 1, 2024

Revenue growth of +59% in Q4 2023/24 – equivalent to +4% organic growth

In Q4 of the 2023/24 fiscal year (January 1 to March 31, 2024), Wavestone generated consolidated revenue of €248.8m, an increase of +59%, compared with Q4 of the previous fiscal year.

As a reminder, in addition to the UK-based consulting firms PEN Partnership and Coeus Consulting (consolidated respectively since August 1, 2022 and October 1, 2022), Wavestone has consolidated Q_PERIOR, a German consulting firm, since December 1, 2023 and Aspirant Consulting, a US-based consulting firm, since February 1, 2024.

At constant scope and exchange rates, revenue for Q4 2023/24 increased by +4%, showing, as expected, a slowdown in the firm's organic growth in the context of a hardening business environment. This figure takes into account the unfavorable working day impact over the last quarter of the fiscal year, standing at -1.5%¹.

Revenue of €586.9m excluding Q_PERIOR and Aspirant Consulting

At the end of the 2023/24 fiscal year, Wavestone's consolidated revenue stood at €701.1m, an increase of +32%, equivalent to +9% at constant scope and exchange rates (taking into account an unfavorable working day impact of -1.6%¹). For the record, in 2023/24, Wavestone was targeting organic growth at least equal to that of the 2022/23 fiscal year (+7%).

Excluding Q_PERIOR and Aspirant Consulting, 12-month revenue reached €586.9m, exceeding the target of €580m.

Consultant utilization rate stable at 73% in 2023/24; sales price up by +1%

Due to an increased hesitancy in new projects at the start of the calendar year, and a less favorable business environment in the UK, the consultant utilization rate related to the scope excluding Q_PERIOR and Aspirant

¹ taking into account the geographical distribution of Wavestone's workforce

Consulting fell slightly in Q4, less than expected though. For the entire 2023/24 fiscal year, it stood at 73%; stable compared with the previous fiscal year.

The average daily rate on the same scope reached €898 in 2023/24 – 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 in 2023/24.

On the same scope still, with regard to business development, the order book fell slightly at 4.1 months of work at March 31, 2024, compared with 4.2 months at December 31, 2023.

Wavestone plans to deploy consolidated operating indicators (except order book) across the entire new firm from Q1 2024/25.

Q_PERIOR's business activity in line with plan

Q_PERIOR began the 2024 calendar year in a similar context to that of Wavestone. The resilient demand in the sectors of Insurance, Travel & Transportation and Energy helps limit the effects of a weaker economic environment in Germany.

In this regard, Q_PERIOR started the year with a consultant utilization rate in line with the last months of 2023 and the company's plan, but, like Wavestone, with a marked slowdown in terms of growth.

Caution maintained on recruitment; stable staff turnover

The staff turnover rate remained stable over the past quarter. At the end of March 2024, it stood at 14% on a rolling 12-month basis (a figure calculated on the scope excluding Q_PERIOR and Aspirant Consulting), compared with 16% over the whole of the previous fiscal year.

Faced with continuing uncertainty in the economic environment, Wavestone maintained its policy of a moderate pace of recruitment at the start of the 2024 calendar year. Over the whole of the 2023/24 fiscal year, the firm recruited about 800 new employees (excluding Q_PERIOR and Aspirant Consulting), compared with approximately 1,300 in the previous fiscal year.

As did Wavestone, Q_PERIOR continued a cautious recruitment policy at the start of the calendar year and its staff turnover rate remains low – at about 10%.

At March 31, 2024, Wavestone had 5,894 employees, including 1,422 from the combinations with Q_PERIOR and Aspirant Consulting. This compares with 4,406 at the end of the 2022/23 fiscal year.

Confirmation of the 2023/24 EBIT margin objective

Wavestone confirms its objective of an EBIT margin of about 15% for the 2023/24 fiscal year, excluding Q_PERIOR and Aspirant Consulting.

With regard to the fiscal year 2024/25, Wavestone is confident on its ability to generate growth of over 3%, while aiming for an EBIT margin of more than 13%, including Q_PERIOR and Aspirant Consulting on a full year basis, and excluding any new acquisition.

Wavestone will publish its 2024/25 annual results and financial objectives on June 3, 2024.

Next event: publication of the 2023/24 annual results, Monday, June 3, 2024, after Euronext market closing.

About Wavestone

Wavestone, one of the first independent consulting firms in France, and Q_PERIOR, an independent consulting leader in the German-speaking market (Germany – Switzerland – Austria) joined forces in December 2023 to become the preferred partner for major transformations.

Drawing on more than 5,500 employees across Europe, North America, and Asia, the firm has leading sectoral expertise complemented by a portfolio of cross-sector know-how, enabling it to address major transformation programs from a 360° perspective.

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

Wavestone

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