

Q1 2022/23 revenue up by +6% Confirmation of annual objectives

Revenue In €m - unaudited consolidated data	2022/23	2021/22	Change	Change at constant scope* and on a constant forex basis
Q1	122.0	115.2	+6%	+3%

* Excluding Everest Group *consulting* consolidated since 05/01/2021, why innovation! consolidated since 11/01/2021, NewVantage Partners consolidated since 01/01/2022, and Nomadéis consolidated since 04/01/2022.

Revenue increased by +6% in Q1 2022/23, equivalent to 3% organic growth

In Q1 of the 2022/23 fiscal year (April 1 to June 30, 2022), Wavestone generated a consolidated revenue of €122.0m, an increase of +6%, in line with the firm's business plan.

At constant scope and exchange rates, the firm's organic growth reached +3%.

As a reminder, besides the effect of last year's acquisitions, growth in the quarter benefited from the contribution of Nomadéis, consolidated since April 1, 2022.

Strongly positioned sales prices and consultant utilization rate

The consultant utilization rate was 76% over the quarter, slightly above the firm's normative level, compared with 75% in the Q4 2021/22 and 77% for the whole of the 2021/22 fiscal year.

Sales prices confirmed their positive trend. The average daily rate in Q1 was €868 – an increase of 1.6% compared with the average sales price for the 2021/22 fiscal year (€854).

Good recruitment momentum but continued pressure on staff turnover

At June 30, 2022, Wavestone had 3,683 employees compared with 3,732 at the end of March (the end of the 2021/22 fiscal year), a traditional downturn at this period of the year.

Recruitment momentum remained good throughout the quarter, in line with the firm's annual plan, which aims to recruit nearly 1,000 employees over the fiscal year.

Over Q1, pressures on staff turnover rate have increased further. On a rolling 12-month basis, this stood at 19%, compared with 18% for the whole of the previous fiscal year.

Despite these pressures, Wavestone is maintaining its objective of gradually bringing the staff turnover rate back to about 15%, although this goal will certainly be difficult to achieve during the 2022/23 fiscal year.

A start to the fiscal year in line with expectations, but a business environment that remains complex

Wavestone's start to the 2022/23 fiscal year was in line with its business plan. Even though growth is weaker than expected for the year as a whole, due to a demanding baseline effect, operating indicators are strongly positioned.

The issue of human resources is a core area of focus for the firm. As announced at the start of the fiscal year, the firm has made initial adjustments to its salary policy to maintain competitiveness. At the same time,

Wavestone is pursuing further increases in sales prices, in order to optimally manage its sales price-to-salary ratio.

The economic downturn is a second focus of the year. Wavestone is therefore particularly alert to signs of a slowdown in demand. To date, however, such slowdowns have not materialized, apart from in transport and the public sector. Against this backdrop, the firm's order book at June 30, 2022 remained excellent – at 4.2 months of work, compared with 4.3 months at March 31, 2022.

Confirmation of the 2022/23 annual objectives

At the end of the first three months of the year, Wavestone confirms its financial objectives for the 2022/23 fiscal year: to achieve a revenue of over €505m for an EBIT margin of the order of 15%. These objectives include Nomadéis and are calculated on a constant forex basis, excluding new acquisitions.

Wavestone also intends to pursue its policy of targeted external growth over the year. The firm is still giving priority to acquisitions in the US and UK, such as the move to acquire a British consulting firm announced on July 20 ([read the press release](#)). At the same time, Wavestone does not rule out tactical acquisitions in other geographies.

Next events: Combined Ordinary and Extraordinary Annual General Meeting: July 28, 2022, at 9am; and H1 2022/23 revenue: Thursday, October 27, 2022, after Euronext market closing.

About Wavestone

In a world where knowing how to drive transformation is the key to success, Wavestone's mission is to inform and guide large organizations in their most critical transformations, with the ambition of a positive outcome for all stakeholders. This ambition is anchored in the firm's DNA and summarized in its signature approach – "The Positive Way."

Wavestone brings together nearly 4,000 employees in Europe – where it is one of the leading independent consultants – in the United States and in Asia.

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

Wavestone

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