

Solid growth in Q1 2021/22: +22% – in line with the annual business plan

Revenue In €m - unaudited consolidated data	2021/22	2020/21	Change	Change at constant scope* and on a constant forex basis
Q1	115.2	94.4	+22%	+21%

* excluding Everest Group *consulting*, which has been integrated into Wavestone's consolidated accounts since 05/01/2021.

In Q1 of the 2021/22 fiscal year (April 1 to June 30, 2021), Wavestone generated a consolidated revenue of €115.2m, an increase of +22%.

At constant scope and exchange rates, the firm's organic growth reached +21%. In addition to a favorable baseline (revenue was down -10% in Q1 2020/21, at constant scope and exchange rates), this first quarter benefited from a positive working day impact of +3%.

Solid consultant utilization rate and stable prices, compared with the 2020/21 fiscal year

This sustained quarterly growth reflects the positive operating indicators seen over the period.

Consultant utilization rate was 78% in Q1; this exceeds the objective of 75% set for the whole of the 2021/22 fiscal year and the 71% seen in 2020/21.

The average daily rate in Q1 was €842, which was stable compared with the average sales price for the 2020/21 fiscal year. The integration of Everest Group *consulting* for two months of the quarter made a positive contribution to the sales price: increasing the average by €3.

3,437 employees at the end of June 2021

At June 30, 2021, Wavestone had 3,437 employees, compared with 3,453 at March 31, 2021. Recruitment levels were in line with the annual objective of hiring more than 800 new employees over the fiscal year.

At the end of June, staff turnover was 13% on a rolling 12-month basis, compared with 11% in 2020/21. After the low experienced during the last fiscal year, the firm had anticipated this rise. The objective of limiting staff turnover rate to about 15% for the whole of the 2021/22 fiscal year may prove more challenging than initially expected.

Everest Group *consulting*: Wavestone strengthens its position in the US

The first quarter of 2021/22 was also marked by the acquisition of the consulting practice of Everest Group at the beginning of May; this move strengthens Wavestone's position in the United States. As a reminder, over the last three years, this practice achieved an average annual revenue of \$11m (~ €9.1m).

Despite revenue being lower than the business plan target in May and June, the integration of the practice within Wavestone is progressing well.

Confirmation of objectives for 2021/22

Wavestone saw a vibrant start to the 2021/22 fiscal year, underpinned in particular by a solid consultant utilization rate.

Business development activity was also buoyant in Q1 – delivering concrete results in an order book of 4.3 months of work at the end of June 2021, compared with 4.1 months at March 31, 2021.

Wavestone reconfirms its financial objectives for the fiscal year: revenue of €460m and an EBIT margin close to 13%. These objectives, which include Everest Group *consulting*, are calculated on a constant forex basis and exclude new acquisitions.

The firm will continue to pursue its objective of external growth over the fiscal year: acquisitions in the US will remain the priority, but this doesn't rule out tactical purchases elsewhere.

Over Q1, Wavestone began a strategic review whose output will be a new multi-year development plan with quantitative targets; the plan will be published alongside the firm's H1 2021/22 results, on December 6, 2021.

Next events: Combined Ordinary and Extraordinary General Meeting: July 27, 2021 at 9am (CET); and H1 2021/22 revenue: Thursday, October 28, 2021, 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 companies and organizations in their most critical transformations, with the ambition of a positive outcome for all stakeholders. That's what we call "The Positive Way."

Wavestone draws on over 3,000 employees across 8 countries. It is a leading independent player in European consulting.

Wavestone is listed on Euronext, Paris.

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