

2024/25 results in line with updated targets

2025/26 objectives: organic growth and profitability improvement

At its meeting of June 2, 2025, Wavestone's Board approved the consolidated annual accounts for the 2024/25 fiscal year ended March 31, 2025, which are summarized below. Auditing of the accounts is complete, and the auditors are in the process of issuing their report.

Audited data ¹ on 03/31 (in €m)	2024/25	2023/24	Change	2023/24 proforma ²
Revenue	943.7	701.1	+35%	943.8
Recurring operating profit (ROP)	119.1	101.3	+17%	123.9
<i>Recurring operating margin</i>	<i>12.6%</i>	<i>14.5%</i>		<i>13.1%</i>
Amortization of customer relationships	(8.4)	(3.8)		(8.7)
Other operating income and expenses	(1.1)	(11.8)		(11.7)
Operating profit	109.6	85.8	+28%	103.4
Cost of net financial debt	(3.2)	(1.6)		(3.1)
Other financial income and expenses	(3.1)	(2.9)		(3.4)
Tax expense	(27.3)	(22.7)		(28.3)
Net income	75.9	58.6	+30%	68.5
<i>Net margin</i>	<i>8.0%</i>	<i>8.4%</i>		<i>7.3%</i>
Net income - group share	75.6	58.2	+30%	67.7
Net income - group share, per share after dilution (in €)	3.09	2.71		

¹ The 2023/24 pro forma accounts are unaudited; an ad hoc report from group auditors has been incorporated in Wavestone's 2023/24 Annual Financial Report.

² 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.

2024/25 annual revenue: €943.7m, stable on an organic basis

At the end of the 2024/25 fiscal year, Wavestone's consolidated revenue amounted to €943.7m, up +35%.

As a reminder, Wavestone has consolidated Q_PERIOR, a German consulting firm, since December 1, 2023, and Aspirant Consulting, a US company, since February 1, 2024.

On a pro forma basis, calculated as if the acquisitions of Q_PERIOR and Aspirant Consulting had taken place on April 1, 2023, Wavestone's annual revenue was stable compared with the 2023/24 revenue (€943.8m), in line with the firm's target updated in December 2024.

Consultant utilization rate stable at 73%³; average daily rate of €939

Over the 2024/25 fiscal year, the consultant utilization rate remained resilient at 73%. At constant scope, it amounted to 72%, versus 73% in the previous fiscal year.

Despite intense competition, the average daily rate stayed strong at €939 in 2024/25. At constant scope, the average daily rate was €898 in 2024/25, stable compared with the previous fiscal year (€898).

³ Wavestone has deployed consolidated operating indicators across the whole firm since Q1 2024/25.

Regarding business development, the order book stood at 4.2 months of work at the end of March 2025, versus 4.5 months at the end of December 2024. At constant scope, it stood at 3.6 months, versus 4.1 months on March 31, 2024.

6,076 employees on March 31, 2025

Over the 2024/25 fiscal year, staff turnover rate slowed down to 12%, versus 13% at the end of December 2024, on a 12-month rolling basis. At constant scope, the staff turnover rate also stood at 12%, versus 14% for the 2023/24 fiscal year.

Wavestone had 6,076 employees on March 31, 2025, compared with 5,894 a year earlier. As planned at the beginning of the fiscal year, the firm conducted approximately 1,000 gross hires, resulting in a +4% increase in its consulting workforce over the 2024/25 fiscal year.

12.6% recurring operating margin in 2024/25

Recurring operating profit amounted to €119.1m over the 2024/25 fiscal year, up by +17%.

The recurring operating margin stood at 12.6%, in line with the firm's target updated in December 2024 (12.5%). As a reminder, recurring operating margin was 13.1% over the 2023/24 fiscal year on a pro forma basis.

After taking into account the amortization of customer relationships (€8.4m, including €7.2m of amortization of Q_PERIOR's customer relationships), and other operating profit and expenses (-€1.0m related to Wavestone's plan to relocate its French headquarters), the consolidated operating income stood at €109.6m, up +28%. For the record, the -€11.8m of other operating income and expenses in 2023/24 were mostly related to the combinations with Q_PERIOR and Aspirant Consulting.

+30% increase in net income, leading to a net margin of 8.0%

The cost of net financial debt stood at -€3.2m in 2024/25, compared to -€1.6m a year earlier, due to an increase in financial debt as a result of the recent combinations.

Other financial income and expenses totaled -€3.1m in 2024/25, of which -€0.9m related to the unwinding of the discount effect of Q_PERIOR's earn-out paid over the period.

The tax expense amounted to €27.3m, an increase of +20% compared to 2023/24.

Net income reached €75.9m in 2024/25, up +30% compared with the previous fiscal year. Net margin was 8.0% at the end of the fiscal year, compared with 7.3% a year earlier on a pro forma basis.

Earnings per share (fully diluted) came to €3.09 over the 2024/25 fiscal year, compared to €2.71 in 2023/24⁴.

Self-financing capacity up by +31% in 2023/24; operating cash flow of €89.3m

On March 31, 2025, Wavestone had a self-financing capacity of €133.4m, an increase of +31% compared with the previous fiscal year.

Change in working capital requirement (WCR) consumed -€5.9m over the 2024/25 fiscal year, compared with +€2.9m generated over the previous year.

After the payment of taxes (€38.2m), Wavestone generated a solid operating cash flow of €89.3m in 2024/25, up by +7% compared with the previous fiscal year.

Investment operations consumed -€48.7m in 2024/25 (-€69.0m a year earlier), including -€42.5m linked to the payment of Q_PERIOR's and Aspirant's earn-outs and -€4.8m for current investments.

Financing flows consumed -€40.2m, mainly consisting of:

- -€9.4m in dividends paid to shareholders,
- -€12.2m in share buy-backs, covering free share plans allocated to employees, including -€5.7m related to the exceptional share buy-back campaign launched in January 2025 in anticipation of future free share plans,
- -€5.6m in net repayments of financial loans and -€8.1m in lease liability repayments (under IFRS 16).

⁴ Taking into account the weighted average number of outstanding shares.

Net cash of €25.6m on March 31, 2025

On March 31, 2025, Wavestone's equity had increased to €633.4m, compared with €571.4m a year earlier.

On the same date, net cash⁵ stood at €25.6m, compared with a €38.5m net debt at the midyear point (end of September 2024) and a net cash position of €19.3m at the end of March 2024.

Consolidated audited data (in €m)	3/31/25	3/31/24
Non-current assets	629.5	633.7
of which goodwill	512.5	507.9
of which client relationships	66.2	74.6
of which rights to use leased assets	25.3	23.9
Current assets	272.1	266.6
of which trade receivables	250.2	245.9
Cash & cash equivalents	78.3	77.5
Total	979.9	977.7

Consolidated audited data (in €m)	3/31/25	3/31/24
Shareholders' equity	633.4	571.4
Financial liabilities	52.8	58.2
of which less than 1 year	7.8	6.0
Lease liabilities	28.0	26.2
Non-financial liabilities	265.8	322.0
Total	979.9	977.7

On July 29, 2025, at the Shareholders' Annual general meeting, Wavestone's Board will propose the payment of a dividend of 0.46€ per share for the 2024/25 fiscal year, up +21%, representing 15% of group share of net income.

Wavestone in the top 5% of the best CSR performing companies in 2024/25

In 2024/25, Wavestone achieved most of its CSR objectives, and consolidated its position in the top 5%⁶ of best performing companies in this area.

At constant scope, without Q_PERIOR and Aspirant Consulting, Wavestone continued to improve its clients' satisfaction with an NPS^{®7} of 77 compared with 73 a year earlier. The firm strengthened its position in the Great Place to Work[®] rankings (3rd place in France, and 8 certified countries out of 9). Wavestone also maintained a high mobilization on the societal front with 10,000 person-days dedicated to support 140 impactful projects in partnership with 54 non-profit organizations.

However, the firm did not reach its objectives in terms of employee engagement index, which stood at 64 against a target score of 70, and regarding the proportion of women in management positions (35.5% versus 37%).

Regarding the former Q_PERIOR scope, all CSR objectives have been surpassed, with notable positive trends on two priorities for the year: a 2.5 percentage point increase regarding women's representation in management positions and a 26% reduction in the carbon footprint associated with air travel.

The 2025/26 fiscal year marks a new momentum in the firm's CSR journey. As part of its first CSRD sustainability statement, Wavestone re-expressed its CSR ambitions and objectives for the future.

These objectives include the significant advancement of Wavestone's responsible consulting approach, aiming to embed sustainability considerations into all client projects. Wavestone also intends to improve its performance regarding learning, key talent management, gender equality, and employee engagement. Finally, the firm will work on securing its carbon reduction trajectory.

Success of the combination between Wavestone and Q_PERIOR

At the end of March 2025, the post-merger integration program between Wavestone and Q_PERIOR has been completed. A unified operational governance has been put in place, the operating models have gradually

⁵ Excluding IFRS 16 lease liabilities.

⁶ Based on the firm's CSR performance by Ecovadis and Ethifinance ESG Ratings.

⁷ The NPS[®] or Net Promoter Score[®] is a tool for measuring customer satisfaction, which can range from -100 to 100 (NPS[®] is a registered trademark of Bain & Company, Inc., Satmetrix Systems, Inc., and Fred Reichheld).

converged, and the main corporate functions have been combined. Moreover, for the record, Q_PERIOR teams have switched to the Wavestone brand since May 2024.

A few transformation projects will however continue in 2025/26, notably the implementation of a new SAP-based ERP system to support the firm's future growth.

The combination is a success, with low staff turnover, growing business synergies, and project wins that were unattainable before.

At the launch of the combination, Wavestone had communicated its objective of improving the profitability of the new firm, returning to a recurring operating margin of 15% after a few years.

Wavestone confirms this target. However, as the current economic environment is challenging and uncertain, the timeline for achieving this improvement may take longer than initially hoped for. Wavestone now has the objective of returning to this profitability level during 2027, or at the latest in March 2028.

Succession of Wavestone's General management

The Nominations committee and the Board of directors continued to work on the succession plan for the firm's General management throughout the 2024/25 fiscal year.

At its meeting on June 2, 2025, upon the proposal of the Nominations committee, Wavestone's Board of directors unanimously approved the planned organization for the future General management of the firm. It will be composed of:

- a Chief Executive Officer, Karsten Höppner, current Deputy CEO of Wavestone and former CEO of Q_PERIOR,
- a Deputy CEO, Benoît Darde, currently member of Wavestone's Executive committee.

This new General management organization will become effective in July 2026, after the General meeting approving the accounts for the 2025/26 fiscal year.

Until then, Pascal Imbert and Patrick Hirigoyen, respectively Chairman and CEO, and Deputy CEO, will actively work with Karsten Höppner and Benoît Darde to prepare them for their future role.

It is also planned that Pascal Imbert will remain Chairman of the Board of directors after the 2026 Annual general meeting. In this context, he will have an enhanced role during a transitional period, respecting the prerogatives of the Board of directors and the Chief Executive Officer, to ensure the seamless execution of the succession process.

In parallel, and to better support the new General management, the Board of directors, which currently comprises 15 members, plans to move towards a tighter configuration. This change will take place during the 2025 and 2026 General meetings and will not affect the balance of independence and gender parity.

Announced in December 2021, this succession plan was prepared by the Nominations committee and Pascal Imbert, supported by the Spencer Stuart firm, under the responsibility of the Board of directors.

These changes will not impact the capital structure of Wavestone. For the record, the controlling shareholders have committed to holding their shares until December 2027 and have entered into a shareholders' agreement that runs until 2033, demonstrating their strong and long-term commitment.

Acquisition of Wivoo, leading player within the French digital ecosystem

On May 22, 2025, Wavestone acquired Wivoo, a leading player in Product Management consulting in France, founded in 2019.

Incepted in the context of digital and agile acceleration, Wivoo supports its clients' digital and e-commerce departments in designing and launching digital, data and AI products.

Wivoo has around one hundred employees. In 2024, it achieved a consolidated revenue of €11.5m, with an adjusted EBITDA margin of 7%.

The purchase price is €11.5m in enterprise value, plus an additional consideration of up to €4.5m, conditioned by Wivoo's performance as of March 2026, and March 2027. The acquisition has been fully financed in cash, using Wavestone's own financial resources.

Wivoo will be consolidated into Wavestone's accounts as of June 1, 2025.

Outlook for the 2025/26 fiscal year

The demand for consulting services has remained at a low level since the start of the 2025/26 fiscal year. Banking, industry, retail and luxury still rank among the most difficult sectors.

In addition, the current economic and geopolitical environments bring volatility and uncertainty. As a consequence, investment decisions are more difficult to make, consulting expenditures are under pressure, and some projects are delayed or even cancelled. Client or sector trends can shift very rapidly; for instance, while perspectives are dramatically rising in the defense sector, transport is currently experiencing a slowdown.

Despite this difficult environment, verticals such as energy, life sciences, and insurance continue to demonstrate resilience; and demand remains strong on cybersecurity, cloud computing, SAP, and artificial intelligence.

Geographically, most regions experience these overall tough market conditions. North America, as an exception, has shown a positive trend since late 2024.

In this challenging context, Wavestone seeks to improve its profitability by increasing the share of its revenue relying on internal teams, while maintaining a cautious and selective approach to recruitment, and a strict control of its overheads.

In North America, Wavestone intends to take advantage of the positive market trend, by leveraging the firm's investments in the region, and the momentum created by gathering the teams into a single business unit.

Finally, Wavestone gives absolute priority to business development, focusing on the most buoyant sectors and offerings. The firm will particularly intensify its sales investments on the topic of artificial intelligence, with the ambition to position Wavestone as a key player in the field of AI-driven transformations.

2025/26 targets: positive revenue growth and recurring operating margin of over 13%

For the 2025/26 fiscal year, Wavestone aims to achieve positive organic growth, in reference to the revenue of €943.7m for the previous fiscal year.

In terms of profitability, the firm is targeting a recurring operating margin of more than 13%.

These objectives are calculated on a constant forex basis and exclude Wivoo or any new acquisitions.

Wavestone also intends to pursue its activity in terms of external growth, giving priority to the US, without ruling out tactical operations in other geographies.

Next event: Q1 2025/26 revenue, Monday, July 28, 2025, after Euronext market closing; and the Shareholders' Annual General Meeting, Tuesday, July 29, 2025, at 9:00am.

About Wavestone

Wavestone was founded amid the rise of new technologies and digital innovation, growing with a strong entrepreneurial spirit. Expanding from France and Germany into Switzerland, the United Kingdom, and North America, Wavestone has become a leading consulting partner, supporting the world's largest companies in their most ambitious strategic transformations.

Drawing on expertise at the intersection of technology and business, Wavestone's 6,000 employees deliver a 360° portfolio of high-value, tailored consulting services, from redesigning business models to implementing cutting-edge technologies, while helping clients advance sustainable transitions.

Wavestone is listed on Euronext Paris and has been certified as a Great Place to Work®.

Wavestone

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Appendix 1: biographies of Karsten Höppner and Benoît Darde

Karsten Höppner

Born in July 1967, Karsten Höppner holds an engineering degree from the University of Applied Sciences in Berlin and an MBA from the Pennsylvania State University. He launched his consulting career at Andersen Consulting (later known as Accenture) in 1992.

In 1995, Karsten Höppner co-founded ESPRiT Consulting AG, a management and IT consulting firm specializing notably in the implementation and optimization of SAP solutions. Based in Munich, the firm experienced significant growth, reaching €40 million in revenue in 2010, with expansion into Switzerland, Austria, Canada, and the United States.

In 2011, ESPRiT Consulting AG merged with agens group to create Q_PERIOR. Karsten Höppner served as CEO and led a strategic repositioning of the firm by developing industry-specific expertise (insurance, banking, transportation & travel, automotive industry), while maintaining top-tier IT and SAP know-how.

By combining sustained organic growth and targeted acquisitions, Q_PERIOR reached €330 million in revenue in 2023 before merging with Wavestone. Karsten Höppner then joined the company's General management team alongside Pascal Imbert and Patrick Hirigoyen, as Deputy CEO, dividing his time between the Munich and Paris offices.

Benoît Darde

Benoît Darde was born in October 1972. An ESIEA graduate, he joined Wavestone in 1999 after gaining initial experience in the service industry. He began his career focusing on IT infrastructure, covering telecom, workplace solutions, and data centers. He then broadened his expertise to large companies' IT transformation, with an emphasis on organizational change, sourcing strategies, and operational excellence.

He thus built a solid expertise in managing large-scale transformation projects, which he has continuously enhanced since then, first in the IT and digital field, and later in the financial services sector.

Since joining Wavestone's executive committee in 2012, Benoît Darde has successfully led numerous integration projects resulting from external growth in France, Switzerland, and the UK. Benoît Darde currently oversees the Financial Services activities in France, as well as the offices in London, Geneva, and Nantes.

Since 2018, he has served as an administrator representing Wavestone within the French professional union Numeum, and joined its executive committee in 2023.

Appendix 2: Alternative Performance Measure

Recurring Operating Profit (ROP) is an alternative performance measure obtained by deducting from revenue the operational expenses related to current activities, including share-based payments to employees. Amortization of customer relationships is not deducted from ROP, nor are non-recurring income and expenses. The latter includes, in particular, income or expenses related to business acquisitions or divestitures, as well as income or costs associated with unoccupied premises.

Recurring operating margin is obtained by dividing ROP by revenue.

Appendix 3: consolidated income statement as at 03/31/25

<i>in thousands of euros - Audited data - IFRS standards</i>	03/31/25	03/31/24
Revenue	943,666	701,056
Subcontracting purchases	-144,953	-67,798
Personnel expenses	-595,367	-465,469
External expenses	-66,390	-52,045
Taxes and duties	-8,198	-7,839
Depreciation, amortization and provisions	-10,925	-8,106
Other current income and expenses	1,224	1,542
Recurring operating profit	119,057	101,341
Amortization of customer relationships	-8,371	-3,808
Other operating income and expenses	-1,122	-11,750
Operating profit	109,564	85,783
Financial income	701	759
Costs of gross financial debt	-3,932	-2,376
Costs of net financial debt	-3,232	-1,617
Other financial income and expenses	-3,115	-2,902
Net income before tax	103,217	81,264
Tax expense	-27,296	-22,673
Net income	75,921	58,591
Non-controlling interests	-362	-391
Net income - group share	75,558	58,199
Net income - group share, per share (in euros) ¹	3.09	2.71
Net income - group share, per share after dilution (in euros)	3.09	2.71

¹ Weighted number of shares over the period.

Appendix 4: consolidated balance sheet as at 03/31/25

<i>in thousands of euros - Audited data - IFRS standards</i>	03/31/25	03/31/24
Goodwill	512,485	507,889
Intangible assets	66,209	74,565
Tangible assets	11,561	11,965
Right-of-use assets	25,305	23,887
Non-current financial assets	1,906	1,737
Other non-current assets	12,000	13,661
Non-current assets	629,466	633,705
Trade receivables and related accounts	250,176	245,900
Other receivables	21,960	20,656
Cash and cash equivalents	78,346	77,481
Current assets	350,481	344,036
Total assets	979,948	977,741
Capital	623	623
Additional paid-in-capital	265,432	265,432
Consolidated retained earnings and net income	361,853	300,059
Currency translation differences	4,050	3,352
Equity - group share	631,957	569,466
Non-controlling interests	1,443	1,926
Total equity	633,401	571,392
Long-term provisions	23,627	24,657
Non-current financial liabilities	44,930	52,231
Non-current lease liabilities	19,173	18,013
Other non-current liabilities	24,054	25,864
Non-current liabilities	111,785	120,765
Short-term provisions	3,124	5,205
Current financial liabilities	7,830	5,977
Current lease liabilities	8,839	8,174
Trade payables and related accounts	34,150	42,293
Tax and social liabilities	145,915	152,575
Other current liabilities	34,904	71,360
Current liabilities	234,762	285,583
Total liabilities	979,948	977,741

Appendix 5: consolidated cash flow statement as at 03/31/25

<i>in thousands of euros - Audited data - IFRS standards</i>	03/31/25	03/31/24
Consolidated net income	75,921	58,591
Elimination of non-cash items		
Net depreciation, amortization and provisions ¹	19,569	12,991
Expenses / (income) related to share-based payments	5,651	4,420
Losses / gains on disposals, net of tax	-47	27
Other calculated income and expenses	620	1,069
Costs of net financial debt (incl. Interest on lease liabilities)	4,351	2,036
Tax expense / (income)	27,296	22,673
Self-financing capacity before costs of net financial debt and tax	133,362	101,806
Tax paid	-38,163	-21,650
Change in working capital	-5,922	2,935
Net operating cash flow	89,277	83,091
Purchase of tangible and intangible assets	-4,838	-3,109
Disposal of assets	46	66
Change in financial assets	52	14
Impact of changes in consolidation scope	-44,005	-65,990
Net investing cash flow	-48,744	-69,018
Sale / (purchase) of treasury shares ²	-12,155	-5,914
Dividends paid to parent company shareholders	-9,380	-7,593
Dividends paid to non-controlling interests	-845	0
Loan subscriptions	40,000	19,700
Loan repayments	-45,642	-5,646
Repayments of lease liabilities	-8,084	-6,199
Net financial interest paid on loans	-3,028	-1,317
Net interest paid on lease liabilities	-1,065	-425
Other financing cash flows	20	-11
Net financing cash flow	-40,179	-7,406
Net change in cash and cash equivalents	354	6,667
Impact of translation differences	503	104
Opening cash position	77,452	70,681
Closing cash position	78,309	77,452

¹ Including €8,462k in respect of the amortization of right-of-use assets at 03/31/25 (vs €5,775k at 03/31/24) and €8,371k in respect of the amortization of customer relationships at 03/31/25 (vs €3,808k at 03/31/24).

² For information, the company delivered treasury shares worth €4,559k during 2024/25 fiscal year.