WAVESTONE

Press release

Paris, December 2, 2025, 6pm

H1 2025/26 results: 10.3% recurring operating margin

Confirmation of annual financial objectives

On December 2, 2025, Wavestone's Board approved the consolidated half-yearly accounts as of September 30, 2025, which are summarized below. These accounts have been subject to a limited review by the statutory auditors, who are in the process of issuing their report.

Limited review at 09/30 (in €m)	H1 2025/26	H1 2024/25	Change
Revenue	**458.1**	**457.8**	***0%***
Recurring operating profit (ROP)[1]	**47.1**	**46.4**	***+1%***
Recurring operating margin	*10.3%*	*10.1%*	
Amortization of customer relationships	(3.6)	(4.4)	
Other operating income and expenses	(0.7)	(0.5)	
Operating profit	**42.8**	**41.6**	***+3%***
Cost of net financial debt	(0.6)	(1.6)	
Other financial income and expenses	(1.3)	(1.7)	
Tax expense	(10.5)	(11.0)	
Net income	**30.4**	**27.3**	***+12%***
Net margin	*6.6%*	*6.0%*	
Net income - group share	**30.3**	**27.2**	***+11%***
Net income - group share, per share after dilution (in €)	1.24	1.11	*+12%*

[1] Wavestone uses an alternative performance measure named Recurring Operating Profit (ROP), the definition of which is provided at the end of this press release.

Stable revenue in H1 2025/26 at €458.1m

Over the whole of H1 2025/26, revenue amounted to €458.1m, stable compared with H1 2024/25.

As a reminder, Wavestone has consolidated Wivoo, a French consulting firm, since June 1, 2025.

On a constant scope and forex basis, half-yearly revenue has decreased by -0.5%. For the record, there was an unfavorable working day impact of -0.9% over the period.

Consultant utilization rate under pressure at 71%; robust average daily rate of €939

Over H1 2025/26, the consultant utilization rate was under pressure and stood at 71%, versus 73% for the whole of the 2024/25 fiscal year.

At the mid-point of the 2025/26 fiscal year, the average daily rate was solid at €939, equivalent to the one of the previous fiscal year, despite the consolidation of Wivoo, whose prices are lower than the rest of the group. On a constant scope and forex basis, daily rates increased by +1%.

With regard to business development, the order book stood at about 3.6 months of work at the end of September 2025, versus 4.2 months on March 31, 2025, and 3.7 months one year earlier.

Staff turnover rate of 13% on a rolling 12-month basis

On September 30, 2025, on a rolling 12-month basis, the staff turnover rate stood at 13%, compared with 12% over the 2024/25 fiscal year.

Wavestone had 6,042 employees on September 30, 2025, including 98 employees coming from the acquisition of Wivoo, compared with 6,076 on March 31, 2025, a decline consistent with the firm's usual seasonality.

10.3% recurring operating margin in H1 2025/26

Over H1 2025/26, recurring operating profit amounted to €47.1m, up by +1%. For the record, this recurring operating profit is computed after taking into account €4.2m linked to share-based payments to employees (versus €3.1m in H1 2024/25).

The recurring operating margin stood at 10.3%, compared with 10.1% in H1 2024/25.

As a reminder, profitability in H1 2024/25 had been impacted by the costs linked to the integration program between Wavestone and Q_PERIOR, notably the "Together as One" event organized in Paris in May 2024.

Net income up by +12%, representing a net margin of 6.6%

After taking into account the amortization of customer relationships (€3.6m entirely consisting of Q_PERIOR's customer relationships), and other operating income and expenses (-€0.7m), operating profit was €42.8m, showing an increase of +3.0%.

The cost of net financial debt was reduced to €0.6m, compared with €1.6m a year earlier, due to the strengthening of the firm's financial situation.

The tax expense amounted to €10.5m, a decrease of -4% compared with H1 2024/25.

Net income stood at €30.4m in H1 2025/26, showing a growth of +12% compared with the first half of the previous fiscal year and representing a net margin of 6.6%, compared to 6.0% a year earlier.

Earnings per share (fully diluted) came to €1.24 in H1, compared to €1.11 a year earlier[2].

Cash flow from business activities up to €21.8m in H1 2025/26

On September 30, 2025, self-financing capacity amounted to €55.2m, compared with €54.3m for the same period of the previous year.

Change in trade receivables and trade payables generated €7.5m of cash over the period (versus a consumption of -€1.0m in H1 2024/25), notably linked to a slight decrease of -2% in DSO (Days Sales Outstanding). Change in other items of the working capital consumed €30.5m of cash (versus €28.8m last year), a variation linked to the usual reduction in employee-related liabilities in the first half of the fiscal year (paid leaves, payment of bonuses and profit sharing).

After tax payments of €10.4m, Wavestone's operating cash flow improved year-over-year to €21.8m, compared with €2.5m in H1 of the previous fiscal year.

Investment operations consumed -€12.0m in H1 2025/26 (-€37.8m a year earlier), including -€10.6m for the acquisition of Wivoo and -€1.4m in current investments.

Financing flows consumed -€55.6m, mainly consisting of:

- -€11.5m in dividends paid to shareholders for the 2024/25 fiscal year,
- -€37.7m in net repayments of financial loans, including the early repayment of -€52.8m in bank debt during H1,
- -€4.8m in lease liability repayments (under IFRS 16).

Net cash of €18.0m on September 30, 2025

On September 30, 2025, Wavestone's consolidated equity was €645.4m.

On the same date, net cash (excluding IFRS 16 lease liabilities) stood at €18.0m. This compares with net cash of €25.6m at the end of March 2025.

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[2] taking into account the weighted average number of outstanding shares

Limited review (in €m)	(9/30/25)	(3/31/25)
Non-current assets	**628.3**	**629.5**
of which goodwill	519.1	512.5
of which customer relationships	62.6	66.2
of which rights-of-use assets	22.5	25.3
Current assets	**272.7**	**272.1**
of which trade receivables	245.1	250.2
Cash & cash equivalents	**33.5**	**78.3**
Total	**934.5**	**979.9**

Limited review (in €m)	(9/30/25)	(3/31/25)
Shareholders' equity	**645.4**	**633.4**
of which minority interests	1.4	1.4
Financial liabilities	**15.6**	**52.8**
of which less than 1 year	14.9	7.8
Lease liabilities	**25.0**	**28.0**
Non-financial liabilities	**248.5**	**265.8**
Total	**934.5**	**979.9**

Market environment

Since the beginning of the 2025/26 fiscal year, the market environment has been challenging in almost all Wavestone geographies except for North America. The demand has remained at a low level overall, with the reluctance of decision-makers to move forward with their investment plans, in the context of high geopolitical uncertainty.

From a sectoral perspective, banking, transport, automotive and retail have been difficult. On the other hand, though, insurance has remained resilient, while energy and luxury have shown a positive trend as well as some accounts in the industry sector.

Since the start of Q3 2025/26, business demand has begun to pick up. Previously postponed projects are finally moving forward, and there is growing momentum on AI, cybersecurity, cloud, and SAP.

Visibility however remains limited and it is too early to assess whether this positive trend will continue during Q4 2025/26.

Priorities for H2

Wavestone aims to rapidly improve its operational performance by leveraging the current business momentum and maintaining strong investment in business development. As a result, the utilization rate is expected to show a significant increase in Q3.

The firm also focuses on preparing and managing as effectively as possible the start of the 2026 calendar year.

Lastly, Wavestone is gradually increasing its hiring pace, focusing on the business units and the countries experiencing the best business momentum. For the record, since the beginning of the 2025/26 fiscal year, Wavestone has remained cautious in terms of recruitment, which should lead to a very limited headcount increase over the fiscal year.

Growing momentum in AI-driven transformations

The AI wave continues to accelerate, reshaping industries and redefining strategic priorities across all sectors.

Wavestone is increasingly supporting its clients around three major challenges: building the technological and operational foundations needed to scale AI across the enterprise, structuring AI initiatives with tangible value creation, and entering the agentic era to transform core-business processes.

Wavestone's expertise is trusted by leading organizations in multiple industries. More than ever, the firm is committed to being the champion of AI-driven transformation, helping clients unlock measurable value and scale their AI ambitions.

Wavestone anticipates growing further its AI-related revenue in 2025/26, reaching 14% of its total revenue, compared with 8% in the previous fiscal year.

2025/26 annual objectives

Regarding its annual guidance, Wavestone reaffirms aiming at generating a positive organic growth in 2025/26.

In terms of profitability, the firm confirms targeting an annual recurring operating margin of around 13%.

These objectives are calculated on a constant forex basis and exclude any new acquisition.

Next event: publication of Q3 2025/26 revenue: Monday, February 2, 2026, after Euronext market closing.

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

Pascal IMBERT
CEO
Tel.: +33 (0)1 49 03 20 00

Benjamin CLEMENT
Financial Communication
Tel.: +33 (0)1 49 03 20 00

Actus

Mathieu OMNES
Investor and Analyst Relations
Tel.: +33 (0)1 53 67 36 92

Déborah SCHWARTZ
Press relations
Tel.: +33 (0)1 53 67 36 35

Appendix 1: 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 2: consolidated income statement as of Sep. 30, 2025

In thousands of euros - Limited audit in progress - IFRS standards	**Sep. 30, 2025**	**Mar. 31, 2025**	**Sep. 30, 2024**
Revenue	**458,092**	**943,666**	**457,820**
Subcontracting purchases	(67,517)	(144,953)	(74,994)
Personnel expenses	(304,650)	(595,367)	(289,522)
External expenses	(28,919)	(66,390)	(38,519)
Taxes and duties	(3,612)	(8,198)	(3,375)
Depreciation, amortization and provisions	(6,786)	(10,925)	(5,937)
Other current income and expenses	474	1,224	975
Recurring operating profit	**47,083**	**119,057**	**46,448**
Amortization of customer relationships	(3,611)	(8,371)	(4,357)
Other operating income and expenses	(661)	(1,122)	(526)
Operating profit	**42,811**	**109,564**	**41,565**
Financial income	581	701	361
Costs of gross financial debt	(1,162)	(3,932)	(2,003)
Costs of net financial debt	**(581)**	**(3,232)**	**(1,643)**
Other financial income and expenses	(1,257)	(3,115)	(1,685)
Net income before tax	**40,973**	**103,217**	**38,237**
Tax expense	(10,545)	(27,296)	(10,952)
Net income	**30,428**	**75,921**	**27,286**
Non-controlling interests	(106)	(362)	(47)
Net income - group share	**30,321**	**75,558**	**27,238**
Basic earnings per share (€) (1)	1.24	3,09	1.11
Diluted earnings per share (€) (2)	1.24	3,09	1.11

(1) Average number of shares outstanding during the period
(2) Diluted average number of shares outstanding during the period

Appendix 3: consolidated balance sheet as of Sept. 30, 2025

In thousands of euros - Limited audit in progress - IFRS standards	Sep. 30, 2025	Mar. 31, 2025
Goodwill	519,116	512,485
Intangible assets	62,598	66,209
Tangible assets	11,357	11,561
Right-of-use assets	22,510	25,305
Non-current financial assets	2,228	1,906
Other non-current assets	10,467	12,000
Non-current assets	**628,276**	**629,466**
Trade receivables and related accounts	245,080	250,176
Other receivables	27,601	21,960
Cash and cash equivalents	33,524	78,346
Current assets	**306,204**	**350,481**
Total assets	**934,480**	**979,948**
Capital	623	623
Additional paid-in-capital	265,432	265,432
Consolidated retained earnings and net income	382,888	361,853
Currency translation differences	(4,871)	4,050
Equity - group share	**644,071**	**631,957**
Non-controlling interests	1,350	1,443
Total equity	**645,422**	**633,401**
Long-term provisions	26,242	23,627
Non-current financial liabilities	639	44,930
Non-current lease liabilities	15,965	19,173
Other non-current liabilities	22,381	24,054
Non-current liabilities	**65,227**	**111,785**
Short-term provisions	3,200	3,124
Current financial liabilities	14,935	7,830
Current lease liabilities	8,986	8,839
Trade payables and related accounts	34,775	34,150
Tax and social liabilities	127,039	145,915
Other current liabilities	34,897	34,904
Current liabilities	**223,832**	**234,762**
Total liabilities	**934,480**	**979,948**

Appendix 4: consolidated cash flow statement as of Sept. 30, 2025

in thousands of euros - Limited audit in progress - IFRS standards	**Sep. 30, 2025**	**Mar. 31, 2025**	**Sep. 30, 2024**
Consolidated net income	**30,428**	**75,921**	**27,286**
Elimination of non-cash items:			
Net depreciation, amortization and provisions (1)	10,724	19,569	10,939
Expenses / (income) related to share-based payments	3,179	5,651	2,599
Losses / (gains) on disposals, net of tax	(31)	(47)	(3)
Other calculated income and expenses	(1,266)	620	366
Costs of net financial debt (incl. interest on lease liabilities)	1,629	4,351	2,167
Tax expense / (income)	10,545	27,296	10,952
Self-financing capacity before costs of net financial debt and tax	**55,207**	**133,362**	**54,305**
Tax paid	(10,419)	(38,163)	(22,117)
Change in trade receivables and trade payables	7,512	(11,894)	(974)
Change in other working capital items	(30,537)	5,972	(28,753)
Net operating cash flow	**21,763**	**89,277**	**2,462**
Purchase of tangible and intangible assets	(1,436)	(4,838)	(2,169)
Disposal of assets	23	46	24
Change in financial assets	(62)	52	(67)
Impact of changes in consolidation scope	(10,558)	(44,005)	(35,577)
Net investing cash flow	**(12,033)**	**(48,744)**	**(37,789)**
Sale / (purchase) of treasury shares (2)	74	(12,155)	(6,415)
Dividends paid to parent company shareholders	(11,295)	(9,380)	(9,380)
Dividends paid to non-controlling interests	(193)	(845)	(750)
Loan subscriptions	15,072	40,000	40,000
Loan repayments	(52,803)	(45,642)	(8,821)
Repayments of lease liabilities	(4,789)	(8,084)	(4,065)
Net financial interest paid on loans	(1,139)	(3,028)	(1,521)
Net interest paid on lease liabilities	(547)	(1,065)	(452)
Other financing cash flows	(9)	20	9
Net financing cash flow	**(55,629)**	**(40,179)**	**8,606**
Net change in cash and cash equivalents	**(45,899)**	**354**	**(26,721)**
Impact of translation differences	1,100	503	212
Opening cash position	78,309	77,452	77,452
Closing cash position	33,509	78,309	50,943

(1) Including €4,469k in respect of the amortization of right-of-use assets (IFRS 16) as of September 30, 2025 (vs €4,159k as of September 30, 2024) and €3,611k in respect of the amortization of customer relationships as September 30, 2025 (vs €4,357k as of September 30, 2024).

(2) For information, the company delivered treasury shares worth €5,559k during the semester.