

Wavestone letter to Shareholders



Pascal Imbert
CEO, Wavestone

Dear Shareholder,

I'm delighted to introduce this new letter, in the context of an important moment in Wavestone's history: 25 years as a listed company!

On February 8, 2000, Wavestone (previously Solucom) listed its shares on the Marché Libre of the Paris Bourse, marking the beginning of our stock market adventure. At the time, the offering was more than 118 times oversubscribed: an unprecedented record for all markets at that time.

This anniversary is an opportunity to look back and measure how far we've come.

At the time of our IPO, Solucom had 61 employees in France alone, and a revenue of €5.9m¹. Twenty-five years later, Wavestone is present in 17 countries, with almost 6,000² employees, a 28-fold increase, and revenue of €944m³, a 160-fold increase.

We have made 29 strategic acquisitions. Thanks to these, we are proud to have diversified our portfolio and established a leading position in France and Germany.

We owe this growth to our employees, customers, and partners, but also to you, our shareholders. It is thanks to your trust and support.

To come back to our latest news, Wavestone is experiencing a slowdown in its business activity since the beginning of 2025. This situation is the result of the usual latency from clients in implementing

projects at the beginning of the calendar year, accentuated by the uncertain geopolitical and macro-economic context.

Demand for new consulting engagements remains weak, especially in Europe where there are no signals of an economic recovery. The sectorial trends remain consistent with those observed in the last months of the 2024 calendar year.

In this market environment, in which competition is intense, and price pressure is growing, we remain cautious, and prioritize our business development activity on the most active sectors such as energy, transportation, life sciences (pharmaceuticals), and insurance, as well as certain topics such as cybersecurity, the Cloud, SAP and artificial intelligence.

Given the difficult market conditions, we are aiming for stable annual revenue, in reference to pro forma revenue of €943.8m in the previous fiscal year, with an annual recurring operating margin of 12.5%. The publication of our 2024/25 annual revenue will take place on April 29.

|| On February 8, 2000, Wavestone listed its shares on the Marché Libre of the Paris Bourse. 25 years later, the firm is present in 17 countries, with almost 6,000 employees, and revenue of €944m. ||

Finally, dear Shareholders, I would like to remind you that we remain fully committed to maintaining a transparent and constructive dialogue. We believe that this communication is essential to address your questions and meet your expectations. If you have any questions, please do not hesitate to contact our shareholder relations team by e-mail at action@wavestone.com or via our dedicated telephone line at 01 49 03 28 28.

Sincerely

¹ annual revenue for the 1998/99 fiscal year ended march 31, 1999

² 5,990 employees on December 31, 2024

³ €943.8m pro forma annual revenue at the end of the 2023/24 fiscal year, ending March 31, 2024

SUMMARY

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3 key dates for Wavestone's participation in the AI Summit



FEBRUARY 6TH, 2025

Presentation of the report's key findings at a high-profile event, recognized as one of the Summit's official side events.



FEBRUARY 10TH, 2025

Networking session of 10 Wavestone experts with world leaders in AI, gathered during the evening of the Summit around one objective: "Call for a global alliance on AI and democracy".



FEBRUARY 11TH, 2025

Creation and participation in a large-scale crisis exercise at Campus Cyber, led by the French Cyber Security Agency (ANSSI) and involving hundreds of participants from different countries.

Wavestone plays a notable role at the AI Action Summit in Paris

On February 10 and 11, 2025, France hosted the Artificial Intelligence Action Summit to lay the foundations for the responsible and sustainable use of AI at a global level.

Participants came together with one goal in mind: to use AI as a powerful tool to reinforce democratic values and institutions. Wavestone contributed directly by producing an official report, widely showcased during the Summit.

The latter brought together, at the Grand Palais in Paris, heads of state and government, leaders of international organizations, small and large companies, representatives of the academic world, researchers, and non-governmental organizations. Nearly 100 countries and over a thousand representatives from the private sector and civil society were invited in recognition of their commitment to the Summit's objective and their desire to actively contribute to the debate. In the same week, over 100 side events linked to the Summit took place across France.

◆ An edition focused on sustainable AI, serving collective progress and the public interest

The Paris 2025 AI Action Summit follows in the footsteps of past events in the United Kingdom with the *UK AI Safety Summit* in November 2023 and the Republic of Korea with the *AI Seoul Summit* in May 2024. This year's main theme was sustainable AI, a key topic for reaching a shared understanding on how to ensure AI is used in line with democratic values and institutions.

AI is on the verge of bringing about a profound paradigm shift in society. This technology is redefining the relationship to knowledge, work, information, culture and even language. AI transcends borders, making it not only a scientific and economic challenge, but also a cultural, political, environmental and civic challenge, requiring international dialogue.

The Summit has focused its preparatory work on five main areas:

- **AI in the public interest**
- **The future of work**
- **Innovation and culture**
- **Trusting AI**
- **Global governance of AI**

Discussions were also focused on cross-sectional issues, such as gender equality and the environmental impact of AI.

◆ **Wavestone chosen as the voice of AI experts from large companies at the Summit**

Wavestone produced a report describing the state of AI in large companies, co-authored with French Tech Grand Paris and in partnership with Viva Technology and Hub France IA. With the help of its partners, Wavestone conducted individual interviews with more than 40 AI leaders from large companies in France, Germany, the United States, the United Kingdom, Canada, Singapore and Hong Kong. This qualitative work has shed light on a rarely discussed perspective: the reality of AI experts and decision-makers in large companies.



Read the
full report



French tech Grand Paris is a community of entrepreneurs, investors and tech leaders in the Greater Paris region, representing 8,000+ startups that operate in the area.



Viva Technology is the world's annual gathering of startups and leaders to celebrate innovation.



Hub France IA is a non-profit association that accelerates the development and adoption of responsible, ethical and sovereign AI.

The main findings in 8 themes:

- 1 AI governance for business success and compliance
- 2 AI in action: use cases and adoption
- 3 Technical aspects of traditional and Generative AI
- 4 Trusting the future: AI risks and cybersecurity
- 5 Ethical and environmental responsibility
- 6 Transforming the workforce with (Gen)AI
- 7 The global AI talent race
- 8 Strategic autonomy in the AI era



The idea of this document is to give visibility to a voice that is seldom heard: that of the professionals who are working on AI within large companies! II

Chadi Hantouche
AI & Data Partner

Wavestone launches the Responsible Consulting Charter for sustainable consulting practices

Emerging across more than 500 projects since 2020, the Responsible Consulting approach was officially formalized in 2024 with the publication of the Responsible Consulting Charter and has since been widely adopted. H  l  ne Cambournac, Chief Sustainability Officer, discusses this engagement to place sustainability at the heart of consulting activities.



Our role as consultants goes beyond the proper execution of assignments; it also involves carrying them out responsibly. We are proud to announce the publication of this charter, which highlights our daily commitment to working towards more sustainable transformations. ■■

H  l  ne Cambournac
Chief Sustainability Officer

◆ What is Responsible Consulting?

As a consulting firm, Wavestone has the opportunity and the responsibility to support its clients in their transition towards more sustainable transformations. Responsible Consulting is our commitment to act proactively, systematically taking sustainability issues into account in our consulting activities, by being attentive to potential negative impacts and proposing solutions to mitigate them.

Emerging across more than 500 projects since 2020, the Responsible Consulting approach was officially formalized in 2024 with the publication of the Responsible Consulting Charter and has since been widely adopted.

◆ What commitments are defined in this charter?

The Responsible Consulting Charter defines a clear framework for each employee to commit to adopting the right reflexes daily: alerting clients to the potential negative impacts of their projects, then providing them with recommendations to reduce these impacts.

Three areas of action are prioritized:

- **Carbon emissions:** identifying the sources of greenhouse gas emissions and determining the most effective levers for reducing them.
- **Digital accessibility:** guaranteeing equal access to digital content and functions while also promoting the social inclusion of people with disabilities.
- **The protection and ethics of personal data:** preserving the protection of personal data and guaranteeing its ethical use in technologies (data, AI).

Beyond these three themes, other topics related to sustainable development are considered depending on the context of each project: biodiversity, circular economy, diversity and inclusion, etc.

◆ How are you supporting your employees in the implementation of this charter?

A comprehensive change management plan has been implemented across the firm. All 6,000 employees will benefit from a mandatory 2-hour training program comprising e-learning modules and webinars led by sustainability experts, with the aim of training 95% of employees by the end of the 2027/28 fiscal year. This initiative is part of a broader strategy to raise employee awareness on sustainability issues.

Local support is also being deployed to facilitate the day-to-day application of the charter. It combines the provision of a toolbox centralizing specific methods and tools, an internal network of sustainability experts to provide advice on each topic, and a support service available in each practice and office to respond quickly to employees' questions.

In addition, an internal control process is being rolled out to guarantee the effective implementation of the charter's principles in assignments carried out for clients, through an evaluation grid, with the aim of covering at least 20% of the firm's turnover.



This charter is not just an intention, it is a concrete commitment. It embodies our desire to place sustainability at the heart of our actions and to ensure that each project reflects our position as a committed consulting firm.

FONDATION
D'ENTREPRISE WAVESTONE

Some news from the Wavestone Foundation

Since 2009, the Wavestone Foundation has been engaged in humanitarian work, supporting and developing initiatives to help disadvantaged children.

In 2024/25, the Foundation has participated in several key initiatives:

- **Launching a local program in Île-de-France** to strengthen the Foundation's impact in this region. This involves long-term support for three associations (Trouve Ta Voix, La Fondation La Vie au Grand Air, and Réseau Môm'artre) to promote youth inclusion and combat illiteracy.
- **A call for projects dedicated to fighting malnutrition**, resulting in the selection of 13 nonprofit initiatives worldwide.
- **Emergency support for three organizations** (Solidarités International, Apprentis d'Auteuil, and Handicap International) following the passage of Cyclone Chido in Mayotte on December 14, 2024.

Wavestone in North America: navigating market trends and strengthening its position

The North American consulting market is evolving, bringing challenges and opportunities. US Partners Marvin Newell and Mike McClaine (Former CEO of Aspirant Consulting), share insights on market trends and Wavestone's strategic approach in this region.



Marvin Newell,
US Partner



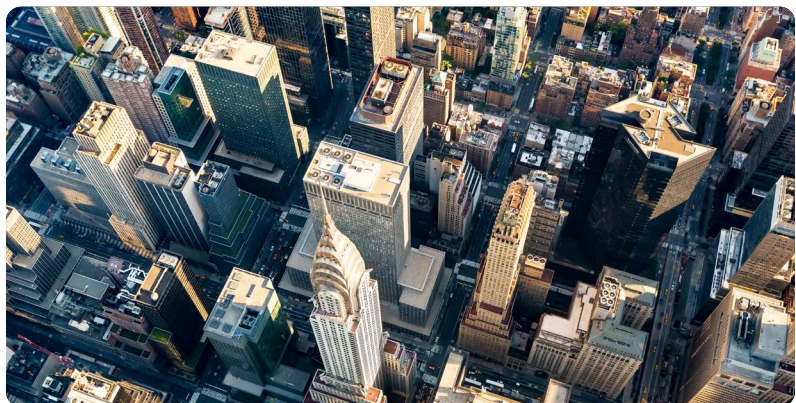
By combining Wavestone's strategic technology and cybersecurity expertise with Aspirant's technology implementation skills, we are creating a unified North American go-to-market strategy.

Mike McClaine,
US Partner (Former CEO
of Aspirant Consulting)

◆ How is the consultancy market doing in North America?

Marvin Newell: US clients are being confronted by an increasingly complex landscape with shifting macroeconomic and geopolitical factors. Change is accelerating, and uncertainty isn't going away anytime soon. Executives know they can't afford to wait, they have to act. Digital transformation and operational efficiency remain top priorities, especially in industries like pharmaceuticals, where speed to market is critical. Cybersecurity is another major focus, particularly in the banking sector, and with 1000+ global cyber experts, Wavestone is well-positioned to support these needs.

Mike McClaine: While some companies face challenges, many are also thriving and focusing on accelerating growth. By combining our expertise in technology and digital transformation with business strategy, marketing, and innovation, we help these high-performing organizations move even faster. Despite economic uncertainties, we've seen a return to strong demand in the second half of 2024 and the beginning of 2025, a positive sign for the 2025/26 fiscal year ahead. Executives know they must stay flexible and proactive, and Wavestone's agility allows us to align with their evolving needs.



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◆ **In which industries does Wavestone have the strongest impact, and can you provide an example of a successful project?**

M.N: Beyond cybersecurity, our expertise aligns closely with key industries and high-growth sectors. For example, we have a strong foothold in life sciences, where we support major industry transformations. In insurance, we're well positioned to drive operational efficiency and competitiveness. In US healthcare, we bring unique expertise in optimizing back-office operations. Across these sectors, when our solutions align with client objectives, we create real impact.

M.M: A great example is our work with a client where we brought together teams from across the US and France. The project focused on integrating systems, managing change, and leveraging deep industry expertise in pharmaceuticals. The client aimed to speed up product introduction, reducing the time from regulatory approval to market launch. Our role was to streamline processes and maximize the return on their investments. We delivered measurable impact, and building on this success, we are now scaling these strategies across a broader portfolio.

◆ **How does Wavestone strengthen its position in North America?**


M.M: We are strengthening our position in two key ways. First, by expanding our capabilities. By combining Wavestone's strategic technology and cybersecurity expertise with Aspirant's technology implementation skills, we are creating a unified North American go-to-market strategy. Our goal is to seamlessly integrate these capabilities to solve client challenges more effectively.

Second, we are deepening our industry specialization, including on life sciences, insurance, and banking and financial services. Over time, we will continue enhancing our industry expertise to drive even greater success for our clients. While we've more than doubled in size over the past 18 months, we still have significant growth potential to scale and better serve our clients in this highly competitive market.

M.N: To strengthen our position, we also continue to foster long-term client relationships, which are essential to any consulting firm's success. The vast majority of our business comes from repeat clients, reflecting the trust we've built.

However, success also hinges on another critical factor: our people. As we expand in North America, our team remains our greatest asset. To sustain this growth, we prioritize attracting top talent, nurturing their development, and empowering them to deliver the best possible outcomes for our clients.



Success also hinges on another critical factor: our people. As we expand in North America, our team remains our greatest asset. 

Marvin Newell

M.M.: The strong cultural alignment between the teams in North America (consisting of Wavestone, Q_PERIOR and Aspirant legacy teams) has been a driving force behind our success. We all share a client-first mindset while deeply valuing our people and their growth. This shared culture has enabled seamless collaboration, strengthening our ability to deliver impact together.

Wavestone and Veolia Institute explore the links between health, environment, and climate

Wavestone and the Veolia Institute, published a joint report to address the intersection of climate, the environment, and human health. The publication explores the health challenges brought about by climate change and proposes solutions to anticipate its impacts, adapt to new environmental conditions, and take action to protect public health.

Veolia Institute

Founded in 2001 as a platform for exchange and collective reflection, the Veolia Institute explores the future at the intersection of society and the environment. It also holds official NGO observer status under the United Nations framework convention on climate change.

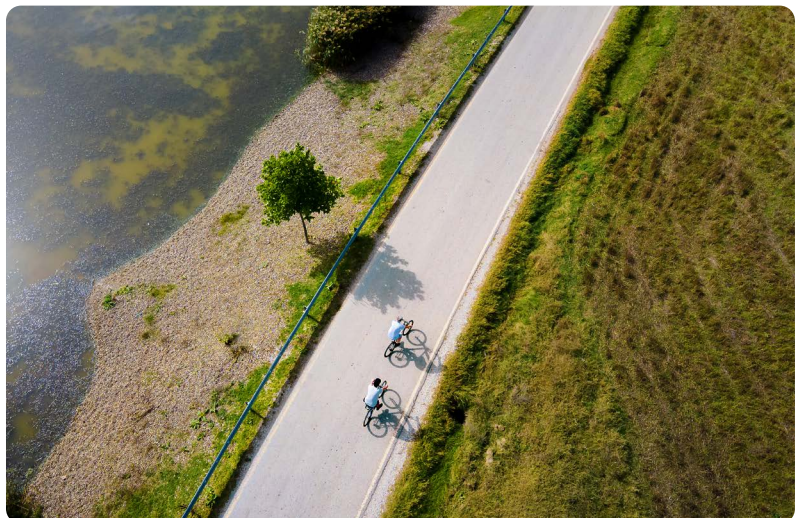


The resilience of ecosystems and human societies must be strengthened through genuine, lasting economic, social, and cultural transformations. With this in mind, both individual and collective commitment are prerequisites.

Cédric BAECHER,
Sustainability Partner

The publication of this study reflects a growing collective awareness following the Covid-19 pandemic, highlighting the fact that the climate crisis is also a health crisis. It brings together insights and solutions from over 25 experts in health and the environment.

The insights were presented by Cédric Baecher, Sustainability Partner at Wavestone, during a conference organized by the Veolia Institute, followed by a debate. During the event, policymakers and academics shared diverse perspectives on the intersection of environmental and health factors.



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Three key ideas emerge from this study:

1 Climate emergencies represent a direct threat to human health

- The environment's omnipresence renders it a fundamental determinant of human health, shaping wellbeing through its constant influence.
- Interactions between geographic and social factors such as climate, topography, local geography, urbanization, economics, history, culture, development, and migration shape health status and lifespan, creating region-specific vulnerabilities. Climate change exacerbates these disparities.
- Climate change and pollution are damaging to ecosystems, with knock-on effects regarding working conditions. In response, the International Labour Organization documents these challenges, develops social protection standards, and supports governments in their implementation, making the workplace a focal point for extending social protection.
- Heatwaves have an extreme impact on human life. Scientists and policymakers are committed to raising public awareness and developing prevention plans.

2 Natural ecosystems altered and damaged by climate change also represent a threat to human health

- Humans, ecosystems, and animals all share "one health". Nearly a quarter of deaths and illnesses worldwide are a consequence of poor environmental conditions.
- Moving towards more sustainable food systems that produce healthy diets is a pathway to climate adaptation. It requires high-quality data and science to be translated into policy faster than ever before.
- Water is vital to human health and certain key economic activities. The development of solutions (such as the creation of new infrastructure, the use of shared forecasting data, the renegotiation of cross-border cooperation agreements, and the strengthening of regional dialogue bodies) is necessary to mitigate the impacts of extreme events on water-consuming activities.



3 Private and public organizations must adapt

- To develop their resilience, organizations must tackle cognitive challenges (by accepting change), as well as strategic, political, and ideological challenges.
- Health actors are actively committed to reducing their greenhouse gas emissions and sharing their best practices, data, and technical expertise.
- City planning has a key role in creating healthy and climate resilient urban environments.
- Insurers must cover the impacts of climate risks on health. They are seeking solutions to protect more people and strengthen society's overall resilience.
- Enhancing agricultural practices through data analysis and predictive modeling is pivotal in promoting sustainability and resilience in agriculture. AI-driven climate models can forecast extreme weather events, allowing for early warnings that help communities prepare and respond effectively.

ESG's growing influence on insurance customers' purchasing behavior

Sustainability is now central for worldwide insurers facing growing ESG pressures. In this context, Wavestone conducted the second edition of its study exploring the impact of ESG (Environmental, Social, Governance) on the insurance industry. The authors of the study share the key findings.

Conducted in collaboration with YouGov, this edition includes an international perspective gathering over 7,000 data points across six countries (United States, Canada, United Kingdom, Switzerland, France, and Germany).



Thanh Ngoc Beck,
Insurance Manager



Insurers must adapt their strategies to meet the evolving expectations of their customers in order to remain competitive in the long run. ||

Eva BAUMGART,
Sustainability Manager



Read
the full
study

◆ What is the most important ESG criteria for consumers?

Eva Baumgart: The most important criteria is the social dimension. It stands out across many countries, notably in Switzerland for 77% of consumers, in the UK for 75% of them, in France for 71%, in Canada for 68% of consumers and in Germany for 62%.

Thanh Ngoc Beck: The US is the only country to slightly prioritize environmental factors (67%) over social aspects (65%).

◆ Are consumers willing to pay a premium for sustainable products?

T.N.B: Sustainability does sell well, but not to everyone and not always with an additional premium. Consumers' willingness to pay an additional premium for sustainable insurance products varies by country and type of insurance. In Switzerland, France and in the US for example, consumers are ready to pay up to an average of 10% more for products aligned with ESG.

E.B: In Germany and Canada, this propensity decreases to 5%, and is even lower in the UK. These differences reveal contrasting perceptions and understandings of sustainability among insurance customers.

◆ What are the leading generations when it comes to driving sustainable change?

T.N.B: The younger generation, particularly those aged 18-24 and especially in France, are driving much of the change. They are increasingly integrating ESG criteria into its decision-making criteria and showing a strong inclination for sustainable products.

E.B: It's also worth noting that consumers with children under 18 attach much greater importance to insurers' ESG practices than consumers without children. To conclude, we can say insurers must adapt their strategies to meet the evolving expectations of their customers in order to remain competitive in the long run.

Shareholder's corner

Economic context, international ambitions, human resources... Our answers to shareholders' questions.

◆ Does the economic context impact Q_PERIOR's integration?

This merger has proven to be one of the smoothest ever undertaken by Wavestone. Client perception of the firm has evolved, as Wavestone no longer generates the majority of its revenue in France, compared to 80% two years ago. This context has also fostered team cohesion and the development of synergies.

However, the recovery of Q_PERIOR's profitability is facing challenges in this unfavorable environment. Key levers, such as replacing subcontractors with internal consultants and optimizing utilization rates, are becoming harder to implement. Nevertheless, the rollout of a €10 million cost-saving plan has helped reduce expenses.

Despite these challenges, the medium-term target of a 15% EBIT margin remains unchanged. However, Wavestone will reassess this profitability timeline, currently set for the end of the 2026/27 fiscal year, when it publishes its 2024/25 annual results in early June.

◆ What are Wavestone's ambitions in the United States?

Wavestone aims to strengthen its presence in the United States, where it currently generates around \$70 million in revenue—still a modest figure for this market. The firm is considering new acquisitions with a more targeted approach than in Europe, where expansion is driven more by opportunistic deals. A transaction could take place in the coming months if a suitable target is identified. Ideally, the firms sought should have revenues between \$10 million and \$30 million, similar to Aspirant Consulting. Beyond acquisitions, Wavestone's goal is to reach \$100 million in revenue in this market within the next two years.

◆ How does maintaining the hiring plan align with the cautious outlook for the end of the fiscal year?

Despite a slight decline expected in the second half of the fiscal year, Wavestone is targeting a 3% increase in its consulting workforce for the 2024/25 fiscal year, positioning itself for a market rebound. The recent slowdown in client expenditures is driven by uncertainty, but most of the firm's clients remain financially solid.

While hiring has been slowed in some domains, our clients' needs remain numerous. Wavestone is focused on balancing profitability with future growth, while continuing its efforts to internalize service delivery.

Watch the latest Wavestone news on video!

Interview with Pascal Imbert,
by Didier Testot of
LA BOURSE ET LA VIE TV
January 9, 2025 [in French]



Q3 2023/24
revenue
January 30, 2025



Wavestone
shareholder's meeting
December 13, 2024
[in French]



2024/25 half-year results

(period from April 1, 2024 to September 30, 2024)

Consolidated data on 09/30 (in €m) limited review	2024/25	2023/24	Change
Revenue	457.8	276.7	+65%
Recurring operating profit	46.4	36.8	+26%
<i>Recurring operating margin</i>	<i>10.1%</i>	<i>13.3%</i>	
Operating profit	41.6	33.2	+25%
Net income	27.3	23.0	+19%
<i>Net margin</i>	<i>6.0%</i>	<i>8.3%</i>	
Group share of net income	27.2	23.0	+19%
<i>Earnings Per Share (in €)</i>	<i>1.11</i>	<i>1.16</i>	<i>-4%</i>

2024/25 first 9-months revenue

(period from April 1, 2024 to December 31, 2024)

Q3 revenue	9-months revenue	Employees
240.6 M€ (+37% including -1% organic growth)	698.5 M€ (+54% including +1% organic growth)	5,990

Stock market data on March 14, 2025

Share price: **€47.75**
 Number of shares: **24,906,332**
 Market capitalization: **€1.2bn**
 Stock market: **Euronext (Paris) /
compartment A**
 Mnemonic: **WAVE**
 ISIN Code: **FR0013357621**
 SRD eligibility: **yes**
 Reuters: **WAVE.PA**
 Bloomberg: **WAVE:FP**
 Indices: **CAC Mid & Small, CAC Small, CAC
Technology, EnterNext® PEA-PME 150 and
eligible for PEA-PME**

Financial calendar

04/29/25	2024/25 annual revenue
06/02/25	2024/25 annual results
07/28/25	2025/26 Q1 revenue
07/29/25	Annual General Meeting
10/30/25	2025/26 half-year revenue
12/03/25	2025/26 half-year results

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