DIGITAL PAYMENTS
FOR A TRUSTED WORLD

2020
FINANCIALS

CONTENTS

A. GROUP OVERVIEW

A.1. Business profile

Worldline is the European leader in the payments and transactional services industry and #4 player worldwide. Worldline delivers new-generation services, enabling its customers to offer sustainable, secure and innovative solutions to the end consumer. A key player in the B2B2C market, the Group has over 45 years of payment systems expertise.

It operates in 50 countries, throughout Europe and in several emerging markets in Latin America and Asia (where Worldline also has a leading position in India as a payment processor and in Asia-Pacific in payment Software Licensing). Through its recent acquisition of Ingenico, the Group extended and reinforced its geographic presence in the world, and has an exceptional reach in Continental Europe, with notably a new leadership position in Germany, a strong position in the Nordics and an enhanced access to French banks and merchants, in addition to Worldline's historical leadership positions in Benelux, Switzerland and Austria. This global geographical coverage was expanded with an access to the US market and a reinforcement of Worldline's exposure to merchants in Latin America and Asia-Pacific with an expansion in low card penetrated countries.

The Group operates across the full extended payment services value chain, providing an extensive range of merchant acquiring, payment processing and business solutions services to financial institutions, merchants, corporations and government agencies. It offers a unique and flexible business model built around a global and growing portfolio.

The Group works closely with its clients to build and run outsourced services, typically under long-term contracts where it receives fees for the initial implementation of the solution as well as recurring revenue over the life of the agreement based on business transaction volumes or transaction values. The Group's strong culture of innovation allows it to help clients enhance their existing services and harness advances in technology to create new markets and services.

As at December 31, 2020 Worldline employed c .21,000 staff worldwide. Over the year it generated total revenues of € 2,748 million, OMDA of € 700 million and net income group share of € 162 million.

Worldline has **four Global Business Lines (GBL)**, each with its own portfolio of services and solutions and presenting significant opportunities for growth, that together form the foundation for the Group's business strategy:

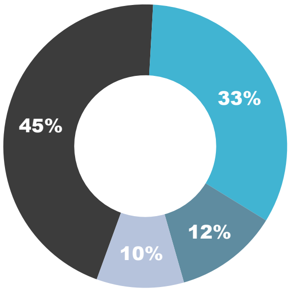
- The **Merchant Services** GBL includes pan-European and domestic commercial acquiring for physical or online businesses, covering the full retail value chain, online and in-store, through a complete approach;
- The **Terminals, Solutions & Services** GBL was built from Ingenico B&A's division, reinforced by Worldline own payment terminal business. It delivers world-class terminals solutions & services to banks & acquirers, focusing on offering new channels and customized software solutions suited to markets maturity;
- The **Financial Services** GBL targets banks and other financial institutions. Its mission is to secure payment transaction processing in a challenging and evolving regulatory environment, by leveraging the Group's industrial scale processing operations and continuously providing innovations that support alternative pricing models, while taking into account new payment methods and value added services;
- The **Mobility & e-Transactional Services** GBL goes beyond traditional payment transactions, helping public transport networks, government entities and business develop new paperless digital services and evolve their business models by leveraging digital advances in mobility and data analysis and solutions originally developed in the Group's payment business.

The Group operates its business through a unified worldwide strategy for carrying out contracts aimed at maximizing economies of scale by leveraging a combination of standard processes and tools, shared best practices and efficient use of global resources to deliver high quality services at competitive prices.

A.2. Revenue profile

A.2.1. By Global Business Line

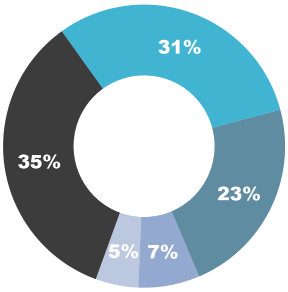
Following the acquisition of SIX Payment Services end of 2018 and furthermore following the acquisition of Ingenico end of 2020, Merchant Services is the largest Global Business Line of the Group, representing 45% of the 2020 revenue (47% on a proforma basis). 33% of the revenue base was generated through Financial Services contracts (19% on a proforma basis), 12% by Mobility & e-Transactional Services contracts (7% on a proforma basis), and 10% by Terminals, Solutions & Services activities (28% on a proforma basis).



(In € million)	**2020 revenue**
Merchant Services	1,245.6
Financial Services	904.0
Mobility & e-Transactional Services	324.5
Terminals, Solutions & Services	273.7
Worldline	**2,747.8**

A.2.2. By Geographic areas

Europe is the Group's main operational base, generating circa 90% of total revenue in 2020.

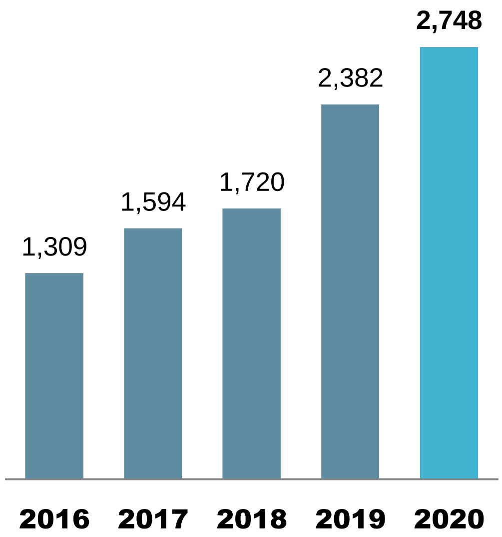


(In € million)	**2020 revenue**
Northern Europe	948.8
Central & Eastern Europe	845.5
Southern Europe	625.7
Asia Pacific	193.2
Americas	134.6
Worldline	**2,747.8**

A.3. Worldline in 2020

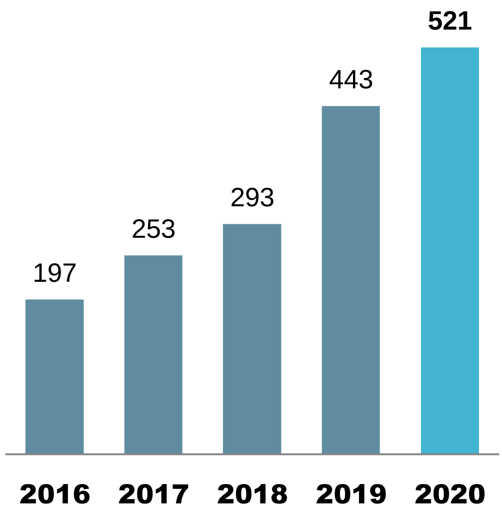
A.3.1. Key graphs

5-years revenue evolution
(in € million)

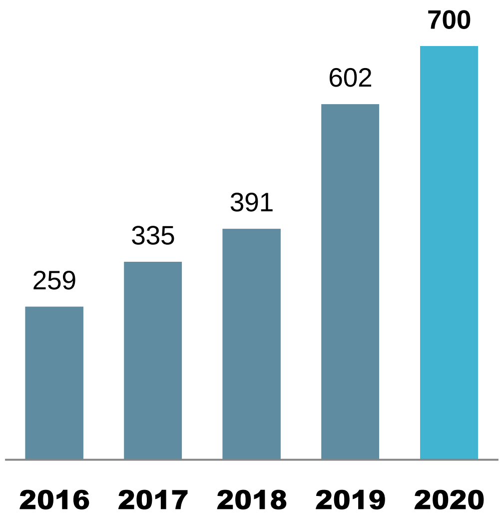


* December 31, 2017 adjusted to reflect change in presentation disclosed Section E.4.7.2 "Basis of preparation and significant accounting policies" of the 2017 Registration Document

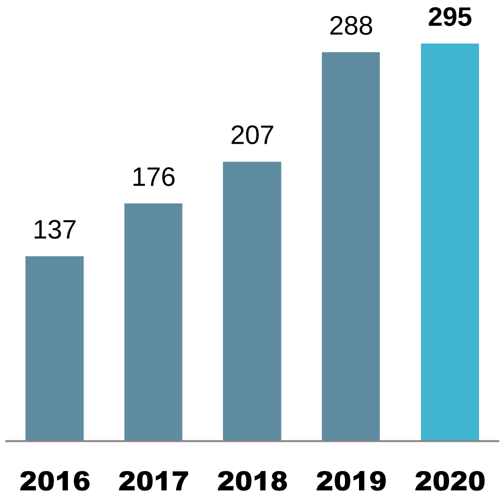
5-years operating margin evolution
(in € million)



5-years OMDA evolution
(in € million)

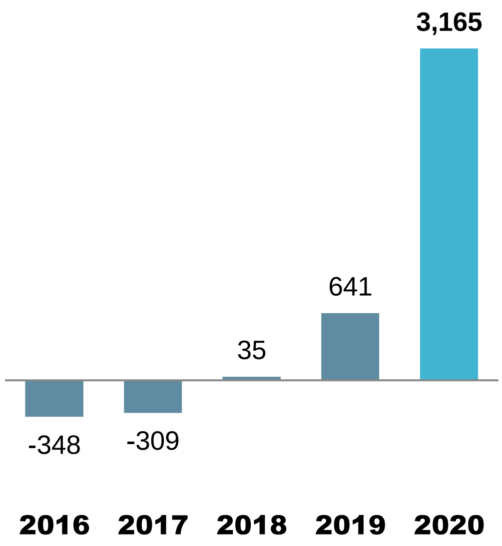


5-years free cash flow evolution
(in € million)

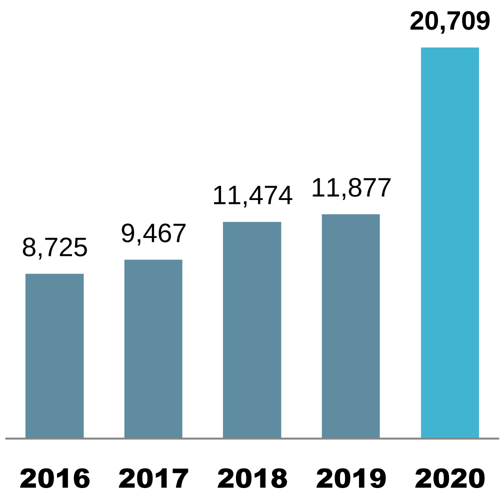


* December 31, 2016 adjusted to reflect the change in presentation disclosed in Section E.4.7.2 "Basis of preparation and significant accounting policies" of the 2017 Registration Document

5-years net debt evolution
(in € million)



5-years employee evolution



** December 31, 2016 adjusted to reflect the change in presentation disclosed in Section E.4.7.2 "Basis of preparation and significant accounting policies" of the 2017 Registration Document*

A.3.2. 2020: a landmark year in Worldline's history

January

CREDEM, one of Italy's leading private banks, has successfully started processing Target2 payments with Worldline's Payment and Liquidity Hub software CRISTAL and has migrated the processing of Euro high-value payments (HVP) to CRISTAL Proactive Liquidity Manager, Worldline's software package for intraday liquidity management, connection to Target2 and control of payment outflow. CREDEM also has started live operations with Worldline's CRISTAL Collateral Management module to manage eligible collateral assets mobilized at Banca d'Italia and to monitor credit headroom on central money market.

February

Worldline to acquire Ingenico, creating a new world-class leader in payment services in payment services. Worldline and Ingenico Group announced that their respective Boards of Directors have unanimously approved a business combination agreement pursuant to which Worldline would launch a tender offer for all Ingenico shares. This transaction would combine two premier companies to create the world's number four player in payment services. Upon closing, the new combined group would offer best-in-class payment services to nearly 1 million merchants and 1,200 financial institutions.

Worldline chosen by Subway® as preferred provider of omnichannel payment solutions, providing state-of-the art payment solutions to Subway® restaurants across Europe. Worldline's solution includes POS and E-Commerce acceptance as well as payment terminals operating with the new NEXO retailer protocol.

March

Worldline awarded "A-"rating for its first participation in the CDP, which is recognized by investors as the best reference rating for a company's environmental awareness, governance and leadership to address climate change.

April

YUMI, Worldline's game-changing business facilitator for merchants, was a winner of 2020 iF DESIGN AWARD, the world-renowned design prize. YUMI achieved a win in the Product discipline, Payment Terminal category. YUMI has been designed in collaboration with design and innovation agency VanBerlo and delivers cutting edge technology and functionality to merchants and their customers. Designed to create exceptional user experience in Point of Sales, and thanks to its ability to rotate a full 360 degrees and its Android capabilities, YUMI revolutionizes merchant-customer interactions by delivering on the customer's needs to have a new, dynamic and efficient shopping experience.

May

Worldline, Ingenico Group, Nets, and Nexi announced the launch of "European Digital Payments Industry Alliance" (EDPIA), an EU advocacy alliance bringing together Europe's leading independent payment services providers. EDPIA's vision is for Europe to become a global leader in digital payments, which can fuel the completion of the Digital Single Market for the benefit of consumers, businesses and the public sector. It does so by engaging in EU policy discussions impacting the EU payments sector, and by helping bring instant, secure and frictionless payments closer to EU citizens, businesses, and public bodies.

Worldline has been recognized by a *Prime*Status and a B-rating from the independent non-financial rating agency ISS ESG. This announcement demonstrates improvement of its Environment Social & Governance (ESG) performance from a C+ to a B- rating in 1 year. The rating means Worldline ranks within the first decile rank of the 407 companies assessed in the Software and IT services industry, thus joining the very prestigious circle of the sector leaders in sustainability.

June

Worldline has sealed a multi-year contract with BNP Paribas Fortis, a leading financial institution in Belgium and across Europe. Under this agreement, Worldline will set up and operate BNP Paribas Fortis' omnichannel Contact Service Center (CSC) using WL Contact. Operating in SaaS (Software-as-a-Service) mode, this proven contact center solution will handle all customer interaction, regardless of the communication channel they chose.

September

Worldline announced the completion of the acquisition of a 53% majority stake in GoPay, the leading online collecting payment services provider for small and medium sized businesses (SMB) in the Czech Republic, with presence in Slovakia, Poland and Hungary. GoPay's value proposition is based on a high quality payment collecting engine, fit for the needs of small businesses and offering an extensive range of local payment means. With this acquisition, Worldline seizes a rare opportunity to develop its online collecting activity in the fast-growing Eastern Europe market, enhances its local expertise in digital go-to-market, and strengthens its market position in the Czech Republic and its partnership with Komercni Banka.

Worldline has announced a strategic cooperation with Unwire, a Danish Fintech and Mobility as a Service company, to accelerate innovative digital payment technology in transportation. The partnership will broaden Worldline's Mobility as a Service (MaaS) capabilities across the UK and Ireland as well as the rest of Europe. It will enable Worldline to combine its existing payment capabilities with Unwire's multi-modal journey planning expertise to provide public transport users with access to plan, book, and pay for their journeys seamlessly through a dedicated app on their smartphones.

Worldline teams up with Alstom Transport UK Ltd and South Western Railway in a consortium to respond successfully to the challenge laid out in The Rail Safety and Standards Board's (RSSB) Dynamic Train Planning Competition. The consortium of these leading organizations, all of which work across the rail industry, brings together in-depth knowledge of the UK's rail service delivery, data and systems. The consortium will work collaboratively to bring together Passenger and Freight Operators with Network Rail to create a brand new end-to-end planning system, funded by a grant award from RSSB. It will focus on creating an innovative, data-driven solution called PathFinder to deliver validation, automation and integration in a step-change to schedule and timetable planning for GB Rail.

October

Worldline announced the Fintech winners of its third e-Payments Challenge which took place in September 2020 and was primarily dedicated to focus on the fundamentals: co-create a less cash society powered by data -and a seamless customer experience for sustainable future. All five Fintech finalists that were chosen to present their solutions for the Grand Prize applied advanced technology and design thinking to enable and foster a smooth user experience and highlighted that positioning the customer experience at the center of innovation is key to build resilience, rapidly innovating to adapt to the shift in consumer behavior and prepare companies for success in the long term.

Worldline has successfully maintained its position in the restricted TOP 5 of the most sustainable companies of the IT & Software services sector assessed by the rating agency Vigeo Eiris. For its third evaluation by the agency, Worldline achieved a 12-point improvement compared to its first assessment, reaching a global score of 59/100 based on ESG (Environmental, Social and Governance) criteria related to the Environment, Human Resources, Human Rights, Community Involvement, Business Behavior and Corporate Governance.

After having been partners for the past eight years, **Worldline and PSA Payment Services Austria GmbH have agreed to continue working together for a further five years** for the benefit of Austria's digital payment system. As part of their collaboration, Worldline processes approximately one billion transactions for PSA per year (2019). This includes approx. 770 million payment transactions carried out with the ten million Austrian debit cards directly or indirectly via NFC and mobile-based payment solutions, such as Apple Pay. In addition, Worldline handled approximately 137 million domestic and international ATM cash withdrawals and a further 157 million service transactions.

Worldline welcomes Ingenico, creating a new world-class leader in payment services. Following the closing of the Ingenico acquisition, Worldline is now the world's number four player in payment services with more than 20,000 employees across approximately 50 countries. The new combined group offers best-in-class payment services to nearly 1 million merchants and 1,200 financial institutions, with estimated proforma revenue reaching c. € 5.3 billion in 2019, of which c. € 2.5 billion generated in merchant payment and transaction-related services.

November

equensWorldline SE, a subsidiary of Worldline has become one of Europe's leading Open Banking providers since the formal start of PSD2 a year and a half ago. An increasing number of banks and third party providers are exploring the benefits of equensWorldline's Access 2 Account TPP Services. These services connect the third party provider to more than 2.800 banks in 16 countries and rapidly increasing. Via a single API companies are given the possibility to initiate a payment or retrieve account information from any bank in Europe. The demand for access to account is increasing as more and more companies explore the possibilities that PSD2 and Open Banking have to offer, especially on a pan-European scale.

The European Payments Initiative (EPI) enters the next phase with Worldline and Nets becoming shareholders of the EPI Interim Company, as the first third-party acquirers to join the initiative to initiate the implementation of the joint payment initiative. The ambition of EPI is to create a unified, innovative pan-European payment solution leveraging Instant Payment/SEPA Instant Credit Transfer, which offers a card for consumers and merchants across Europe, a digital wallet and P2P payments. The solution aims to become a new standard in payments for European consumers and merchants across all types of retail transactions including in-store, online, cash withdrawal and "peer-to-peer", as an alternative to existing international payment solutions and schemes. The joining of third-party acquirers will greatly contribute to the expansion of EPI's acceptance network on the merchant side in Europe and will allow EPI to build up its own payment ecosystem in the continent.

December

Worldline achieved "Platinum" level recognition Medal by the independent non-financial rating agency EcoVadis for the fifth year. With a 3-point improvement on its global ESG (Environment, Social, and Governance) performance compared to 2019, Worldline has recorded an overall score of 86/100 in recognition of the continued progress made through its Corporate Social Responsibility (CSR) approach. With this ranking, the highest distinction awarded by EcoVadis, Worldline positions itself in the TOP 1% of the most sustainable companies assessed by the financial platform in all sectors. This award confirms the company's long-term commitment to sustainable development in labor & human rights, ethics, environment and sustainable procurement.

Worldline reinforces its climate commitment alongside the city of Paris by signing the Paris Climate Action Charter at the "Platinum" level. This initiative is part of the environmental actions implemented by Worldline and supported by its long-term climate strategy, which aims to accelerate the transition to a low-carbon economy. The Group's strategy aims to improve environmental efficiency by reducing the carbon and energy intensity of its activities. This strategy, which is fully integrated at the heart of its TRUST 2020 program, is bearing fruit since 100% of the company's CO_2 emissions are now offset.

Worldline announced the signing of a major strategic commercial acquiring alliance with ANZ Bank, one of the largest banks in Asia-Pacific and Australia's 3rd largest acquirer with a c. 20% share of transaction volumes processed in Australia. ANZ sees in Worldline the ideal partner to leverage focused technical capability in order to provide the best customer proposition and user experience across all segments. The combination of ANZ's strong market position and Worldline's global scale, best-in-class technologies and payment expertise will allow the alliance to grow revenue at a double-digit rate in the coming years. This accelerated growth rate will be delivered through cross and up-sell opportunities based on innovative solutions such as digital onboarding, Alternative Payment Methods (APM), fraud detection, online and omnichannel capabilities, while leveraging the existing merchant portfolio.

B. FINANCIALS

B.1. Operational review

Facing the Covid-19 pandemic, Worldline has been able to deliver a continuous delivery of its services, while putting in place strong health protection measures for its employees through remote working or, in exceptional cases on site presence with strict adherence to local recommendations and Group policies.

Large sales engagements kept progressing as planned thanks to the constant dialogue maintained between Worldline's sales force and our customers. As a result, the level of commercial opportunities is at its all-time high, thereby providing confidence for the mid-term commercial ambitions.

Confinement, store lock-downs and strict distancing measures were sequentially implemented and eased in different intensity and pace in most of Worldline's key markets. Thanks to its diversified business profile, Worldline's revenue was globally resilient in the extraordinary context despites the strong impact of restricting measures on payment transaction volumes operated by the Group.

While account payments were not significantly impacted and have delivered a strong growth along the year, card transactions in issuing mirrored the effects of governemental constraints. Debit cards were quite resilient, reflecting domestic transaction, while credit cards sharply declined as they are mostly used for travels, restaurants and hospitality transactions. Acquiring transactions instore were strongly impacted in the second and fourth quarter in relation with lockdowns implemented in Worldline's core countries, while online activities remained dynamic, fueled by non-travel verticals such as digital goods and services or on market places, reflecting a change in consumer habits towards more e-commerce.

As a result, **2020**, Worldline's **revenue** reached **€ 2,747.8 million** in 2020. All along the year, the activity of the Group was impacted by the Covid-19 related measures and their effects on the European economies, mainly during the second and, to a lesser extent, the fourth quarter of the year. Facing this unprecedented situation, the Group leveraged its resilient and diversified business model as well as its customer focused organization to implement an early response to the health situation. As a result, the revenue organic decline over the year has been limited to **-4.6%**.

The Group's **Operating Margin before Depreciation and Amortization (OMDA)** reached **€ 699.9 million** or **25.5% of revenue** representing an increase of **+60 basis points** compared to 2019 at constant scope and exchange rates. This solid performance compared to the 2020 objective to reach circa the same percentage than in 2019, reflects the ongoing transformation and synergy plans of the combined Group, as well as the strong actions taken to adapt the cost base in order to mitigate the impact of the Covid-19 on the combined Group's profitability while continuing investing in strategic projects to feed future growth.

B.1.1. Statutory to constant scope and foreign exchange rates reconciliation

For the analysis of the Group's performance, revenue and Operating Margin before Depreciation and Amortization (OMDA) for 2020 are compared to 2019 revenue and OMDA at constant scope and exchange rates.

Reconciliation between the FY 2019 reported revenue and OMDA and the FY 2019 revenue and OMDA at constant scope and foreign exchange rates is presented below (per Global Business Lines):

	Revenue				OMDA			
In € million	FY 2019	Scope effects**	Exchange rates effect	FY 2019*	FY 2019	Scope effects**	Exchange rates effect	FY 2019*
Merchant Services	1,119.4	229.3	0.5	1,349.2	265.3	49.2	1.3	315.8
Financial Services	918.4	-0.9	0.7	918.2	307.2	0.0	0.8	308.0
Terminals, Solutions & Services	0.0	302.4	-23.4	279.1	0.0	74.4	-2.4	72.1
Mobility & e-Transactional Services	343.8	0.0	-9.0	334.8	53.4	0.0	-1.5	51.9
Corporate costs					-23.7	-7.6	0.0	-31.3
Worldline	**2,381.6**	**530.9**	**-31.2**	**2,881.3**	**602.1**	**116.0**	**-1.7**	**716.5**

** at constant scope and December 2020 exchange rates*
*** at December 2019 exchange rates*

Over the year, compared to FY 2019, the Euro appreciation versus most of international currencies was partly offset by its depreciation versus the Swiss Franc. Scope effects are related to the consolidation of Ingenico from November 1st, 2020, and to a lesser extent of GoPay from September 1st, 2020.

B.1.2. Performance by Global Business Line

	Revenue			OMDA			OMDA %		
In € million	**FY 2020**	**FY 2019***	***Organic change***	**FY 2020**	**FY 2019***	***Organic change***	**FY 2020**	**FY 2019***	***Organic change***
Merchant Services	1,245.6	1,349.2	*-7.7%*	309.9	315.8	*-1.9%*	*24.9%*	*23.4%*	*+150 bps*
Financial Services	904.0	918.2	*-1.6%*	281.7	308.0	*-8.5%*	*31.2%*	*33.5%*	*-240 bps*
Mobility & e-Transactional Services	324.5	334.8	*-3.1%*	47.6	51.9	*-8.4%*	*14.7%*	*15.5%*	*-90 bps*
Terminals, Solutions & Services	273.7	279.1	*-1.9%*	88.6	72.1	*+23.0%*	*32.4%*	*25.8%*	*+660 bps*
Corporate costs				-27.8	-31.3	*-11.1%*	*-1.0%*	*-1.1%*	*+10 bps*
Worldline	**2,747.8**	**2,881**	***-4.6%***	**699.9**	**716.5**	***-2.3%***	***25.5%***	***24.9%***	***+60 bps***

** at constant scope and exchange rates*

B.1.2.1. Merchant Services

Merchant Services' **revenue** in 2020 reached **€ 1,246 million**, representing an organic decline by **-7.7%**. Most of the decrease was in Commercial Acquiring and to a lesser extent in Digital Services, impacted by a lower number of commercial acquiring transactions in Continental Europe due to Covid-19 related measures, in particular in the travel, retail, and hospitality sectors. Regarding Online and Omnichannel Payment Acceptance businesses, revenue grew thanks to much stronger e-commerce transactions in verticals such as digital goods and services and on market places, despite much lower transaction volumes in some sectors such as travel, and hospitality.

All along the quarter, Worldline stood alongside its customers to help them sell during the confinement and lock downs, and as an example, a secured remote order and payment system was set up in a record time for a designer brand, for its retail network in seven European countries.

In Q1 2020, further to the signature of the Subway pan-European contract announced in February, the commercial success of Worldline online payment solutions was further confirmed with the signature of a contract with an online print and design company, for which Worldline will offer a one-stop shop solution for gateway & acquiring across several countries in Europe, as well as the win of a pan-European gateway and acquiring contract with the online musical instrument retailer Gear4music. Worldline also successfully entered the electric vehicle charging market. Indeed, the Group will provide to the largest European electric vehicle charging service provider, a mobile application, which will enable drivers to access charging stations and to pay for the service, thanks to the integration of Saferpay and Worldline acquiring into the application.

In Q2, new signings in Merchant services included in particular the framework agreement signed with the luxury group Kering, for which Worldline will provide commercial acquiring and value-added services for a large number of brands in several European countries, and new 3 year contract signed with a Finnish high tech company for e-payment acceptance and acquiring across multiple countries. These contracts constitute further evidence of the relevance of Worldline's omnichannel payment processing offers for global or digital merchants. In addition, several significant contracts were renewed, in omnichannel payment solution, with Aspro Park, a major European operator of leisure parks; for e-Payment acceptance with a leading ticketing website (Ticketnet); in Private Label Card and Loyalty Programs, for Repsol (fuel card services) and Iberia (frequent flyer solution).

While the crisis triggered by the Covid-19 situation has prompted many merchants in the world to accelerate their digitization plans, retailers are implementing unified and standardized payment systems across their various European operations. In this respect, commercial wins materialized in Q3 2020. For instance, Worldline now accompanies C&A in the roll-out of its standardized cash register solution and implements a standardized-till connection in 4 European countries for the fashion company BRAX, including the deployment of new generation payment terminals as well as payment acquisition services. Worldline also accompanies many of its hospitality customers in their accelerated transformation plans, as with the partnership signed with NextGuest, a worldwide leader in personalized and automated guest communication and CRM for the hospitality industry, to apply PSD2 compliant secured e-payments to automated guest communications, or the one signed with Bookassist, a leading provider of booking and web design for hotels, in order to help hotels achieve more direct bookings through their own website, using Worldline's payment technologies. Worldline's Saferpay online acceptance gateway has been integrated with HotelNetSolution, a provider of one-page booking and digitization products for the hospitality industry.

Still in Q3 2020, significant commercial progress was also made in online and omnichannel solutions as for the partnership with iPayLinks, a leading online payment gateway, to propose Visa and MasterCard acquiring services to iPayLink's existing and new merchants across Europe or the one signed with a UK based payment gateway in order to deploy Worldline's Visa, MasterCard and Diners online acquiring solution to all restaurants across Europe of a global fast-food chain.

During the last quarter of the year, Merchant Services continued to accompany merchants in the world to accelerate their digitization plans with, among others:

- McDonald's: Implementation of contactless payment solutions at their drive-through restaurants in Belgium, an acceptance solution and service based on Valina terminals;
- Olymp: Deployment of in store and online payment full service capabilities in five European countries (Germany, Austria, France, Austria, Hungary, and The Netherlands);
- Auchan: Roll-out of omnichannel acceptance solutions with value-added services (smart routing and financial reconciliation) on more than 500 stores in France, representing more than 300 million transactions processed per year.

In December, the group has announced a major strategic commercial acquiring alliance with ANZ Bank in Australia through a joint venture 51% owned by Worldline. With this operation, the Group will take over the control of ANZ's merchant acquiring business to jointly deliver state-of-the-art products, platform, and services to its very large portfolio of merchant customers.

Merchant Services' **OMDA** in 2020 amounted to € 309.9 million, 24.9% of revenue, representing an improvement by +150 basis points. While the severe impact of Covid-19 on the revenue of the Business Line impacted strongly profitability, Merchant Services was able to strongly improve its profitability through:

- Specific and operational cost control actions, notably on personnel costs and discretionary expenses (e.g. marketing and communication);
- incremental synergies resulting from the second year of the SIX Payment Services integration program;
- the first synergies from the integration of Ingenico; and
- the impacts of transversal productivity improvement actions.

B.1.2.2. **Financial Services**

Financial Services' **revenue** showed resilience with an organic decrease limited to **-1.6%** over the year, to **€904.0 million**. The performance of each division was contrasted. Notably, on the one hand:

- *Account Payments* remaining almost unaffected by the Covid-19 situation and the division's revenue strongly grew supported by increased volumes and ramp-up of contracts, in particular UniCredit.
- As a result of changes in consumer behavior triggered by Covid-19, authentication volumes related to e-commerce payment transactions and PSD2 strongly increased and supported revenue growth in the last months of the year. Higher transaction volumes were also processed on Worldline's e-brokerage platforms notably related the strong volatility on stock markets. Consequently, a strong double digit growth was recorded in *Digital Banking*.

While on the other hand, revenue linked to card based payment processing activities (*Issuing Processing* and *Acquiring Processing* altogether) strongly decreased due to the pandemic's impact on transaction volumes as well as lower project activity and discretionary spending from banks.

On February 27, 2020, Worldline announced the signing of a very large long-term strategic partnership with UniCredit, a leading European financial institution. Worldline will be responsible for the processing of all SEPA (Single Euro Payments Area) payments, instant payments, multi-currency, domestic and high value payments transactions for UniCredit in Austria and Germany. This new major outsourcing contract follows the one signed with Commerzbank in 2018 and further demonstrates the relevance of Worldline's payment outsourcing value proposition, not only as a provider but also as a true long-term sparring partner bringing innovation, price competitiveness and guaranteed regulatory compliance.

Aside from this very large new outsourcing contract, Q1 2020 commercial activity in Financial Services was very active with the signature through Brinks of a large ATM transaction management contract for BPCE, pursuant to which the Group will manage approximately 300 million transactions per year from circa 11,000 ATM over 10 years. This new contract perfectly illustrates Worldline's strategy to expand in the ATM transaction management market, which is currently being consolidated or outsourced in Europe to a limited number of providers. A large issuing processing contract was renewed with a leading European financial institution and Worldline was chosen by the Central bank of Curacao & Saint-Martin to switch to instant Payments, further demonstrating the Group's expertise in instant payments.

During Q2, Volksbank renewed its iDEAL contract with equensWorldline, which was extended with PSD2 TPP services, enabling the bank to offer Payment Initiation Services (PIS) and Account Information Services (AIS) to its customers, and a new ATM transaction management contract was signed with another French bank. Several other contracts were renewed during the quarter, in particular for issuing processing services with a very large Dutch bank and 3D Secured Authentication with a very large French bank.

In Q3 2020, Worldline signed a new contract with a group of four Belgian banks in order to process their ATM acquiring transactions, further consolidating the Group's position on the ATM transaction management market, which is rapidly consolidating and for which numerous outsourcing opportunities in Europe are under discussion. Also, based on the success of their partnership, PSA Payment Services Austria and Worldline have extended their existing contract for five years. PSA is responsible for the Bankomat® system on behalf the Austrian banks, managing approximately 10 million Bankomat® cards and a network of 7,350 Bankomaten® ATMs. In 2019, one billion transactions were processed by Worldline under the previous agreement, which has now been extended until 2025.

Commercial activity of Financial Services in Q4 remained strong with contract gains and renewals such as PSA Payment Services Austria. Following many years of successful partnership in the area of card based payments, Worldline will accompany PSA Payment Services Austria in the expansion of their business portfolio. As part of a new agreement, Worldline will also provide core services for the new e-identity program of PSA, which aims at leveraging the banks' relationships with their customers for trusted identification services.

Despite the remaining challenging situation, a significant level of activity and investments was maintained over the year on key transformation projects and the new organization of the Business Line was implemented in the second semester, in order to generate structural profitability improvements in the future.

Financial Services' **OMDA** remained high in 2020 at **31.2%** of revenue, reaching **€ 281.7 million**. Nevertheless, being the Global Business Line with the highest proportion of fixed costs, the division was the most affected by volume decrease, particularly in the card payments divisions, leading to an organic deterioration of profitability by **-240 basis points**. In addition, significant investments were made for the ramp-up phase of recently signed large contracts. In order to mitigate these effects, strong measures were taken in terms of cost base monitoring and workforce management.

B.1.2.3. Terminals, Solutions & Services

The Global Business Line was created on November 1st, 2020 and reported **revenue** over the last two months of the year reached **€ 273.7 million**, recording an overall solid performance of **-1.9%** organic evolution with the following regional dynamics:

- In Europe, Middle East & Africa, resilient volumes were recorded in Western Europe fueled by several projects in France and the shift to contactless in Germany. Eastern Europe experienced a continuous positive dynamic market environment led by a renewal cycle. In parallel, sales in Middle East & Africa were fueled by the execution of the Saudi Arabia terminalization project won in 2020;
- In Asia-Pacific, the situation was more contrasted, presenting a strong resilience in Australia with good level of business for main customer banks, in particular translating into a solid momentum with ANZ and its fleet renewal currently ongoing, while in the rest of the region, the activity continued to suffer, notably of Covid-19 consequences, in particular in China, in India and in South East Asia.
- Sales in Latin America showed an overall resilient performance driven by a continuing very strong momentum in Central America and Argentina, with market share gains and equipment phase ongoing in these countries. The pipeline of projects was successfully delivered, allowing broadly offsetting the strong 2019 comparison basis, which was due to strong sales in Brazil.
- Finally, North America continued to benefit from the EMV renewal cycle despite delays in customers deployment of terminals related to the Covid-19 situation.

In November and December, the Business Line continued to implement the transformation roadmap from a "Hardware + Service" to "Payment-Platform-as-a-Service" business model. This transformation will accelerate thanks to the contribution of the developers teams of Easypymt acquired in Q4.

In term of profitability, Terminals, Solutions & Services delivered a strong performance with an **OMDA** reaching **€ 88.6 million**, representing **32.4%** of revenue, driven by a favorable geographical mix as well as the continuing benefits from the recovery plan launched in H2 2019 (stricter pricing discipline and improved purchase performance), and the continuing effect of the Covid-19 cost control program launched in 2020.

B.1.2.4. Mobility & e-Transactional Services

Revenue in Mobility & e-Transactional Services reached **€ 324.5 million**, decreasing organically by **-3.1%**, with contrasted evolution between each of the three divisions:

Revenue in *e-Consumer & Mobility* grew strongly at a double digit percentage rate, thanks to the continuous increase of Contact contracts for secured omnichannel consumer interaction solutions, as well as to digital health solutions, notably in Germany.

This strong performance could not completely offset the revenue decline in *Trusted Digitization*, due to a lower project activity as some contracts are reaching the run phase, as well as in *e-Ticketing*, severely impacted by the health situation in the United Kingdom and in Latin America, with a massive decrease of rail and bus ticketing volumes and much less projects.

Despite the Covid-19 context, Mobility & e-Transactional Services commercial activity has been strong all along the year. During the first quarter of the year; in e-ticketing, Worldline has been selected by SYTRAL, Lyon's region public transport authority, to implement its "Tap 2 Use" solution, enabling travellers to buy and validate their journey just using their EMV cards. That solution, which includes validators, ticketing back office and payment acceptance, further confirms Worldline's leadership in deploying Open Payment solutions for public transport operators. In addition, Worldline has renewed its contract with two rail franchises in the United Kingdom to provide rail operations and passenger information services. In e-consumer & mobility, Worldline agreed to implement its "Smartpush" solution for the broadcasting and monitoring of secured SMS / voice messages, for the French Social Security branch in charge of paying numerous subsidies to families. In Trusted Digitization, several contracts were renewed or extended. In particular, Worldline has extended its current secured Track and Trace contract to allow compliance with processes imposed by the EU to manage excise rights collection and payment.

In Q2, during the peak of the Covid-19 health crisis, Worldline stood along-side governments and public agencies and fully mobilized its expertise in secured real-time regulated transaction management for new projects in the health sector. In particular, Worldline provided a secure application that enabled the identification and tracking of Covid-19 patients in hospitals in France. Maela, a highly secured data hosting solution, enabled the deployment of a digital healthcare solution for dozens of hospitals in France, and for the ministry of health of Luxemburg. Finally, Worldline has signed new contracts with German health insurance companies to implement secured solutions connecting customers and specific health applications, such as electronic patient files, to the German Health Telematic Infrastructure. In parallel, Worldline's state-of-the-art secured customer engagement platform WL Contact was selected by BNP Paribas Fortis. Operating in SaaS mode, this proven contact center solution handles all secured interactions with customers, through whichever access channel they choose to use (voice, email, chat, social media, and videophone interactions). Indeed, the relevance of WL Contact became obvious during confinement and lock-downs, as it enabled banks and insurers to interact securely with their customers, as if they were present in the branch.

As part of its 2025 strategic plan, INSEE (the French National Institute of Statistics and Economic Studies) wished to improve access to information for all audiences and in Q3, Worldline's highly secured and multi-channel WL Contact SaaS customer engagement platform was chosen, under a 5-year contract. Also, through Horizon 2020 Framework Program, the European Commission has awarded two new research and innovation projects to consortiums lead by Worldline, with the objective to address new challenges in the media sector and take advantage of the most innovative technologies, including blockchain. Lastly, Worldline signed a strategic cooperation with Unwire, a Danish Fintech and Mobility as a Service company, to accelerate innovative digital payment technology in transportation. The partnership will broaden Worldline's Mobility as a Service (MaaS) capabilities across the UK and Ireland as well as the rest of Europe and will enable an easier access and use of public transport through streamlined payment systems.

During the fourth quarter, the Agence de Services et de Paiement (ASP), a public institution in France has renewed its contract with Worldline to build and operate a scalable platform supporting a public program to deliver energy vouchers to 5 million precarious citizens in France.

Mobility & e-Transactional Services' **OMDA** reached **€ 47.6 million**, representing **14.7%** of revenue. The Business Line has been able to compensate a large part of the profitability decrease related to revenue decline thanks to cost optimization plan addressing both fixed and variable costs.

B.1.3. Human resources

Headcount evolution

The **total headcount** was **20,709** at the end of 2020, compared to 11,877 at the end of 2019. The increase by **+42.6%** (or **+8,832 staff**) of the Group total workforce was mainly due to the Ingenico acquisition (8,266 staff worldwide) and to the insourcing of 203 UniCredit staff as part of a long term strategic partnership to manage its payments processing business in Germany and Austria, as well as GoPay acquisition in Eastern Europe and the creation of a Global Delivery Center in India by internalizing Software developers already working for Worldline as sub-contractors.

Headcount movements by geography in 2020 are detailed herein below:

Headcount	**Dec 2019**	**Scope effects**	**Hiring**	**Leavers**	**Dismiss / Restruc**	**Other**	**Dec 2020**	***Changes***	
Southern Europe	4,317	1,413	300	-117	-61	-91	5,761	*1,444*	*25.1%*
Northern Europe	3,402	1,668	335	-256	-73	-30	5,046	*1,644*	*32.6%*
Asia Pacific	1,381	3,061	236	-297	-2	1	4,380	*2,999*	*68.5%*
Central & Eastern Europe	2,464	1,846	290	-185	-3	-84	4,328	*1,864*	*43.1%*
Americas	313	926	24	-56	-2	-11	1,194	*881*	*73.8%*
Worldline	**11,877**	**8,914**	**1,185**	**-911**	**-141**	**-215**	**20,709**	***8,832***	***42.6%***

B.2. Financial review

B.2.1. Income statement

The Group reported a net income (attributable to owners of the parent Worldline SA) of € 163.7 million for the full year 2020 (€ 311.2 million for the full year 2019), which represented 6.0% of Group revenue for the period. The normalized net income before unusual and infrequent items (net of tax) for the period was € 361.2 million, representing 13.1% of revenues compared to € 300.5 million in 2019.

B.2.1.1. Reconciliation from operating margin to net income

In € million	12 months ended December 31, 2020	%	12 months ended December 31, 2019	%
Operating margin	**520.5**	**18.9%**	**442.6**	**18.6%**
Other operating income/(expenses)	-275.6		-148.3	
Operating income	**244.9**	**8.9%**	**294.3**	**12.4%**
Net financial income/(expenses)	-28.0		121.7	
Tax charge	-50.8		-75.0	
Share of net profit/(loss) of associates	-0.9		-2.9	
Non-controlling interests and associates	-1.4		-26.8	
Net income – Attributable to owners of the parent	**163.7**	**6.0%**	**311.2**	**13.1%**
Normalized net income – Attributable to owners of the parent	**361.2**	**13.1%**	**300.5**	**12.6%**

B.2.1.2. Operating Margin before Depreciation and Amortization

Operating margin before depreciation and amortization (OMDA) represents the underlying operational performance of the current business and is analyzed in the operational review.

In € million	12 months ended December 31, 2020	12 months ended December 31, 2019	Variation
Operating margin	**520.5**	**442.6**	**78.0**
+ Depreciation of fixed assets	175.0	142.9	32.1
+ Net book value of assets sold/written off	3.7	7.3	-3.6
+/- Net charge/(release) of pension provisions	0.7	9.1	-8.4
+/- Net charge/(release) of provisions	0.0	0.2	-0.2
OMDA	**699.9**	**602.1**	**97.8**

Following Ingenico integration and considering payment terminal significance in Worldline's financial statement, it was decided to include terminals depreciations into OMDA. This change allows a fair view of economic and operational activities of the Group.

B.2.1.3. Other operating income and expenses

Other operating income and expenses relate to income and expenses that are unusual and infrequent. They represent a net cost € 275.6 million in 2020. The following table presents this amount by nature:

In € million	12 months ended December 31, 2020	12 months ended December 31, 2019
Staff reorganization	-10.0	-3.8
Rationalization and associated costs	-2.2	-3.3
Integration and acquisition costs	-105.1	-39.6
Equity based compensation & associated costs	-42.1	-19.9
Customer relationships and patents amortization	-114.1	-75.9
Other items	-2.1	-5.7
Total	**-275.6**	**-148.3**

Staff reorganization expenses of € 10.0 million increased by € 6.2 million compared to last year and corresponded mainly to the restructuring plan in the United Kingdom and to costs induced by the recent acquisitions.

The € 2.2 million of **rationalization and associated costs** resulted mainly in administrative back office transformation. Those costs have decreased by € 1.1 million compared to 2019.

Integration and acquisition costs reached € 105.1 million, increasing by € 65.5 million compared to the prior period, and corresponded mainly to Six Payment Services post-acquisition and integration costs and to the costs related to the acquisition of Ingenico (€ 58.6 million, of which € 54.3 million of cash impact).

Equity based compensation reached € 42.1 million, increasing by € 22.2 million compared to last year. This variation is explained by Ingenico integration and new 2020 plan.

The 2020 **customer relationships and patents amortization** of € 114.1 million corresponded mainly to:

- € 55.9 million of SIX Payment Services customer relationships, technologies and patents;
- € 40.9 million of Ingenico customer relationships, technologies and patents (for 2 months);
- € 10.0 million of Equens and Paysquare customer relationships;
- € 2.1 million of MRL Posnet customer relationships and technologies;
- € 2.1 million of Cataps (KB Smartpay) customer relationships.

B.2.1.4. Net financial expenses

Net financial expenses amounted to € 28.0 million for the period (compared to an income of € 121.7 million in 2019) and were made up of:

- A net cost of financial debt of € 20.2 million (€ 5.5 million in 2019); and
- A non-operational financial expense of € 7.8 million (income of € 127.2 million in 2019).

Net cost of financial debt of € 20.2 million is mainly made up of interests linked to straight bonds (€ 9.6 million) and convertible bonds (€ 8.1 million). Variation compared to last year is explained by:

- The issuance of € 1 800 million debt over the year (€ 1,000 million straight bonds and € 800 million convertible bonds);
- The full year interest charge related to bond and convertible bond issued in 2019.

The non-operational financial income was mainly composed of:

- Foreign exchange losses for € 10.1 million (€ 9.7 million in 2019);
- IFRS 16 impacts for an expense of € 4.3 million (€ 3.6 million in 2019);
- Pension financial costs for € 1.0 million. The pension financial costs represent the difference between interest costs on defined benefit obligations and the interest income on plan assets for plans which are funded (cf. Note 10 "Pensions and similar benefits"); and
- The recognition in the consolidated income statement of the variation of the fair value of the Visa preferred shares for a profit of € 8.5 million (€ 24.2 million in 2019);

In the year 2019, non-operational financial income was mainly due to the release of a contingent liability linked to the acquisition of SIX Payment Services, resulting in a profit of € 117.6 million.

B.2.1.5. Corporate tax

The tax charge at the end of December 2020 was € 50.8 million for a profit before tax of € 216.9 million. The annualized Effective Tax Rate (ETR) was 23.4% (18.0% in 2019).

In 2019, excluding the cancellation of the contingent liability linked to the acquisition of SIX Payment Services, which represented an income of € 117.6 million, the ETR would have been 25.1%.

B.2.1.6. Non-controlling interests and associates

The non-controlling interests and associates at the end of December 2020 was € 1.4 million corresponding to the participation in Payone (From November to December) and GoPay (from September to December), compared to € 26.8 million in 2019. At that time it represented 36.4% of the net result of equensWorldline.

B.2.1.7. Normalized net income

The normalized net income is defined as net income excluding unusual and infrequent items (Group share), net of tax. For 2020, the amount was € 361.2 million.

In € million	12 months ended December 31, 2020	12 months ended December 31, 2019
Net income - Attributable to owners of the parent	**163.7**	**311.2**
Cancellation of the contingent liability linked to the acquisition of SIX Payment Services		-117.6
Other operating income and expenses (Group share)	271.0	142.5
Tax impact on unusual items	-73.5	-35.5
Normalized net income - Attributable to owners of the parent	**361.2**	**300.5**

B.2.1.8. Earning per share

The number of shares as at January 1, 2020 was 182,764,457 shares. The weighted average number of shares amounts to 198,988,576 shares for the period. As at the end of December 2020, potential dilutive instruments comprised stock subscription (equivalent to 839,918 options) and convertible bonds effect (equivalent to 8,052,403 options).

In € million	12 months ended December 31, 2020	%	12 months ended December 31, 2019	%
Net income [a]	**163.7**	**6.0%**	**311.2**	**13.1%**
Diluted net income [b]	**169.2**	**6.2%**	**312.9**	**13.1%**
Normalized net income [c]	**361.2**	**13.1%**	**300.5**	**12.6%**
Normalized dilluted net income [d]	**366.8**	**13.3%**	**302.3**	**12.6%**
Average number of shares [e]	198,988,576		182,025,225	
Impact of dilutive instruments	8,892,321		3,362,300	
Diluted average number of shares [f]	207,880,896		185,387,525	
In €				
Basic EPS [a] / [e]	**0.82**		**1.71**	
Diluted EPS [b] / [f]	**0.81**		**1.69**	
Normalized basic EPS [c] / [e]	**1.82**		**1.65**	
Normalized diluted EPS [d] / [f]	**1.76**		**1.63**	

B.2.2. Cash flow

In € million	12 months ended December 31, 2020	12 months ended December 31, 2019
Operating Margin before Depreciation and Amortization (OMDA)	**699.9**	**602.1**
Capital expenditures	-155.3	-113.9
Lease expenditures (Lease under IFRS16)	-47.6	-41.6
Change in working capital requirement	46.0	-46.3
Cash from operation	**543.0**	**400.3**
Taxes paid	-93.1	-57.4
Net cost of financial debt paid	-12.1	-2.8
Reorganization in other operating income	-10.3	-5.4
Rationalization & associated costs in other operating income	-2.2	-3.3
Integration and acquisition costs	-103.5	-39.6
Net Long term financial investments	-1.6	14.9
Other changes (*)	-25.6	-19.2
Free Cash Flow	**294.5**	**287.6**
Net material acquisitions	-2,873.1	-1,094.8
Contingent liability at fair value		117.6
Capital increase	-4.3	10.9
Portion of convertible bonds in equity / debt	77.4	79.4
Dividends paid		-11.8
Change in net cash/(debt)	**-2,505.5**	**-611.2**
Opening net cash/(debt)	**-641.3**	**-35.0**
Change in net cash/(debt)	-2,505.5	-611.1
Foreign exchange rate fluctuation on net cash/(debt)	-18.3	2.1
Excl. Of former Finance lease (Post IFRS 16 effect)		2.8
Closing net cash/(debt)	**-3,165.1**	**-641.3**

** "Other changes" include other operating income and expense with cash impact (excluding reorganization, rationalization and associated costs, integration costs and acquisition costs), and other financial items with cash impact, net long term financial investments excluding acquisitions and disposals*

Free cash flow represented by the change in net cash or net debt, excluding equity changes (notably cash received from the exercise of stock options), dividends paid, impact of foreign exchange rate fluctuations on opening net cash balance, and net acquisitions and disposals, reached € 294.5 million compared to € 287.6 million in 2019, corresponding to an increase of + 2.4%.

In 2020, free cash flow was impacted by the transaction costs related to the acquisition of Ingenico for an amount of € 54.3 million. Excluding this impact the free cash flow reached € 348.8 million representing an increase of 21.3% compared with 2019. OMDA conversion rate for 2020 is 42.1%. Excluding acquisition cost, it would have reached 49.8% compared to 47.8% in 2019, exceeding the target set for the year.

Cash from operations amounted to € 543.0 million and increased by € 142.7 million compared to last year, including the following items:

- OMDA (€ +97.8 million),
- Higher capital expenditures (€ -41.4 million),
- Higher lease expenditures (€ -6.0 million)
- Improvement in change in working capital requirement (€ +92.3 million).

OMDA of € 699.9 million, representing an increase of € 97.8 million compared to 2019, reached 25.5% of revenue versus 25.3% of revenue in 2019.

Capital expenditures amounted to € 155.3 million or 5.7% of revenue, in line with Group investment policy of 5-6% of revenue. The part related to investments in software platforms through capitalized cost, in connection with the modernization of proprietary technological platforms amounted to € 59.7 million. Despite the Covid-19 situation, the level of expenditures remained strong.

The positive **change in working capital requirement** was € 46.0 million, confirming the improvement already recorded during the first semester of the year of € 27.5 million.

The Group may factor part of its account receivables in the normal course of its day to day treasury management. Amount of receivables factored as at December 30, 2020 is non-significant and slightly below the level of December 30, 2019.

Cash out related to **taxes paid** reached € 93.1 million increasing by € 35.7 million compared to 2019.

Net outflow related to **cost of net debt** of € 12.1 million included the costs linked to the financing of the acquisition of Ingenico. It included € 8.1 million of bonds interests accrued.

Cash outflow linked to **reorganization costs** and **rationalization costs** represented respectively € 10.3 million and € 2.2 million.

Integration costs of € 103.5 million included a large part of costs linked to the acquisition of Ingenico (€ 54.3 million) and costs related to post acquisition integrations of other recent acquisitions.

Net financial investments amounted to € 1.6 million. In 2019, it included in particular a collection related to the Visa receivable for € 14.3 million.

Other changes amounted to €-25.6 million, compared with € -19.2 million in 2019. They included, as last year, OOI expenses for € 16.4 million (€ 11.3 million in 2019) and other financial expenses for € 9.2 million (€ 7.9 million in 2019).

As a result, the **Free Cash Flow (FCF**) generated in 2020 reached € 294.5 million. Excluding acquisition costs of €54.3 million, FCF reached € 348.8 million.

The **net material acquisitions** of € 2,873.1 million represented mainly the net cash effects linked to the acquisition of Ingenico (€ 2,873.4 million) and GoPay (€ 40.0 million). It included also the collection of the price adjustment linked to the acquisition of Six Payment Services in June 2020 (€ 49.9 million).

The impact of the cancellation **of the contingent liability** linked to the acquisition of SIX Payment Services was € 117.6 million in 2019;

In 2020, the € -4.3 million **Capital increase** corresponded to the issuance of common stock following employee's exercise of stock options and the impact of the costs attributable to the capital infusion linked to shares issued in the frame the acquisition of Ingenico;

Net cash effect of **convertible bonds** reached € 77.4 million, representing the equity component of the convertible bonds and related interest;

Foreign exchange rate fluctuation, which is determined on debt or cash exposure by country, had a negative impact of € 18.3 million.

B.2.3. Financing policy

Financing structure

Worldline's expected liquidity requirements are currently fully covered by the gross cash, the long-term committed credit facilities and the cash generation.

On December 20, 2018, Worldline (as Borrower) signed a five-year Revolving Credit Facility (the "Facility") for an amount of € 600 million, maturing in December 2023 with an option for Worldline to request the extension of the Facility maturity date until December 2025. In October 2019, first extension has been requested and approved by the banks. The Facility maturity date was December 2024.

In October 2020, a second extension has been requested and approved by the banks for an amount of € 554 million. The Facility maturity date is now December 2025. Therefore, the amount of this Revolving Credit Facility is € 600 million until December 2024 and € 554 million between December 2024 until the final maturity (December 2025).

On January 2021, following lender's approvals, an existing € 750 million Revolving Credit Facility at the level of Ingenico SA (as Borrower), maturing in July 2023 was amended and extended as follow: modification of the borrower which is now Worldline SA, decrease of the amount from € 750 million to € 450 million, updated margin conditions and financial commitments/covenants, and maturity extended to January 2024

The two Revolving Credit Facilities are available for general corporate purpose.

At December 31, 2020, there were no drawings on the Worldline € 600 million Revolving credit facility and on the Ingenico € 750 million Revolving credit facility.

On march 30, 2020 Worldline entered into a mandate letter providing the terms and conditions under which a pool of banks commit to enter into a Bridge Facility Agreement upon Company's request for an amount of €2.6 billion and for a one-year maturity (with options for extension) in order to finance the contemplated acquisition of Ingenico as announced on February 3, 2020. This Bridge Facility agreement was signed on July 2020 for an updated amount of €1.6 billion and has never been drawn. This Bridge Facility agreement was cancelled in November 2020.

Worldline has entered into a "Negotiable European Commercial Papers" program (NEU CP) on April 12, 2019 to optimize its financial charges and improve Group's cash for a maximum initial amount of € 600 million. On December 31, 2020, the outstanding amount of the program was € 373 million. Total amount of this "Negotiable European Commercial Papers" program (NEU CP) has been raised to € 1 000 million in December 2020.

Ingenico has as well a “Negotiable European Commercial Papers” program (NEU CP) for a maximum amount of € 750 million. On December 31, 2020, the outstanding amount of the € 750 million Ingenico Neu CP program was at € 103 million. As of February 2021, the outstanding amount The Ingenico Neu CP program is nil.

In addition, on July 30, 2019, Worldline has issued interest-free bonds convertible into new shares and/or exchangeable for existing shares of Worldline for an amount of € 600 million maturing on July 30, 2026, unless the bonds have been subject to early redemption, conversion or purchase and cancellation.

Worldline has issued subsequently, on September 18, 2019, bonds for an amount of €500 million. Such bonds are to mature on September 18, 2024 and produce interest of 0.25% per year on the outstanding principal amount. These bonds are rated BBB by S&P Global Ratings in line with the corporate credit rating of the Company, and the terms and conditions reflect standard Investment Grade documentation

These two bonds have financed the acquisition of the 36.4% minority stake of EquensWorldline which has been paid entirely in cash during September 2019.

On June 2020, in the context of the financing of the cash component of the acquisition of Ingenico (Shares and OCEANE), under a € 4 billion EMTN (Euro Medium Term Note) listed in Luxemburg and signed on June 22, 2020, Worldline completed two bonds issuances for an amount of € 500 million each. The first bond issue is to mature on June 30, 2023 and produces interest of 0.50% on the outstanding principal amount. The second bond issue is to mature on June 30, 2027 and produces interest of 0.875% on the outstanding principal amount. The bonds are rated BBB by S&P Global Ratings, in line with the corporate credit rating of the Company, and the terms and conditions reflect standard Investment Grade documentation. The bonds are listed on the Luxemburg Stock Exchange.

On July 2020, Worldline has issued interest-free bonds convertible into new shares and/or exchangeable for existing shares of Worldline for an amount of € 600 million maturing on July 30, 2025, unless the bonds have been subject to early redemption, conversion or purchase and cancellation. Proceeds have been dedicated to financing of the acquisition of Ingenico.

On December 2020, Worldline placed a tap issue of interest-free bonds convertible into new shares and/or exchangeable for existing shares of Worldline for an amount of € 200 million maturing on July 30, 2026 fully fungible with the OCEANE due 2026 issued in July 2019.

Following the acquisition of Ingenico, additional debts were transferred to Worldline Group:

On September 2017, Ingenico has completed a bond issuance for an amount of € 600 million. The bond issue is to mature on September, 2024 and produces interest of 1.625% on the outstanding principal amount.

On May 2014, Ingenico has issued a bond issuance for an amount of € 450 million. The bond issue is to mature on May, 2021 and produces interest of 2.5% on the outstanding principal amount.

On December 2017, Ingenico has completed a Private Placement for an amount of € 50 million which matured on December, 2020 and produced interest of 0.647% on the outstanding principal amount.

On May 2018, Ingenico has completed two Private Placements for an amount of respectively € 25 million and € 30 million. The maturity of these Private Placements is May, 2025 and produced interest of 1.677% on the outstanding principal amount.

Investment grade rating

On September 4, 2019, Standard & Poor’s Global has assigned an “investment grade” BBB issuer credit rating to Worldline, with a stable outlook. This rating was affirmed on February 3, 2020 in the context of the planned acquisition of Ingenico and in the context of the June 2020 Worldline bond issuances.

Investment policy

Worldline has a policy to lease its office space and other real estate assets either administrative or technical. Some other fixed assets such as IT equipment and company cars may be financed through leases depending on the cost of funding and on the most appropriate type of financing for each new investment.

B.2.4. Proforma financial information

Regulatory framework

The proforma consolidated financial information, which includes a proforma of the consolidated income statement for the year ended December 31, 2020 , reflects the impact of the acquisitions of Ingenico the 1st of November 2020 and GoPay the 1st of September 2020 (please refer to Note 1 to the consolidated financial statements), referred to as the "Acquired Companies" or the "Acquisition", as if they had been effective as of January 1st, 2020.

This proforma consolidated financial information is prepared in accordance with Appendix 20, "Proforma information" of the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019, the recommendations issued by ESMA and in accordance with Position-Recommendation no. 2021-02 of the French Financial Markets Authority ("Autorité des Marchés Financiers").

The proforma consolidated financial information is presented for illustrative purposes only and is not indicative of Worldline's results of operations or financial condition that would have been achieved had the Acquisitions been completed as of January 1st, 2020, nor is the proforma financial information indicative of the Group's current or future results of operations or financial position.

Basis of preparation

The proforma consolidated financial information has been prepared based on:

- The audited consolidated financial statements of the Group as of and for the year ended December 31, 2020, prepared in accordance with IFRS as adopted by European Union;
- The unaudited consolidated interim financial statements of Ingenico for the period from January 1st to October 31, 2020, prepared in accordance with IFRS as adopted by European Union.
- The unaudited consolidated interim financial statements of GoPay for the period from January 1st to August 31, 2020, prepared in accordance with IFRS as adopted by European Union.

The proforma consolidated financial information is prepared in consistency with the accounting principles used for the 2020 Worldline historical audited consolidated account.

All reclassifications were made to align the Acquisitions available historical information with the presentation of Worldline's consolidated financial statements.

All proforma adjustments are directly attributable to the Acquisitions and factually supportable. These adjustments have been prepared and computed based on available information and certain assumptions that the management of the Group consider to be reasonable. The proforma consolidated financial information does not include any economies of scale that may result from synergies and cost savings. Historical financial information for the acquired companies for January 1st, 2020 to October 31, 2020 for Ingenico and for January 1st, 2020 to August 31, 2020 for GoPay period prior to the acquisition by Worldline are converted at respectively average of first ten months of 2020 foreign exchange rate and average of first eight months of 2020 foreign exchange rate.

In Eur millions	Worldline a Historical 2020 Actuals Worldline 12 months	b Historical 2020 Actuals Acquired scope 10 months ING / 8 months GoPay	c = c1+c2 Total Proforma reclassification & harmonisation of accounting treatment	d = d1+d2+d3+d4 Total Proforma adjustments	Worldline PF f = a+b+c+d Worldline Pro forma 2020
Revenue	**2,747.8**	**2,321.6**	**-261.1**	**-33.7**	**4,774.5**
Personnel expenses	-949.5	-521.4	1.0	0.0	-1,469.9
Operating expenses	-1,277.7	-1,544.3	343.8	45.5	-2,432.8
Operating margin	**520.5**	**255.8**	**83.8**	**11.8**	**871.8**
% of revenue	**18.9%**	**11.0%**			**18.3%**
Other operating income and expenses (*)	-275.6	-65.5	-97.6	-108.5	-547.3
Operating income	**244.9**	**190.3**	**-13.9**	**-96.7**	**324.6**
% of revenue	**8.9%**	**8.2%**			**6.8%**
Financial expenses	-47.0	-92.2	-1.9	-7.2	-148.4
Financial income	19.1	60.5	7.1	0.0	86.7
Net financial expenses	**-27.9**	**-31.7**	**5.1**	**-7.2**	**-61.7**
Net income before tax	**216.9**	**158.6**	**-8.7**	**-103.9**	**262.9**
Tax charge	-50.8	-33.7	-0.3	26.9	-57.9
Effective tax rate	*23.4%*	*21.2%*	*-3.8%*	*25.9%*	*22.0%*
Share of net profit/(loss) of associates	-0.9	0.0	0.0	0.0	-0.9
Net income	**165.1**	**124.9**	**-9.1**	**-77.0**	**204.0**

** transaction costs incurred by Worldline and related to the Ingenico acquisition amounted to € 58.6 million. Concerning Ingenico Group those costs amounted to € 29.6 million for the 10 first months of 2020. These costs are not expected to have a continuing impact.*

Additional non-GAAP indicators:

Depreciation of fixed assets, Operating net charge of provisions and Net charge of provisions for pensions	-179.4	-203.5	89.7	24.7	-268.5
Operating Margin before Depreciation and Amortization (OMDA/EBITDA*)	**699.9**	**459.3**	**-5.9**	**-12.9**	**1,140.3**
% of revenue	25.5%	19.8%			23.9%

** EBITDA for historical Ingenico*

Please refer to Note 3.1 of the 2020 consolidated financial statements for a definition of OMDA (Operating Margin before Depreciation and Amortization).

Proforma reclassifications reflected in the income statement for the year ended December 31, 2020

There are certain differences between the way Worldline and the Acquired Companies present their respective IFRS income statements. Therefore, items below in the Acquired companies' income statement for the 10 months period ended October 31, 2020 for Ingenico and for the 8 months period ended August 31, 2020 for GoPay were reclassified in order to align with the Group's accounting principles and policies:

	c = c1+c2	c1	c2
In Eur millions	**Total Proforma reclassification & harmonisation of accounting treatment**	**Harmonization of accounting treatments**	**Presentation restatements**
Revenue	**-261.1**	**-258.2**	**-2.8**
Personnel expenses	1.0		1.0
Operating expenses	343.8	251.4	92.3
Operating margin	**83.8**	**-6.8**	**90.6**
% of revenue			
Other operating income and expenses	-97.6	0.0	-97.6
Operating income	**-13.9**	**-6.8**	**-7.1**
% of revenue			
Financial expenses	-1.9	-1.9	0.0
Financial income	7.1	0.0	7.1
Net financial expenses	**5.1**	**-1.9**	**7.1**
Net income before tax	**-8.7**	**-8.7**	**0.0**
Tax charge	-0.3	-0.3	0.0
Effective tax rate	*-3.8%*	*-3.8%*	
Share of net profit/(loss) of associates	0.0	0.0	0.0
Net income	**-9.1**	**-9.1**	**0.0**

Additional non-GAAP indicators:

Depreciation of fixed assets, Operating net charge of provisions and Net charge of provisions for pensions	89.7	-5.3	95.0
Operating Margin before Depreciation and Amortization (OMDA/EBITDA*)	**-5.9**	**-1.4**	**-4.5**
% of revenue			

* *EBITDA for historical Ingenico*

(c1): The restatement is mainly linked to the Interchange bank commission. The Group presents its revenue for Commercial Acquiring net of interchange bank commissions received on behalf of card issuing banks. Accordingly, this adjustment corresponds mainly to passthrough accounting applied to the interchange bank commissions that were booked during the first ten months of 2020.

(c2): Restatements of presentation have been performed, among which the main one is the reclassification of the amortization expense for customer relationships and Technologies which have been presented as other operating expenses in compliance with Group's accounting principles.

Proforma adjustments reflected in the proforma income statement for the year ended December 31, 2020

The following proforma adjustments were recorded:

	d = d1+d2+d3+d4	d1	d2	d3	d4
In Eur millions	**Total Proforma adjustments**	**Intra-group transactions eliminations**	**Adjustments linked to change of control**	**Impact of the PPA amortization and the cost of debt for the acquisition**	**FX impact**
Revenue	**-33.7**	**-14.4**	**-18.5**	**0.0**	**-0.8**
Personnel expenses	0.0	0.0	0.0	0.0	
Operating expenses	45.5	14.4	6.9	24.7	-0.5
Operating margin	**11.8**	**0.0**	**-11.6**	**24.7**	**-1.3**
% of revenue					
Other operating income and expenses	-108.5	0.0	0.0	-108.5	
Operating income	**-96.7**	**0.0**	**-11.6**	**-83.8**	**-1.3**
% of revenue					
Financial expenses	-7.2	0.0	0.0	-7.2	
Financial income	0.0	0.0	0.0	0.0	
Net financial expenses	**-7.2**	**0.0**	**0.0**	**-7.2**	**0.0**
Net income before tax	**-103.9**	**0.0**	**-11.6**	**-91.0**	**-1.3**
Tax charge	26.9	0.0	4.4	22.5	0.0
Effective tax rate	*25.9%*		*37.6%*	*24.8%*	
Share of net profit/(loss) of associates	0.0	0.0	0.0	0.0	
Net income	**-77.0**	**0.0**	**-7.3**	**-68.4**	**-1.3**

Additional non-GAAP indicators:

Depreciation of fixed assets, Operating net charge of provisions and Net charge of provisions for pensions	24.7	0.0	0.0	24.7	0.0
Operating Margin before Depreciation and Amortization (OMDA/EBITDA*) % of revenue	**-12.9**	**0.0**	**-11.6**	**0.0**	**-1.3**

* *EBITDA for historical Ingenico*

(d1): These adjustments refer to the elimination of transactions between Worldline and Ingenico or GoPay during respectively the first ten months of 2020 or the first 8 months of 2020.

(d2): These adjustments refer to the descoping of business linked to a settlement in the frame of the Ingenico acquisition and pre-closing contract losses in relation with Ingenico change of control. Therefore, related impacts have been restated to correspond to the acquired scope i.e. the scope that will continue in the Worldline environment.

(d3): These adjustments relates to PPA amortization for ten months for Eur 190.9 millions for Ingenico (please refer to note 1 of the 2020 consolidated accounts) and cancellation of Ingenico previous PPA amortization as well as cost of debt implemented in the frame of financing the operation (please refer to note 6.4 of the 2020 consolidated accounts) for Eur 7.2 millions as if the new borrowings were contracted as from the 1st of january.

(d4): FX impact of acquired scope to comply with year to date 2020 average FX rates.

B.3. Consolidated financial statements

B.3.1. Statutory Auditors’ report on the consolidated financial statements for the year ended December 31, 2020

The audit procedures have been completed and the auditors' report on the financial statements is in the process of being issued.

B.3.2. Consolidated Income Statement

(In € million)		12 months ended December 31, 2020	12 months ended December 31, 2019
Revenue	**Note 3**	**2,747.8**	**2,381.6**
Personnel expenses	Note 4	-949.5	-870.3
Operating expenses	Note 4	-1,277.7	-1,068.8
Operating margin		**520.5**	**442.6**
% of revenue		***18.9%***	***18.6%***
Other operating income and expenses	Note 5	-275.6	-148.3
Operating income		**244.9**	**294.3**
% of revenue		***8.9%***	***12.4%***
Financial expenses		-47.0	-29.3
Financial income		19.1	150.9
Net financial expenses	**Note 6**	**-28.0**	**121.7**
Net income before tax		**216.9**	**416.0**
Tax charge	Note 7	-50.8	-75.0
Share of net profit/(loss) of associates		-0.9	-2.9
Net income		**165.1**	**338.0**
Of which:			
- attributable to owners of the parent		**163.7**	**311.2**
- non-controlling interests	Note 12	1.4	26.8
Weighted average number of shares		198,988,576	182,025,225
Basic earnings per share *(in €)*	**Note 12**	**0.82**	**1.71**
Diluted weighted average number of shares		207,880,896	185,387,525
Diluted earnings per share (in €)	**Note 12**	**0.81**	**1.69**

B.3.3. Consolidated statement of comprehensive income

(In € million)	12 months ended December 31, 2020	12 months ended December 31, 2019
Net income	**165.1**	**338.0**
Other comprehensive income		
- to be reclassified subsequently to profit / (loss) recyclable:	**-24.8**	**67.2**
Cash flow hedging	2.3	-0.1
Exchange differences on translation of foreign operations	-27.2	66.8
Deferred tax on items recyclable recognized directly on equity	0.0	0.5
- not reclassified to profit / (loss) non-recyclable:	**-28.3**	**-11.0**
Actuarial gains and (losses) generated in the period on defined benefit plan	-37.8	-16.5
Deferred tax on items non-recyclable recognized directly on equity	9.5	5.4
Total other comprehensive income	**-53.1**	**56.1**
Total comprehensive income for the period	**112.0**	**394.1**
Of which:		
- attributable to owners of the parent	**110.7**	**367.3**
- non-controlling interests	**1.3**	**26.8**

B.3.4. Consolidated statement of financial position

Assets

(In € million)		As at December 31, 2020	As at December 31, 2019
Goodwill	Note 8	11,090.8	3,114.5
Other Intangible assets	Note 8	3,231.7	1,047.1
Tangible assets	Note 8	236.4	143.9
Right-of-use	Note 9	292.8	202.1
Non-current financial assets	Note 6	118.9	102.1
Non-current financial instruments		1.4	
Deferred tax assets	Note 7	90.6	26.5
Total non-current assets		**15,062.7**	**4,636.2**
Inventories	Note 4	131.4	41.2
Trade accounts and notes receivables	Note 3	870.1	413.5
Current taxes		40.7	29.5
Other current assets	Note 4	321.4	201.2
Assets linked to intermediation activities	Note 4	1,858.9	1,053.4
Current financial instruments		2.2	0.4
Cash and cash equivalents	Note 6	1,381.4	500.5
Total current assets		**4,606.1**	**2,239.7**
Total assets		**19,668.8**	**6,875.9**

Liabilities and shareholders' equity

(In € million)		As at December 31, 2020	As at December 31, 2019
Common stock		189.8	124.3
Additional paid-in capital		8,527.5	2,542.8
Consolidated retained earnings		627.6	244.0
Translation adjustments		-28.1	-1.1
Net income attributable to the owners of the parent		163.7	311.2
Equity attributable to the owners of the parent		9,480.6	3,221.1
Non-controlling interests	Note 12	904.6	
Total shareholders' equity		**10,385.2**	**3,221.1**
Provisions for pensions and similar benefits	Note 10	247.3	159.9
Non-current provisions	Note 11	93.9	37.8
Borrowings	Note 6	3,508.7	1,054.2
Deferred tax liabilities	Note 7	674.1	206.5
Non-current lease liabilities	Note 9	236.5	169.4
Total non-current liabilities		**4,760.5**	**1,627.7**
Trade accounts and notes payables	Note 4	678.2	318.4
Current taxes		81.0	73.9
Current provisions	Note 11	19.0	21.9
Current financial instruments		4.4	0.0
Current portion of borrowings	Note 6	1,037.8	87.7
Liabilities linked to intermediation activities	Note 4	1,859.7	1,053.4
Current lease liabilities	Note 9	63.6	32.3
Other current liabilities	Note 4	779.4	439.4
Total current liabilities		**4,523.1**	**2,027.1**
Total liabilities and shareholders' equity		**19,668.8**	**6,875.9**

B.3.5. Consolidated cash flow statement

(In € million)		12 months ended December 31, 2020	12 months ended December 31, 2019
Profit before tax		**216.9**	**416.0**
Depreciation of assets	Note 4.2	126.6	103.7
Depreciation of right-of-use	Note 4.2	48.4	39.1
Net charge / (release) to operating provisions		3.5	9.4
Net charge / (release) to financial provisions		3.3	2.8
Net charge / (release) to other operating provisions		-5.9	-1.5
Customer relationships & Patent amortization	Note 5	114.1	75.9
Losses / (gains) on disposals of fixed assets		3.6	3.8
Net charge for equity-based compensation		33.6	14.0
Losses / (gains) on financial instruments		-5.9	-138.3
Net cost of financial debt	Note 6	20.2	5.5
Cash from operating activities before change in working capital requirement, financial interest and taxes		**558.4**	**530.5**
Taxes paid		-93.1	-57.4
Change in working capital requirement		46.0	-46.3
Net cash from / (used in) operating activities		**511.3**	**426.8**
Payment for tangible and intangible assets		-155.3	-113.9
Proceeds from disposals of tangible and intangible assets		0.3	3.6
Net operating investments		**-155.0**	**-110.3**
Amounts paid for acquisitions and long-term investments	Note 1	-1,664.7	-9.5
Cash and cash equivalents of companies purchased /sold during the period		675.1	-14.4
Proceeds from disposals of financial investments		-1.6	14.9
Net long-term investments		**-991.3**	**-9.0**
Net cash from / (used in) investing activities		**-1,146.2**	**-119.3**
Common stock issues on the exercise of equity-based compensation and related costs		-4.3	10.9
Allocation of convertible bonds :			
in equity	Note 6	84.8	82.0
in financial liability	Note 6	774.4	554.8
Dividends paid to minority shareholders of subsidiaries			-11.8
Payment for acquisition of non controlling interests			-1,070.9
New borrowings	Note 6	1,366.0	559.2
Lease Payments & Interests		-47.6	-41.6
Repayment of long and medium-term borrowings		-703.5	-9.2
Net Interests paid		-3.7	-5.5
Other flows related to financing activities		-0.5	3.3
Net cash from / (used in) financing activities		**1,465.7**	**71.3**
Increase / (decrease) in net cash and cash equivalents		**830.8**	**378.8**
Opening net cash and cash equivalents		**476.0**	**95.1**
Increase / (decrease) in net cash and cash equivalents		830.8	378.8
Impact of exchange rate fluctuations on cash and cash equivalents		-18.3	2.1
Closing net cash and cash equivalents		**1,288.6**	**476.0**

B.3.6. Consolidated statement of changes in shareholder's equity

(In € million)	Number of shares at period-end *(in thousands)*	Common Stock	Additional paid-in capital	Retained earnings	Translation adjustments	Net income	Equity attributable to the owners of the parent	Non controlling interests	Total shareholders' equity
At January 1st, 2019	**182,554.7**	**124.1**	**2,538.4**	**904.1**	**-67.9**	**100.5**	**3,599.2**	**208.9**	**3,808.2**
* Common stock issued	209.7	0.1	4.4				4.6		4.6
* Appropriation of prior period net income				100.5		-100.5			
* Dividends paid to the shareholders								-9.9	-9.9
* Equity-based compensation				14.0			14.0		14.0
* Convertible bonds equity split accounting				59.4			59.4		59.4
* Equens Worldline non-controlling interests purchase				-846.8			-846.8	-225.9	-1,072.7
* Changes in Treasury stock				23.4			23.4		23.4
Transactions with owners	209.7	0.1	4.4	-649.5		-100.5	-745.4	-235.8	-981.2
* Net income						311.2	311.2	26.8	338.0
* Other comprehensive income				-10.6	66.8		56.1		56.1
Total comprehensive income for the period				-10.6	66.8	311.2	367.3	26.8	394.1
At December 31st, 2019	**182,764.5**	**124.3**	**2,542.8**	**244.0**	**-1.1**	**311.2**	**3,221.2**		**3,221.1**
* Common stock issued	690.9	0.5	3.8				4.3		4.3
* Ingenico acquisition	95,680.1	65.1	5,981.0				6,046.0	903.4	6,949.4
* Appropriation of prior period net income				311.2		-311.2			
* Equity-based compensation				33.6			33.6		33.6
* Convertible bonds equity split accounting				62.2			62.2		62.2
* Changes in Treasury stock and others				1.3			1.3		1.3
* Other				1.2			1.2		1.2
Transactions with owners	96,371.0	65.5	5,984.7	409.5		-311.2	6,148.6	903.4	7,052.0
* Net income						163.7	163.7	1.4	165.1
* Other comprehensive income				-26.0	-27.0		-52.8	-0.1	-53.0
Total comprehensive income for the period				-26.0	-27.0	163.7	110.9	1.2	112.1
At December 31st, 2020	**279,135.5**	**189.8**	**8,527.5**	**627.6**	**-28.1**	**163.7**	**9,480.6**	**904.6**	**10,385.2**

B.3.7. Appendices to the consolidated financial statements

B.3.7.1. General information

Worldline SA, the Worldline Group's parent company, is a public limited company under French law whose registered office is located at 80, Quai Voltaire, 95870 Bezons, France. The Company is registered with the Registry of Commerce and Companies of Pontoise under the reference 378,901,946 RCS Pontoise. Worldline SA shares are traded on the Euronext Paris market under ISIN code FR0011981968. The shares are not listed on any other stock exchange and Worldline SA is the only listed company in the Group. The Company is administrated by a Board of Directors.

Worldline is a European leader and a global market player in the electronic payment and transactional services sector. Worldline activities are organized around four business lines: Merchant Services, Financial Services, Mobility & e-Transactional Services and Terminal Software Services.

These consolidated financial statements were approved by the Board of Directors on February 23, 2021. The consolidated financial statements will then be submitted to the approval of the General Meeting of Shareholders scheduled to take place on May 20, 2021.

B.3.7.2. Accounting rules and policies

Basis of preparation of consolidated financial statements

Pursuant to European Regulation No. 1606/2002 of July 19, 2002, the consolidated financial statements for the twelve months ended December 31, 2020 have been prepared in accordance with the applicable international accounting standards, as endorsed by the European Union as at December 31, 2020. The international standards comprise the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), the International Accounting Standards (IAS), the interpretations of the Standing Interpretations Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC). Accounting policies applied by the Group comply with those standards and interpretations.

As of January 1, 2020, the Group applied the following standards, interpretations and amendments that had no material impact on the Group financial statements:

- Amendments to IFRS 9, IAS 39 and IFRS 7 – Interest Rate Benchmark Reform;
- Amendments to IFRS 3 – Definition of a Business;
- Amendments to IAS 1 and IAS 8 – Definition of Material;
- Amendments to References to the conceptual framework in IFRS Standards.

Changes in accounting policies

New IFRS standards, interpretations and amendments listed above did not have any impact on the Group Financial Statement as of December 31, 2020. The accounting policies applied in these consolidated financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended December 31, 2019.

Transaction of entities under common control

In order to better reflect the economics of those transactions between entities under common control the Group has elected to account for the assets and liabilities, of acquired companies under common control, at their historical value in the IFRS consolidated account of Worldline. Difference between the purchase price and the net assets is recognized directly in retained earnings.

Accounting estimates and judgments

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, income and expense in the financial statements and disclosures of contingent assets and liabilities at the closing date. The estimates, assumptions and judgments that may result in significant adjustments to the carrying amounts of assets and liabilities are related to:

- Goodwill impairment tests (see Note 8);
- Revenue recognition and associated costs on long-term contracts (see Note 3);
- Capitalization of development costs (see Note 8);
- Valuation of asset acquired and liability assumed in a business combination (see Note 1);
- Convertible bond's valuation (see Note 6).

Consolidation methods

Subsidiaries

Subsidiaries are entities controlled directly or indirectly by the Group. The Group controls an entity when it has power over that entity, when it is exposed to variable benefits from that entity and, when due to its power over that entity, has the ability to influence the benefits that it draws from it. The existence and effect of potential voting rights that are currently exercisable or convertible, the power to appoint the majority of the members of the governing bodies and the existence of veto rights are considered when assessing whether the Group controls another entity. Subsidiaries are included in the consolidated financial statements from the date on which control is transferred to the Group. They are excluded from the consolidation from the date on which control ceases.

Associates

Associates are entities over which the Group has significant influence but not control or joint control, generally, but not systematically, accompanying a shareholding of between 20 and 50 percent of the voting rights. Investments in associates are accounted for by the equity method.

Translation of financial statements denominated in foreign currencies

The balance sheets of companies based outside the euro zone are translated at closing exchange rates. Income statement items are translated based on average exchange rate for the period. Balance sheet and income statement translation adjustments arising from a change in exchange rates are recognized as a separate component of equity under “Translation adjustments”.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of that foreign entity and translated into euro at the closing date.

The Group does not consolidate any entity operating in a hyperinflationary economy except in Argentina. Argentina is a hyperinflationary Economy since July 1, 2018. As such, Profit & Loss items from Argentinian entity have been restated from inflation in accordance with IAS 29. Correction has been calculated month by month applying inflation since January 1 to end of each month until the end of year. This led to a gross up of Profit and Loss items in pesos. Those flows have been converted at the € vs. pesos rate as end of December 2020. Impact of this restatement on the Group net result is not material.

Translation of transactions denominated in foreign currencies

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement under the heading “Other financial income and expenses”, except where hedging accounting is applied.

Operating margin and Operating Margin before Depreciation and Amortization (OMDA)

The underlying operating performance on the Group ongoing business is presented within operating margin, while unusual operating income/expenses are separately itemized and presented below the operating margin, in line with the ANC (Autorité des Normes Comptables) recommendation No. 2013-03 (issued on November 7, 2013) regarding the financial statements presentation.

The Operating Margin before Depreciation and Amortization is based on Operating Margin minus items without impact on the cash flows from operations and excluding amortization and depreciation. Following Ingenico integration and considering payment terminal significance in Worldline’s financial statement, it was decided to include terminals depreciations into OMDA. This change allows a fair view of economic and operational activities of the Group.

Rounding

These consolidated financial statements are presented in euro, which is the Group’s functional currency. All figures are presented in € million with one decimal. This may in certain circumstances lead to non-material differences between the sum of the figures and the subtotals that appear in the tables. The policies set out above have been applied in consistency with all years presented.

B.3.7.3. **Notes to the consolidated financial statements**

Note 1 Main changes in the scope of consolidation

Accounting policies/principles

Business combination

A business combination may involve the purchase of another entity, the purchase of all the net assets of another entity or the purchase of some of the net assets of another entity that together form one or more businesses.

Major services contracts involving staff and asset transfers that enable the Group to develop or significantly improve its competitive position within a business or a geographical sector are accounted for as business combinations when fulfilling the definition of a business under IFRS 3.

Valuation of assets acquired and liabilities assumed of newly acquired subsidiaries

Business combinations are accounted for according to the acquisition method. The consideration transferred in exchange for control of the acquired entity is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree.

The Group elected the option under IFRS 3 to measure non-controlling interest at fair value.

Direct transaction costs related to a business combination are charged to the income statement when incurred and presented as part of the Other Operating Income.

During the first consolidation, all the assets, liabilities and contingent liabilities of the subsidiary acquired are measured at their fair value.

Purchase of non-controlling interests and sale of interests in a controlled subsidiary

Purchase of non-controlling interests and sale transactions of interests in a controlled subsidiary that do not change the status of control are recorded through shareholders’ equity (including direct acquisition costs).

If control in a subsidiary is lost, any gain or loss is recognized in net income. Furthermore, if an investment in the entity is retained by the Group, it is re-measured to its fair value and any gain or loss is also recognized in net income.

1/ Creation of a new world-class leader in payment services: acquisition of Ingenico

Worldline and Ingenico Group SA have announced on February 3, 2020 that their respective Boards of Directors have unanimously approved a business combination agreement pursuant to which Worldline would launch a tender offer for all Ingenico shares, consisting of an 81% share and 19% cash transaction, as of last closing prices, as well as outstanding OCEANEs.

On June 9, 2020, Worldline’s General Meeting approved with a vast majority (99.59%) the issuance of shares as part of the public offering to be initiated by Worldline on Ingenico’s shares and convertible bonds (OCEANEs), which was necessary for the successful completion of the acquisition.

Worldline acquired 100% of INGENICO shares in three steps , 88,64% at the end of the first tender offer ended on October, 28th 2020, residual shares were acquired during the re-opened period closed on November, 17th 2020 and the squeeze out on November, 19th 2020. Ingenico is fully consolidated since November 1st, 2020.This transaction was completed as described below:

Opening of the first tender offer for Ingenico's securities

The first tender offer for Ingenico's shares and OCEANEs opened on July 30, 2020 and closed on October 15, 2020.The offer for Ingenico shares included a primary mixed offer and, subject to a "mix and match" mechanism, a secondary exchange offer and a secondary cash offer:

- primary mixed offer: 11 Worldline shares and € 160.50 for 7 Ingenico shares
- secondary exchange offer: 56 Worldline shares in exchange for 29 Ingenico shares
- secondary cash offer: €123.10 per Ingenico share

The offer for Ingenico OCEANEs included an alternative between a mixed offer and a cash offer:

- mixed offer: 4 Worldline shares and € 998 for 7 Ingenico OCEANEs
- cash offer: €179 for each Ingenico OCEANE

The Worldline's friendly tender offer for Ingenico securities had a very large success. Taking into account the planned mix and match mechanism and following the settlement of the first tender offer that took place on October 28, 2020, Worldline hold 56,474,416 Ingenico shares (i.e. 88.64% of total shares), and 2,892,092 OCEANEs (i.e. 99.57% of the number of OCEANEs in circulation), thus largely exceeding the offer's waiver threshold, which had been set at 60% of Ingenico share capital (on a fully diluted basis). This resulted in the creation of 90,398,179 new Worldline shares.

Reopening of tender offer for Ingenico's securities

The offer was then reopened from October 22 until November 4, 2020 (inclusive) under the same conditions than the first offer and Worldline confirmed its intention to implement a squeeze-out for the Ingenico's shares and OCEANEs following the reopened offer, précising that taking into account the treasury shares held by Ingenico, it was very likely that the conditions for the squeeze-out were already satisfied on the settlement-delivery date of the initial offer.

As part of the reopened offer, taking into account the results and in accordance with the planned mix and match mechanism, and upon completion of the settlement of the reopened offer that took place on November 17, 2020, Worldline hold 59,835,692 Ingenico shares, representing 93.91% of Ingenico's share capital and 2,893,994 Ingenico OCEANEs, representing 99.64 % of Ingenico OCEANEs in circulation. This resulted in the creation of 5,281,929 new Worldline shares.

Implementation of the squeeze out

Worldline implemented on November 19, 2020 a squeeze-out with respect to all Ingenico shares which have not been tendered to the tender offer, i.e., 2,576,195 Ingenico shares representing 4.04% of the share capital of Ingenico, and of all the Ingenico OCEANEs that were not tendered to the tender offer, i.e. 10,449 Ingenico OCEANEs, representing 0.36% of the number of outstanding OCEANEs.

The compensation paid in connection with the squeeze-out was equal to the price of the secondary cash offer for the shares (i.e., 123.10 euros per Ingenico share) and to the price of the cash offer for the OCEANEs (i.e. 179 euros per OCEANE).

The Ingenico shares and OCEANEs were delisted from Euronext in Paris on November 19, 2020, the date on which the squeeze-out was implemented.

Consideration transferred

(in € million)	**Consideration transferred**
Equity instruments (94,027,493 ordinary shares of Worldline SA)	5,948.9
Cash	1,689.1
Total Consideration transferred	7,638.0

As part of the transaction, Worldline issued 95.7 million new ordinary shares (94.0 million for Ingenico shares and 1.7 million issued for Ingenico convertible bonds acquisition) representing 34.3% of the share capital of Worldline as of end of December 2020, fully paid up. The fair value of the shares issued was measured using the opening market price of Worldline SA's ordinary shares on the acquisition dates.

The cash transferred was denominated in euros (EUR).

Recognized amounts of identifiable assets acquired and liabilities assumed

The fair value of Ingenico net assets acquired is set out in the table below:

(in € million)	**Assets acquired and liabilty assumed**
Fixed assets	2,452.3
Net Cash / (Debt)	-1,269.5
Provisions (including pensions)	-126.8
Net deferred taxes	-428.6
Other net assets / liabilities	-21.4
Fair value Oceane	-13.4
Fair value of acquisition	**592.5**

Preliminary Goodwill

(in € million)	Goodwill	
Total consideration transferred 31.12.2020	7,638.0	
Total Consideration	**7,638.0**	**a**
Equity acquired	-256.8	
Fair value adjustments net of deferred tax	909.8	
Opening Balance sheet adjustments	-47.1	
Fair value Oceane	-13.4	
Fair Value of net assets	**592.5**	**b**
Minority interests at fair value	903.3	**c**
Total 31.12.2020 - Preliminary Goodwill	**7,948.8**	**d= a-b+c**

The valuation of assets acquired and liabilities assumed at their fair value has mainly resulted in the recognition of new customer relationships for € 1,467.2 million, trademarks for € 44.6 million and developed technologies for € 654.1 million. This valuation amounted to a total of € 2,165.9 million, the net incremental value versus historical value reached € 909.8 million. Those new intangibles had been determined by an independent expert with an average amortization of 10 years for customer relationship, 8 years for technology and 10 years for trademark. An amortization expense of € 40.9 million was recorded for the two-month period ended December 31, 2020.

These estimates are still preliminary and may be adjusted within one year of the acquisition depending on facts and circumstances existing at the acquisition date. The residual goodwill is attributable to highly skilled workforce and some knowhow. It also reflects the synergies expected to be achieved from integrating Ingenico operations into the Group.

The goodwill arising from this acquisition is not tax deductible.

Acquisition-related costs

The Group incurred € 58.6 million of Ingenico acquisition-related costs (of which € 54.3 million of cash impact). These costs have been recognized in “other operating income and expenses” in the Group’s consolidated income statement.

Impacts on cash flow

(In € million)	Amounts paid / received for acquisitions and long-term investments
Ingenico	-1,689.1
GoPay	-14.1
Others	38.5
Total	**-1,664.7**

Others mainly included collection of the price adjustment linked to the acquisition of SIX Payment Services in June 2020.

2/ GoPay Acquisition

On the 4th September 2020, Worldline acquired 53% majority stake in GoPay, the leading online collecting payment services provider for small and medium sized businesses (SMB) in the Czech Republic.

In 2022, Worldline has a right to acquire the remaining 47% of GoPay share capital. We elected the option under IFRS 3 to measure non-controlling interest at fair value.

(in € million)	Goodwill
Total consideration transferred 31.12.2020	14.1
Remaining 47%	25.9
Total Consideration	**40.0**
Equity acquired	4.0
Fair value adjustments net of deferred tax	7.8
Fair Value of net assets	**11.8**
Total 31.12.2020 - Preliminary Goodwill	**28.2**

If the acquisition of Ingenico and GoPay had occurred on January 1, 2020, the twelve-month revenue for 2020 would have been € 4,774.5 million and the twelve-month net income would have been € 203.9 million.

Note 2 Other significant events of the year

Impact of the Covid-19 pandemic on Worldline financial statements

Pandemic is one of the risks addressed by the Group Business Continuity Plans, which was activated as early as February 2020, resulting in a ramp up of the Group's remote working rate along the crisis development and the full compliance with the local regulatory requirements. These measures meet both objectives of protecting the health of the Group's employees and ensuring a continuous delivery of the Group's services.

In addition, Worldline's sales force remained in constant dialogue with its customers and in particular supported retailers for the need for click & collect capacity upgrades, offered temporarily support to merchants to gain longer-term customer engagements and promoted contactless payments and mobile POS systems

Strong actions to adapt the cost base to Covid-19 consequences were also taken (Holidays & restricted hours policy, freeze on new hirings, Salary increase were postponed, supplier contracts were renegotiated, project reviews were conducted, and all discretionary expenses, including travel costs, were stopped)

A tight monitoring of merchant risks was also implemented. In that respect, Worldline's high quality risk management teams were reinforced with new members and new tools.

Impact of Brexit

As a No-deal Brexit would have impacted relationships between UK-based entities and entities based in the remaining European states (e.g. PIN entry devices with Worldline SA/NV, passported services for several EU based Worldline entities, transfer of data,…), the Group has engaged mitigation actions to limit the risk as well as to adapt to the new applicable rules. During the temporary permission period from January 31 to December 31, 2020 introduced by the Brexit, Worldline applied for special authorizations and to ensure compliance to the UK regulatory framework post-Brexit.

The Group exposure to GBP fluctuation is limited, as revenue in GBP have corresponding costs in GBP and Indian Rupee. Though the exposure of GBP/Euro fluctuations is limited, it is increasing through enlarged cooperation between UK-based entities and entities based in the remaining EU states.

Further sale by Atos of c. 13.1% of Worldline share capital on February 4, 2020

On February 4, 2020, Atos has completed the sale of ca. 23.9 million Worldline shares, representing ca. 13.1% of the Worldline share capital.

Following this operation Atos holds ca. 7.0 million Worldline shares, representing ca. 2.5% of the Worldline share capital, which are underlying the exchangeable bonds. In case of exchange in full of the bonds, Atos would no longer hold any Worldline shares and voting rights.

Alliance with ANZ Bank in Australia

On the December 14th 2020, Worldline announced the acquisition of 51% of the commercial acquiring business of ANZ for a cash consideration of c. AUD 485 million. This operation will allow Worldline to operate and develop commercial acquiring services in Australia with ANZ Bank. The key financial impacts on the Group are estimated below:

- Additional annual revenue of c. € 180 million with expected double-digit organic growth CAGR over the next 5 years;
- OMDA margin of c. 20% expected at closing to catch-up with Worldline's Merchant Services profitability, fueled by operating leverage and expected synergies of € 25 million by 2025;
- Estimated implementation costs at c. € 25 million, and;
- Estimated cash-out of c. € 300 million (for the 51%) at closing, preserving Worldline's financial flexibility for further developments.

Closing is expected during the last 2021 quarter.

Note 3 Revenue, segment information and trade accounts

Accounting policies/principles

Revenue is recognized if a contract exists between Worldline and its customer. A contract exists if collection of consideration is probable, rights to goods or services and payment terms can be identified, and parties are committed to their obligations. Revenue from contracts with customers is recognized either against a contract asset or receivable, before effective payment occurs.

Multiple arrangements services contracts

The Group may enter into multiple-element arrangements, which may include combinations of different goods or services. Revenue is recognized for each distinct performance obligation which is separately identifiable from other items in the arrangement and if the customer can benefit from it.

When a single contract contains multiple distinct performance obligations, the total transaction price is allocated between the different performance obligations based on their stand-alone selling prices. The stand-alone selling prices including usual discounts granted are determined based on the list prices at which the Group sells the goods or services separately. Otherwise, the Group estimates stand-alone selling prices using a cost-plus margin approach and/or the residual approach.

Worldline applies the practical expedient of IFRS 15 and recognize revenue when invoiced as invoicing is phased with delivery to the customer. In some specific contracts, invoicing of the run embeds performance obligation which are not fully phased with the invoicing flow. In that case, revenue allocated to this dedicated performance obligation is recognized as soon as the performance obligation is achieved.

As Worldline is providing stand-alone value to its customers as part of the build phases, build phases will be considered as a separate obligation under IFRS 15 and revenue will be recognized with respect to contract costs.

At a point of time versus over time recognition

Revenue is recognized when the Group transfers the control of a good or service to the customer, either at a point in time or over time.

Income from contracts concluded by the Group with customers for the sale of payment terminals and other products represent a performance obligation. Revenue is recognized when control of the asset is transferred to the customer, which is generally when the equipment is delivered.

Where other contractual undertakings constitute separate performance obligations, a portion of the transaction price is allocated to them.

For recurring services, the revenue is recognized over time as the customer simultaneously receives and consumes the benefit provided by the Group's performance as the Group performs. If the Group has a right to invoice a customer at an amount that corresponds directly with its performance to date, the revenue is recognized at that amount. Otherwise, revenue is recognized on a straight-line basis or based on the costs incurred if the entity's efforts are not expensed evenly throughout the period covered by the service.

When the Group builds an asset or provides specific developments, revenue is recognized over time, generally based on costs incurred, when the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced or when the performance does not create an asset with an alternative use and the Group has an enforceable right to payment for the performance completed to date by the contract and local regulations. Otherwise, revenue is recognized at a point in time.

Total projected contract costs are based on various operational assumptions such as forecast volume or variance in the delivery costs that have a direct influence on the level of revenue and possible forecast losses on completion that are recognized. A provision for onerous contract is booked if the future costs to fulfill a contract are higher than its related benefits.

The Group offers legal warranties in accordance with the laws and practices applicable in the different countries in which it operates. These warranties estimated costs are recognized in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets. The Group also offers extended warranties of one to five years which are recorded as service warranties and recognized as specific performance obligations, to which the Group allocates part of the transaction price based on the relative individual selling price. The revenue is then recognized over time based on the time elapsed as from the end of the legal warranty.

Revenue from contracts concluded by the Group with customers for the lease or services linked to payment terminals is recognized over time.

Financing component

When Worldline expects the period between customer payment and the transfer of goods and services to be greater than 12 months, it assesses whether the contract is embedding a financing component granted or received. When significant, interests generated by this financing component are booked separately from revenue.

Contract costs – Costs to obtain and fulfill a contract

Incremental costs to acquire a multi-year service contracts are capitalized and amortized over the life of the contract.

Transition & Transformation costs that do not represent a separate performance obligation of a contract are capitalized as contract costs if they create a resource that will be used to perform other performance obligations embedded in the contract. Other costs incurred to obtain or fulfill a contract are expensed when incurred.

Principal versus agent

When the Group resells telecommunication embedded and IT services purchased from third-party suppliers, it performs an analysis of the nature of its relationship with its customers to determine if it is acting as principal or as agent in the delivery of the good or service. The Group is a principal if it controls the specified good or service before it is transferred to the customer. In such case, revenue is recognized on a gross basis. If the Group is an agent, revenue is recognized on a net basis (net of suppliers costs), corresponding to any fee or commission to which the Group is entitled. When the Group is providing a significant service of integrating the specified good or service, it is acting as a principal in the process of resale. If the specified good or service is distinct from the other services promised to its customer, the Group is acting as a principal notably if it is primarily responsible for the good or service meeting the customer specifications or assumes inventory or delivery risks.

Revenue generated by acquiring activities is recognized net of interchange fees charged by issuing banks. The Group does not provide a service of integrating the service performed by the issuing bank and is not responsible for the execution of this service. These fees are transferred to the merchant in a pass-through arrangement and are not part of the consideration to which the Group is entitled in exchange for the service it provides to the merchant. In contrast, scheme fees paid to the payment schemes (Visa, MasterCard, Bancontact…) are accounted for in expenses as fulfillment costs and recognized as revenue when invoiced to merchants. The Group provides commercial acquiring services by integrating the services purchased from the payment schemes.

Balance sheet presentation

Contract assets primarily relate to the Group's rights to consideration for work completed but not yet billed at the reporting date. When the rights to consideration are unconditional, they are classified as trade receivables.

Contract liabilities relate to upfront payments received from customers in advance of the performance obligation. Capitalized contract costs are presented separately from contract assets.

Certain service arrangements might qualify for treatment as lease contracts under IFRS 16 if they convey a right to use an asset in return for payments included in the overall contract remuneration. If service arrangements contain a lease, the Group is considered to be the lessor regarding its customers.

3.1. Segment information

Accounting policies/principles

According to IFRS 8, reported operating segments profits are based on internal management reporting information that is regularly reviewed by the chief operating decision maker, and is reconciled to Group profit or loss. The chief operating decision maker assesses segments profit or loss using a measure of operating profit. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Company Chairman & CEO who makes strategic decisions.

The internal management reporting is designed based on Global Business Lines (Merchant Services, Financial Services, Mobility & e-Transactional Services and Terminal Solutions & Services). Global Business Lines have been determined by the Group as key indicators by the Chief operating decision maker. As a result, and for IFRS 8 requirements, the Group discloses Global Business Lines (GBL) as operating segments. Each GBL is managed by a dedicated member of the Executive Committee.

The P&L indicators as well as the assets have been allocated according to these GBL segments. On OMDA, a part of the cost related to Global Structures has not been allocated by GBL. Regarding Group Assets, the shared assets not allocated by GBL primarily relate to shared infrastructure delivering mutualized services to those four GBL.

The activities covered by each operating segment as well as their geographical footprint are as follows:

Operating segments	Business divisions	Geographical areas
Merchant Services	Commercial Acquiring, Terminal Services, Omnichannel Payment Acceptance, Private label Card & Loyalty Services, Digital Retail	Argentina, Australia, Austria, Belgium, Brazil, Canada, Czech republic, France, Germany, India, Italy, Luxembourg, Malaysia, New-Zealand, Nordic countries, Poland, Russia, Spain, Switzerland, Turkey, the Netherlands, the United Kingdom, USA.
Financial Services	Issuing Processing, Acquiring Processing, Digital Banking, Account Payments	Austria, Belgium, China, Estonia, Finland, France, Germany, Hong Kong, Indonesia, Italy, Latvia, Lithuania, Luxembourg, Malaysia, Singapore, Spain, Switzerland, Taiwan, the Netherlands and the United Kingdom.
Mobility & e-Transactional Services	Trusted Digitization, e-Ticketing, Contact & consumer cloud, Connected Living & Mobility	Argentina, Austria, Belgium, Chile, China, France, Germany, Spain, the Netherlands and the United Kingdom.
TSS	Point of sales (proprietary OS and Android OS), payment applications & value added solutions, estate management, maintenance, repair	Worldwide presence (c.170 countries) covering EMEA, North America, Latin America and Asia-Pacific

Geography is not a managerial axis followed by the Group.

Inter-segment transfers or transactions are entered into under normal commercial terms and conditions that would also be available to unrelated third parties.

No external customer generates more than 10% of total Group sales.

The operating segment information for the period was the following:

(In € million)	Merchant Services	Financial Services	Terminals, Solutions & Services	Mobility & e-transactional services	**Total Group**
12 months ended 31 December 2020					
Revenue by Global Business Lines	**1,245.6**	**904.0**	**324.5**	**273.7**	**2,747.8**
% of Group revenue	45.3%	32.9%	11.8%	10.0%	**100.0%**
12 months ended 31 December 2019					
Revenue by Global Business Lines	**1,119.4**	**918.4**		**343.8**	**2,381.6**
% of Group revenue	47.0%	38.6%		14.4%	**100.0%**

The "Merchant Services" external revenue is presented net of interchange bank commissions.

(In € million)	Merchant Services	Financial Services	Terminals, Solutions & Services	Mobility & e-transactional services	Global structures	**Total Group**
12 months ended 31 December 2020						
Operating Margin before Depreciation and Amortization (OMDA)	**309.9**	**281.7**	**88.6**	**47.6**	**-27.8**	**699.9**
% revenue	24.9%	31.2%	27.3%	17.4%	-1.0%	**25.5%**
12 months ended 31 December 2019						
Operating Margin before Depreciation and Amortization (OMDA)	**265.3**	**307.2**		**53.4**	**-23.7**	**602.1**
% revenue	23.7%	33.4%		15.5%	-1.0%	**25.3%**

Operating margin before depreciation and amortization (OMDA) represents the underlying operational performance of the current business and is determined as follows:

(In € million)	12 months ended December 31, 2020	12 months ended December 31, 2019	Variation
Operating margin	**520.5**	**442.6**	**78.0**
+ Depreciation of fixed assets	175.0	142.9	32.1
+ Net book value of assets sold/written off	3.7	7.3	-3.6
+/- Net charge/(release) of pension provisions	0.7	9.1	-8.4
+/- Net charge/(release) of provisions	0.0	0.2	-0.2
OMDA	**699.9**	**602.1**	**97.8**

The assets detailed above by Global Business Lines are reconciled to total assets as follows:

(In € million)	Merchant Services	Financial Services	Mobility & e-transactional services	Terminals, Solutions & Services	Shared (*)	Not allocated (**)	Total Group
As at December 31, 2020							
Total fixed assets by Global Business Lines	**4,058.2**	**1,642.9**	**109.8**	**1,019.1**	**72.9**	**7,948.8**	**14,851.8**
Goodwill	**1,892.8**	**1,223.4**	**25.8**			**7,948.8**	**11,090.8**
% of Group goodwill	17.1%	11.0%	0.2%			71.7%	**100.0%**
Other intangible assets	**1,902.8**	**304.2**	**32.7**	**973.3**	**18.8**		**3,231.7**
Tangible assets	**129.0**	**37.5**	**3.1**	**21.3**	**45.5**		**236.4**
Right-of-Use	**133.7**	**77.9**	**48.2**	**24.5**	**8.6**		**292.8**

** part of intangible and tangible assets are not directly attributable to one single Global Business Line as they are mutualized assets usable and shared between the four GBL*

*** not allocated assets correspond to the residual goodwill linked to the acquisition of Ingenico*

(In € million)	Merchant Services	Financial Services	Mobility & e-transactional services	Terminals, Solutions & Services	Shared (*)	Not allocated	Total Group
As at December 31, 2019							
Total fixed assets by Global Business Lines	**2,690.3**	**1,646.1**	**100.7**		**70.3**		**4,507.6**
Goodwill	**1,873.0**	**1,215.4**	**26.1**				**3,114.5**
% of Group goodwill	60.1%	39.0%	0.8%		-		**100.0%**
Other intangible assets	**674.8**	**324.8**	**27.1**		**20.2**		**1,047.1**
Tangible assets	**55.2**	**36.7**	**1.9**		**50.1**		**143.9**
Right-of-Use**	**87.3**	**69.2**	**45.6**				**202.1**

** part of intangible and tangible assets are not directly attributable to one single Global Business Line as they are mutualized assets usable and shared between the three GBL*

*** linked to the first application of IFRS 16*

The geographical segment information for the period was the following:

(In € million)	Northern Europe (*)	Central&Eastern Europe	Southern Europe	Asia Pacific	Americas	**Total Group**
12 months ended 31 December 2020						
External revenue by geographical area	**948,8**	**845,5**	**625,7**	**193,2**	**134,6**	**2 747,8**
% of Group revenue	34,5%	30,8%	22,8%	7,0%	4,9%	100,0%
12 months ended 31 December 2019						
External revenue by geographical area	**913,3**	**747,1**	**562,0**	**128,0**	**31,2**	**2 381,7**
% of Group revenue	38,3%	31,4%	23,6%	5,4%	1,3%	100,0%

(*) Including France for € 495.5 million (€ 451.4 million in 2019)

This geographical view is based on seller countries and may concern other geographies on online activities.

The non-current assets are mainly comprised of goodwill and capitalized development expenses which are non-attributable by geographical area because they are allocated to several areas. The rest is composed of tangible assets which are not significant.

Therefore, it is not relevant to present the non-current assets by geographical area.

3.2. Trade accounts and notes receivables

Accounting policies/principles

Trade accounts and notes receivable

Trade accounts and notes receivable are recorded initially at their fair value and subsequently at their amortized value. The nominal value represents usually the initial fair value for trade accounts and notes receivable. In case of deferred payment over one year, where the effect is significant on fair value, trade accounts and notes receivables are discounted. Where appropriate, a provision is raised on an individual basis to take likely recovery problems into account.

Certain service arrangements might qualify for treatment as lease contracts if they convey a right to use an asset in return for payments included in the overall contract remuneration. If service arrangements contain a lease, the Group is considered to be the lessor regarding its customers. Where the lease transfers the risks and rewards of ownership of the asset to its customers, the Group recognizes assets held under finance lease and presents them as “Trade accounts and notes receivable” for the amount that will be settled within 12 months, and “Non-current financial assets” for the amount to be settled beyond 12 months.

(In € million)	As at December 31, 2020	As at December 31, 2019
Contract assets	235.5	172.0
Trade receivables	674.5	252.4
Expected credit losses allowance	-39.8	-10.9
Net asset value	**870.1**	**413.5**
Contract liabilities	-277.8	-148.9
Net accounts receivable	**592.4**	**264.7**
Number of days sales outstanding (DSO)	**29.0**	**31.0**

Net accounts receivable represents 12.4% of 2020 proforma revenue (11.1% at end of 2019).

For balances outstanding for more than 60 days, the Group considers the need for depreciation on a case-by-case basis through a quarterly review of its balances.

Ageing of past due receivables (net of allowances)

(In € million)	As at December 31, 2020	As at December 31, 2019
0-30 days overdues	33.0	21.7
30-60 days overdues	15.9	7.4
60-90 days overdues	7.4	4.3
Beyond 90 days overdues	32.3	15.7
Total	**88.6**	**49.1**

Note 4 Operating items

4.1. Personnel expenses

(In € million)	12 months ended December 31, 2020	*% Revenue*	12 months ended December 31, 2019	*% Revenue*
Wages, salaries & social security charges	-937.0	*34.1%*	-850,5	*35.7%*
Tax, training, profit-sharing	-10.9	*0.4%*	-10,7	*0.4%*
Net (charge)/release to provisions for staff expenses	-0.9	*0.0%*		
Net (charge)/release to provisions for pensions and similar Benefits	-0.7	*0.0%*	-9,1	*0.4%*
Total	**-949.5**	***34.6%***	**-870,3**	***36.5%***

4.2. Non-personnel operating expenses

Glossary

Subcontracting costs direct

Subcontracting costs consist of the cost for subcontracted services, roughly half of which is typically IT subcontracting, mostly on a time & materials basis. The other half comes from other outsourced services, which mainly include non-IT services such as printing, mailing and other statement preparation activity and ATM services. The level of these expenses in any given period is mainly driven by the number of projects in the project phase, some aspects of which the Group may decide to outsource rather than handle in-house, and customer volumes, which drive costs that are dependent on volume, such as printing, mailing and statement activity.

Scheme fees

Include the fees paid to Visa, MasterCard, Bancontact (Belgium debit card scheme) and other local card schemes as part of the Group's Commercial Acquiring activities.

Capitalized production costs

Operating expenses are reported net of capitalized production costs. Costs of specific application development for clients or technology solutions made available to a group of clients with a useful life of the underlying asset greater than one year are capitalized. Their aggregate amount is offset in the profit and loss statement through this line item.

(In € million)	12 months ended December 31, 2020	*% Revenue*	12 months ended December 31, 2019	*% Revenue*
Subcontracting costs direct	-389.2	*-14.2%*	-371.0	*-15.6%*
Operating costs	-292.2	*-10.6%*	-284.4	*-11.9%*
Hardware and software purchase	-226.5	*-8.2%*	-65.3	*-2.7%*
Scheme fees	-177.3	*-6.5%*	-181.4	*-7.6%*
Maintenance costs	-66.1	*-2.4%*	-56.5	*-2.4%*
Subtotal expenses	**-1,151.2**	***-41.9%***	**-958.6**	***-40.3%***
Depreciation of assets	-175.0	*-6.4%*	-142.9	*-6.0%*
Net (charge)/release to provisions	-1.9	*-0.1%*	-0.2	*0.0%*
Gains/(Losses) on disposal of assets	-3.3	*-0.1%*	-3.8	*-0.2%*
Trade Receivables write-off	-6.0	*-0.2%*	-5.4	*-0.2%*
Capitalized Production	59.7	*2.2%*	42.1	*1.8%*
Subtotal other expenses	**-126.5**	***-4.6%***	**-110.2**	***-4.6%***
Total	**-1,277.7**	***-46.5%***	**-1,068.8**	***-44.9%***

Depreciation of assets represents amortization charges of Intangibles and tangibles assets, excluding customer relationship and patent amortization recognized as fair value of assets acquired in a business combination which are presented in other operating income and expenses (see Note 5).

4.3. Trade payables and note payables

(In € million)	As at December 31, 2020	As at December 31, 2019
Trade payables and note payables	678.2	318.4
Trade payables and note payables	**678.2**	**318.4**
Advance payments	-24.8	-11,9
Prepaid expenses	-85.9	-50,6
Net accounts payable	**567.5**	**255.9**
Number of days payable outstanding (DPO)	**63.0**	**73.0**

Trade payables and note payables are expected to be paid within one year.

4.4. Other current assets and other current liabilities

Accounting policies/principles

<u>Inventory</u>

Inventory which mainly consists in payment terminals, are assessed at the lower of cost or net realizable value. The net realizable value is the estimated selling price in the normal course of business, less estimated costs deemed necessary to sell. Inventory cost is determined according to the weighted average method and include the acquisition costs and incidental expenses. A provision is recorded if the carrying amount exceeds the net realizable value.

<u>Currents assets and current Liabilities – presentation rules</u>

Assets and liabilities classified as current are expected to be realized, used or settled during the normal cycle of operations, which can extend beyond 12 months following period-end. All other assets and liabilities are classified as non-current. Current assets and liabilities, excluding the current portion of borrowings, financial receivables and provisions represent the Group's working capital requirement.

Inventories

(In € million)	As at December 31, 2020	As at December 31, 2019
Terminals & consumables	193.2	45.2
Allowances on inventories	-61.8	-4.1
Total	**131.4**	**41.2**

Other current assets

(In € million)		As at December 31, 2020	As at December 31, 2019
State - VAT receivables		107.2	22.8
Prepaid expenses	Note 4.3	85.9	50.6
Other receivables & current assets		103.5	115.8
Advance payment	Note 4.3	24.8	11.9
Total		**321.4**	**201.1**

Other current liabilities

(In € million)	As at December 31, 2020	As at December 31, 2019
Contract liability	277.8	148.9
Employee-related liabilities	211.8	106.6
Social security and other employee welfare liabilities	91.7	48.9
VAT payable	127.6	59.6
Other operating liabilities	70.6	75.4
Total	**779.4**	**439.4**

Other current liabilities are expected to be settled within one year, except for contract liability that is released over the particular arrangement of the corresponding contract.

4.5. Intermediation activities

Accounting policies/principles

In the scope of its transactional services activity, the Group provides intermediation between merchants, credit card issuers, and end consumers. The expected funds corresponding to the end consumer's payment as well as funds received and not yet remitted to merchants are recorded as balance sheet assets in the specific accounts, i.e. excluded from cash and cash equivalents. The counterparty is a payable due to merchants.

The balance sheet distinguishes two types of asset:

- receivables against credit card issuers, in connection with transactions conducted on behalf of merchants but not yet settled by the companies that issued the cards;
- funds received for transactions not yet settled for merchants and transactions reimbursable to consumers.

Liabilities on the balance sheet related to intermediation activities comprise mainly:

- liabilities in connection with funds from consumers that have not yet been transferred to merchants;
- liabilities in connection with merchant warranty deposits.

Through this intermediation activity, Worldline and its affiliates are facing cash fluctuations due to the lag that may exist between the payment to the merchants and the receipt of the funds from the payment schemes (Visa, MasterCard or other schemes). Payment Schemes also define interchange fees that apply except if there is a bilateral agreement between the Acquirer and the Issuer. Worldline has no such bilateral agreement with the Issuers. Interchange fees are consequently completely driven by the rates defined by the card issuing banks.

The Group isolated in dedicated lines assets and current liabilities related to its intermediation activities (including interchange fees)

In the scope of Bambora's activities, some funds may be remitted to merchants even before they have been received by the Group from the credit card issuers. The duration of this merchant prefinancing is generally one or two days. To avoid drawing on its cash to provide this upfront remittance to merchants, the Group uses a specific and dedicated bank financing with a possible marginal difference. This bank financing is included in the short-term financial loans and borrowings in the balance sheet.

(In € million)	As at December 31, 2020	As at December 31, 2019
Receivables linked to intermediation activities	787.5	789.7
Funds related to intermediation activities	1,071.4	263.7
Total assets linked to intermediation activities	**1,858.9**	**1,053.4**
Payables linked to intermediation activities	1,859.7	1,053.4
Total liabilities linked to intermediation activities	**1,859.7**	**1,053.4**

Note 5 Other operating income and expenses

Accounting policies/principles

"Other operating income and expenses" covers income or expense items that are unusual and infrequent. They are presented below the operating margin.

Classification of charges to (or release from) restructuring and rationalization and associated costs provisions in the income statement depends on the nature of the plan:

- Plans directly in relation with operations are classified within the "Operating margin";
- Plans related to business combinations or qualified as unusual, abnormal and infrequent are classified in the "Other operating expenses";

If a restructuring plan qualifies for "Other operating expenses", the related real estate rationalization & associated costs expenses regarding premises and buildings is also presented in "Other operating expenses".

"Other operating income and expenses" also include major litigations, and capital gains and losses on the disposal of tangible and intangible assets, significant impairment losses on assets other than financial assets, the amortization of the Customer Relationships, the cost of equity based compensation plans or any other item that is infrequent and unusual.

Equity-based compensation

Stocks options and performance shares are granted to management and certain employees at regular intervals. These equity-based compensations are measured at fair value at the grant date using the Black and Scholes option-pricing model. Changes in the fair value of options – taking into account assumptions such as personnel turnover and fulfillment of performance conditions – after the grant date have no impact on the initial valuation. The fair value of the instrument is recognized in "Other Operating Income", on a straight-line basis over the period during which those rights vest, using the straight-line method, with the offsetting credit recognized directly in equity.

Employee Share Purchase Plans offer employees the opportunity to invest in Group's shares at a discounted price. Shares are subject to a lock-up period restriction. Fair values of such plans are measured taking into account:

- The exercise price based on the average opening share prices quoted over the 20 trading days preceding the date of grant;
- The percent discount granted to employees;
- The number of free shares granted linked to the individual subscriptions;
- The consideration of a lock-up restriction to the extent it affects the price that a knowledgeable, willing market participant would pay for that share; and,
- The grant date: date on which the plan and its term and conditions, including the exercise price, is announced to employees.

(In € million)	**12 months ended December 31, 2020**	**12 months ended December 31, 2019**
Staff reorganization	-10.0	-3.8
Rationalization and associated costs	-2.2	-3.3
Integration and acquisition costs	-105.1	-39.6
Equity based compensation & associated costs	-42.1	-19.9
Customer relationships and patents amortization	-114.1	-75.9
Other items	-2.1	-5.7
Total	**-275.6**	**-148.3**

Staff reorganization expenses of € 10.0 million increased by € 6.2 million compared to last year and corresponded mainly to the restructuring plan in the United Kingdom and to costs induced by the recent acquisitions.

The € 2.2 million of **rationalization and associated costs** resulted mainly in administrative back office transformation. Those costs have decreased by € 1.1 million compared to 2019.

Integration and acquisition costs reached € 105.1 million, increasing by € 65.5 million compared to the prior period, and corresponded mainly € 58.6 million of Ingenico acquisition-related costs (of which € 54.3 million of cash impact). Remaining costs correspond mainly to Six Payment Services post-acquisition and integration costs.

The 2020 **customer relationships and patents amortization** of € 114.1 million corresponds mainly to:

- € 55.9 million of SIX Payment Services customer relationships, technologies and patents;
- € 40.9 million of Ingenico customer relationships, technologies and patents (for 2 months);
- € 10.0 million of Equens and Paysquare customer relationships;
- € 2.1 million of MRL Posnet customer relationships and technologies;
- € 2.1 million of Cataps (KB Smartpay) customer relationships.

Equity-based compensation

The € 42.1 million expenses recorded within "Others Operation Income" for equity-based compensation (€ 19.9 million in 2019) is mainly related to 2017, 2018, 2019 & 2020 free share plans, the 2018 & 2019 stock option plans, and some social charges linked to those plans. We also integrated 2018 and 2019 Ingenico free share plans (€ 7.4 million).

(In € million)	12 months ended December 31, 2020	12 months ended December 31, 2019
Free share plans	34.3	12.8
Stock option plans	1.7	0.8
Employee share purchase plans	2.6	0.4
Others	3.4	5.9
Total	**42.1**	**19.9**

Performance share plans

Rules governing the performance shares plans are as follows:

- To receive the share, the grantee must generally be an employee or a corporate officer of the Group or a company employee related to Worldline at the time of grant and vesting;
- Vesting is also conditional on both the continued employment condition and the achievement of performance criteria, financial and non-financial;
- The financial performance criteria relates to the following indicators:
  - Group Organic Revenue Growth; and,
  - Group Operating Margin before Depreciation and Amortization (OMDA), and
  - Group Free Cash Flow before acquisition/disposal and variation of equity and dividends (FCF).
- The vesting period varies according to the plans rules but never exceeds 3.5 years;
- For the 2017 Performance Shares Plans, the number of shares to be delivered is subject to a multiplier varying from 85% to 115% according to an under/over performance;
- For the 2018 and 2019 Performance Shares Plans, the number of shares to be delivered is subject to the achievement of internal and external performance conditions. In the situation where one of the internal performance criteria would not be met during the course of the last year of the plan, the latter would be considered as achieved if it reaches at least 85% of the target; however the vesting of performance shares will be lowered to 75% of the initially granted aggregate number;
- For the 2020 Performance Shares Plans, the number of shares to be delivered is subject to the achievement of internal and external performance conditions, based on the elasticity curves defined for each KPI. In any case, the average acquisition rate is limited to 100%.
- The lock-up period is 0 to 1 year;
- Performance shares plans give the right to issue Worldline shares.

The Group has implemented two new performance shares plans in 2020, one on June 9, 2020 and one on October 28, 2020.

The plans impacting the 2020 charge for € 34.3 million are detailed as follows:

Grant Date	July 24, 2017	July 21, 2018	January 2, 2019	July 24, 2019	June 9, 2020	October 28, 2020
Number of shares granted	441,000	336,685	93,700	326,965	379,730	560,401
Share price at grant date (€)	33.24	51.10	41.62	65.65	67.60	62.14
Vesting Date(s)	July 24, 2020	July 20, 2021	March 31, 2022	July 24, 2022	June 9, 2023	June 11, 2023 + September 7, 2023 + October 16, 2023
Expected Life	3 years	3 years	3 years	3 years	3 years	3 years (*)
Lock-up period	-	-	-	-	-	-
Risk free interest rate	-	-	-	-	-	-
Expected dividend yield	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%
Fair value of shares granted (in €)	**32.16**	**49.44**	**40.16**	**63.52**	**65.41**	**60.38**
Expense recognized in 2020 (in € million)	**5.9**	**8.6**	**1.0**	**6.6**	**3.2**	**1.6**

** taking into account the initial grant date of the 2020 Ingenico Performance Shares plans granted by Ingenico on June 11, 2020, September 7, 2020 and October 16, 2020 which are substituted by the 2020 Worldline Performance Shares plan granted on October 28, 2020.*

Below, plans coming from Ingenico Acquisition coming from previous years:

Grant Date	Co Invest 2018	2018	2019
Number of shares granted	315,855	211,378	727,840
Share price at grant date (€)	63.64	63.64	63.64
Vesting Date(s)	May 16, 2021	May 16, 2021	June 11, 2022
Expected Life	3 years	3 years	3 years
Lock-up period	-	-	-
Risk free interest rate	-	-	-
Expected dividend yield	1.1%	1.1%	1.1%
Fair value of shares granted (in €)	**19.72**	**13.01**	**44.87**
Expense recognized in 2020 (in € million)	**2.3**	**1.8**	**3.4**

In the context of the tender offer Worldline has undertaken to implement a mechanism to provide liquidity to the beneficiaries of the performance shares granted by Ingenico to its employees as the Ingenico shares were delisted from Euronext on November 2020.

This liquidity mechanism has the same characteristics as the secondary exchange offer of the tender offer i.e. 29 Ingenico shares for 56 Worldline shares.

According to IFRS 3, fair value of the Ingenico plans have been re-estimated in order to allocate to the goodwill the portion linked to services rendered before the business combination.

Stock option plans

Rules governing the stock options plans are as follows:

- To exercise the option, the grantee must generally be an employee or corporate officer of the Group or a company employee related to Worldline at the time of grant and vesting;
- Vesting is conditional on both the continued employment condition and the achievement of performance criteria, financial and non-financial;
- The financial performance criteria are the following:
  - Group revenue organic growth; and,
  - Group Operating Margin before Depreciation and Amortization (OMDA), and
  - Group Free Cash Flow before acquisition/disposal and variation of equity and dividends (FCF).
- The vesting period varies according to the plans rules but never exceeds 3.5 years;
- The option expiration date never exceeds 10 years after the grant date;
- The exercise of the option is equity-settled.

The Group recognized a total expense of € 1.7 million on stock options detailed as follows:

Grant Date	2020 Expense (in € million)	Number of options initially granted	Vesting Date	Number of options vested
July 21, 2018	0.8	262,000	July 20, 2021	-
January 2, 2019	0.2	130,550	March 31, 2022	-
July 24, 2019	0.3	98,600	July 24, 2022	-
June 9, 2020	0.3	101,120	June 9, 2023	-
Total	**1.7**	**592,270**		

The characteristics of each current stock option plans are detailed as follows:

Grant Date	July 21, 2018	January 2, 2019	July 24, 2019	June 9, 2020
Number of options granted	262,000	130,550	98,600	101,120
Share price at grant date (€)	51.1	41.6	65.7	67.6
Strike price (€)	52.9	46.7	66.8	69.7
Vesting date	July 20, 2021	March 31, 2022	July 24, 2022	June 9, 2023
Expected volatility	21%	25%	26%	24%
Expected maturity of the plan	5 years	5 years	5 years	5 years
Risk free interest rate	0.019%	-0.003%	-0.158%	-0.142%
Expected dividend yield	1.10%	1.10%	1.10%	1.10%
Fair value of options granted (€)	**7.3**	**6.2**	**12.4**	**11.5**
Expense recognized in 2020 (in € million)	**0.8**	**0.2**	**0.3**	**0.3**

The change of outstanding share options for Worldline SA during the period was as the following:

	12 months ended 31 December 2020		12 months ended 31 December 2019	
	Number of shares	Weighted average strike price (in €)	Number of shares	Weighted average strike price (in €)
Outstanding at the beginning of the year	**1,945,711**	**29.4**	**2,125,477**	**24.8**
Granted during the year	101,120	69.7	229,150	55.3
Forfeited during the year				
Exercised during the year	-243,316	20.2	-408,916	21.1
Outstanding at the end of the year	**1,803,515**	**32.9**	**1,945,711**	**29.4**
Exercisable at the end of the year, below year-end stock price (*)	**1,211,245**	**21.3**	**1,454,561**	**21.1**

** Year-End stock price: €79,10 at December 31, 2020 and €63,45 at December 2019*

Note 6 Financial items

6.1. Net Financial Result

(In € million)	12 months ended December 31, 2020	12 months ended December 31, 2019
Interest expenses on bond loan	-9.6	-0.6
Interest charges long term debt	-1.0	
Interest expenses on convertible bonds	-8.1	-2.6
Net interest from cash and cash equivalents	-2.0	-2.4
Others	0.5	0.1
Net interest expenses	**-20.2**	**-5.5**
Foreign exchange gain and losses, net	**-9.9**	**-9.1**
Financial component of retirement expenses and the cost of other post-employment benefits	-1.0	-2.4
Variation of the fair value of the Visa preferred share	8.5	24.2
Financial interests on lease liability (IFRS 16)	-4.3	-3.6
Impairment on other financial assets	-1.9	
Cancelation of contingent liability linked to the acquisition of SIX Payment Services		117.6
Other financial expenses	-2.2	-2.9
Other financial income	3.0	3.3
Other financial income and expenses, net	**2.1**	**136.3**
Total	**-28.0**	**121.7**

Net cost of financial debt of € 20.2 million is mainly made up of interests linked to straight bonds (€ 9.6 million) and convertible bonds (€ 8.1 million). Variation compared to last year is explained by:

- The issuance of € 1 800 million debt over the year (€ 1,000 million straight bonds and € 800 million convertible bonds);
- The full year interest charge related to bond and convertible bond issued in 2019.

Pension financial costs for € 1.0 million represent the difference between interest costs on defined benefit obligations and the interest income on plan assets for plans which are funded (cf. Note 10 “Pensions and similar benefits”).

6.2. Cash and cash equivalents

Accounting policies/principles

Cash and cash equivalents include cash at bank and financial instruments such as money market securities. Such financial instruments are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. They are held for the purpose of meeting short-term cash commitments and have a short maturity, in general three months or less from the date of acquisition. Some instruments, such as term deposits, that have at inception a longer maturity but provide for early withdrawal and a capital guarantee may also be classified as cash equivalents under certain circumstances. Money market securities are recognized at their fair value. Changes in fair value are recorded in the income statement under "Other financial income and expenses".

Cash and cash equivalents are measured at their fair value through profit and loss.

For entities having subscribed to the Group cash pooling agreement, the cash/debt balance sheet positions which are linked to this agreement are mutualized and only the net position is presented in the consolidated balance sheet, it is a notional cash pool.

The cash and cash equivalents are held with bank and financial institutions counterparties, majority of which are rated A- to AA-. Impairment on cash and cash equivalents (other than money market funds measured at fair value through profit or loss) is calculated based on S&P default probability.

(In € million)	**As at December 31, 2020**	**As at December 31, 2019**
Cash and cash equivalents	1,380.0	499.8
Money market funds	1.4	0.8
Total cash and cash equivalents	**1,381.4**	**500.5**
Overdrafts	-92.8	-24,5
Total overdrafts and equivalents	**-92.8**	**-24,5**
Total net cash and cash equivalents	**1,288.6**	**476.0**

6.3. Non-current financial Assets

Accounting policies/principles

Investments in non-consolidated companies

The Group holds shares in companies without exercising significant influence or control. Investments in non-consolidated companies are treated as recognized at their fair value through P&L. For listed shares, fair value corresponds to the share price at the closing date.

Visa preferred shares

Under IFRS 9, the analysis applied is the approach for debt instrument. The accounting treatment of debt instruments is determined by the business model of the financial instrument and the contractual characteristics of the incoming cash flows of the financial instruments. The understanding is that Visa's Convertible preferred stock does not pass the SPPI (Solely Payment of Principal and Interests) test because the cash flows generated by those stock include an indexation to the value of the Visa shares, and such equity indexation gives rise to a variability that do not solely represent a payment of principal and interests. In this situation, the accounting treatment of the debt instruments is fair value through P&L.

(In € million)		**As at December 31, 2020**	**As at December 31, 2019**
Pension prepayments	Note 10	0.0	16.4
Fair value of non-consolidated investments		100.9	76.6
Investments in associates		4.9	4.5
Other		13.1	4.6
Total		**118.9**	**102.1**

Non-consolidated investments include mainly visa shares for an amount of € 81.5 million as of December 31, 2020 (€ 73.7 million in 2019). Fair value variation of non-consolidated investments is mainly linked to Visa preferred shares for € 7.9 million.

Variation on pension prepayments is linked to SPS Switzerland.

Investments in associates mainly relates to the investment in In-touch.

Other mainly related to deposit.

6.4. Borrowings

Accounting policies/principles

<u>Borrowings</u>

Borrowings are recognized initially at fair value, net of directly attributable debt issuance costs. Borrowings are subsequently measured at amortized cost. The calculation of the effective interest rate takes into account interest payments and the amortization of the debt issuance costs.

Debt issuance costs are amortized in financial expenses over the life of the loan through the use of amortized method with the effective interest method. The residual value of issuance costs for loans derecognized is fully expensed as soon as it is probable that the loan maturity is reduced, with respect to the intention to exercise the anticipated refund clause.

Bank overdrafts are recorded in the current portion of borrowings.

(In € million)	As at December 31, 2020			As at December 31, 2019		
	Current	Non-current	Total	Current	Non-current	Total
Overdrafts	92.8		92.8	24.5		24.5
Other borrowings	481.1	81.3	562.4	63.1		63.1
Convertible bonds		1,339.9	1,339.9		557.4	557.4
Bonds	463.9	2,087.5	2,551.4		496.8	496.8
Total borrowings	**1,037.8**	**3,508.7**	**4,546.5**	**87.7**	**1,054.2**	**1,141.8**

Current accounts with a short-term maturity – less than one month – have no remuneration.

The increase of “Other current Borrowings” is due to Ingenico integration (€ 106.9 million) and to commercial papers.

Change in net cash/(debt) over the period

(In € million)	As at December 31, 2020	As at December 31, 2019
Opening net cash/(debt)	**-641.3**	**-35.0**
New borrowings: convertibles bonds & bonds	-1,767.4	-1,050.9
Business Combination	-1,968.7	
Other borrowings	-310.0	-63.0
Contingent liability		117.6
Repayment of long and medium-term borrowings	640.5	9.2
Variance in net cash and cash equivalents	830.8	378.8
Long and medium-term debt of companies acquired during the period	85.5	
Impact of exchange rate fluctuations on net long and medium-term debt	-18.3	2.1
Part of interest not paid on Bonds and convertible bonds	-16.5	
Other flows related to financing activities	0.2	
Closing net cash/(debt)	**-3,165.1**	**-641.3**

Net Cash/(debt)

(In € million)	As at December 31, 2020	As at December 31, 2019
Cash and cash equivalents	1,381.4	500.6
Borrowings	-3,508.7	-1054,2
Current portion of borrowings	-1,037.8	-87,7
Total	**-3,165.1**	**-641,3**

During the year 2020, Worldline has issued 1,800 million euros of debt in order either to finance the Ingenico acquisition or to finance the general needs of the company.

The two straight bonds have been booked using the amortized cost approach in accordance with IFRS 9. Transaction costs and premiums directly attributable to their issuance are deducted from their initial fair value and spread over their useful life.

The two convertible bonds have been booked using the split accounting approach in accordance with IAS 32.

Bonds and convertible bonds follow up

Main characteristics	May 2014 Straight bonds 7 years (*)	September 2017 Straight bonds 7 years (*)	July 2019 Convertible bond 7 years	September 2019 Straight bonds 5 years	June 2020 Straight bonds 3 years	June 2020 Straight bonds 7 years	July 2020 Convertible bond 5 years	December 2020 Convertible bond 5.7 years
Nature	Unsecured Fixed Rate Note	Unsecured Fixed Rate Note	Oceane	Unsecured Fixed Rate Note	Unsecured Fixed Rate Note	Unsecured Fixed Rate Note	Oceane	Oceane
Issue date	May 2014	September 2017	July 2019	September 2019	June 2020	June 2020	July 2020	December 2020 (**)
Maturity date	May 2021	September 2024	July 2026	September 2024	June 2023	June 2027	July 2025	July 2026
Issue size (in M€)	**450**	**600**	**600**	**500**	**500.0**	**500.0**	**600.0**	**200.0**
Cash received (in M€)	**449**	**597**	**642**	**498**	**500**	**496**	**638**	**226**
Coupon	2.5%	1.6%		0.3%	0.5%	0.9%		
Yield to maturity	2.5%	1.7%	-1.1%	0.4%	0.5%	1.0%	-1.2%	-2.1%
Conversion exchange ratio	N/A	N/A	1 share per bond	N/A	N/A	N/A	1 share per bond	1 share per bond
Early redemption option	N/A	N/A	From July 2024 to the maturity date	N/A	N/A	N/A	From July 2023 to the maturity date	From July 2024 to the maturity date
Valuation methodology	Amortized cost (IFRS 9)	Amortized cost (IFRS 9)	Split accounting (IAS 32)	Amortized cost (IFRS 9)	Amortized cost (IFRS 9)	Amortized cost (IFRS 9)	Split accounting (IAS 32)	Split accounting (IAS 32)
Fees (in M€)	**2.4**	**2.2**	**5.2**	**1.3**	**1.2**	**1.8**	**3.7**	**0.7**
Call option (in M€)			4.2				4.8	2.1
Debt component at inception (in M€)	446	595	555	496	498.4	494.6	578.6	195.5
Equity component at inception (in M€)			82.0				55.5	29.6
Effective interest rate (EIR)	2.6%	1.8%	1.1%	0.4%	0.6%	1.0%	0.7%	0.4%

(*) Linked to Ingenico integration
(**) Linked to initial convertible bonds issued in June 2020

Reconciliation with cash flow movements:

(In € million)	New borrowings	Allocation of convertible bonds Equity component	Allocation of convertible bonds Financial liability
Convertible bonds		84.8	774.4
Bonds	993.0		
Commercial papers	373.0		
Total	**1,366.0**	**84.8**	**774.4**

Comparison between carrying value and fair value of borrowings are presented below:

(In € million)	Carrying value	Fair value
Convertible bonds (*)	1,339.9	1,538.4
Straight bond	2,551.4	2,607.5
Total borrowings	**3,891.3**	**4,145.9**

(*) Fair value of convertible bonds includes both the liability component and the equity component.

Borrowings in currencies

(In € million)	EUR	USD	Other currencies	Total
December 31, 2020	4,521.1	23.2	2.2	**4,546.5**
December 31, 2019	1,141.8	-	-	**1,141.8**

Non-current borrowings maturity

(In € million)	2022	2023	2024	2025	>2025	Total
Convertible bonds				580.6	759.3	1,339.9
Bonds		498.7	1,093.8		495.0	2,087.5
Other borrowings	26.1			55.3		81.3
As at December 31st, 2020 long-term debt	**26.1**	**498.7**	**1,093.8**	**635.9**	**1,254.3**	**3,508.7**

(In € million)	2021	2022	2023	2024	>2024	Total
Convertible bonds					557.4	557.4
Other borrowings				496.7	-	496.7
As at December 31st, 2019 long-term debt				**496.7**	**557.4**	**1,054.2**

Derivative financial instruments

The Group uses derivative financial instruments to hedge its foreign exchange and interest rate exposure arising from its operating, financing and investing activities. Those instruments are initially measured at fair value, i.e. the price that would be received when selling an asset or paid when transferring a liability in an orderly transaction between market participants at the measurement date.

The fair value of interest rate swaps is the estimated amount that the Group would receive or pay to terminate the swap at the reporting date, considering current interest rates and the risk of default by the counterparties to the swap.

The fair value of forward exchange contracts is their quoted market price at the reporting date (i.e. the present value of the quoted forward price).

Initial recognition of foreign exchange and interest rate hedging instruments and subsequent accounting for changes in their value are carried out in accordance with IFRS 9.

In accordance with IFRS 13, the Group takes default risk into account when measuring its derivative hedging instruments. That involves the following:

- the risk of default by the Group on a derivative that is a liability (own credit risk);
- the risk of counterparty default on a derivative that is an asset (counterparty credit risk).

The Group’s method for assessing own and counterparty credit risk is based on a calculation of the implied credit risk on senior fixed-rate bonds traded in the secondary market.

Cash flow hedges

When a derivative financial instrument is designated as a hedging instrument whose cash flows are expected to offset changes in the cash flows of a highly probable forecast transaction, the Group uses hedge accounting. The effective portion of any gain or loss on the hedging instrument is recognized directly in “Other comprehensive income” until the hedged item itself is recognized in profit or loss. The effective portion is then recognized in profit or loss. The ineffective portion of any gain or loss is recognized in profit and loss for the period

If a hedging instrument is used to hedge risk arising from the Group’s operating activities or from the Group’s financing activities, its impact on profit or loss is reported in “Net finance costs”. Premiums/discounts of hedging instruments are recognized in “Net finance costs”. Premiums/discounts of financial instrument are accounted for in financial result.

Fair value hedges

If a derivative financial instrument is used to hedge the foreign currency risk on a recognized monetary asset or liability, hedge accounting is not applied and the gains or losses on the financial instrument are recognized in profit or loss.

If a hedging instrument is used to hedge risk arising from the Group’s operating activities or from the Group’s financing activities, its impact on profit or loss is reported in “Net finance costs”. Premiums/discounts of hedging instruments are recognized in “Net finance costs”. Premiums/discounts of financial instrument are accounted for in financial result.

Fair value of derivative instruments at the reporting date

(In € million)	As at December 31, 2020	As at December 31, 2019
Interest rate derivative instruments		
Current assets	1.4	
Current liabilities		
Foreign exchange derivative instruments		
Current assets	2.2	
Current liabilities	-4.4	
Total	**-0.8**	

Breakdown of instruments by hedging policy

(In € million)	As at December 31, 2020	As at December 31, 2019
Instruments designated as cash flow hedges		
Foreign exchange forward contracts	0.5	
Foreign exchange swap	0.2	
Instruments not designated as cash flow hedges		
Foreign exchange forward contracts	-0.1	
Foreign exchange swap	-2.8	
Interest rate swaps	1.4	
Total	**-0.8**	

Note 7 Income tax

Accounting policies/principles

Current and deferred taxes

The income tax charge includes current and deferred tax expenses. Deferred tax is calculated wherever temporary differences occur between the tax base and the consolidated base of assets and liabilities, using the liability method. The deferred tax is valued using the enacted tax rate at the closing date that will be in force when the temporary differences reverse.

In case of change in tax rate, the deferred tax assets and liabilities are adjusted counterpart the income statement except if those change related to items recognized in other comprehensive income or in equity.

The deferred tax assets and liabilities are netted off at the taxable entity, when there is a legal right to offset. Deferred tax assets corresponding to temporary differences and tax losses carried over forward are recognized when they are considered to be recoverable during their validity period, based on historical and forecast information.

Deferred tax liabilities for taxable temporary differences relating to goodwill are recognized, to the extent they do not arise from the initial recognition of goodwill.

Deferred tax assets are tested for impairment at least annually at the closing date, based on December actuals, business plans and impairment test data.

Measurement of recognized tax loss carry-forwards

Deferred tax assets are recognized on tax loss carry-forwards when it is probable that taxable profit will be available against which the tax loss carry-forwards can be utilized. Estimates of taxable profits and utilizations of tax loss carry-forwards were prepared on the basis of profit and loss forecasts as included in the 3-year business plans (other durations may apply due to local specificities).

IFRIC 23

The Group applies IFRIC 23 on the accounting for income tax when there is uncertainty over tax treatments. A liability is recognized in the consolidated financial statement when a tax risk arising from positions taken by the Group, or one of its subsidiary, is considered as probable, assuming that the tax authorities have full knowledge of all relevant information when making their examination.

7.1. Current and deferred taxes

(In € million)	12 months ended December 31, 2020	12 months ended December 31, 2019
Current taxes	-86.4	-87.4
Deferred taxes	35.5	12.4
Total	**-50.8**	**-75.0**

7.2. Effective tax rate

The difference between the French standard tax rate and the Group Effective tax rate is explained as follows:

(In € million)	12 months ended December 31, 2020	12 months ended December 31, 2019
Profit before tax	216.9	416.0
French standard tax rate	32.0%	34.4%
Theoretical tax charge at French standard rate	**-69.5**	**-143.2**
Impact of permanent differences	21.5	52.6
Differences in foreign tax rates	19.4	30.2
Movement on recognition of deferred tax assets	-1.9	-2.0
Equity-based compensation	-9.8	-4.6
Change in deferred tax rates	-5.5	5.4
Withholding taxes	-2.2	-1.8
CVAE net of tax	-4.0	-3.5
French Tax credit	0.5	0.7
Other	0.6	-8.7
Group tax expense	**-50.8**	**-75.0**
Effective tax rate	**23.4%**	**18.0%**

The difference between the ETR of 2020 and 2019 is mainly explained by a one off event of 2019 being the cancelation of the contingent liability linked to the acquisition of SIX Payment Services representing a non-taxable income of € 117.6 million. Excluding this impact, the ETR of 2019 would have been 25.1%.

7.3. Deferred taxes

(In € million)	12 months ended December 31, 2020	12 months ended December 31, 2019
Deferred tax assets	90.6	26.5
Deferred tax liabilities	674.1	206.5
Net deferred tax	**-583.5**	**-180.0**

The variation of the net deferred tax position as at December 31, 2020 compared to December 31, 2019 is mainly due to the deferred tax liabilities on the fair value of intangibles assets recognized as part of the PPA, i.e. DTL amounting to € 523.2 million.

7.4. Breakdown of deferred tax assets and liabilities by nature

(In € million)	Tax losses carry forward	Intangible assets recognized as part of PPA	Fixed assets	Pensions	Other	Total
As at December 31, 2018	**33.6**	**-188.2**	**-50.2**	**37.8**	**26.8**	**-140.2**
Charge to profit or loss for the year	-2.4	9.6	-1.1	2.0	4.3	12.4
Change of scope		-13.8		-3.6	-13.9	-31.3
Charge to equity				4.1	-19.7	-15.6
Reclassification	-6.7	-3.7	5.3	-0.2	5.3	0.0
Exchange differences		-3.8		-0.6	-0.8	-5.2
As at December 31, 2019	**24.5**	**-199.9**	**-46.0**	**39.5**	**2.0**	**-180.0**
Charge to profit or loss for the year	18.0	31.5	8.3	0.1	-22.3	35.5
Change of scope	25.9	-509.0	-2.6	0.1	50.9	-434.7
Charge to equity	0.0	0.0	0.7	6.9	-16.5	-8.9
Reclassification	-0.6	-1.6	1.8	-1.2	7.3	5.8
Exchange differences	0.0	-0.3	-0.2	-0.9	0.1	-1.2
As at December 31, 2020	**67.7**	**-679.3**	**-38.1**	**44.5**	**21.7**	**-583.5**

7.5. Tax losses carry forward schedule (basis)

(In € million)	12 months ended December 31, 2020			12 months ended 31 December 2019		
	Recognized	Unrecognized	Total	Recognized	Unrecognized	Total
2021	10.40	0.40	10.80	-	8.70	8.70
2022	8.70	0.30	9.00	-	-	-
2023	23.10	8.70	31.80	-	-	-
2024	-	0.90	0.90	-	-	-
2025	-	0.90	0.90	-	-	-
Tax losses available for carry forward for 5 years and more	60.2	94.5	154.7	10.3	3.3	13.6
Ordinary tax losses carry forward	**102.4**	**105.7**	**208.1**	**10.3**	**12.0**	**22.3**
Evergreen tax losses carry forward	**170.0**	**46.2**	**216.2**	**86.7**	**112.0**	**198.7**
Total tax losses carry forward	**272.4**	**151.9**	**424.3**	**97.0**	**124.0**	**221.0**

Countries with the largest tax losses available for carry forward were Luxembourg (€ 131.8 million), France (€ 107.1 million), Sweden (€ 44 million), Germany (€ 25.8 million), Spain (€ 15.5 million), China (€15 million) and Poland (€ 13 million).

7.6. Deferred tax assets not recognized by the Group

(In € million)	12 months ended December 31, 2020	12 months ended December 31, 2019
Tax losses carry forward	39.9	31.8
Temporary differences	16.3	20.4
Total	**56.2**	**52.2**

Note 8 Goodwill and fixed assets

8.1. Goodwill

Accounting policies/principles

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, of the amount of any non-controlling interests in the acquiree and of the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

Goodwill is allocated to Cash Generating Units (CGU) for the purpose of impairment testing. Goodwill is allocated to those CGUs that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management monitors goodwill.

A CGU is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. CGUs correspond to Global Business Lines defined by IFRS 8.

The recoverable value of a CGU is based on the higher of its fair value less costs to sell and its value in use determined using the discounted cash-flows method. When this value is less than its carrying amount, an impairment loss is recognized in the operating income.

The impairment loss is first recorded as an adjustment of the carrying amount of the goodwill allocated to the CGU and remainder of the loss, if any, is allocated pro rata to the other long-term asset of the unit.

Goodwill is not amortized and is subject to an impairment test performed at least annually by comparing its carrying amount to its recoverable amount at the closing date based on December actuals and latest 3-year plan, or more often whenever events or circumstances indicate that the carrying amount could not be recoverable.

- Such events and circumstances include but are not limited to:
- Significant deviance of economic performance of the asset when compared with budget;
- Significant worsening of the asset's economic environment;
- Loss of a major client;
- Significant increase in interest rates.

Impairment tests:

The Group tests at least annually whether goodwill has suffered any impairment, in accordance with the accounting policies. The recoverable amounts of Cash Generating Units are determined based on value-in-use calculations or on their fair value reduced by the costs of sales. These calculations require the use of estimates.

(In € million)	As at December 31, 2019	Disposals Depreciations	Impact of business combination	Other	Exchange rate fluctuations	As at December 31, 2020
Gross value	3,115.1		7,984.7		-8.0	**11,091.7**
Impairment loss	-0.6				-0.3	**-0.9**
Carrying amount	**3,114.5**	**-**	**7,984.7**	**-**	**-8.3**	**11,090.8**

(In € million)	As at December 31, 2018	Disposals Deprecia-tions	Impact of business combi-nation	Other	Exchange rate fluctuations	As at December 31, 2019
Gross value	3,013.6		47.9		53.5	**3,115.1**
Impairment loss	-0.6					**-0.6**
Carrying amount	**3,013.0**	**-**	**47.9**	**-**	**53.5**	**3,114.5**

Evolution of the year is mainly related to preliminary Goodwill accounted for Ingenico acquisition (€ 7,948.8 million) and GoPay (€ 28.2 million).

Goodwill is allocated to Cash Generating Units (CGUs) which correspond to the four operating segments disclosed in Note 3.1 "Segment information".

(In € million)	As at December 31, 2020	As at December 31, 2019
Merchant Services	1,892.8	1,873.0
Financial Services	1,223.4	1,215.4
Mobility & e-transactional services	25.8	26.1
Not allocated (*)	7,948.8	
Total	**11,090.8**	**3,114.5**

(*) Not allocated assets correspond to the residual goodwill linked to the acquisition of Ingenico.

The recoverable amount of a CGU is based on the following assumptions:

- Terminal value is calculated after the three-year period, using an estimated perpetuity growth rate of 2.5%. This rate reflects specific perspectives of the payment sector, and;
- Discount rates are applied by CGU based on the Group's weighted average cost of capital and adjusted to take into account specific tax rates. The Group considers that the weighted average cost of capital should be determined based on a historical equity risk premium of 8.25%, in order to reflect the long-term assumptions factored in the impairment tests.

The discount rate of 7.5% is used for all the CGUs (Merchant Services, Financial Services and Mobility & e-Transactional Services).

On the basis of impairment tests carried at year end, no loss of value has been identified as at December 31, 2020.

A varying plus or minus 50 basis points of the key parameters (operating margin, discount rates and perpetual growth rate) did not reveal the existence of any risk on the Group's CGUs.

8.2. Intangible assets

Accounting policies/principles

Intangible assets other than goodwill consist primarily of software and user rights acquired directly by the Group, internally developed IT solutions as well as software and customer relationships and technologies acquired in relation with a business combination.

To assess whether an internally generated intangible asset meets the criteria for recognition, the Group classifies the generation of the asset into a research phase and a development phase. Under IAS 38, no intangible asset arising from research (or from the research phase of an internal project) shall be recognized. Such expenditure is therefore recognized as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) shall be recognized if, and only if, an entity can demonstrate all of the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its intention to complete the intangible asset and to use or sell it;
- Its ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete the development and;
- Its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Development expenses correspond to assets developed for the own use of the Group, to specific implementation projects for some customers or innovative technical solutions made available to a group of customers. These projects are subject to a case-by-case analysis to ensure they meet the appropriate criteria for capitalization. Are capitalized as development costs only those directly attributable to create produce and prepare the asset to be capable of operating in the manner intended by management.

Capitalized development expenditure is accounted for at cost less accumulated depreciation and any impairment losses. It is amortized on a straight-line basis over a useful life between 3 and 12 years, for which two categories can be identified:

- For internal software development with fast technology serving activities with shorter business cycle and contract duration, the period of amortization will be between 3 and 7 years ;
- For internal software development with slow technology obsolescence serving activities with long business cycle and contract duration, the period of amortization will be between 5 and 12 years with a standard scenario at 7 years. It is typically the case for large mutualized payment platforms.

An intangible asset related to the customer relationships and backlog brought during a business combination is recognized as customer relationships. The value of this asset is based on assumptions of renewal conditions of contract and on the discounted flows of these contracts. This asset is amortized on an estimation of its average life.

The value of the developed technology acquired is derived from an income approach based on the relief from royalty method. This method relies on (i) assumptions on the obsolescence curve of the technology and (ii) the theoretical royalty rate applicable to similar technologies, to determine the discounted cash flows expected to be generated by this technology over their expected remaining useful life. The developed technology is amortized on an estimation of its average life. The cost approach may also be implemented as a secondary approach to derive an indicative value for consistency purposes. This method relies on assumptions of the costs that should be engaged to reproduce a similar new item having the nearest equivalent utility as the asset being valued. On the contrary, if technology is believed to be the most important driver for the business, an Excess Earning method could also be implemented.

Intangible assets are amortized on a straight-line basis over their expected useful life, for internally developed IT solutions in operating margin. Customer relationships, patents, technologies and trademarks acquired as part of a business combination are amortized on a straight-line basis over their expected useful life, generally not exceeding 19 years; any related depreciation is recorded in other operating expenses.

<u>Impairment of assets other than goodwill</u>

At the end of each reporting period of the financial information, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. This is also applied to R&D costs capitalized. If it is not possible to assess the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. If a reasonable and consistent method of allocation can be identified, corporate assets are also allocated to cash-generating units individually; otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation method can be determined. The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the estimated recoverable amount (or cash-generating unit) is less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.

(In € million)	Software & Licenses	Customer Relationships/Patent	Other assets	Total
Gross value				
At January 1st, 2020	**798.6**	**626.3**	**39.7**	**1,464.7**
Additions	28.4		2.9	31.3
R&D capitalized	59.7			59.7
Impact of business combination	772.0	1,519.5	36.2	2,327.6
Disposals	-18.6		-0.4	-19.0
Exchange differences	-2.3	-1.8	-0.6	-4.7
Other	1.9		-2.4	-0.6
At December 31th, 2020	**1,639.7**	**2,143.9**	**75.4**	**3,859.1**
Accumulated depreciation				
At January 1st, 2020	**-239.3**	**-148.8**	**-29.4**	**-417.5**
Depreciation charge for the year	-80.4	-99.8	-0.1	-180.2
Impact of business combination	-48.4		-3.5	-51.8
Disposals/reversals	18.5		0.0	18.5
Exchange differences	1.7	1.0	1.0	3.6
Other	-0.1		0.3	0.1
At December 31th, 2020	**-348.1**	**-247.6**	**-31.7**	**-627.3**
Net value				
At January 1st, 2020	**559.3**	**477.5**	**10.3**	**1,047.1**
At December 31th, 2020	**1,291.6**	**1,896.3**	**43.7**	**3,231.7**

(In € million)	Software & Licenses	Customer Relation-ships/ Patent	Other assets	Total
Gross value				
As at January 1st, 2019	**767.9**	**608.5**	**23.2**	**1,399.6**
Additions	24.6	0.5		25.1
R&D capitalized	42.1			42.1
Impact of business combination	-16.8	7.2	7.5	-2.1
Disposals	-23.2	-0.9	-0.1	-24.2
Exchange differences	3.9	11.0	9.1	24.0
As at December 31, 2019	**798.6**	**626.3**	**39.7**	**1,464.7**
Accumulated depreciation				
As at January 1st, 2019	**-217.8**	**-66.7**	**-20.7**	**-305.2**
Depreciation charge for the year	-53.3	-75.9		-129.3
Impact of business combination	14.0	-6.6	-7.4	
Disposals/reversals	21.3	0.9		22.2
Exchange differences	-3.4	-0.5	-1.3	-5.2
As at December 31, 2019	**(239.3)**	**(148.8)**	**(29.4)**	**(417.5)**
Net value				
As at January 1st, 2019	**550.0**	**541.8**	**2.5**	**1,094.3**
As at December 31, 2019	**559.3**	**477.5**	**10.3**	**1,047.1**

Development capitalized cost is related to the modernization of proprietary technological platforms for € 59.7 million. At December 31, 2020, the net book value of those capitalized projects amounted to € 192.8 million.

8.3. Tangible assets

Accounting policies/principles

Tangible assets are recorded at acquisition cost. They are depreciated on a straight-line basis over the following expected useful lives:

- Buildings: 20 years;
- Fixtures and fittings: 3 to 20 years;
- IT equipments:
  - Computer hardware: 3 to 5 years;
  - Terminals: 4 to 5 years.
- Other assets:
  - Vehicles: 4 to 5 years;
  - Office furniture and equipment: 3 to 10 years

(In € million)	Land and buildings	IT equipments	Other assets	Total
Gross value				
As at January 1st, 2020	**67.1**	**303.6**	**28.7**	**399.4**
Additions	8.6	47.7	3.3	59.5
Impact of business combination	89.1	262.6	12.3	364.0
Disposals	-1.2	-17.8	-3.4	-22.5
Exchange differences	-0.2	-5.8	-0.8	-6.9
Other	3.4	-2.5	-2.3	-1.4
At December 31th, 2020	**166.8**	**587.7**	**37.8**	**792.3**
Accumulated depreciation				
As at January 1st, 2020	**-48.1**	**-187.2**	**-20.2**	**-255.5**
Depreciation charge for the year	-7.2	-51.3	-2.1	-60.5
Impact of business combination	-60.3	-199.1	-7.9	-267.4
Disposals/Reversals	1.1	14.2	3.3	18.6
Exchange differences	0.2	4.6	0.5	5.3
Other	-0.2	3.2	0.7	3.7
At December 31th, 2020	**-114.6**	**-415.6**	**-25.7**	**-555.9**
Net value				
As at January 1st, 2020	**19.0**	**116.4**	**8.5**	**143.9**
At December 31th, 2020	**52.2**	**172.0**	**12.1**	**236.4**

(In € million)	Land and buildings	IT equipments	Other assets	Total
Gross value				
As at January 1st, 2019	**62.8**	**277.4**	**38.9**	**379.0**
Additions	5.7	51.6	2.4	59.7
Impact of business combination	0.0	-0.2		-0.2
Disposals		-30.5	-0.8	-31.3
Exchange differences	0.1	1.7	-0.5	1.3
IAS 17 reclass to right-of-Use	-1.8	-5.6		-7.5
Other	**0.4**	**9.3**	**-11.3**	**-1.7**
As at December 31, 2019	***67.1***	***303.6***	**28.7**	**399.4**
Accumulated depreciation				
As at January 1st, 2019	-44.8	-168.3	-19.9	-233.0
Depreciation charge for the year	-4.5	-43.7	-2.0	-50.3
Disposals/Reversals		24.3	0.3	24.6
Exchange differences	-0.1	-1.2	0.2	-1.1
IAS 17 reclass to right-of-Use	1.5	3.5		5.0
Other	-0.1	-1.9	1.3	-0.7
As at December 31, 2019	**-48.1**	**-187.2**	**-20.2**	**-255.5**
Net value				
As at January 1st, 2019	**18.0**	**109.1**	**19.0**	**146.0**
As at December 31, 2019	**19.0**	**116.4**	**8.5**	**143.9**

Tangible capital assets of the Group mainly include computer equipment used in the production centers, particularly in the processing datacenters, and Terminals rented to merchants. Land and buildings are mostly composed of technical infrastructures of datacenters.

Note 9 Right-of-use assets & lease liabilities

9.1. Right-of-use assets under IFRS 16

Right-of-use assets and lease liabilities are classified under three sub categories, land and buildings, IT equipments and other assets.

At inception of any contract, the Group assesses whether the contract is or contains an operating lease. This evaluation may require exercising a judgment to determine the useful life considered in the valuation.

The Group recognizes a right-of-use and a corresponding lease liability at the lease commencement date except for the following cases which are recorded on a straight-line basis in profit or loss over the life of the lease:

- Short term leases related to other assets;
- Low value assets

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rates. Those rates have been determined for all the currencies and geographies of the Group and by maturity. The incremental borrowing rates were calculated by taking for each currency a reference in debt quotation by maturity (bullet rate) and adding up a spread corresponding to the entity's cost of financing.

The lease liability is re-measured when there is a change in the future lease payments arising from a change in an index or rate, a change in estimate of the amount expected to be payable under a residual value guarantee, or changes in the assessment of whether an extension option is reasonably certain to be exercised or a termination option is reasonably certain to be exercised.

The Group has applied its judgment to determine the lease term for some real estate lease contracts in which it is a lessee and that include renewal or early termination options analyzing whether those sites, mainly offices, were strategic or not. In most cases, the Group retained the contractual end date.

According to IFRS Interpretation Committee opinion, the Group didn't identity major deviation between the lease term and the residual useful life of the underlying leasehold.

Right-of-use assets break down as follows, by type of underlying asset:

(In € million)	Land and buildings	IT equipments	Other assets	Total
Gross value				
As at January 1st, 2020	**217.6**	**8.2**	**17.7**	**243.5**
Additions	39.2	5.9	8.4	53.5
Impact of business combination	181.7	5.6	11.2	198.5
Disposals	-3.7	-0.1	-3.3	-7.1
Exchange differences	-0.7	0.0	0.0	-0.7
Other	-1.3	0.1	0.0	-1.2
As at December 31, 2020	**432.9**	**19.7**	**34.0**	**486.6**
Accumulated depreciation				
As at January 1st, 2020	**-31.0**	**-4.7**	**-5.6**	**-41.4**
Depreciation charge for the year	-38.8	-2.2	-7.2	-48.2
Impact of business combination	-105.8	-3.0	-4.1	-112.9
Disposals/Reversals	3.5	0.1	3.1	6.8
Exchange differences	0.3	0.0	0.0	0.3
Other	1.7	-0.1	0.0	1.6
As at December 31, 2020	**-170.1**	**-9.8**	**-13.8**	**-193.7**
Net value				
As at January 1st, 2020	**186.6**	**3.5**	**12.1**	**202.1**
As at December 31, 2020	**262.8**	**9.8**	**20.2**	**292.8**

(In € million)	Land and buildings	IT equipments	Other assets	Total
Gross value				
As at January 1st, 2019	**202.0**	**4.1**	**13.1**	**219.2**
Additions	14.8	0.0	5.6	20.3
Impact of business combination				
Disposals	-1.0	-1.0	-1.1	-3.1
Exchange differences	1.1		0.0	1.1
Other	0.8	5.1		6.0
As at December 31, 2019	**217.6**	**8.2**	**17.7**	**243.5**
Accumulated depreciation				
As at January 1st, 2019				
Depreciation charge for the year	-30.4	-2.2	-6.5	-39.1
Disposals/Reversals	1.0	1.0	0.9	2.9
Exchange differences	-0.1		0.0	-0.1
Other	-1.5	-3.5		-5.0
As at December 31, 2019	-31.0	-4.7	-5.6	-41.4
Net value				
As at January 1st, 2019	**202.0**	**4.1**	**13.1**	**219.2**
As at December 31, 2019	**186.6**	**3.5**	**12.1**	**202.1**

9.2. Lease liabilities

Lease liabilities breakdown as follows:

(In € million)	Land and buildings	IT equipments	Other assets	Total
Gross value				
As at January 1st, 2020	**186.1**	**3.6**	**11.9**	**201.7**
Additions	42.6	5.9	7.2	55.7
Impact of business combination	91.6			91.6
Reimbursment	-41.5	-1.8	-6.5	-49.7
Exchange differences	-0.3		0.0	-0.3
Other	1.1	0.0	0.0	1.1
As at December 31, 2020	**279.7**	**7.7**	**12.7**	**300.1**

(In € million)	Land and buildings	IT equipments	Other assets	Total
Gross value				
As at January 1st, 2019	**198.6**	**4.2**	**12.9**	**215.7**
Additions	14.7	0.0	5.5	20.2
Impact of business combination				
Reimbursment	-29.2	-2.1	-6.5	-37.8
Exchange differences	0.9		0.0	0.9
Other	1.2	1.5		2.7
As at December 31, 2019	**186.1**	**3.6**	**11.9**	**201.7**

Note 10 Pensions and similar benefits

Accounting policies/principles

Employee benefits are granted by the Group through defined contribution and defined benefit plans. Costs relating to defined contribution costs are recognized in the income statement based on contributions paid or due in respect of the accounting period when the related services have been accomplished by beneficiaries.

The valuation of Group defined benefit obligation is based on a single actuarial method known as the "projected unit credit method". This method includes the formulation of specific assumptions which are periodically updated, in close liaison with external actuaries of the Group.

Plan assets usually held in separate legal entities are measured at their fair value, determined at closing. The fair value of plan assets is determined based on valuations provided by the external custodians of pension funds and following complementary investigations carried-out when appropriate.

From one accounting period to the other, any difference between the projected and actual pension plan obligation and their related assets is actuarial differences. These actuarial differences may result either from changes in actuarial assumptions used, or from experience adjustments generated by actual developments differing, in the accounting period, from assumptions determined at the end of the previous accounting period. All actuarial gains and losses generated on post-employment benefit plans on the period are recognized in "other comprehensive income".

Benefit plans costs are recognized in the Group's "Operating Margin", except for interest costs on net obligations which are recognized in "other financial income and expenses".

The total amount recognized in the Worldline balance sheet in respect of pension plans and associated benefits was € 247.3 million at December 31, 2020. It was € 143.5 million at December 31, 2019.

Worldline's obligations are located predominantly in Switzerland (37% of total obligations), Germany (21%), Belgium (16%), the United Kingdom (15%), and France (8%).

Characteristics of significant plans and associated risks

In Switzerland, the obligations flow from a legacy defined benefit plans, exceeding the minimum mandatory pension benefit required by the Swiss law (BVG). Pension contributions are paid by both the employees and the employer and are calculated as a percentage of the covered salary. The rate of contribution depends on the age of the employee. At retirement, the employees' individual savings capital is multiplied by the conversion rate, as defined by the pension fund regulations, and can be paid out as either a lifetime annuity or a lump-sum payment. In the event of disability, the pension plan pays a disability pension until ordinary retirement age. In the event of death before retirement, the pension plan pays a spouse pension for life.

In Germany, the majority of obligations flow from defined benefit pension plans which are closed to new entrants. The plans are subject to the German regulatory framework, which has no funding requirements, but does include compulsory insolvency insurance (PSV). The plans are however partially funded via either an insurance company or a Contractual Trust Agreement (CTA). The investment strategy of the insurance contract is set by the insurance company. The CTA is governed by a professional independent third party. The investment strategy is set by the Investment Committee composed of employer representatives.

In Belgium, the majority of obligations flow from a defined benefit pension plan which is closed to new entrants and a Defined Contribution plan with a minimum investment return guaranteed by the Company on both employer and employee contributions opened to new entrants.

The Defined Benefit plan is subject to the Belgian regulatory framework where funding requirements are based on a 6.0% discount rate and prescribed mortality statistics. In case of underfunding, a deficit must be supplemented immediately. The plan is insured with a professional insurance company. The investment strategy is set by the insurance company.

The Defined Contribution plan with guaranteed return is subject to the Belgian regulatory framework. In case of underfunding when the employee leaves for retirement, a deficit must be supplemented. The plan is insured with a technical return (which is now set by the insurers below the legal minimum guaranteed return) as well as a possible profit share provided by the insurance company. The investment strategy is set by the insurance company.

Worldline's obligations are also generated by legacy defined benefit plans in the UK and in France (closed to new entrants) and, to a lesser extent, by legal or collectively bargained end of service benefit plans and other long-term benefits such as jubilee plans.

These plans do not expose Worldline to any specific risks that are unusual for these types of benefit plans. Typical risks include, increase in inflation, longevity and a decrease in discount rates and adverse investment returns.

Worldline recognized all actuarial gains and losses and asset ceiling effects generated in the period in other comprehensive income.

Events in 2020

The Corporate bond interest rate markets for all major zone/countries were particularly volatile this year due to the Covid-19 crisis, with a peak at the end of March 2020. The discount rate curves have been downward sloping since then, as a consequence of the drop in the sovereign bond rates combined with the reduction in the credit spread. The discount rates at December 31, 2020 have decreased since December 31, 2019, for the Eurozone, the UK and to a lower extent for Switzerland. This led to a large increase in the obligation of about €29 million, only compensated by the actuarial gains of € 2 million on the pension asset side. The resulting increase in the pension liability has been recognized through Other Comprehensive Income (OCI).

The acquisition of Ingenico on November 1st, 2020 led to an increase in liabilities (mainly in Germany and the UK) of € 106.1 million, covered by € 47.7 million of plan assets.

As part of the BCB transaction, both pension past service accruals and pension assets transferred to Worldline in Germany along with the employees. This led to an increase in liabilities of € 14 million, covered by € 13 million of plan assets.

Amounts recognized in the financial statements

The amounts recognized in the balance sheet as at December 31, 2020 rely on the following components, determined at each benefit plan's level:

(In € million)	As at December 31, 2020	As at December 31, 2019
Amounts recognized in financial statements consist of :		
Prepaid pension asset – post employment plans		16.4
Accrued liability – post employment plans	-240.0	-153.0
Accrued liability – other long term benefits	-7.3	-6.9
Net amounts recognized – Total	**-247.3**	**-143.5**
Components of net periodic cost		
Service cost (net of employees contributions)	25.6	21.7
Past service cost, Settlements		3.5
Actuarial (gain)/loss in other long term benefits	0.6	0.5
Operating expense	**26.2**	**25.7**
Interest cost	5.4	8.3
Interest income	-3.6	-6.0
Financial expense	**1.8**	**2.3**
Net periodic pension cost – Total expense/(profit)	**28.0**	**28.0**
Of which, net periodic pension cost – post employment plans	*27.3*	*27.1*
Of which, net periodic pension cost – other long term benefits	*0.7*	*0.8*
Change in defined benefit obligation		
Defined benefit obligation –post employment plans at January 1st	628.6	536.1
Defined benefit obligation – other long term benefits at January 1st	6.9	6.5
Total Defined Benefit Obligation at January 1st	**635.5**	**542.6**
Exchange rate impact	-4.1	13.4
Service cost (net of employees contributions)	25.2	21.2
Interest cost	5.4	8.3
Employees contributions	7.1	6.8
Past service cost, Settlements		3.5
Business combinations/(disposals)	120.5	-0.4
Benefits paid	-20.7	-11.0
Actuarial (gain)/loss - change in financial assumptions	29.1	53.7
Actuarial (gain)/loss - change in demographic assumptions	-0.1	-0.4
Actuarial (gain)/loss - experience results	10.7	-2.3
Other movements	0.1	0.1
Defined benefit obligation at December 31st	**808.7**	**635.5**

The weighted average duration of the liability is 16.8 years.

(In € million)	As at December 31, 2020	As at December 31, 2019
Change in plan assets		
Fair value of plan assets at January 1st	**492.0**	**426.3**
Exchange rate impact	-3.2	13.5
Atos contribution *		
Actual return on plan assets	4.9	39.7
Employer contributions	19.1	14.2
Employees contributions	7.1	6.8
Benefits paid by the fund	-13.8	-8.5
Settlements		
Business combinations/(disposals)	60.7	
Administration costs		
Fair value of plan assets at December 31st	**566.8**	**492.0**
Reconciliation of prepaid/(accrued) Benefit cost (all plans)		
Funded status-post employment plans	-234.6	-136.6
Funded status-other long term benefit plans	-7.3	-6.9
Unrecognized past service cost		
Asset ceiling limitation at December 31st	-5.4	
Prepaid/(accrued) pension cost	**-247.3**	**-143.5**
Reconciliation of net amount recognized (all plans)		
Net amount recognized at beginning of year	**-143.5**	**-116.7**
Net periodic pension cost	-28.0	-28.0
Benefits paid by by the employer	6.9	2.5
Employer contributions	19.3	14.2
Business combinations/(disposals)	-65.1	0.4
Amounts recognized in Other Comprehensive Income	-37.9	-16.0
Exchange rate	1.0	0.1
Net amount recognized at end of year	**-247.3**	**-143.5**

Actuarial assumptions

Worldline obligations are valued by independent actuaries, based on assumptions that are periodically updated. These assumptions are set out in the table below:

	United Kingdom		Eurozone		Switzerland	
	2020	2019	2020	2019	2020	2019
Discount rate as at December 31	1.50%	2.10%	0.60% ~ 0.90%	0.80% ~ 1.30%	0.20%	0.30%
Inflation assumption as at December 31	2.90%	2.95%	1.45%	1.45%	n/a	n/a

The inflation assumption is used for estimating the impact of indexation of pensions in payment or salary inflation based on the various rules of each plan.

Sensitivity of the defined benefit obligations of the significant plans to the discount rate and inflation rate assumptions is as follows:

	Discount rate +25bp	Inflation rate +25bp
United Kingdom main pension plan	4.8%	+4.2%
Swiss main pension plan	4.3%	
German main pension plan	5.2%	
Belgian main pension plan	2.8%	

These sensitivities are based on calculations made by independent actuaries and do not include cross effects of the various assumptions, they do however include effects that the inflation assumption would have on salary increase assumptions for the United Kingdom. The defined benefit obligations of the plans in Switzerland, Belgium and Germany are not sensitive to the inflation assumption.

Plan assets

Plan assets were invested as follows:

	As at December 31, 2020	As at December 31, 2019
Equity	31%	29%
Bonds	23%	28%
Other (*)	46%	44%

(*) of which 29% of insurance contracts in 2020 et 31% in 2019

Summary net impacts on profit and loss and cash

The net impact of defined benefits plans on Worldline financial statements can be summarized as follows:

Profit and loss

	As at December 31, 2020			As at December 31, 2019		
(In € million)	Post-employment	Other LT benefit	**Total**	Post-employment	Other LT benefit	**Total**
Operating margin	-25.6	-0.6	**-26.2**	-24.9	-0.8	**-25.7**
Financial result	-1.7	-0.1	**-1.8**	-2.3		**-2.3**
Total (expense)/profit	-27.3	-0.7	**-28.0**	-27.2	-0.8	**-28.0**

Cash impacts of pensions

The cash impact of pensions in 2020 was mainly composed of cash contributions to pension or insurance funds for € 19.3 million (including an exceptional one-off payment of 4m€ of contribution in France to cover the legacy Worldline Retirement indemnity liabilities), the remaining part of € 6.9 million being benefit payments directly made by the Group to the beneficiaries.

Contributions in 2021 are expected to be of € 16.6 million (of which € 2.0 million relates to Ingenico plans).

Note 11 Provisions

Accounting policies/principles

The Group uses actuarial assumptions and methods to measure provisions. Provisions are recognized when:

- The Group has a present legal, regulatory, contractual or constructive obligation as a result of past events and;
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- The amount has been reliably quantified.

Provisions are discounted when the time value effect is material. Changes in discounting effects at each accounting period are recognized in financial expenses.

Litigation and claims

The Group is engaged in a number of claims and judicial and arbitral proceedings that have arisen in the normal course of its business. These claims and proceedings are regularly reviewed by the Legal Department and are covered by provisions if the Group considers that it is probable that an outflow of resources will be necessary to cover the risk incurred and that such an outflow can be reliably estimated, it being understood that events that occur during the proceedings may necessitate a reassessment of the risk. Reversals of unused amounts chiefly reflect the resolution of such disputes that were settled in the Group's favor, or in which the amount of the damages awarded proved to be lower than originally estimated.

Warranties

A provision for warranties is recognized when the underlying goods or services are sold. The provision is based on historical warranty data. The sale of terminals is usually accompanied by a 12-month warranty. The liability provision for warranties on the balance sheet reflects the costs expected by the Group to meet its terminal repair obligations. This statistical calculation is based on historical data. Increases in provisions for warranties may therefore reflect one of two causes:

- growth of sales accompanied by warranties; or
- an adjustment to the provision's calculation.

Supplier inventory buyback commitments

A provision for commitments to buy back inventory from suppliers is recognized to cover the risk that components held by suppliers may become obsolete and the risk that supplies may exceed planned output.

A provision for the full value of components declared obsolete is recognized. The Group estimates excess supplies by comparing the procurement plan with the production plan.

Product quality risk

A provision for product quality risk is recognized when this risk is not covered by the provision for warranties.

(In € million)	As at December 31, 2019	Charge	Release used	Release unused	Business combination	Other (*)	As at December 31, 2020	Current	Non-current
Project commitments	2.1	0.2	-0.1	-0.5		0.0	1.7	1.1	0.6
Litigations and contingencies	54.5	3.1	-0.4	-14.0	48.4	0.9	92.5	16.0	76.5
Warranties		5.1	-2.7		14.4	-0.1	16.7		16.7
Reorganization	3.1	0.7	-1.2	-0.1	0.1	-0.7	1.9	1.8	0.1
Others									
Total provisions	**59.7**	**9.1**	**-4.4**	**-14.6**	**62.9**	**0.0**	**112.8**	**19.0**	**93.9**

(*) Other movements mainly consist of currency translation adjustments.

(In € million)	As at December 31, 2018	Charge	Release used	Release unused	Business combination	Other (*)	As at December 31, 2019	Current	Non-current
Project commitments	2.7	0.2	-0.4	-0.1		-0.2	2.1	1.3	0.8
Litigations and contingencies	30.7	2.9	-0.5	-3.9	24.5	0.7	54.5	18.2	36.3
Reorganization	4.7	1.7	-2.7	-1.7	1.3	-0.2	3.1	2.4	0.7
Rationalization			0.0	0.0		0.1	0.0		
Total provisions	**38.1**	**4.8**	**-3.7**	**-5.8**	**25.9**	**0.4**	**59.7**	**21.9**	**37.8**

(*) Other movements mainly consist of currency translation adjustments.

The closing position of contingency provisions of € 112.8 million included a number of litigation issues, such as tax contingencies and social disputes, guarantees given on disposals and other disputes with clients and suppliers.

The Legal department and the lawyers of the Group closely monitor these situations with a view to minimize the ultimate liability.

Tax disputes in Brazil

As communicated by Ingenico in its 2019 Universal Registration Document, the tax assessment procedures in respect of a Brazilian subsidiary (Ingenico do Brasil Ltda) are still in progress. They relate to the ICMS tax, and the sum in question amounted to approximately € 50 million as of December 31, 2020 (covering principal, interest and penalties from 2004 to 2010). The “Tax War” pitting Brazilian states against one another affected Ingenico as well as a large number of foreign and domestic companies. The tax authorities of the state of São Paulo have contested the deduction by Ingenico do Brasil of a portion of the ICMS tax on the sales invoices of one of its suppliers (Jabil do Brasil Indústria Eletroeletrônica Ltda) on the grounds that the state of Minas Gerais, in which the supplier operates, had granted the supplier a tax incentive which was not duly approved by the Brazilian National Council for Treasury Policy (“CONFAZ”), therefore violating federal tax law. In June 2019, the taxation authority of the state of São Paulo issued a resolution on the measures that taxpayers must take to benefit from an amnesty. In July 2019, Ingenico do Brasil presented a request which suspended the administrative proceedings until the tax authorities conclude its analysis on the recognition of the amnesty. As of February 2021, Ingenico do Brasil is awaiting analysis of its request and the recognition of the amnesty, and considers success in this case as probable. Based on an analysis of the risks involved and on the criteria set out in IAS 37, no provision has been recognized in the consolidated financial statements as at December 31, 2020.

Note 12 Shareholder equity

12.1. Equity attributable to the owners of the parent

Accounting policies/principles

Treasury stock

Worldline shares held by the parent company are recorded at their acquired cost as a deduction from consolidated shareholders’ equity. In the event of a disposal, the gain or loss and the related tax impacts are recorded as a change in consolidated shareholders’ equity.

During this year 2020 96,371,047 new shares were created following the exercise of

- The Ingenico acquisition (95,680,108 shares)
- the stock-options plan (205,056 shares)
- the free shares plan (485,883 shares)

At the end of December 2020, the total of shares reached at 279,135,504 with a nominal value of € 0.68 Common stock was increased from € 124,279,830.76 as of January 1st, 2020 to € 189,812,142.72 at the end of December 2020.

12.2. Non-controlling Interests

Accounting policies/principles

The share of profit or loss attributable to non-controlling shareholders is recognized in equity attributable to non-controlling interests”. Similarly, the share of dividends payable is recognized in equity attributable to “Non-controlling interests”.

(In € million)	As at December 31, 2019	2020 Income	Capital Increase	Dividends	Scope Changes	Other	As at December 31, 2020
GoPay	-	0.3				-0.2	0.1
Payone	-	1.1			903.4		904.5
Total		**1.4**			**903.4**	**-0.2**	**904.6**

The non-controlling interests and associates at the end of December 2020 was € 904.6 million corresponding to the participation in Payone (Including net income from November to December) and GoPay (Including net income from September to December).

12.3. Earnings per Share

Accounting policies/principles

Basic earnings per share are calculated by dividing the net income (attributable to owners of the parent), by the weighted average number of ordinary shares outstanding during the period. Treasury shares are not taken into account in the calculation in the basic or diluted earnings per share.

Diluted earnings per share are calculated by dividing the net income (attributable to owners of the parent), adjusted for the financial cost (net of tax) of dilutive debt instruments, by the weighted average number of ordinary shares outstanding during the period, plus the average number of shares which, according to the share buyback method, would have been outstanding had all the issued dilutive instruments been converted.

(In € million and shares)	12 months ended December 31, 2020	12 months ended December 31, 2019
Net income - Attributable to owners of the parent [a]	**163.7**	**311.2**
Impact of dilutive instruments	5.5	1.7
Net income restated of dilutive instruments - Attributable to owners of the parent [b]	**169.2**	**312.9**
Average number of shares outstanding [c]	198,988,576	182,025,225
Impact of dilutive instruments [d]	8,892,321	3,362,300
Diluted average number of shares [e]=[c]+[d]	207,880,896	185,387,525
Earnings per share in EUR [a]/[c]	**0.82**	**1.71**
Diluted earnings per share in EUR [b]/[e]	**0.81**	**1.69**

Basic and diluted earnings per share are reconciled in the table above. Potential dilutive instruments comprise stock options, which do not generate any restatement of net income used for the diluted EPS calculation and convertible bonds interest expenses net of tax for € 5.3 million. As of end of December 2020, potential dilutive instruments comprised stock options for to 839,918 options and convertible bonds effect for 8,052,403 options.

Note 13 Off-balance sheet commitments

Contractual commitments

The table below illustrates the minimum future payments for firm obligations and commitments over the coming years.

(In € million)	As at December 31, 2020	Maturing			As at December 31, 2019
		Up to 1 year	1 to 5 years	Over 5 years	
Operating leases: IT equipment	26.0	12.9	13.1		26.7
Non-cancellable purchase obligations	284.6	35.9	143.8	104.8	308.3
Total Commitments	**310.5**	**48.8**	**156.9**	**104.8**	**334.9**

Non-cancellable purchase obligations mainly relate to contractual engagements toward SIX Group AG (See note 14).

Commercial commitments

(In € million)	As at December 31, 2020	As at December 31, 2019
Bank guarantees	**56.3**	**39.6**
- Operational - Performance	22.1	5.5
- Operational - Bid	0.5	0.5
- Operational - Advance Payment	0.3	13.5
- Financial or Other	33.3	20.2
Parental guarantees	**801.9**	**435.6**
- Operational - Performance	604.5	435.6
- Operational - Other Business Orientated	12.3	
- Financial or Other	185.1	
Pledges	**1.7**	
Total	**859.9**	**475.2**

For various large long-term contracts, the Group provides parental guarantees to its clients. These guarantees amount to €801.9 million as of December 31, 2020, compared to € 435.6 million at the end of December 2019. This variation is mainly linked to the integration of Ingenico.

Other commitments

Commitments received

(In € million)	As at December 31, 2020	As at December 31, 2019
Guarantee received on acquisitions of companies	816.9	
Other commitment received	5.0	
Total	**821.9**	

Commitments given

(In € million)	As at December 31, 2020	As at December 31, 2019
Guarantee given on disposal of companies	677.5	
Other commitment received	30.4	
Total	**707.9**	

Those other commitments are coming from Ingenico scope and relate to previous acquisitions and disposals (Notably on Payone).

Note 14 Related parties

Accounting policies/principles

The related parties include:

- Worldline's reference shareholders (SIX Group AG) and its subsidiaries which are not part of the Worldline's consolidation scope;
- The entities that are controlled or jointly controlled by the Group, the entities that are a post-employment defined benefit plan for the benefit of the employees of the Group or the entities that are controlled or jointly controlled by a member of the key management personnel of the Group; and
- The key management personnel of the Group, defined as persons who have the authority and responsibility for planning, directing and controlling the activity of the Group, namely members of the Board of Directors as well as the Chairman & Chief Executive Officer and Deputy Chief Executive Officer.

Transactions between the related parties

The main transactions between the related entities are composed of:

- The reinvoicing of the premises;
- The invoicing of delivery services such as personnel costs or use of delivery infrastructure;
- The invoicing of administrative services; and
- The interest expenses related to the financial items.

These transactions are entered into at market conditions.

The related party transactions are detailed as follows:

With SIX

(In € million)	12 months ended, 2020	12 months ended, 2019
Revenue	35.6	38.1
Operating income / expenses	-49.4	-58.8

The receivables and liabilities included in the statement of financial position linked to the related parties are detailed as follows:

(In € million)	12 months ended, 2020	12 months ended, 2019
Trade accounts and notes receivables	129.5	109.3
Other current assets	-	46.30
Trade accounts and notes payables	5.26	12.41
Other current liabilities		0.1

The off-balance sheet commitments regarding the related parties are detailed as follows:

(In € million)	12 months ended, 2020	Maturing Up to 1 year	Maturing 1 to 5 years	Maturing Over 5 years	12 months ended, 2019
Contractual engagements	284.6	35.9	143.8	104.8	308.3
Commitments	**284.6**	**35.9**	**143.8**	**104.8**	**308.3**

<u>Cost of key management personnel of the Group</u>

In 2020, the expenses related to key management personnel included:

- Those related to the Worldline Chief Executive Officer;
- Those related to the Deputy Chief Executive Officer;
- The cost of the members of the Board (Director's fees expensed in 2020).

No cost was recorded in relation to the Chairman of the Board of Directors.

The distribution of the expense recorded in the consolidated financial statements for key management of the Group is as follows:

(In € million)	12 months ended, 2020	12 months ended, 2019
Short-term benefits (*)	2.1	2.4
Employer contributions (**)	2.0	0.8
Performance share plans & stock options (***)	3.0	1.6
Total	**7.1**	**4.8**

(*) For the Chief Executive Officer, in accordance with the agreement entered into with Atos in relation to his dedication and remuneration until January 31, 2019 and for the entire part as from February 1st, 2019.
(**) Employer contributions due on fixed salary and variable of the key management personnel of Worldline as well as on the grant of the Worldline stock-options plan to key management personnel of Worldline on June 9, 2020 and on the vesting of the 2017 Worldline performance shares plan to key management personnel on July 24, 2020.
(***) IFRS 2 2020 accounted for the Worldline performance share plans granted to key management personnel of Worldline on July 24, 2017, July 21, 2018, July 24, 2019 and June 9, 2020 and for the Worldline stock-options plans granted to the key management personnel of Worldline on July 21, 2018, July 24, 2019 and June 9, 2020.

Note 15 Market risk

Foreign exchange risk

The bulk of the Group's revenue, expenses and obligations are denominated in euro. In 2020, 68,8% of the Group's revenue was generated in euro-zone countries whereas 31,2% was generated in non-euro zone countries, including 12,3% in Swiss francs, 3.5% in pounds sterling, and 3,5% in US dollars. Since the Group's financial statements are denominated in euros, its revenue is affected by the relative value of the euro versus the currency of the non-euro zone countries in which it generates revenue (currency translation exposure). In terms of currency transaction exposure (i.e., a mismatch between the currencies in which revenue is generated and costs are incurred), the Group considers its exposure to be limited as its costs in the euro zone are generally incurred in euros and its revenue is generated in euros and in non-Eurozone countries it generally makes its sales and incurs the majority of its operating expenses in the local currency.

The intercompany reinvoicing of central costs is labeled in euros. The variation of the balances linked to exchange rate fluctuations are booked in financial statements of each subsidiary and may impact positively or negatively the financial result of the Group.

Following the acquisition of Ingenico Group, forex exposure to a number of currencies have risen (US dollar, Canadian dollar and Chinese RMB). Hedgings are set up based on budget exposure which is qualified as "Cash Flow Hedge" (IFRS). A large share of Ingenico's revenue and expenses is denominated in foreign currencies. Ingenico is therefore exposed to foreign exchange risk arising from purchases from payment terminal suppliers and on transactions between subsidiaries and parent company. Foreign-currency denominated purchases and sales for which there is no "natural" hedge may be covered by a hedge instrument. Group's objective is to hedge future risks (purchase or sale commitments) and risks already on the balance sheet (currency payables and receivables). The hedging strategy therefore covers both forward and balance sheet exposures. The main foreign exchange risks hedged are generated by: the purchase and sale in foreign currencies of goods and services associated with the Ingenico's operations (purchases from suppliers, sales to customers); financial assets or liabilities in foreign currencies (in particular, in relation to the financing of subsidiaries); investments in foreign subsidiaries. Financial instruments used to hedge are forward purchase and sale contracts, foreign exchange options, swaps, and foreign lending/borrowing.

Interest rate risk

On December 20, 2018, Worldline (as Borrower) signed a five-year Revolving Credit Facility (the "Facility") for an amount of € 600 million, maturing in December 2023 with an option for Worldline to request the extension of the Facility maturity date until December 2025. In October 2019, first extension has been requested and approved by the banks. The Facility maturity date was December 2024.In October 2020; a second extension has been requested and approved by the banks for an amount of € 554 million. The Facility maturity date is now December 2025. Therefore, the amount of this Revolving Credit Facility is € 600 million until December 2024 and € 554 million between December 2024 until the final maturity (December 2025).

On January 2021, following lender's approvals, Revolving Credit Facility at the level of Ingenico SA for an amount of € 750 million, maturing in July 2023 was amended as follow: modification of the counterparty which is now Worldline SA, reduction of the amount from € 750 million to € 450 million, updated margin conditions and financial commitments ("covenants"), extension of the maturity to January 2024. The borrower is now Worldline SA.

At December 31, 2020, there were no drawings on € 600 million Revolving credit facility of Worldline. If the Facility were to be drawn down, the Group would be subject to interest rate risk since the interest rate on drawings under the Facility are based on Euribor. In addition, the Group could also face higher interest rate in the event Worldline's rating assigned by Standard & Poor's would deteriorate.

At December 31, 2020, there were no drawings on €750 million Revolving credit facility of Ingenico. If the Facility were to be drawn down, the Group would be subject to interest rate risk since the interest rate on drawings under the Facility are based on Euribor. Margin applied in this revolving credit facility is not subject to modification of Worldline's rating assigned by Standard & Poor's.

Worldline has entered into a "Negotiable European Commercial Papers" program (NEU CP) on April 12, 2019 to optimize its financial charges and improve Group's cash for a maximum initial amount of € 600 million. On December 31, 2020, the outstanding amount of the program was € 373 million. Total amount of this "Negotiable European Commercial Papers" program (NEU CP) has been raised to €1,000 million in December 2020. On December 31, 2020, the outstanding amount of the € 750 million Ingenico NEU CP program was at €103 million.

On march 30, 2020 Worldline entered into a mandate letter providing the terms and conditions under which a pool of banks commit to enter into a Bridge Facility Agreement upon Company's request for an amount of € 2.6 billion and for a one-year maturity (with options for extension) in order to finance the contemplated acquisition of Ingenico as announced on February 3, 2020. This Bridge Facility agreement was signed on July 2020 for an updated amount of € 1.6 billion and has never been drawn. This Bridge Facility agreement was cancelled in November 2020.

The Group is subject to fluctuations in interest rates on commercial paper issuance. Others components of gross borrowings are mainly bonds with fixed interest rates.

In 2014, Ingenico put in place an interest rate swap for 50% of the nominal value of the bond issued in 2014, or € 225 million, with a 7-year life. This swap turns the Group's fixed-rate exposure into variable-rate exposure. Maturity of this interest rate swap is on May 2021.

Liquidity risk

As at December 31, 2020, the Group's net debt (amounting to € 3,165.1 million) consists mostly of long-term financing borrowings (for € 4,546.5 million) and cash and cash equivalents (for € 1,381.4 million). The banking and financial indebtedness of the Group is described in Section E.4.3, as well as in Note 6.4 to the consolidated financial statements.

Although the Group has a demonstrated capacity to generate significant levels of free cash flow (amounting to € 294.5 million in 2020), its ability to repay its borrowings in the manner provided for therein will depend on its future operating performance and could be affected by other factors (economic environment, conditions in the debt market, compliance with legislation, regulatory changes, etc.). In addition, the Group could have to devote a significant part of its cash flow to the payment of principal and interest on its debt, and this could consequently reduce the funds available to finance its day-to-day operations, investments, acquisitions or dividend payments.

The Group has an investment grade credit rating from Standard & Poor's Global Ratings (BBB with stable outlook), a testament to the strength of the Group's business model and its balance sheet.

The Group considers that managing liquidity risk depends primarily on having access to diversified sources of financing in terms of origin and maturity. This approach represents the basis of the Group's financing policy.

Credit and/or Counterparty Risk

Credit and/or counterparty risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group believes that it has limited exposure to concentrations of credit risk due to its large and diverse customer base. The Group's greatest credit risk position is borne with respect to its financial institution customers.

The Group is also exposed to some credit risk in connection with its Commercial Acquiring. For each transaction, the Group provides a performance guarantee to the merchant in respect the cardholder's payment. Therefore, the Group is exposed to a credit risk in the event of non-payment by the cardholder. Additionally, the Group offers a guarantee of "service rendered" to the cardholder. Accordingly, in the event a merchant goes bankrupt (or ceases to operate) before delivering the product or rendering the service purchased by a cardholder, the cardholder can require the Group to reimburse it for the amount of the transaction. This credit risk exposure is especially significant where services are purchased through e-Commerce well in advance of the time that they are actually rendered (e.g., ticket purchases through travel agencies). Deposits are requested to the merchants as the beginning or in the course of the business relation with the Group

For the Terminal business, the Group is also exposed to the credit risk on its receivables which could lead in payment defaults. The Group manages this invoice risk through individual or mass market assessment based on customer's probability of default, terms of payments, revenue flows and invoice recurrence. The riskier a customer is, the shorter the payment terms are, strengthened by secured payments (prepayments, bank guaranties, insurances).

Note 16 Main entities part of scope of consolidation as of December 31, 2020

Entity	% of interest	Consolidation method	Countries
Worldline SA	**Parent company**	**FC**	**France**
Bambora AB	100	FC	Sweden
equensWorldline SE	100	FC	Netherlands
Fujian Landi Commercial Equipment Co., Ltd.	98	FC	China
Global Collect Services B.V.	100	FC	Netherlands
Ingenico (UK) Limited	100	FC	United Kingdom
Ingenico Banks and Acquirers France SAS	100	FC	France
Ingenico do Brasil Ltda.	100	FC	Brazil
INGENICO Group SA	100	FC	France
Ingenico Inc.	100	FC	USA
Ingenico International (Pacific) Pty Limited	100	FC	Australia
Ingenico Payone GmbH	52	FC	Germany
Ingenico Retail Enterprise US Inc.	100	FC	USA
Global collect B.V	100	FC	Netherlands
SIX Payment AG	100	FC	Switzerland
SIX Payment Services (Europe) SA	100	FC	Luxembourg
Worldline Germany GmbH	100	FC	Germany
Worldline Investissement Sàrl.	100	FC	Luxembourg
Worldline IT Services UK Limited	100	FC	United Kingdom
Worldline Luxembourg	100	FC	Luxembourg
Worldline NV/SA	100	FC	Belgium

Note 17 Auditors' Fees

(In € Thousands and %)	Deloitte				Grant Thornton			
	Deloitte & Associés		Réseau		*Grant Thornton*		Réseau	
	Fees	%	Fees	%	Fees	%	Fees	%
Audit and limited review of individual and consolidated financial statements								
Parent company	594.6	45%			336.0	90%		
Subsidiaries	98.0	7%	907.7	72%	36.0	10%	721.2	100%
Sub-total Audit	**692.6**	**52%**	**907.7**	**72%**	**372.0**	**100%**	**721.2**	**100%**
Non audit services								
Parent company	175.5	13%			136.5	32%		
Subsidiaries	465.0	35%	346.2	28%	292.0	68%	30.3	100%
Sub-total Non Audit	**640.5**	**48%**	**346.2**	**28%**	**428.5**	**100%**	**30.3**	**100%**
Total fees 2020	**1,333.1**	**100%**	**1,253.9**	**100%**	**800.5**	**100%**	**751.5**	**100%**

In 2020, non-audit services related to services provided at the Company's request and notably correspond to (i) certificates and reports issued as independent third party on the human resources, environmental and social information pursuant to article of the French Commercial Code, (ii) due diligences, and (iii) tax services, authorized by local legislation, in some foreign subsidiaries.

(In € Thousands and %)	Deloitte				Grant Thornton			
	Deloitte & Associés		Réseau		*Grant Thornton*		Réseau	
	Fees	%	Fees	%	Fees	%	Fees	%
Audit and limited review of individual and consolidated financial statements								
Parent company	330.0	66%			250.0	92%		
Subsidiaries	98.0	20%	1,062.0	65%	21.0	8%	795.0	100%
Sub-total Audit	**428.0**	**86%**	**1,062.0**	**65%**	**271.0**	**100%**	**795.0**	**100%**
Non audit services								
Parent company	72.0	14%	477.0	29%				
Subsidiaries			104.0	6%				
Sub-total Non Audit	**72.0**	**14%**	**581.0**	**35%**		**-**	**-**	**-**
Total fees 2019	**500.0**	**100%**	**1,643.0**	**100%**	**271.0**	**100%**	**795.0**	**100%**

In 2019, non-audit services related to services provided at the Company's request and notably correspond to (i) certificates and reports issued as independent third party on the human resources, environmental and social information pursuant to article of the French Commercial Code, (ii) due diligences, and (iii) tax services, authorized by local legislation, in some foreign subsidiaries.

Note 18: Subsequent events

There is no subsequent event post 2020 closing.

C. APPENDICES

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EquensWorldline and Financial Services

Michael Steinbach

Mobility & e-Transactional Services

Claude France

C.1.3. Corporate functions

Chairman and Chief Executive Officer

Gilles Grapinet

Deputy Chief Executive Officer

Marc-Henri Desportes

Finance

Eric Heurtaux

Human Resources

Olivier Burger

Technology and Operations

Christophe Duquenne

Communication, Marketing & Sales

Pascal Mauzé

Legal & Contract Management

Charles-Henri de Taffin

Strategy, Mergers & Acquisitions, Publics & Regulatory Affairs

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More information concerning the Company, such as financial information, AMF regulated information, corporate governance or corporate responsibility & sustainability, is available on the website of Worldline worldline.com.

Requests for information can also be sent by email to investor-relations@worldline.com.

C.2. Financial calendar

- April 21, 2021 Q1 2021 revenue
- May 20, 2021 Annual General Shareholders' Meeting
- July 27, 2021 H1 2021 results
- October 19, 2021 Q3 2021 revenue

About Worldline

Worldline [Euronext: WLN] is the European leader in the payments and transactional services industry and #4 player worldwide. With its global reach and its commitment to innovation, Worldline is the technology partner of choice for merchants, banks and third-party acquirers as well as public transport operators, government agencies and industrial companies in all sectors. Powered by over 20,000 employees in more than 50 countries, Worldline provides its clients with sustainable, trusted and secure solutions across the payment value chain, fostering their business growth wherever they are. Services offered by Worldline in the areas of Merchant Services; Terminals, Solutions & Services; Financial Services and Mobility & e-Transactional Services include domestic and cross-border commercial acquiring, both in-store and online, highly-secure payment transaction processing, a broad portfolio of payment terminals as well as e-ticketing and digital services in the industrial environment. In 2020, Worldline generated a proforma revenue of 4.8 billion euros. worldline.com

Worldline's corporate sense of purpose ("raison d'être") is to design and operate leading digital payment and transactional solutions that enable sustainable economic growth and reinforce trust and security in our societies. We make them environmentally friendly, widely accessible and support social transformation.

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