

## H1 2023 results

### Strong business trends, solid first-half

Revenue: € 2,242 million, +9.3% organically, with +9.4% in Q2'23

OMDA: € 519 million, 23.1% of revenue, +80 bps

Free cash flow: € 232 million, 44.7% OMDA conversion

### Strategic initiatives developing as per plan

Milestones reached on Crédit Agricole partnership confirming  
a closing by end of 2023

Closing of Banco Desio completed and merchants' migration ongoing

### All 2023 objectives confirmed

Paris La Défense, 26 July 2023 – Worldline [Euronext: WLN], a global leader in payment services, today announces its results for the first semester of 2023.

**Gilles Grapinet, CEO of Worldline**, said: “Worldline executed a very satisfactory first half of the year with a 9.3% organic growth, supported by a solid double-digit performance in merchant Services, confirming, in particular, our enhanced competitive positioning resulting from our continued successful integration of and the former Ingenico.

This strong business trends coupled with cost optimization plans, integration synergies and operating leverage, allowed the Group to deliver a 80 basis points margin expansion led, as planned, by a solid improvement in Merchant Services profitability despite inflationary headwinds impacting our costs base.

As part of our M&A roadmap, we entered during the semester into exclusive discussions with Crédit Agricole for a strategic long-term partnership and the creation of a joint-venture. Combining Worldline leading technology and products with the distribution power of Crédit Agricole, we have the joint ambition to create the future leading player in the French market able to deliver premier services to all merchants. The preparatory work post-announcement is progressing well, fully in line with a targeted signing in the course of Q3 2023 and a closing before the end of the year.

Last, end of March, we have completed the acquisition of Banco Desio Merchant Acquiring activities reinforcing our local presence in the Italian market with a strong partner.

Based on this good first-half showing its enhanced competitive strengths 2 years after the start of the ex-Ingenico integration the Group confirms its 2023 objectives and reaffirms its strategic projects to establish Worldline as a premium global Paytech while actively participating in the Payment industry consolidation.”

## H1 2023 key figures

<i>In € million</i>	H1 2023	H1 2022	change
<b>Revenue*</b>	<b>2,242</b>	<b>2,051</b>	<b>+9.3%</b>
<b>OMDA*</b>	<b>519</b>	<b>457</b>	<b>+13.4%</b>
<i>% of revenue</i>	23.1%	22.3%	+80 bps
<b>Net income Group share from continued operations**</b>	<b>81</b>	<b>53</b>	<b>+51.6%</b>
<i>% of statutory revenue from continued operations</i>	3.6%	2.6%	
<b>Normalized net income Group share from continued operations**</b>	<b>243</b>	<b>213</b>	<b>+14.3%</b>
<i>% of statutory revenue from continued operations</i>	10.8%	10.5%	
<b>Free cash flow (FCF) from continued operations</b>	<b>232</b>	<b>230</b>	<b>+0.8%</b>
<i>OMDA to FCF conversion rate***</i>	44.7%	49.0%	
<b>Closing net debt (before IFRS 5)*</b>	<b>1,837</b>	<b>3,456</b>	

\* H1 2022 at constant scope and exchange rates

\*\* Normalized net income Group share on continued operations

\*\*\* H1 2022 conversion rate calculated on H1 2022 statutory OMDA from continued operations

Worldline's **H1 2023 revenue** reached **€ 2,242 million**, representing **+9.3% revenue organic growth** (of which **+9.4% in Q2**). This achievement was reached thanks, in particular, to the continuous growth dynamic in Merchant Services reflecting the robustness of the business model. It reflects the benefit of the widespread and rapid shift towards digital payments as well as the Group's strong positioning following the acquisition of Ingenico.

This strong execution also materialized in the Group's **Operating Margin before Depreciation and Amortization (OMDA)** reaching **€ 519 million** in H1 2023; representing **23.1% of revenue**, an improvement by **+80 basis points** compared to H1 2022 at constant scope and exchange rates. This profitability improvement was led in particular by Merchant Services posting +100 basis points thanks to the acceleration of revenue growth fostering operating leverage; synergies from Ingenico; and effects of transversal productivity actions.

**Net income Group share from continued operations** reached **€ 81 million**, an improvement of **+5.6%**. **Normalized net income Group share from continued operations** (excluding unusual and infrequent items, Group share, net of tax) reached **€ 243 million**, up **+14.3%**.

Normalized basic EPS was **€ 0.86** in H1 2023 compared to **€ 0.76** in H1 2022. On a dilutive basis, it was **up 10.5% to € 0.84**.

**Free cash flow from continued operations** in H1 2023 was **€ 232 million**, representing a **44.7% cash conversion of OMDA** (free cash flow divided by OMDA), in line with the expected half-yearly pattern of 2023.

Group **Net debt** amounted to **€ 1,837 million** at the end of June 2023, reflecting good free cash flow generated over the semester. It represents a Group leverage ratio at 1.6x on a LTM basis.

## Focus on Q2 2023 revenue performance

<i>In € million</i>	Q2 2023	Q2 2022 *	Organic change
Merchant Services	849	749	+13.5%
Financial Services	236	235	+0.2%
Mobility & e-Transactional Services	87	87	-0.3%
<b>Revenue</b>	<b>1 172</b>	<b>1 071</b>	<b>+9.4%</b>

\* at constant scope and exchange rates

Worldline's Q2 2023 revenue reached **€ 1,172 million**, representing a **+9.4% organic growth**. This achievement was notably reached thanks to the solid growth in Merchant Services at +13.5% organically, fueled by payment volumes both instore and online in commercial acquiring activities. Financial Services was broadly stable, in line with anticipated full year trajectory. Mobility & e-Transactional Services benefited of a solid underlying growth but remained impacted, as already disclosed, by the re-insourcing of a secured mail telco operator contract end of Q2 22, leading to an overall flat performance in Q2 2023.

### Merchant Services

Merchant Services' **revenue** in Q2 2023 reached **€ 849 million**, representing a solid **organic growth by +13.5%**. Acquiring MSV reached € 120 billion in Q2, a solid performance led in particular by the strong Online acquiring MSV growth and new merchants gained.

By division, the dynamics were the following:

- *Commercial Acquiring*: Strong double-digit growth driven by the good performance for almost all geographies especially in Switzerland, Benelux and Germany and fueled as well by the good start of new activities integrated in Italy and Greece.
- *Payment Acceptance*: Good double-digit growth mainly led by Digital Commerce benefitting from the good ramp-up of new customers recently signed and the continuous recovery of travel related verticals, while omnichannel solutions continue to gain traction in the vast majority of our geographies.
- *Digital Services*: Soft performance despite a good level of activity in Turkey and Benelux related to retailers' activities.

During the second quarter of the year, commercial activity in Merchant Services materialized in numerous wins or extensions for both *Commercial Acquiring* and *Payment Acceptance*, in-store and online, with among others, Blizzard, Valve, Evonity, Amazing Talker, and new key partnerships signed with Vtex (Digital commerce platform) and travelplanbooker.com.

## Financial Services

Q2 2023 **revenue** reached **€ 236 million** up **+0.2% organically**, with a soft growth in the second quarter as expected.

The performance by division was the following:

- *Card-based payment processing activities (Issuing Processing and Acquiring Processing):* Significant improvement driven by APAC, thanks to new project deliveries, as well as continuous good development of volumes in Benelux and France.
- *Account Payments:* Soft performance despite a good level of activity with large German contracts (Commerzbank and Unicredit)
- *Digital Banking:* Good Dynamic fueled by increased volumes and new contracts in France, Belgium and Switzerland, offsetting a soft performance in the Netherlands

In Q2 2023, Financial services activity was also marked by the successful delivery of a front end prototype in collaboration with ECB to shape the future digital euro. Worldline delivered the person-to-person (P2P) fully offline payment use-case, allowing individuals to make payments using the digital euro, even when no party involved has network access. The prototype's success confirms the technological feasibility and industrial scaling potential of the offline scenario, contributing to a more resilient payment system.

## Mobility & e-Transactional Services

**Revenue** in Mobility & e-Transactional Services reached **€ 87 million**, **stable organically** with a good underlying growth still offset by the effect of the re-insourcing of the secured mail telco operator contract end of H1 22, as already disclosed.

The performance by division was the following:

- *Trusted Digitization:* Soft performance despite a good dynamic in France driven new projects signed and volumes growth from energy subsidies.
- *e-Ticketing:* Double-digit growth driven by increased volumes in transportation and a strong momentum in the UK with the ramp-up of contracts signed such as WECA.
- Finally, *e-Consumer & Mobility:* Organic decline despite a solid growth in Iberia and the contribution of the new contract signed with SNCF (the French railway national organization) not able to offset the re-insourcing of a French telco operator contract.

Commercial activity in Mobility & e-Transactional Services was dynamic during the quarter, in particular with the signature of a contract with Paris- Ile-de-France regional authority to realize and to operate the new generation of its digital services platform for highschoolers. This service will be use by 1.5 million highschoolers and will be the center piece of the digital education policy for Paris region. This major win opens new growth perspectives for the Trusted Services business line.

## H1 2023 OMDA performance per Global Business Line

In € million	OMDA			OMDA %		
	H1 2023	H1 2022 *	Organic change	H1 2023	H1 2022 *	Organic change
Merchant Services	399	339	+17.6%	24.8%	23.9%	+100 bps
Financial Services	127	129	-1.3%	27.4%	28.1%	-70 bps
Mobility & e-Transactional Services	22	22	+3.7%	13.1%	12.6%	+50 bps
Corporate	-30	-32	-7.2%	-1.3%	-1.6%	+30 bps
<b>Worldline</b>	<b>519</b>	<b>457</b>	<b>+13.4%</b>	<b>23.1%</b>	<b>22.3%</b>	<b>+80 bps</b>

\* at constant scope and exchange rates

### Merchant Services

Merchant Services' **OMDA** in H1 2023 amounted to **€ 399 million, 24.8% of revenue**, representing a strong improvement by **+100 basis points**. It was positively supported by:

- Acceleration of revenue growth fostering operating leverage;
- Synergies from Ingenico integration program; and
- The effects of contract revaluation and repricing initiated in H2 2022.

### Financial Services

H1 2023 **OMDA** reached **€ 127 million**, representing **27.4% of revenue**, down 70 basis points compared to the same period last year. The division was affected by cost inflation not yet compensated by measures launch in term of cost base monitoring and workforce management.

### Mobility & e-Transactional Services

Mobility & e-Transactional Services' **OMDA** reached **€ 22.4 million** in H1 2023, representing **13.1% of revenue**. OMDA margin was **up 50 basis points** compared to last year driven by the improvement of the workforce management and positive business trends.

### Corporate costs

Corporate costs amounted to **€ 30 million** in H1 2023, representing **1.3% of total Group revenue** compared to 1.6% in H1 2022 (**+30 basis points** compared to last year). This good performance reflect the implementation of a rigorous cost monitoring in support functions.

## Financing activity

In H1 2023, Worldline has been very active regarding its debt maturity management.

Thanks to the 1.4 bn TSS proceeds and a strong cash generation, two operations occurred:

- Bought back for an amount of € 385 million on bonds maturing in 2024 split as follows:
  - € 245,300,000 of the Series A Bonds at a purchase price of 97.656% plus 1.117% accrued interest, of which € 354,700,000 will remain outstanding after cancellation of the repurchased Bonds, and;
  - € 140,300,000 of the Series B Bonds at a purchase price of 95.891% plus 0.168% accrued interest, of which € 359,700,000 will remain outstanding after cancellation of the repurchased Bonds.
  - The settlement date for the Tender Offer occurred on 22 May 2023.
- Repayment of €500m of bonds maturing end of June 2023, using Worldline's cash available on the balance sheet.

## Strategic initiatives update

On April 19, 2023, Worldline entered into **exclusive discussions with Crédit Agricole** with the objective to create a major player in the attractive French payment market. Leveraging Worldline's vertical expertise and Crédit Agricole's strong distribution networks and deep French market presence, the contemplated partnership would offer a state-of-the-art combination of technological and commercial offerings at scale allowing to adequately respond to any type of evolving merchant needs. The joint-company would be majority owned (50% of total capital plus one share) and fully consolidated by Worldline and would be in charge of leveraging Worldline's global processing power and of developing all the innovative products dedicated to the French market. The joint-company would also be in charge of the commercial development of the alliance, both directly for largest merchants in particular, and indirectly by providing an active support to the bank distribution channels. In order to implement the partnership, targeting a joint-company that will start to generate revenue and OMDA early 2025, important milestones have been reached as per plan. Worldline work councils' consultation has been finalized with a positive advice obtained and the antitrust filling is in progress. Based on these developments, we are on-tracks for signing expected in Q3 2023 and a closing of the transaction in Q4 2023.

Last, we have **completed the acquisition of Banco Desio Merchant Acquiring activities** on March 28, 2023, reinforcing Worldline presence in the promising Italian market with a strong partner. Since the closing of the acquisition, we have started the migration of the c. 15 thousand merchants on Worldline platform. The process of migration is expected to be fully completed by end Q3 2023.

## Ongoing developments in our CSR roadmap

During this first Semester, Worldline is well on track regarding the achievements of its CSR Transformation programme. As far as the environment is concerned, the objectives have even been exceeded. These excellent results demonstrate the perfect alignment between the programme and the Group's CSR expectations. Furthermore, we are pleased to announce that, with an Axylia<sup>®</sup> Carbon Score of A, Worldline has been included in the 2023 edition of @Axylia's Vérité40 index. This index brings together the 40 French listed companies capable of paying their "carbon bill<sup>®</sup>" equivalent to all CO2 emissions converted into euros. Deducted from profits, this bill indicates how profitable the company remains. Obtaining this A score recognises the maturity of Worldline's climate commitments and the environmental Strategy implemented since the Worldline IPO.

### 2023 objectives confirmed

- **Revenue organic growth:** +8% to +10%
- **OMDA margin:** Above 100 bps OMDA margin improvement vs. 2022 pro forma
- **Free cash flow:** 46% to 48% OMDA conversion rate

2023 objectives are based on unchanged macro-economic situation.

### 2024 ambition reiterated

The Group ambitions to deliver:

- **Revenue organic growth:** +9% to +11% CAGR over the 2022-2024 period
- **OMDA margin:** above 400 basis points improvement over the 2022-2024 period
- **Free cash flow:** circa 50% OMDA conversion rate

## Appendices

### RECONCILIATION OF H1 2022 STATUTORY REVENUE WITH H1 2022 REVENUE AT CONSTANT SCOPE AND EXCHANGE RATES

For the analysis of the Group's performance, revenue and Operating Margin before Depreciation and Amortization (OMDA) for H1 2023 are compared with H1 2022 revenue and OMDA at constant scope and exchange rates. Reconciliation between the H1 2022 reported revenue and OMDA and the H1 2022 revenue and OMDA at constant scope and foreign exchange rates is presented below per Global Business Lines:

<i>In € million</i>	Revenue			
	H1 2022	Scope effect**	Exchange rates effects	H1 2022*
Merchant Services	1 378.0	+58.2	-14.8	1 421.4
Financial Services	457.5	-0.2	+1.1	458.4
Mobility & e-Transactional Services	184.2	-11.6	-1.4	171.2
<b>Worldline</b>	<b>2 019.7</b>	<b>46.4</b>	<b>-15.0</b>	<b>2 051.1</b>

<i>In € million</i>	OMDA			
	H1 2022	Scope effect**	Exchange rates effects	H1 2022*
Merchant Services	351.9	-9.8	-3.0	339.1
Financial Services	122.6	+5.4	+0.9	128.9
Mobility & e-Transactional Services	25.7	-3.7	-0.3	21.6
Corporate	-32.4	0	-0.0	-32.4
<b>Worldline</b>	<b>467.8</b>	<b>-8.1</b>	<b>-2.4</b>	<b>457.3</b>

\* At constant scope and June 2023 YTD average exchange rates

\*\* At June 2022 YTD average exchange rates

Over the semester, compared to the same period last year, exchanges rates effect is mainly due to:

- the Euro depreciation versus the Swiss franc;
- the Euro appreciation versus the Turkish lira, the Swedish krona and the Australian dollar

Scope effects on H1 2022 reported are related to the exclusion Ingenico and MTS Latam and to the integration of ANZ and Eurobank.



## 2022 ESTIMATED PRO FORMA

For the analysis of the Group's organic performance, revenue and Operating Margin before Depreciation and Amortization (OMDA) in 2023 are compared with 2022 revenue and OMDA at constant scope and exchange rates. FY 2022 estimated pro forma is presented below (per Global Business Lines):

2022 estimated proforma (at June 2023 YTD average exchange rates)							
	Q1	Q2	H1	Q3	Q4	H2	FY
<i>In € million</i>	Revenue	Revenue	Revenue	Revenue	Revenue	Revenue	Revenue
Merchant Services	673	749	1 421	810	827	1 637	3 059
Financial Services	223	235	458	240	259	499	957
Mobility & e-Transactional Services	84	87	171	81	88	169	341
<b>Worldline</b>	<b>980</b>	<b>1 071</b>	<b>2 051</b>	<b>1 131</b>	<b>1 175</b>	<b>2 305</b>	<b>4 357</b>
<i>In € million</i>			OMDA			OMDA	OMDA
Merchant Services			339			503	842
Financial Services			129			154	283
Mobility & e-Transactional Services			22			24	45
Corporate costs			-32			-29	-61
<b>Worldline</b>			<b>457</b>			<b>652</b>	<b>1 110</b>
<i>In € million</i>			OMDA%			OMDA%	OMDA%
Merchant Services			23.9%			30.7%	27.5%
Financial Services			28.1%			30.9%	29.6%
Mobility & e-Transactional Services			12.6%			14.0%	13.3%
Corporate costs			-1.6%			-1.3%	-1.4%
<b>Worldline</b>			<b>22.3%</b>			<b>28.3%</b>	<b>25.5%</b>

Main components of the scope effects on 2022 estimated pro forma:

- ANZ added contribution of 3 months (integrated for 9 months in 2022 reported)
- Eurobank added contribution of 6 months (integrated for 6 months in 2022 reported)
- Disposal of Mobility & e-Transactional Services activities in Latin America for 11 months (excluded for 1 month in 2022 reported)
- Impacts of the disposal of TSS

## FORTHCOMING EVENTS

- October 25, 2023      Q3 2023 revenue

## INVESTOR RELATIONS

**Laurent Marie**

E [laurent.marie@worldline.com](mailto:laurent.marie@worldline.com)

**Benoit d'Amécourt**

E [benoit.damecourt@worldline.com](mailto:benoit.damecourt@worldline.com)

## COMMUNICATION

**Sandrine van der Ghinst**

E [sandrine.vanderghinst@worldline.com](mailto:sandrine.vanderghinst@worldline.com)

**Hélène Carlander**

E [helene.carlander@worldline.com](mailto:helene.carlander@worldline.com)

## ABOUT WORLDLINE

Worldline [Euronext: WLN] helps businesses of all shapes and sizes to accelerate their growth journey – quickly, simply, and securely. With advanced payments technology, local expertise and solutions customised for hundreds of markets and industries, Worldline powers the growth of over one million businesses around the world. Worldline generated a 4.4 billion euros revenue in 2022. [worldline.com](https://www.worldline.com)

Worldline's corporate 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. Worldline makes them environmentally friendly, widely accessible, and supports social transformation.

## FOLLOW US



## **DISCLAIMER**

This document contains forward-looking statements that involve risks and uncertainties, including references, concerning the Group's expected growth and profitability in the future which may significantly impact the expected performance indicated in the forward-looking statements. These risks and uncertainties are linked to factors out of the control of the Company and not precisely estimated, such as market conditions or competitors' behaviors. Any forward-looking statements made in this document are statements about Worldline's beliefs and expectations and should be evaluated as such. Forward-looking statements include statements that may relate to Worldline's plans, objectives, strategies, goals, future events, future revenues or synergies, or performance, and other information that is not historical information. Actual events or results may differ from those described in this document due to a number of risks and uncertainties that are described within the 2022 Universal Registration Document filed with the French Autorité des marchés financiers (AMF) on April 28, 2023 under the filing number: D.23-0371.

Revenue organic growth and Operating Margin before Depreciation and Amortization (OMDA) improvement are presented at constant scope and exchange rate. OMDA is presented as defined in the 2022 Universal Registration Document. All amounts are presented in € million without 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. 2023 objectives are expressed at constant scope and exchange rates and according to Group's accounting standards.

Worldline does not undertake, and specifically disclaims, any obligation or responsibility to update or amend any of the information above except as otherwise required by law.

This document is disseminated for information purposes only and does not constitute an offer to purchase, or a solicitation of an offer to sell, any securities in the United States or any other jurisdiction. Securities may not be offered or sold in the United States unless they have been registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or the securities laws of any U.S. state, or are exempt from registration. The securities that may be offered in any transaction have not been and will not be registered under the U.S. Securities Act or the securities laws of any U.S. state and Worldline does not intend to make a public offering of any such securities in the United States.