

10% organic growth in Q3 2022 with revenue at € 1,158 million

4th quarter of double-digit growth in a row

Closing of the TSS sale to Apollo Funds, resulting in strong balance sheet for Worldline

Closing effective as of end Q3 2022

€ 1.4 billion cash-in¹ and up to € 0.9 billion in preferred shares²

Acquisition of technology assets enhancing Worldline portfolio

New dynamic market segments addressed with investment in SoftPos and OPP

2022 objectives confirmed

8% to 10% organic revenue growth

100 to 150 bps OMDA margin improvement vs. 2021 proforma

Circa 45% OMDA conversion to FCF

Paris, La Défense, October 25, 2022 – Worldline [Euronext: WLN], a global leader in payment services, today announces its revenue for the third quarter of 2022

Gilles Grapinet, CEO of Worldline, said: *“During the third quarter of the year, Worldline posted a strong 10% organic revenue growth, benefitting from its superior competitive positioning, mostly attributed to Merchant Services’ strong commercial dynamics with continuous market share gains and steady volume growth.*

In parallel, we closed the disposal of TSS, as planned. This important milestone simplifies Worldline’s Group structure and reinforces our balance sheet in a meaningful manner. This will allow Worldline to continue to lead the European market consolidation, leveraging on its active pipeline of M&A opportunities.

During the quarter, we also enriched our value proposition for both instore and online merchants. This has been notably done through the acquisition of a 40% stake in Online Payment Platform B.V. to comprehensively target the C2C marketplaces’ specific payment needs and to focus on significant growth opportunities in the B2B and B2C marketplace segments. As part of our strategy to explore new adjacencies through technologies and products acquisitions, we also closed the acquisition of a 55% stake in SoftPos.eu, a fintech that converts Android devices into secure payment terminals, enabling merchants to accept card payments without the need for additional hardware. This enables Worldline to provide payment solutions that are adapted to all forms of commerce and serve the business ambitions of its clients.

Thanks to this strong execution and a still solid level of transaction volumes, we confirm our 2022 annual guidance and continue to steadily establish Worldline as a premium global Paytech at the heart of the European payment system.”

¹ of which c. € 1.1 billion received in 2022, and c. € 0.3 billion to be received in January 2023

² exposure to the future value creation of Ingenico through the preferred shares and linked to Apollo exit

Q3 2022 revenue by Global Business Line

<i>In € million</i>	Q3 2022	Q3 2021*	Organic change
Merchant Services	828	729	+13.6%
Financial Services	241	237	+1.5%
Mobility & e-Transactional Services	89	86	+3.4%
Worldline	1,158	1,053	+10.0%

* at constant scope and exchange rates

Worldline's Q3 2022 **revenue** reached **€ 1,158 million**, representing a strong **+10.0% organic growth**. This achievement was notably reached thanks to the strong commercial dynamics in Merchant Services posting a +13.6% revenue organic growth, fueled by market share gains and volumes growth. Mobility & e-Transactional Services also contributed to growth with a positive underlying trend on a high comparison basis. Financial Services was up by +1.5%, a performance in line with the trajectory anticipated for the full year.

Merchant Services

Merchant Services' **revenue** in Q3 2022 reached **€ 828 million**, representing a solid **organic growth of +13.6%**, led by a steady growth in acquiring transaction volumes, up +17% year-on-year (+33% vs. Q3 2019). By division, the growth was mainly led by:

- *Commercial Acquiring* showed a high-teens organic growth with almost all geographies and customer segments contributing, in particular SMBs and large retailers. The division also benefited from a strong performance from DCC products, and the solid trend experienced during the holiday period which boosted travel and hospitality verticals;
- *Payment Acceptance* also contributed to the growth of Merchant Services thanks to mid-single-digit organic growth. Growth was led by Global Sales & Vertical and digital customers with the recovery from the Travel vertical compensating for the stop of Russian activities in March. Excluding the Russian effect, Payment Acceptance activities would have been up low teens organically in Q3 2022; and,
- *Digital Services* delivered a low-teens organic growth with contrasted situation per geography. The dynamic was particularly strong in Germany, France and the UK, more than offsetting the low performance in the digital healthcare market.

During the third quarter of the year, commercial activity in Merchant Services has been strong with numerous wins for both Commercial Acquiring and Payment Acceptance, in-store and online with new client wins and upsells with clients such, as among others, Lufthansa, MSC Cruises, FIVE, Webhallen.com, or Eurowag.

In Q3, Worldline continued to engage in promising signed partnerships such as:

- The payment app certification by Zebra of Worldline Tap-on-Mobile allowing specialized integrators and partners to add payment on their Android devices;
- The single API integration of UpStream Pay dedicated to e-commerce merchants allowing connection to a vast and full suite of payment methods boosting conversion rate; and
- With BigCommerce, a global SaaS based shopping cart solution that will natively integrate Worldline' online solutions to its platform. This partnership will allow all BigCommerce merchants, from start-ups to enterprise sized merchants, to have access to Worldline's pan-European acceptance and acquiring solutions.

Financial Services

Q3 2022 was still impacted by the price decrease on the large contracts with former Equens' shareholders. In this context, Financial Services performance was in line with the trajectory expected for the full year with good volumes and new commercial developments leading to a **+1.5% organic growth** in Q3 2022 with **€ 241 million revenue**. The performance of each division continued to be contrasted:

- Card-based payment processing activities (*Issuing Processing* and *Acquiring Processing* altogether) posted a positive organic growth driven by good dynamics in Asia-Pacific as well as improved transaction volumes, mainly in Belgium and Finland, compensating for the impact of price concessions of renewed large contracts;
- *Account Payments* delivered a soft organic growth with less project activity this quarter, but still good developments on the UniCredit contract, now in run phase;
- *Digital Banking* was led by the continuing increase of authentications volumes related to e-commerce transactions due to enforcement of the PSD2 regulation, as well as authentication services, mainly in France.

Mobility & e-Transactional Services

Revenue in Mobility & e-Transactional Services reached **€ 89 million** in Q3 2022, **up +3.4% organically**, with positive underlying growth on a high comparison basis, led by high project activity with existing and new customers and increasing transactional revenue. The performance by division was as follow:

- *Trusted Digitization*: Double-digit growth driven by new projects signed, increased volumes on Tax collection and Digital Healthcare and a good momentum on support and project activity on eHealth solutions.
- *e-Ticketing*: Double-digit growth fueled by increased volumes in transportation and higher fare collection in Latin America, coupled with several development projects.
- *e-Consumer & Mobility*: the ramp-up of newly signed contracts and increased activities for the new secure cloud solution partially offset the effect of the high comparison basis in Connected Living & Mobility and the re-insourcing of a Contact contract with a telco operator. The momentum of the WL Contact solution observed during the last periods remains strong, as illustrated by the win of the CNAF (*Caisse Nationale des Allocations Familiales*) public RFP to supply a call center solution. Worldline will set up and roll out the Contact solution for the management of incoming and outgoing calls of the French welfare national organization for a period of 8 years. The service will improve call processing through a strong and scalable infrastructure and provide user-friendly interfaces.

Successful completion of the sale of TSS activities to Apollo Funds

As announced on October 3, 2022, Worldline completed the sale and contribution of c. 85% of its Terminals, Solutions & Services (“TSS”) business line to Apollo Funds with the sale of the remaining c. 15% to take place on January 1st, 2023, in line with the contemplated timeline. The standalone company now operates exclusively as Ingenico. While this transaction is expected to support Ingenico in its transformation plan, it also marked an important milestone in Worldline’s strategy, simplifying the Group’s structure and further increasing its focus on core payment services. The proceeds from this disposal allows Worldline to further accelerate its development and anchors the Group’s leadership in payments services. This transaction also encompasses the entry into a partnership agreement cementing the strategic and long-term relationship between Worldline and Ingenico over the next 5 years.

The total consideration for Worldline is based on a current fair enterprise value of c. € 2.3 billion under the terms of the transaction, including c. € 1.7 billion upfront value and up to € 0.9 billion in preferred shares. Net of the closing price adjustments and net of taxes, Worldline will receive in aggregate c. € 1.4 billion³ as net proceeds and will remain exposed to the future value creation of Ingenico through the preferred shares for an amount of up to € 0.9 billion (c. € 0.6 billion fair value at signing date).

³ of which c. € 1.1 billion received in 2022, and c. € 0.3 billion to be received in January 2023

Enrichment of Worldline value proposition in both instore and online

In Q3 2022, Worldline significantly enriched its value proposition for both instore and online merchants, notably through the acquisition of a 40% stake in Online Payment Platform B.V. and 55% of SoftPos.eu.

Online Payment Platform (OPP) is a Dutch online PSP focusing on digital payments for marketplaces and platforms with a specific focus in the C2C segment. OPP already serves over a hundred marketplaces and platforms, such as e-Bay Kleinanzeigen, Marktplaats (both part of Adevinta), Gumtree, Royal FloraHolland and PayPal, leveraging a strong expertise in customer support for marketplaces, including fast merchant onboarding and dispute management.

The transaction is perfectly in line with Worldline's strategic roadmap as it expands its exposure into e-commerce and brings a proven technological brick with a unique solution built from the ground up. This enables Worldline to comprehensively target the C2C marketplaces' needs to outsource their payment requirements and to focus on significant growth opportunities in the B2B and B2C marketplaces segments with a market leading scalable technology.

As part of its strategy to explore new adjacencies through technologies and products acquisitions, Worldline also closed the acquisition of a 55% stake in **SoftPos.eu**, a Warsaw-based fintech that converts Android devices into secure payment terminals, enabling merchants to accept card payments without the need for additional hardware. Worldline also acquired a call option to buy in 24 months the remaining 45% owned by the two founders and key stakeholders of the company.

This acquisition fully embeds Worldline's objective to provide payment solutions that are adapted to all forms of commerce and serve the business ambitions of its clients. Based on SoftPos.eu, Worldline launched a new product internationally: Worldline Tap on Mobile. This unique end-to-end solution based on Android application that allows all merchants – from micro to large – to accept payments using a smartphone, tablet, or enterprise device through one single tap. The solution is designed to accept small amounts simply by "tap" but also larger amounts with PIN entry on the screen.

2022 objectives confirmed

- **Revenue organic growth:** +8% to +10%
- **OMDA margin:** +100 to +150 basis points improvement vs. estimated 2021 proforma OMDA margin
- **Free cash flow:** circa 45% OMDA conversion rate

Appendices

9M 2022 revenue performance per Global Business Line

Worldline's organic revenue evolution per Global Business Line for the first nine months of 2022 was as follows:

<i>In € million</i>	9M 2022	9M 2021*	Organic change
Merchant Services	2,206	1,910	+15.6%
Financial Services	698	682	+2.3%
Mobility & e-Transactional Services	274	255	+7.3%
Worldline	3,178	2,847	+11.6%

* at constant scope and exchange rates

Reconciliation of Q3 2021 statutory revenue with Q3 2021 revenue at constant scope and exchange rates

For the analysis of the Group's performance, revenue for Q3 2022 is compared to Q3 2021 revenue at constant scope and exchange rates as presented below per Global Business Lines:

<i>In € million</i>	Q3 2021	Scope effect**	Exchange rates effect	Q3 2021*
Merchant Services	639	+80.4	+10.4	729
Financial Services	234		+2.8	237
Mobility & e-Transactional Services	88		-1.1	86
Worldline	960	+80.4	+12.1	1,053

* at constant scope and September 2022 YTD average exchange rates

** at December 2021 YTD average exchange rates

Exchanges rates effect in Q3 is mainly due to the Euro depreciation vs the Swiss franc. Scope effects are related to the consolidation of ANZ, Aseptia Italy, Eurobank, Handelsbanken, and Cardlink on the one side, and the divestments following the clearance from the European Commission for the acquisition of Ingenico on the other side.

FY 2021 pro forma

For the analysis of the Group's organic performance, revenue and Operating Margin before Depreciation and Amortization (OMDA) in 2022 will be compared with 2021 revenue and OMDA at constant scope and exchange rates. Reconciliation of FY 2021 reported revenue and OMDA with FY 2021 revenue and OMDA at FY 2022 scope and foreign exchange rates is presented below (per Global Business Lines):

In € million	Estimated proforma revenue							Estimated proforma OMDA		
	Q1	Q2	H1	Q3	Q4	H2	2021	H1	H2	2021
Merchant Services	542	639	1,180	729	760	1,490	2,670	264	408	672
Financial Services	217	228	445	237	252	489	934	129	166	295
Mobility & e-Transactional Services	83	86	168	86	91	177	345	25	27	52
Corporate costs	-	-	-	-	-	-	-	-18	-21	-39
Worldline	841	952	1,794	1,053	1,103	2,156	3,949	401	580	980

* at September 2022 YTD average exchange rates

Components of the estimated scope effect from 2021 reported to estimated 2021 proforma:

- Sale of Benelux and Austrian assets related to Ingenico acquisition for 10 months (excluded for 2 months in 2021 reported)
- Cardlink and Handelsbanken added contribution of 9 months (integrated for 3 months in 2021 reported)
- Acepta Italy integrated for 12 months (from January 1st, 2022)
- ANZ integrated for 9 months (from April 1st, 2022)
- Eurobank integrated for 6 months (from July 1st, 2022)

Forthcoming events

- February 21, 2023 FY 2022 results
- April 26, 2023 Q1 2023 revenue
- June 8, 2023 Annual General Shareholders' Meeting
- July 26, 2023 H1 2023 results
- October 25, 2023 Q3 2023 revenue

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About Worldline

Worldline [Euronext: WLN] is a global leader in the payments industry and the technology partner of choice for merchants, banks and acquirers. Powered by 18,000 employees in 40 countries, Worldline provides its clients with sustainable, trusted and innovative solutions fostering their growth. Services offered by Worldline include instore and online commercial acquiring, highly secure payment transaction processing and numerous digital services. In 2021 Worldline generated a proforma revenue close to 4 billion euros. [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.

Disclaimer

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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 2021 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. 2022 objectives are expressed at constant scope and exchange rates and according to Group's accounting standards.

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