

Q3 2024 revenue

€ 1,163 million Group revenue, down 1.1% organically

Underlying growth on Worldline core activities remains positive

Mid-single digit organic growth in our core Merchant Services activities
Growth in Financial Services excluding large one-off re-insourcing
Continued acceleration in Mobility & Transactional Services

Streamlined Group profile

Leaner organization fueled by Power24
Cost base ready for Free Cash Flow generation acceleration

Ongoing execution to rebound and refocus Worldline

Merchant Services new leadership
Management actions in place to address specific challenges
Investment focused on value-added product roll-outs and growth accelerators
Portfolio pruning on some peripheral assets

All 2024 objectives confirmed

Organic revenue growth at c.1%
Adjusted EBITDA at c.€1.1bn
Free Cash-Flow at c.€0.2bn

Paris, La Défense, October 30 2024 – Worldline [Euronext: WLN], a global leader in payment services, today announces its revenue for the third quarter of 2024.

Marc-Henri Desportes, CEO of Worldline, said: *“Our Q3 results followed the trend we observed during the summer and represent a point from which we will rebound and refocus. The core of our business remains strong, while the execution of Power24 ensures that we will start 2025 with an optimized cost structure.*

We concentrate our investments on this solid core and take management actions on the isolated lower growth areas. We therefore aim to return progressively to mid-single-digit revenue growth in 2025. The arrival of Paul Marriott-Clarke, our new head of Merchant Services, the launch of embedded payments, and the ongoing set-up of our new CAWL joint venture are important steps in that direction.

Finally, after ten years of actively consolidating the payments landscape and with the aim to refocus our group, the time has come to prune non-synergistic peripheral activities.”

Q3 2024 revenue by Global Business Line

In € million	Revenue							
	Q3 2024	Q3 2023*	Organic growth (Published)	Organic growth (NNR)	Ytd Q3 2024	Ytd Q3 2023*	Organic growth (Published)	Organic growth (NNR)
Merchant Services	867	865	+0.2%	(2.7)%	2,525	2,471	+2.2%	+0.7%
Financial Services	211	230	(8.3)%	(8.2)%	668	694	(3.7)%	(3.6)%
Mobility & e-Transactional Services	85	81	+4.9%	+4.9%	259	253	+2.2%	+2.2%
Worldline	1,163	1,176	(1.1)%	(3.4)%	3,452	3,418	+1.0%	(0.2)%

* at constant scope and exchange rates

Worldline's Q3 2024 revenue reached **€ 1,163 million**, representing **-1.1% organic growth**. The Merchant Services division's performance was slightly positive despite a challenging macro-economic backdrop. On the one hand, business was resilient in some key geographies, and on the other hand it was negatively impacted by the termination of merchant contracts (fully finalized end Q1'24) and by some underperforming businesses for which management has taken decisive actions. In Financial Services, an M&A driven re-insourcing process at one of our largest customers drove a one-off negative performance despite positive underlying growth in Issuing and important wins in Instant Payment. Mobility & e-Transactional Services benefitted from positive momentum, notably in France, driven by differentiated offerings in Worldline Contact solutions.

Merchant Services

Merchant Services' **revenue** in Q3 2024 reached **€ 867 million**, representing **+0.2% organic growth (+c.5% excluding merchant terminations and specific challenges)** in a soft consumption context in Europe. Worldline continued to win market share in Southern Europe, while Central Europe recorded steady growth. The segment's more challenging businesses, namely Asia-Pacific and some specific Online verticals, as well as the merchant terminations that had started in Q3'23 and finalized end Q1'24, weighed on overall organic growth. The performance by division was the following:

- *Commercial Acquiring*: dynamic underlying growth driven notably by Central Europe (Germany and Switzerland) and Southern Europe, although impacted overall, as expected, by the termination of merchant contracts and slower activity in APAC.
- *Payment Acceptance*: this segment performed softly, mainly due to a marked slowdown in the Travel and Gaming online verticals.
- *Digital Services*: deceleration linked notably to temporary POS sourcing delays.

Worldline continued to record new wins during the quarter, such as Appart'City Emirates, Air Transat, Avantida and CCP.

Financial Services

Q3 2024 **revenue** in Financial Services came in at **€ 211 million**, representing **-8.3% organic growth**. This figure, when excluding the re-insourcing impact, was +c.1 %. The continued positive momentum in acquiring and issuing processing was more than offset by the large one-off re-insourcing process in Account Payments activity. The performance by division was the following:

- *Card-based payment processing activities (Issuing Processing and Acquiring Processing):* continued to deliver mid to high single digit growth thanks to the solid contribution of volumes and new projects notably in Germany, Italy and the Netherlands. The pipeline remains strong.
- *Digital Banking:* Lower activity, mainly due to decreasing volumes in France and the Netherlands, overshadowing higher customer demand for Sanctions Securities and Monitoring solutions.
- *Account Payments:* activity was impacted by lower volumes linked to the one-off re-insourcing of a large client, while the rest of the business grew slightly thanks notably to new wins in instant payments.

On the commercial front, Worldline has signed new contracts with Anadolubank Nederland N.V., Bank of China (Hong Kong) and British Petroleum (fleet card authorization system).

Mobility & e-Transactional Services

Mobility & e-Transactional Services **revenue** reached **€ 85 million, up 4.9% organically**, mainly driven by increased activity in France in Trusted Services and Omnichannel interactions. The performance by division was the following:

- *Trusted Services:* good growth in France thanks to increased activity in our e-education digital workplace and in Germany driven by our cryptographic solution for e-health and security hardware sales.
- *Transport & Mobility:* slightly decelerating with lower activity in the rail industry partly offset by increased volumes in ticketing in France.
- *Omnichannel interactions:* strong growth supported by higher volumes and project deliveries.

In terms of business developments, two large companies have extended their partnership with Worldline's Contact solution: BNP Paribas Group and Diot-Siaci.

Streamlined Group profile

The Power24 reorganisation was fully delivered in Q3, as planned. Implementation cash costs will remain unchanged at € 250 million, and we confirm the € 220 million run rate of cash costs savings in 2025 at a minimum.

In parallel, we are executing structural actions to improve our cash generation, with particular attention to capex prioritization towards growth initiatives and a continuous decrease of Integration and rationalization costs. These actions constitute a solid base from which Worldline will accelerate its free cash flow generation in the coming years.

Ongoing execution to rebound and refocus Worldline

New leadership for Merchant Services

On October 7, 2024, Worldline announced the appointment of Paul Marriott-Clarke as the new head of Merchant Services. M. Marriott-Clarke brings extensive expertise in the world of banking and payments. He most recently led the Customer & Digital business at Barclays UK, where he drove the bank's digital transformation, shifting the organization towards an agile and customer-centric model. He had previously served as PayPal Europe's CEO and PayPal's Chief Commercial Officer in the Europe, Middle East, and Africa region.

M. Marriott-Clarke will lead a Merchant Services segment that has been restructured into a more customer-focused organization around go-to markets, namely large enterprises and small and medium-sized businesses. The new management team will focus on deploying a differentiated product offering adapted to clients' specific needs to accelerate revenue growth.

Management actions in place to address specific challenges

Worldline's Merchant Services activity has been impacted by specific challenges, particularly in the Travel and Gaming online verticals and in APAC, for which management implemented action plans.

- In Australia, the business is not meeting our expectations. A new management team has been brought in and has started to turn the business around. Repricing actions are being implemented in agreement with Worldline's local banking partner to factor in our cost increases and secure a return to growth in Q4.
- In the online business, revenue was held back notably by lower demand in the Travel and Gaming verticals. Consequently, dedicated actions have been put in place such as a profound work to accelerate customer onboarding, i.e. volume ramp-up of already signed customers like Google or Turkish Airlines.
- As previously indicated, the impact of merchant terminations (maximum € 130 million on annual revenue) will no longer affect the reported growth by end-Q1'25 and with already a lesser impact in Q4'24.

Investment focused on value-added product roll-outs and growth accelerators

To secure Worldline's growth rebound, we are accelerating the work already engaged in releasing new products addressing new verticals or distribution channels while reinforcing banking distribution networks through partnerships.

On the new products release side, while the Group continues to successfully expand its Tap-on-Mobile solution, new releases have been launched to address new verticals and distribution channels, such as among others:

- Leveraging the partnership with OPP, Worldline has launched an innovative Embedded Payments solution in Europe for ISV's and marketplaces. OPP, coupled with Worldline's 50 years of payment expertise, will provide a new solution covering the full revenue ecosystem from global online acceptance to full acquiring capabilities. The solution is easy to use and integrate, flexible, fully compliant with the EU regulations particularly the GDPR, secure and flexible and comes with a full range of value-added capabilities.
- The result of a combined solution of Merchant Services and Financial Services, Worldline has launched "Bank Transfer by Worldline", a new account-to-account payment method which will be available in 14 European countries by the end of 2024.

Regarding our banking distribution networks, the implementation of the Group's roadmap has been pursued to open new markets (CAWL in France) or to reinforce our positions in new markets, such as Italy where we continue to grow by over 20%.

- The development of Worldline's strategic partnership in France with the operational set-up of CAWL, our joint-venture with Crédit Agricole, is fully on-track and as per plan, and we confirmed its go live date in 2025.
- Worldline continued its geographic expansion in 2024, particularly in Italy. The CCB partnership signed in Q1'24 is a strategic development that will ramp-up at the beginning of 2025 with the full migration of circa 60,000 merchants' portfolio on the Worldline platform. We will pursue our development in Italy, which is a very promising market and one of our highest growth contributors.

Portfolio pruning on some peripheral assets

After a decade of actively consolidating the European payments landscape, Worldline's management and Board are currently assessing the relevance of some peripheral assets in the portfolio that may not enjoy many synergies with the Group's other businesses.

This analysis is driven by the Group's strategic refocusing, with an objective of orderly execution to generate shareholder value.

2024 objectives confirmed

- Organic revenue growth of around 1%.
- Adjusted EBITDA of around € 1.1 billion.
- Free cash flow of around € 0.2 billion.

Appendices

RECONCILIATION OF Q3 2023 STATUTORY REVENUE WITH Q3 2023 REVENUE AT CONSTANT SCOPE AND EXCHANGE RATES

For the analysis of the Group's performance, Q3 2023 revenue at constant scope and exchange rates as presented below per Global Business Lines:

In € million	Revenue			
	Q3 2023	Scope effects**	Exchange rates effects	Q3 2023*
Merchant Services	868	-0.5	-3.2	865
Financial Services	232	-2.7	+0.3	230
Mobility & e-Transactional Services	81	+0.0	+0.3	81
Worldline	1,182	-3.2	-2.6	1,176

* At constant scope and September 2024 YTD average exchange rates

** At December 2023 YTD average exchange rates

Exchanges rates effect in Q3 were mainly due to appreciation of Swiss Franc and depreciation of Turkish Lira while scope effects are mainly related to scope adjustment in the Financial Services division.

2023 ESTIMATED PRO FORMA

FY 2023 estimated pro forma at constant scope is presented below (per Global Business Lines):

In € million	2023 estimated proforma							
	Q1*	Q2**	H1**	Q3***	Ytd Q3***	Q4***	H2***	FY
	Revenue	Revenue	Revenue	Revenue	Revenue	Revenue	Revenue	Revenue
Merchant Services	757	849	1 606	865	2 471	850	1 715	3 321
Financial Services	229	235	464	230	694	245	475	939
Mobility & e-Transactional Services	84	88	172	81	253	90	171	343
Worldline	1 070	1 172	2 242	1 176	3 418	1 185	2 361	4 603

In € million	Adj. EBITDA**	Adj. EBITDA***	Adj. EBITDA
	Merchant Services	400	448
Financial Services	125	148	273
Mobility & e-Transactional Services	24	24	48
Corporate costs	-30	-29	-59
Worldline	518	591	1 109

In %	Adj. EBITDA %	Adj. EBITDA %	Adj. EBITDA
	Merchant Services	24.9%	26.1%
Financial Services	26.9%	31.2%	29.1%
Mobility & e-Transactional Services	13.7%	14.2%	13.9%
Corporate costs	-1.3%	-1.2%	-1.3%
Worldline	23.1%	25.0%	24.1%

*at March 2024 YTD average exchange rates

**at June 2024 YTD average exchange rates

***at September 2024 YTD average exchange rates

Main components of the scope effects in 2023 estimated pro forma:

Banco Desio added contribution of 3 months (integrated for 9 months in 2023 reported).
Scope adjustment within Financial Services division in Q3 2024.

PUBLISHED REVENUE TO NET NET REVENUE

In € million	Revenue							
	Q3 2024 Published	Schemes & Partners fees	Q3 2024 Net Net	Q3 2023 Published*	Schemes & Partners fees	Q3 2023 Net Net	OG% Q3 Published	OG% Q3 Net Net
Merchant Services	867	(238)	629	865	(218)	647	+0.2%	(2.7)%
Financial Services	211	(2)	209	230	(3)	227	(8.3)%	(8.2)%
Mobility & e-Transactional Services	85		85	81		81	+4.9%	+4.9%
Revenue	1,163	(240)	923	1,176	(221)	955	-1.1%	-3.4%

* at constant scope and exchange rates

In € million	Revenue							
	Ytd Q3 2024 Published	Schemes & Partners fees	Ytd Q3 2024 Net Net	Ytd Q3 2023 Published*	Schemes & Partners fees	Ytd Q3 2023 Net Net	OG% Ytd Q3 Published	OG% Ytd Q3 Net Net
Merchant Services	2,525	(660)	1,865	2,471	(618)	1,853	+2.2%	+0.7%
Financial Services	668	(7)	661	694	(8)	685	(3.7)%	(3.6)%
Mobility & e-Transactional Services	259		259	253		253	+2.2%	+2.2%
Revenue	3,452	(666)	2,785	3,418	(626)	2,792	+1.0%	-0.2%

* at constant scope and exchange rates

Schemes & Partners fees = scheme fees + kickbacks PM03 + full buy-rate

FORTHCOMING EVENTS

- 26 February 2025: FY 2024 results

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ABOUT WORLDLINE

Worldline [Euronext: WLN] helps businesses of all shapes and sizes to accelerate their growth journey – quickly, simply, and securely. With advanced payment technology, local expertise, and solutions customised for hundreds of markets and industries, Worldline powers the growth of over one million businesses worldwide. Worldline generated a 4.6 billion euros revenue in 2023. 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.

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Revenue organic growth and Adjusted EBITDA improvement are presented at constant scope and exchange rate. Adjusted EBITDA is presented as defined in the 2023 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. 2024 objectives are expressed at constant scope and exchange rates and according to Group's accounting standards.

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