

Very strong first half 2022

Revenue: € 2,020 million, +12.6% organically
Growth acceleration continued in Q2 2022 at +13.5%
OMDA: € 468 million, 23.2% of revenue, +80 basis points
Free cash flow: € 229 million, 49.0% OMDA conversion

Strategic initiatives executed

Closing of the acquisition of Acepta Italy, ANZ and Eurobank acquiring activities
TSS closing process fully on-track for H2 2022

All 2022 objectives confirmed

8% to 10% revenue organic growth
100 to 150 bps OMDA margin improvement vs. 2021 proforma
Circa 45% OMDA conversion to FCF

Paris La Défense, July 27, 2022 – Worldline [Euronext: WLN], a global leader in payment services, today announces its H1 2022 results.

Gilles Grapinet, Worldline's CEO, said: *“Worldline executed a very satisfactory first half of the year with a strong organic growth of 12.6%, accelerating again in Q2, confirming, 18 months after the start of the Ingenico integration, the power of our enhanced competitive positioning. This performance was, in particular, reached thanks to the very dynamic growth in Merchant Services with a steady expansion of acquiring volumes, a solid merchants count deployment, and numerous new large merchant wins and partnerships.*

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 very significant improvement in Merchant Services profitability.

In parallel, we continued to execute our strategic initiatives during the semester with the closing of three acquisitions (Acepta Italy, ANZ commercial acquiring business in Australia, and Eurobank Merchant Acquiring in Greece) which will, from now on, significantly contribute to our Merchant Services success. The disposal process of TSS is fully on track, with closing confirmed for the second half of the year. This will provide Worldline with further financial flexibility to seize consolidation opportunities in our strong M&A pipeline.

Thanks to this very strong start of the year, we fully confirm our 2022 annual guidance, and reiterate our 2024 ambition to establish Worldline as a premium global Paytech at the heart of the European payment ecosystem.”

H1 2022 key figures

<i>In € million</i>	H1 2022	H1 2021	Change
Revenue*	2,020	1,794	+12.6%
OMDA*	468	401	+16.7%
<i>% of revenue</i>	23.2%	22.3%	+80 bps
Net income Group share from continued operations**	53	53	+0.4%
<i>% of statutory revenue from continued operations</i>	2.6%	3.1%	
Normalized net income Group share from continued operations**	213	169	+26.2%
<i>% of statutory revenue from continued operations</i>	10.5%	10.0%	
Free cash flow (FCF) from continued operations	229	143	+60.4%
<i>OMDA to FCF conversion rate***</i>	49.0%	37.3%	
Closing net debt (before IFRS 5)*	3,456	2,939	

* H1 2021 at constant scope and exchange rates

** H1 2021 amounts restated in application of IFRS 5

*** H1 2021 conversion rate calculated on H1 2021 statutory OMDA from continued operations

Worldline's **H1 2022 revenue** reached **€ 2,020 million**, representing a solid **+12.6% revenue organic growth** (of which **+13.5% in Q2**). This achievement was reached thanks, in particular, to the continuous growth acceleration in Merchant Services reflecting the widespread and rapid shift towards digital payments as well as the Group's strong positioning following the acquisition of Ingenico. Mobility & e-Transactional Services also contributed to growth acceleration, delivering a strong +10.3% organic growth in Q2 after having delivered +8.4% in Q1. Financial Services was up by +3.0% in Q2 (+2.5% in Q1) despite the temporary impact from the price decrease conceded by the Group for the successful synchronous renewals of historical large contracts of Equens done in Q4 2021.

This strong execution also materialized in the Group's **Operating Margin before Depreciation and Amortization (OMDA)** reaching **€ 468 million** in H1 2022; representing **23.2% of revenue**, an improvement by **+80 basis points** compared to H1 2021 at constant scope and exchange rates. This profitability improvement was led in particular by Merchant Services posting +310 basis points thanks to the acceleration of revenue growth fostering operating leverage; synergies from Ingenico; and effects of transversal productivity improvement actions.

Net loss Group share amounted to **€-42 million**, including a €-96 million loss attributable to discontinued operations. **Net income Group share from continued operations** reached **€ 53 million**, stable year-on-year. **Normalized net income Group share from continued operations** (excluding unusual and infrequent items, Group share, net of tax) reached **€ 213 million**, increasing by +26.2% or € 44 million compared to H1 2021 Normalized net income Group share (restated in application of IFRS 5).

Normalized diluted EPS was **€ 0.76** in H1 2021 compared to € 0.59 in H1 2021 (restated in application of IFRS 5).

Free cash flow from continued operations in H1 2021 was **€ 229 million**, representing a **49.0% cash conversion of OMDA** (free cash flow divided by OMDA), in line with the expected half-yearly pattern of 2022.

Group **Net debt** before IFRS 5 amounted to **€ 3,456 million** at the end of June 2022, reflecting free cash flow generated over the semester on one side, as well as the cash-out for the acquisitions closed during the period on the other side.

Focus on Q2 2022 revenue performance

<i>In € million</i>	Q2 2022	Q2 2021*	Organic change
Merchant Services	751	639	+17.6%
Financial Services	235	228	+3.0%
Mobility & e-Transactional Services	95	86	+10.3%
Worldline	1,081	952	+13.5%

* at constant scope and exchange rates

Worldline's **Q2 2022 revenue** reached **€ 1,081 million**, representing a strong **+13.5% organic growth** with all Global Business Lines contributing to growth acceleration.

Merchant Services

Merchant Services' **revenue** in Q2 2022 reached **€ 751 million**, representing an strong **organic growth by +17.6%**, led in particular by the strong acquiring MSV growth and new merchants gained. The growth was mainly led by:

- *Commercial Acquiring* showed a strong double-digit growth trending towards 30%, for almost all geographies and customer segments with strong dynamics and a good cash-to-card conversion trend;
- *Payment Acceptance* also contributed to the growth of Merchant Services thanks to mid-single-digit organic growth. Growth was spread in all geographies with strong volumes for SMBs and large retailers. While benefiting from a significant recovery of travel related volumes, digital commerce (representing almost half of the acceptance business) faced a more difficult situation due to the impact of the stop of Russian activities; and
- *Digital Services* grew at a high single-digit, led by a strong recovery in Germany compensating as anticipated some limited delays in POS supply during the quarter.

Merchant Services performance reflects a very strong development of market positions all along the semester, notably in commercial acquiring, as illustrated by the following **business KPI**:

- Worldline's acquiring merchant base continued to steadily grow with c. 60,000 new merchants onboarded on the Group platform over the first semester of the year, reaching 1.2 million merchants as of end of June 2022 (including Axepta Italy and Handelsbanken merchants in both H1 2022 and H1 2021). It represents a +10% increase over the semester led by a strong dynamic in both instore (+9%) and online (+14%) merchants count.
- Acquired MSV also continued to expand with an overall acquiring MSV reaching € 147 billion in H1 2022, up +30% versus H1 2021 and up +28% versus H1 2019. This H1 2022 MSV performance has been fuelled by market share gains in both instore (+30%) and online (+31%).

During the second quarter of the year, commercial activity in Merchant Services has been strong with numerous wins for both upsell with existing clients and contracts with large new merchants such as, among others, Myra, Eram, Alpiq, Icelandair, TUI Cruises, Iberostar, or Milanoo.

In Q2, Worldline continued to play actively its orchestrator role of the payment industry with numerous partnerships signed such as the one with SoftPos, enlarging Worldline offering with a new value proposition for micro merchants with mobile Tap & Pay payment solution on Android mobile devices, with Casio for the simplification of the card acceptance in Japan leveraging Casio front-end positioning on the ECR market while combining it with Vesca NSP positioning, and with .planet through a joint offering providing full-service end-to-end integrated payment solution for hospitality, featuring omnichannel capabilities and DCC services.

Financial Services

Financial Services delivered a **+3.0% organic growth** in Q2 2022, a slight acceleration compared to Q1 2022 (+2.5%), with solid revenue flows partly compensating the temporary impact from the price decrease conceded by the Group for the renewals of historical large contracts of Equens in Q4 2021. As a results, **Q2 2022 revenue** reached **€ 235 million** with the following performance by division:

- Card-based payment processing activities (*Issuing Processing* and *Acquiring Processing* altogether) benefitted from improved volume trends over the quarter and a decent level of project activities. Nevertheless, these two units decreased organically due to price reductions conceded at renewal time of large processing contracts, as planned and already disclosed;
- *Account Payments* grew at a double-digit rate in Q2, supported by increased volumes and strong project demand, notably in Germany;
- *Digital Banking* delivered a mid-single digit organic growth led by higher authentications volumes related to ecommerce transactions due to enforcement of the PSD2 regulation compensating for lower iDeal volumes in the Netherlands.

During the second quarter, several Financial Services contracts were signed or renewed by Worldline, and in particular with DFM, a financing partner for enterprises within the mobility sector which chose Worldline to be their Instant Payments and Clearing & Settlement mechanism partner, and with Aegon Bank N.V. for back-office processing for handling Instant payments, SEPA batch payments and multi-currency payments. Worldline also renewed for 5 years its contract with Credit Agricole Payment Services for the management of the ACS service (Access Control Server), enabling issuing banks to manage 3DSecure processes and to authenticate cardholders during online payments. Finally, Worldline partnered with two fintechs in the Financial Services space; manager.one to offer to corporate cardholders a seamless experience for managing their business expenses, and Algoan to offer next-level credit assessment solution for lenders & service providers.

Mobility & e-Transactional Services

Revenue in Mobility & e-Transactional Services reached **€ 95 million** in Q2 2022, **up organically** by **+10.3%**, accelerating after +8.4% in Q1. Growth was spread in each of the three divisions:

- *Trusted Digitization* in particular strongly grew double-digit with several new projects and improving volumes in France, as well as higher volumes in Tax collection and digital healthcare in Latin America. The division also benefited from more support and project activity on eHealth solutions in Germany and increasing activity in Spain.
- *e-Ticketing* also grew at a double-digit rate thanks to higher transportation volumes and fare collection in the UK and as well as in Latin America where the activity also benefited from ticket tariff increases.
- *e-Consumer & Mobility* growth was supported in particular by the ramp-up of newly signed Contact contracts and the sale of solutions for connected vehicles.

Commercial activity in Mobility & e-Transactional Services was strong in Q2, notably with a 6-year duration agreement with GTR, the UK's largest railway operator delivering 24% of all passenger rail journeys has awarded Worldline with for the continued support of their booking office and on-board ticket issuing systems. Worldline was also selected by a large French metropole to build and operate the first project in France to incentive drivers to use more ecological virtuous transport mode, with a target of reducing up to 7% the traffic during peak hours, relieving the traffic and improving the air quality. In Trusted Services, GIE Sesam Vitale, the French public operator in charge of digitizing reimbursements covered by public health insurance in France has chosen Worldline to set up a large-scale SecNumCloud project, for the hosting and operation of the mobile application replacing the existing card centric system.

H1 2022 OMDA performance per Global Business Line

In € million	OMDA			OMDA %		
	H1 2022	H1 2021*	Organic change	H1 2022	H1 2021*	Organic change
Merchant Services	352	264	+33.1%	25.5%	22.4%	+310 bps
Financial Services	123	129	-5.0%	26.8%	29.0%	-220 bps
Mobility & e-Transactional Services	26	25	+2.6%	13.9%	14.9%	-90 bps
Corporate costs	-32	-18	+82.7%	-1.6%	-1.0%	-60 bps
Worldline	468	401	+16.7%	23.2%	22.3%	+80 bps

* at constant scope and exchange rates

Merchant Services

Merchant Services' **OMDA** in H1 2022 amounted to **€ 352 million, 25.5% of revenue**, representing a strong improvement by **+310 basis points**. It was positively supported by:

- Acceleration of revenue growth fostering operating leverage;
- Synergies from Ingenico integration program; and
- The effects of transversal productivity improvement actions.

Financial Services

H1 2022 **OMDA** reached **€ 123 million**, representing **26.8% of revenue**. The overall profitability of Financial Services remained high despite the renewal of Equens contracts at a lower price and to a lesser extent the temporary impact related to cost inflation not yet compensated by the full impact of already launched mitigation measures.

Mobility & e-Transactional Services

Mobility & e-Transactional Services' **OMDA** reached **€ 26 million** in H1 2022, representing **13.9% of revenue**. Positive business trends and cost optimization plans addressing both fixed and variable costs helped to offset the overall cost inflation.

Corporate costs

Corporate costs amounted to € 32 million in H1 2022, representing 1.6% of total Group revenue compared to 1.0% in H1 2021 at constant scope and exchange rates. This increase reflect the implementation of a more centralized operating model following recent acquisitions.

2022 objectives fully confirmed

2022 objectives are the following:

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

2024 Worldline ambition reiterated

The Group ambitions to deliver:

- **Revenue organic growth:** +9% to +11% CAGR
- **OMDA margin:** above 400 basis points improvement over the 2022-2024 period, trending towards 30% of revenue by 2024
- **Free cash flow:** circa 50% OMDA conversion rate

Appendices

H1 2022 revenue by Global Business Line

<i>In € million</i>	H1 2022	H1 2021*	Organic change
Merchant Services	1,378	1,180	+16.8%
Financial Services	458	445	+2.8%
Mobility & e-Transactional Services	184	168	+9.4%
Worldline	2,020	1,794	+12.6%

* at constant scope and exchange rates

Reconciliation of H1 2021 statutory revenue and OMDA with H1 2021 revenue and OMDA 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 2022 are compared with H1 2021 revenue and OMDA at constant scope and exchange rates. Reconciliation between the H1 2021 reported revenue and OMDA and the H1 2021 revenue and OMDA at constant scope and foreign exchange rates is presented below per Global Business Lines:

<i>In € million</i>	Revenue				H1 2021*
	H1 2021	Scope effect**	TSS scope out**	Exchange rates effect	
Merchant Services	1,084	+89.6		+6.8	1,180
Terminals, Solutions & Services	579		-578.7		0
Financial Services	442			+3.4	445
Mobility & e-Transactional Services	168			+0.1	168
Worldline	2,272	+89.6	-578.7	+10.4	1,794

<i>In € million</i>	OMDA				H1 2021*
	H1 2021	Scope effect**	TSS scope out**	Exchange rates effect	
Merchant Services	248	+16.5		-0.1	264
Terminals, Solutions & Services	149		-148.9		0
Financial Services	127	+0.0		+1.8	129
Mobility & e-Transactional Services	25			+0.1	25
Corporate costs	-18	-0.0		-0.1	-18
Worldline	531	+16.5	-148.9	+1.7	401

* at constant scope and June 2022 exchange rates

** at June 2021 YTD 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 as well as, to a lesser extent, versus the Australian dollar, the Indian rupee, and the British pound, and
- the Euro appreciation versus the Turkish lira and Swedish krona.

Scope effects on H1 2021 reported are related to the exclusion of Benelux and Austrian assets disposed following Ingenico acquisition (excluded for 2 months from 2021 reported) and to the integration of Cardlink, Handelsbanken and Axepta Italy (integrated for 6 months to 2021 reported) as well as ANZ (for 3 months).

FY 2021 estimated proforma

For the analysis of the Group's organic performance, revenue and OMDA in 2022 are compared with 2021 revenue and OMDA at constant scope and exchange rates as presented below (at June 2022 YTD exchange rates and per Global Business Lines):

	Q1	Q2	H1	Q3	Q4	H2	FY
<i>In € million</i>	Revenue	Revenue	Revenue	Revenue	Revenue	Revenue	Revenue
Merchant Services	542	639	1,180	723	758	1,480	2,660
Financial Services	217	228	445	236	251	487	932
Mobility & e-Transactional Services	83	86	168	87	91	178	347
Worldline	841	952	1,794	1,046	1,100	2,146	3,939
<i>In € million</i>			OMDA			OMDA	OMDA
Merchant Services			264			405	670
Financial Services			129			165	294
Mobility & e-Transactional Services			25			27	52
Corporate costs			-18			-21	-39
Worldline			401			576	977
<i>In € million</i>			OMDA %			OMDA %	OMDA
Merchant Services			22.4%			27.4%	25.2%
Financial Services			29.0%			33.8%	31.5%
Mobility & e-Transactional Services			14.9%			15.0%	14.9%
Corporate costs			-1.0%			-1.0%	-1.0%
Worldline			22.3%			26.8%	24.8%

Components of the estimated scope impact from 2021 reported to FY 2021 estimated proforma:

- Sale of Benelux and Austrian assets related to Ingenico acquisition for 10 months (excluded for 2 months from 2021 reported)
- Cardlink and Handelsbanken added contribution of 9 months (integrated for 3 months to 2021 reported)
- Axepta 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 event

- October 25, 2022 Q3 2022 revenue

Contacts

Investor Relations

Laurent Marie
+33 7 84 50 18 90
laurent.marie@worldline.com

Benoit d'Amécourt
+33 6 75 51 41 47
benoit.damecourt@worldline.com

Communication

Sandrine van der Ghinst
+32 499 585 380
sandrine.vanderghinst@worldline.com

Hélène Carlander
+33 7 72 25 96 04
helene.carlander@worldline.com

Follow us



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 20,000 employees in more than 50 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

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

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' behaviours. 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 2021 Universal Registration Document filed with the French Autorité des marchés financiers (AMF) on April 25, 2022 under the filing number: D.22-0342.

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.

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.