

A city skyline at dusk with a bridge over a river in the foreground. The skyline features several tall skyscrapers, some with lights on, and a prominent church with a tall spire. The bridge is a multi-arched stone bridge with a decorative railing. The river reflects the lights from the buildings and the bridge.

# MAJOR STRATEGIC COMMERCIAL ACQUIRING ALLIANCE WITH ANZ BANK IN AUSTRALIA

**DAY DECEMBER 14, 2020**

# 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 2019 Universal Registration Document filed with the Autorité des marchés financiers (AMF) on April 29, 2020 under the filing number: D.20-0411 and its Amendment filed with the AMF on August 6, 2020 under the filing number: D.20-0411-A01.

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 2019 Universal Registration Document. 2020 objectives have been considered with exchange rates as of March 31, 2020. 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.

AUD/EUR exchange rate : 1 AUD = 0.62 EUR

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# STRATEGIC RATIONALE

# STRATEGIC COMMERCIAL ACQUIRING ALLIANCE AND JOINT-VENTURE WITH ANZ BANKING GROUP IN AUSTRALIA

## Strategic alliance significantly enlarging Worldline Merchant Services footprint



+20% in volumes acquired to c. €400bn  
+8% of merchant portfolio to c.1.1m

## Perfect fit leveraging complementary strengths to deliver growth and synergies



ANZ distribution network and merchant engagement  
Worldline payment technology stack and expertise

## Worldline's ability to seize major partnerships in Europe and globally



Powerful, innovative and scalable payment offerings  
Global playing field

## Worldline's MS-FI blueprint model to be further rolled-out



High value proposition tailor-made for each banking partners  
Support banks unlocking value of payment assets and reinforcing growth on their domestic market

# COMPLEMENTARY STRENGTHS TO CREATE VALUE

## UNDISPUTED STATE OF THE ART OFFERINGS TO MERCHANTS



Create value  
to merchants

Worldline

**Big-4 bank in Australia**  
with a very strong brand

**Large bank distribution** channel with  
**local expertise**

Strong and direct **merchant**  
**relationships**

Merchants forms part of deep,  
**entrenched banking relationships**

**Large banking**  
**network and**  
**established**  
**positions**

**State-of-the-art**  
**payment technology**  
**stack and business**  
**expertise**

**Global reach with scale** and  
competitive cost structure

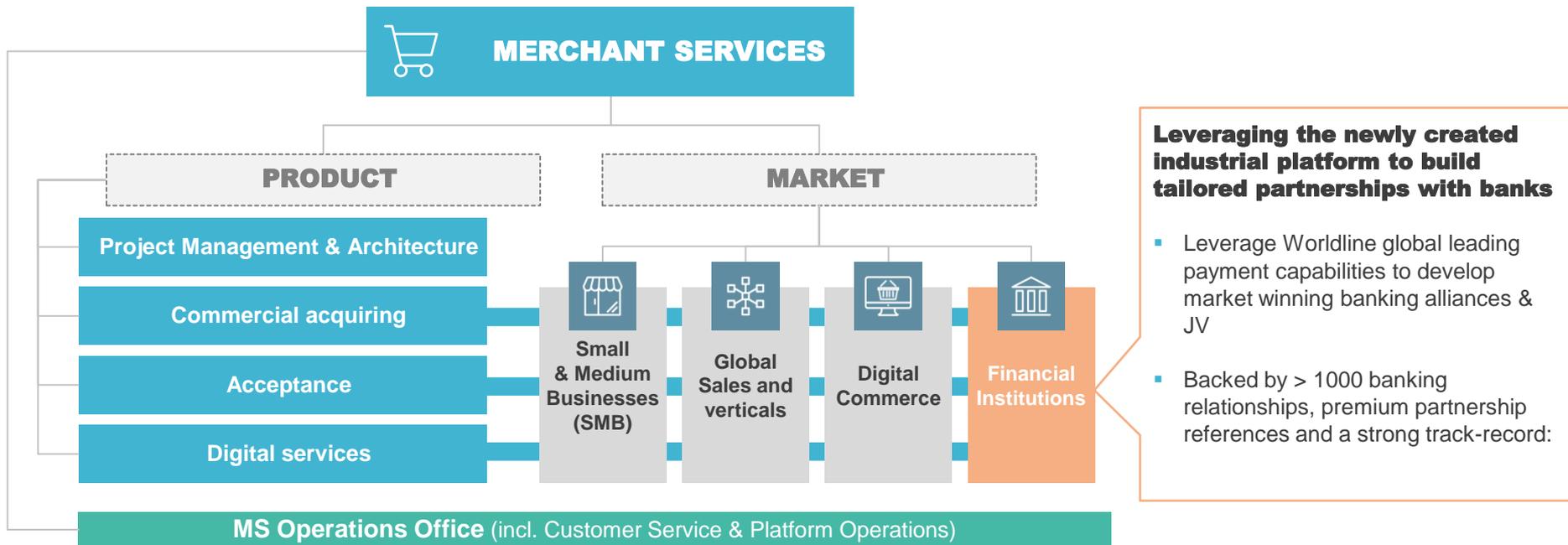
**Best-in-class digital payment**  
products and services

Recognized **sales and marketing**  
**capabilities**

**Successful track record** of  
integration & migration

# WORLDLINE: THE PARTNER OF CHOICE FOR BANKS

## FINANCIAL INSTITUTIONS GO-TO-MARKET RELEVANCE



# WORLDLINE: THE PARTNER OF CHOICE FOR BANKS

## MS-FI VALUE PROPOSITION

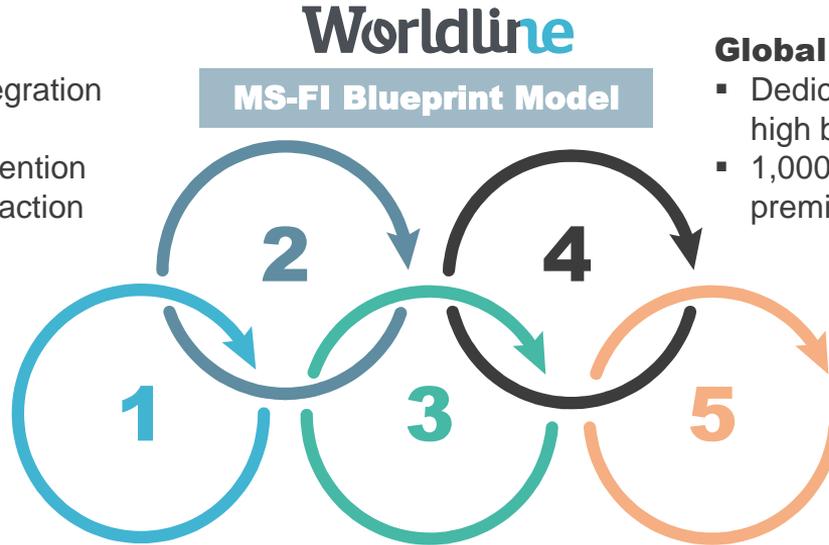
**Leveraging the growing appetite from financial institutions to capture payment asset value via tailored partnerships, while maintaining payment leadership**

### Integration track-record

- Seamless migration and integration of legacy systems
- Management and talents retention
- Track record of synergy extraction

### Payment expertise

- State-of-the-art payment technology stacks' offering and growth accelerator
- High standards in payment capabilities
- Unlocking domestic markets untapped growth potential



### Global reach

- Dedicated teams with high banking ecosystem know-how
- 1,000+ banking relationships and premium partnership references

### Repeatable blueprint model

- Unmatched roll-out capabilities
- Agnostic approach to fit perfectly with partners systems

### Governance framework

- Aligned governance principles
- Strong risk management

A photograph of a man and a woman in business attire walking on a wide, modern staircase of a building. The man is smiling and looking towards the woman. The woman is carrying a red briefcase. The background shows the building's facade with large glass panels and a curved structure.

# **BUSINESS RATIONALE**

# **VALUE CREATION LEVERS**

# AN ATTRACTIVE AUSTRALIAN MARKET WITH A STRONG MOMENTUM IN DIGITAL PAYMENTS

## Australia: a large and growing economy with favorable industry dynamics...

Australia continues to enjoy robust economic performance sustained by its consistent policy frameworks, strong institutions, an attractive investment environment and deep trade ties with the Asian region

### ROBUST ECONOMY

- 14<sup>th</sup> largest economy in the world and 5<sup>th</sup> largest in the Asian region<sup>1</sup>
  - 2015-20 annual population growth of 1.6%<sup>2</sup> and low Low Unemployment (c.4–5% in Australia and NZ)
  - COVID-19 well controlled, resulting in strong economic performance and low Government Debt
- **Sizable and growing** addressable market in Australia
  - **High card penetration** (international schemes) and strong adoption of digital payments
  - High level of readiness and receptiveness towards **cashless payment methods**
  - **Rare opportunity** to partner with a major Australian Bank



c. €420bn

Annual turnover volume<sup>3</sup>

c. 11bn

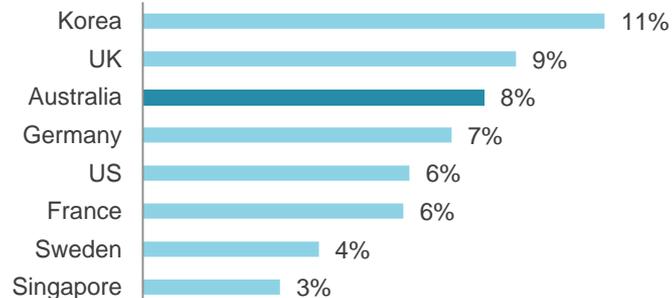
Annual transactions<sup>3</sup>

c. 11%

2010-2020 card usage CAGR<sup>3</sup>

## ...driven by strong adoption of digital payments

### Non-cash payments growth rate<sup>4</sup>



Australia is ranked 12<sup>th</sup> globally for digital readiness out of 141 countries<sup>5</sup>

Continuous innovation with a bias toward mobile and contactless driven by FinTech

9/10 Australians own a smartphone and 7/10 smartphone users make payments on their phone

Australia is ranked in the top 10 countries for FinTech activity<sup>6</sup>

Online shopping continues to gain momentum (up 17.2% in 2019)<sup>7</sup>

Contactless acceptance is ubiquitous in Australia supporting a strong consumer preference for digital payments

Notes: 1) 2019 IMF data. 2) ABS, March 2020. 3) RBA Payments System Board Annual Report, 2020. 4) Growth in the volume of cashless payments in 2018-2019, Bank for International Settlements. 5) Cisco Australian Digital Readiness Index 2020. 6) Global Fintech Index City Rankings 2020. 7) Australia Post 2020 eCommerce Industry Report.

# PARTNERING WITH ANZ, ONE OF THE STRONGEST LOCAL LEADERS

## WITH STRONG CUSTOMER RELATIONSHIPS

### ANZ a strong bank partner



- Major Australian bank (Big-4)
- Leading institutional bank and transaction bank for the corporate and institutional segment
- Leverageable customer base (c. 0.5 million emerging corporate, business and SME customers)

### A leading merchant acquiring business

- Well diversified merchant base with blue chip clients
- Longstanding customer relationships with strong retention rate (c.5 years average customer relationship)
- 20+ external vendors and suppliers (competitive, end-to-end solutions for merchants)
- Experienced management and business team
- c.200 payment specialists joining from ANZ

### ANZ Merchant Acquiring snapshot

**c. €180m**  
Annual revenue

**c. 20%**  
OMDA margin<sup>2</sup>

**2bn**  
Transactions  
processed

**c. €75bn**  
Purchase volume  
acquired

**80k**  
Merchant portfolio

**20%**  
Australian transaction  
volume acquired<sup>1</sup>

*Note(s): 1) Credit, Debit and Chargecard turnover, ANZ internal and RBA data 2) Expected at closing*

# VALUE CREATION

## GLOBAL SCALE LEVERS TO ACCELERATE GROWTH AND PROFITABILITY

**Worldline's IP-owned** and built applications

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**Re-use** of Worldline proven **payment technology stack**

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**Hyper-care** customer **migration**

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**Innovation rich VAS portfolio**  
(smart pricing, omni-channel, APM, digital onboarding, tap to phone, 3DS, DCC or fraud detection)

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**Global solution delivery** with local support for specific market customizations

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**e-Com powerhouse**  
with 2.5 billion transactions per year



**Leverage Worldline's  
c. 300 staff and management  
structure in Australia**



# GOVERNANCE FRAMEWORK TRANSACTION HIGHLIGHTS

# GOVERNANCE FRAMEWORK DESIGNED FOR SUCCESS



*(\*) Call option exercisable by Worldline 10 years after the closing of the operation that should occur during the fourth quarter 2021*

# TRANSACTION HIGHLIGHTS

1

## FINANCIAL CONSIDERATION

- AUD 925m (c. €570m) EV at 100%
- Cash consideration of c. €300m at closing
- Acquisition EBITDA multiple below Worldline current valuation

2

## IMPACT ON GROUP FINANCIALS

- Revenue of c. €180m with expected double-digit annual organic growth
- OMDA margin of c.20% expected at closing to catch-up with Worldline's Merchant Services profitability, fueled by expected synergies of €25m by 2025 and operating leverage
- Estimated implementation cost of c. € 25 million
- Group financial flexibility maintained for further developments

3

## CONSIDERED TIMELINE



A photograph of a man and a woman in business attire walking down a wide set of concrete stairs in a modern building. The man is on the left, smiling, carrying a black bag. The woman is on the right, carrying a red briefcase and a coffee cup. The word 'CONCLUSION' is overlaid in a blue box with white text.

# CONCLUSION

# KEY TAKE-AWAYS



**Powerful access to an attractive market with significant market share and acquiring volumes**



**Unique value creation opportunity through Worldline global payment stack roll-out and synergy plan**



**Long-term alliance between two leading partners while maintaining Worldline's financial flexibility**



**First proof point of MS-FI to be replicated in further joint-ventures and alliances**

**WORLDLINE, THE NEW GLOBAL PAYMENT PARTNER OF CHOICE**



# Q&A

# THANK YOU

FOR MORE INFORMATION,  
PLEASE CONTACT:

## **Laurent Marie**

Head of Investor Relations

M +33 7 84 50 18 90

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

## **Benoit d'Amécourt**

Deputy Head of Investor Relations

M +33 6 75 51 41 47

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