

**Q3 2020 REVENUE**

**THURSDAY OCTOBER 29, 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.

Global Business Lines include Merchant Services (in Argentina, Belgium, Brazil, Czech republic, France, Germany, India, Luxembourg, Malaysia, Poland, Spain, Sweden, Switzerland, The Netherlands, United Kingdom, USA), Financial Services (in Belgium, China, Estonia, Finland, France, Germany, Hong Kong, Indonesia, Italy, Latvia, Lithuania, Luxembourg, Malaysia, Singapore, Spain, Switzerland, Taiwan, The Netherlands and the United Kingdom), and Mobility & e-Transactional Services (in Argentina, Austria, Belgium, Chile, China, France, Germany, Spain, The Netherlands, and United Kingdom).

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# HIGHLIGHTS

# THIRD QUARTER 2020

**GILLES GRAPINET**  
Chairman & CEO

# HIGHLIGHTS OF THE THIRD QUARTER OF 2020

1

## **Revenue of the third quarter of 2020 in line with full year objectives:**

- **Resilience** of Worldline's diversified business model
- Revenue **organic decline improved** to -2.7%
- **Strong recovery vs. Q2 2020**

2

## **Successful completion of the acquisition of Ingenico:**

- **Very large success** of the initial tender offer, with 88.64% of Ingenico shares\* and 99.57% of OCEANES tendered
- **New Governance and day-one readiness program** fully in place
- Launch of the **payment terminal business strategic review**

3

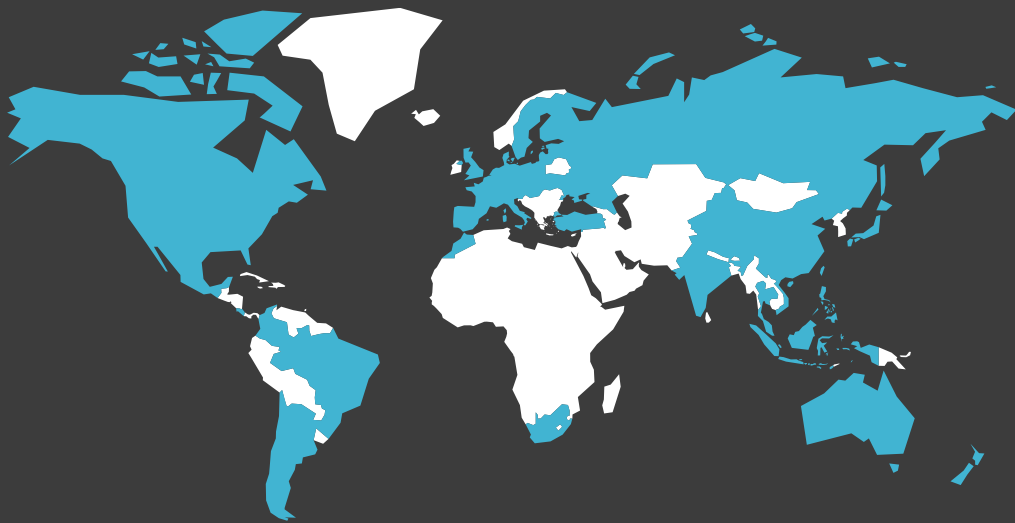
## **Ingenico Q3 revenue in line with expectations and on track to FY 2020 objectives**

4

## **2020 objectives confirmed, including two months contribution of Ingenico**

# THE UNDISPUTED EUROPEAN LEADER IN PAYMENTS

## ONE OF THE WORLD'S LEADING PLAYERS



### #1

**MERCHANT  
ACQUIRER  
IN CONTINENTAL  
EUROPE**

### #3

**EUROPEAN  
PROVIDER  
OF E- & M- PAYMENT  
SOLUTIONS**

### #1

**EUROPEAN  
PAYMENT  
PROCESSOR**

### #4

**GLOBAL PLAYER**  
(in revenue)

**€ 5.3 bn**

2019 PROFORMA  
REVENUE

**20,000+**

WORLDLINERS

**50+**

COUNTRIES

**c. 1,200**

FINANCIAL INSTITUTIONS  
CLIENTS

**c. 1 m**

MERCHANTS  
SERVED

**c. 35 m**

POS TERMINALS  
DEPLOYED

**c. 2.5 bn**

ONLINE TRANSACTIONS  
PROCESSED

# DEDICATED GLOBAL BUSINESS LINES FOR SPECIALISED SOLUTIONS



## MERCHANT SERVICES

### ENERGIZING COMMERCE WITH ADVANCED PAYMENT SERVICES

**c. €2.5 bn**  
(c. 46%)

**c. 1 m**  
merchants

**c. 5.6 bn**  
Card transactions  
acquired



## TERMINALS, SOLUTIONS & SERVICES

### DELIVERING WORLD-CLASS TERMINAL SOLUTIONS & SERVICES TO BANKS & ACQUIRERS

**c. €1.6 bn**  
(c. 30%)

**1,000+**  
Banks & acquirers clients

**c. 35 m**  
POS terminals deployed



## FINANCIAL SERVICES

### ENGINEERING MOST ADVANCED PAYMENT PROCESSING PLATFORMS

**c. €0.9 bn**  
(c. 17%)

**320+**  
Financial institutions

**c. 13bn**  
account based payment  
transactions



## MOBILITY & E-TRANSACTIONAL SERVICES

### BRINGING PAYMENT AND REGULATION EXPERTISE TO NEW MARKETS






**c. €0.3 bn**  
(c. 7%)

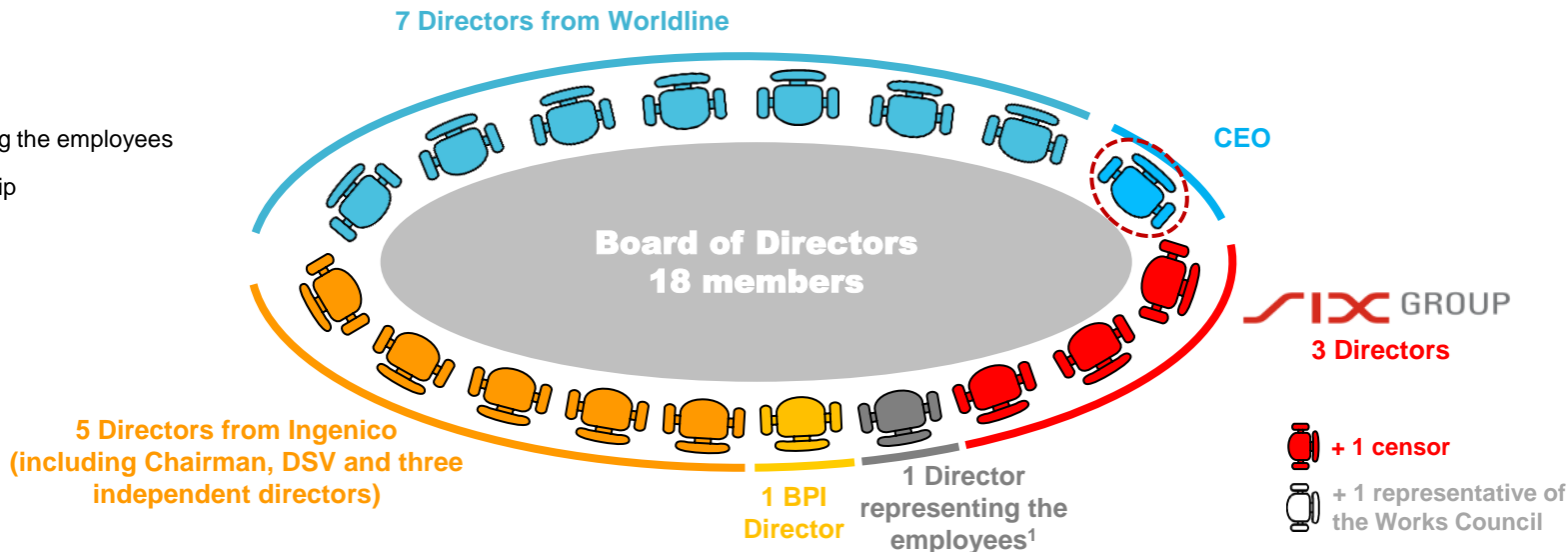
**350+**  
Clients in various industries

**c. 700 m**  
minutes of voice  
communication managed

Data based on 2019 full year proforma

# NEW GOVERNANCE IN PLACE (1/3)

-  Worldline
-  Ingenico
-  SIX Group
-  Representing the employees
-  Chairmanship



✓ **65% independent directors<sup>2</sup>**

✓ **41% female directors<sup>3</sup>**

1. Second director representing the employees will have to be appointed in 2020 according to “Loi Pacte 2019”. 2. Compliant with the 50% threshold of independent directors required by the AFEP-MEDEF Code (11/17\*\* based on assessment on March 19). 3. Compliant with the 40% threshold of female directors required by Copé-Zimmermann Law (7/17\*\*). \*\* Directors representing the employees are not taken into account when determining the independence ratio or the gender diversity ratio.

# NEW GOVERNANCE IN PLACE (2/3)



**Bernard Bourigeaud\***



**Gilles Grapinet**  
Chairman and CEO



**Georges Pauget**  
Lead Director



**Gilles Arditti**



**Agnès Audier**



**Aldo Cardoso**  
Chairman of the  
Audit Committee



**Giulia Fitzpatrick**



**Lorenz von Habsburg**  
Chairman of the  
Nomination Committee



**Mette Kamsvag**



**Danielle Lagarde**  
Chairwoman of the Social and  
Environmental Responsibility  
Committee



**Caroline Parot**



**Luc Rémont**  
Chairman of the  
Remuneration Committee



**Marie-Christine Lebert**  
Director representing  
the employees



**Daniel Schmucki**  
Chairman of the Strategy and  
Investment Committee



**Thierry Sommelet**



**Jos Dijsselhof**  
Censor



**Nazan Sommer Ozelgin**



**Michael Stollarz**



**Susan Tolson**



**Julie Noir de Chazournes**  
Representative of the Social &  
Economic Committee



# NEW GOVERNANCE IN PLACE (3/3)

## ► Worldline's new Group Executive Committee



Chaired by Mr. Gilles Grapinet, Chief Executive Officer



Mr. Marc-Henri Desportes, Deputy Chief Executive Officer

### GLOBAL BUSINESS LINES (GBL)



Mr. **BARONI Alessandro**

Chief Business Divisions Officer and Deputy Head of the Financial Services (FS) GBL



Mr. **DESTOT Matthieu**

Head of Terminals, Solutions & Services (TSS) GBL



Mrs. **FRANCE Claude**

Head of Mobility & e-Transactional Services (MTS) GBL



Mr. **NIEDERER Roger**

Chief Market Officer, Merchant Services (MS) GBL



Mr. **ROLAND Vincent**

Head of Merchant Services (MS) GBL



Mr. **SANTSCHI Nicklaus**

Chief Executive Officer, Payone



Mr. **STEINBACH Michael**

Head of Financial Services (FS) GBL

### TECHNOLOGY & OPERATIONS



Mrs. **COLEMAN Lisa**

Group Head of Operational Performance



Mrs. **DELMAS Eglantine**

Group Head of Quality, Risks and Security



Mr. **DUQUENNE Christophe**

Group Chief Technology & Operations Officer

### GLOBAL FUNCTIONS



Mr. **BURGER Olivier**

Group Head of Human Resources



Mr. **GUERIN Jacques**

Group Head of Special Initiatives



Mr. **HEURTAUX Eric**

Group Chief Financial Officer



Mr. **KUNISCH Wolf**

Head of Strategy, Public & Regulatory Affairs



Mr. **LAMBERTIE Grégory**

Group Head of Strategy, Mergers & Acquisitions, Publics & Regulatory Affairs



Mr. **MAUZE Pascal**

Group Head of Communication, Marketing & Sales Performance



Mr. **PROCH Michel-Alain**

Senior Advisor to the CEO



Mr. **de TAFFIN Charles-Henri**

Group Head of Legal & Contract Management

# PAYMENT TERMINAL BUSINESS

## LAUNCH OF THE STRATEGIC REVIEW



### TERMINALS, SOLUTIONS & SERVICES

A **major activity** (c.30%) of the Group:

- **Significant synergies expected** (€35m)
- **Worldwide leadership**
- Strong operating performance and **cash-generating business**
- “Hardware + Service” to “Software-as-a-Service” **business model transformation initiated**
- **Strong management team**
- High degree of **operational autonomy**



### STRATEGIC REVIEW CONSIDERATIONS

Looking for the **most appropriate shareholding structure** taking into account:

- **Future managerial and financial support needed** for the ongoing business model transformation
- Important **business relations with Worldline’s Merchant Services** business
- Benefit for **all stakeholders** (Customers, employees,...)
- **Best financial resource allocation for Worldline’s** strategic agenda



**Starting today**



**Dedicated team**



**Timely executions** of the future decision of the Board of Directors



**Objective: completion of the strategic review in 2021**

**REVENUE**  
**THIRD QUARTER 2020**

**ERIC HEURTAUX**  
CFO, Worldline

# CONSTANT SCOPE AND EXCHANGE RATES FIGURES RECONCILIATION

<i>In € million</i>	Revenue			Q3 2019*
	Q3 2019	Scope effects**	Exchange rates effect	
Merchant Services	283.8	+0.5	-0.5	283.8
Financial Services	225.6	0.0	-0.4	225.1
Mobility & e-Transactional Services	79.9	0.0	-0.1	79.8
<b>Worldline</b>	<b>589.3</b>	<b>+0.5</b>	<b>-1.0</b>	<b>588.8</b>

\* at constant scope and exchange rates

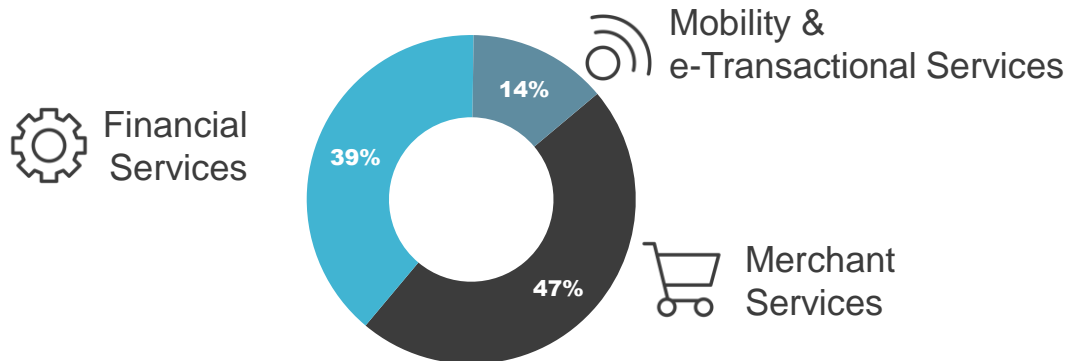
\*\* at December 2019 YTD average exchange rates

- Swiss Franc appreciation compared to Q3 2019 offset by depreciation of the Indian Rupee, as well as, into a lesser extent, of Asian currencies.
- Scope effects fully related to the consolidation of GoPay from September 1<sup>st</sup>, 2020

# Q3 2020 REVENUE PERFORMANCE BY GLOBAL BUSINESS LINE

In € million	Revenue		
	Q3 2020	Q3 2019*	Organic change
Merchant Services	270.4	283.8	-4.7%
Financial Services	224.1	225.1	-0.4%
Mobility & e-Transactional Services	78.2	79.8	-2.0%
<b>Worldline</b>	<b>572.7</b>	<b>588.8</b>	<b>-2.7%</b>

\* at constant scope and exchange rates



# Q3 2020 REVENUE PERFORMANCE

## BY GLOBAL BUSINESS LINE



### Merchant Services

-4.7%\*

#### Steady domestic recovery since de-confinement

- Transaction **volumes up +13%** organically in Continental Europe in Q3
- Commercial **Acquiring** & Online **Acceptance** organic **decline** limited to a **mid-single digit** percentage with:
  - **Fast growth of debit card payments** for domestic and non-travel related ecommerce; and
  - Acquiring of cross-border **credit card transactions strongly impacted by travel restrictions** and absence of international events
- Merchant Digital Services impacted by **less Private Label Cards volumes**
- **Almost stable Terminals revenue** with strong demand for newly launched products



### Financial Services

-0.4%\*

#### Resilient performance confirmed in Q3

- **High single digit** growth in **Account Payments**, which remained relatively unaffected by the COVID situation
- **Strong double-digit** growth in **Digital Services** thanks to very solid momentum in e-commerce authentication and e-brokerage platforms
- Mid-single digit decline in **card-based payment processing** (Issuing & Acquiring Processing) as volume growth could not fully offset lower project activity and discretionary spending from banks



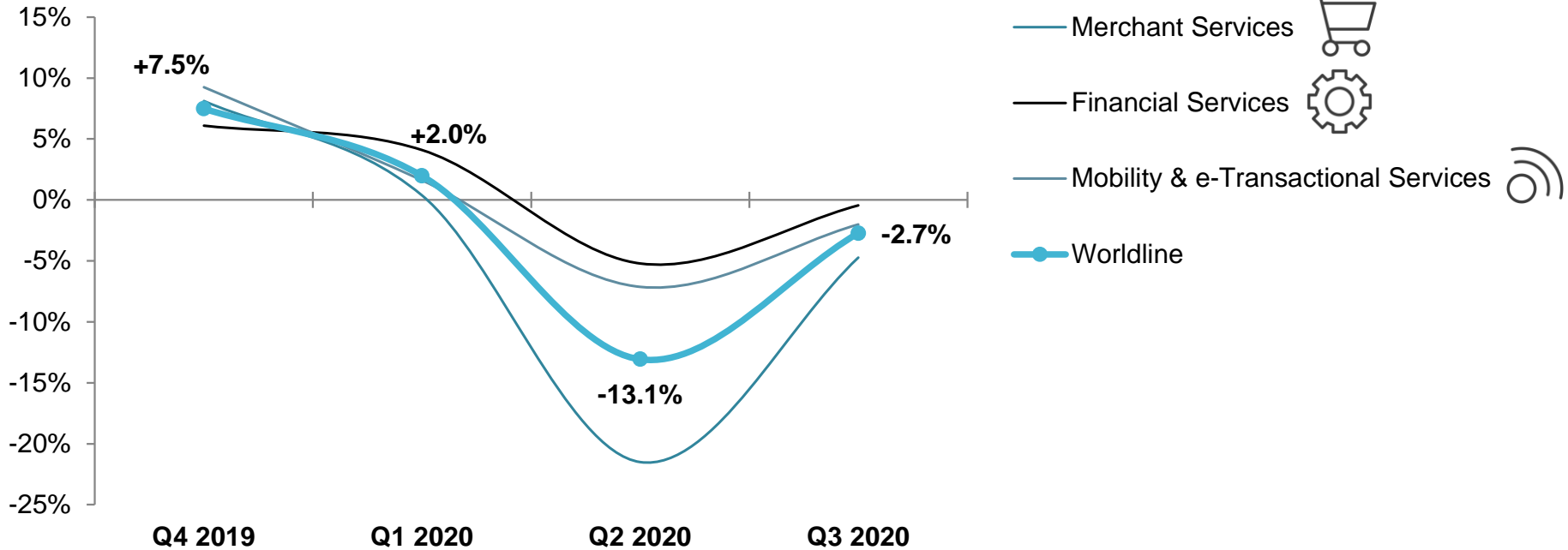
### Mobility & e-Transactional Services

-2.0%\*

#### Good performance overall, contrasted by division

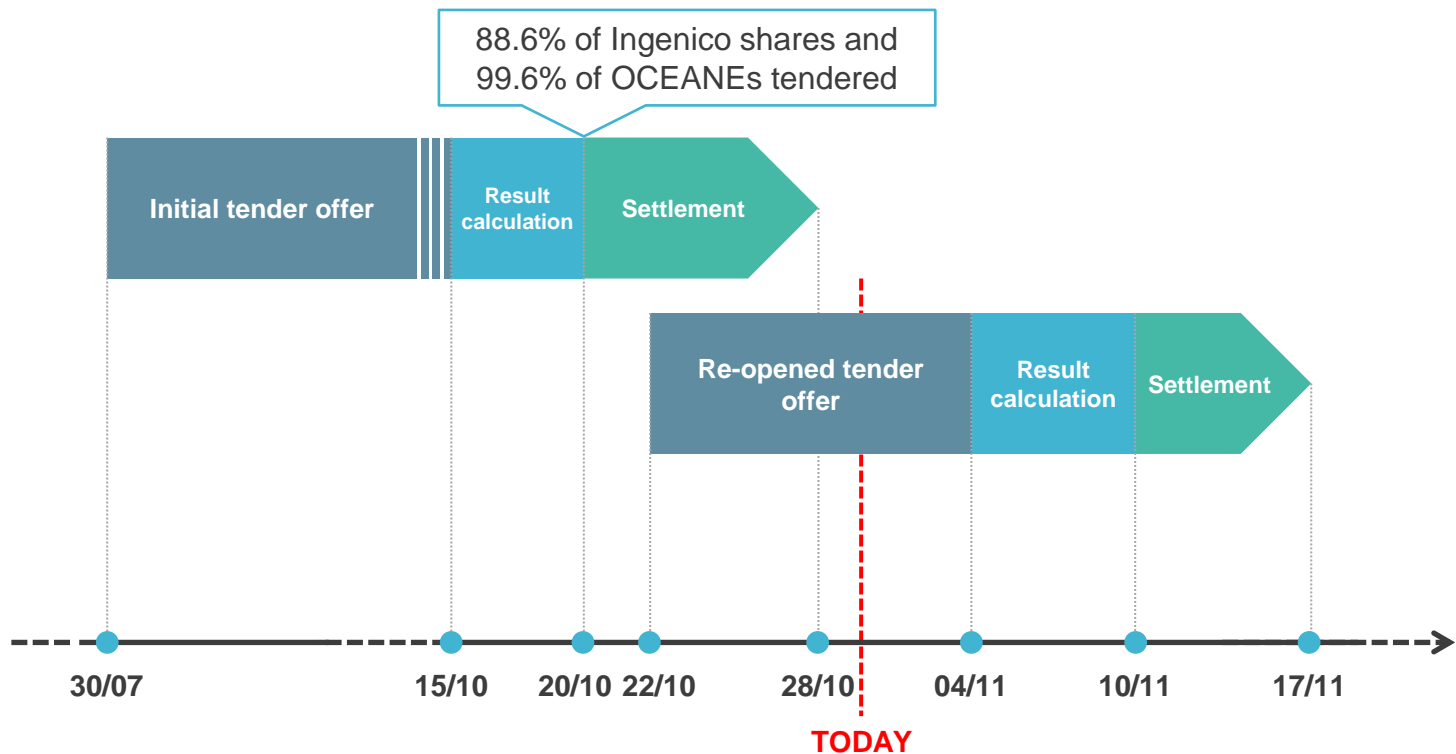
- **e-Consumer & Mobility** up double digit thanks to WL Contact platform and digital health solutions
- **e-Ticketing** remained impacted by lower public transport ticketing volumes and fewer projects, in the UK and in Latin America
- Lower project activity with some contracts reaching their run-phase in **Trusted Digitization**

# QUARTERLY REVENUE ORGANIC EVOLUTION TRENDS BY GLOBAL BUSINESS LINE



# RE-OPENED OFFER ON INGENICO SECURITIES

## TIMELINE AND NEXT STEPS





# COMBINED SET OF 2020 OBJECTIVES (1/2)

## Q4 2020 UNDERLYING HYPOTHESIS

### Reminder of initial H2 2020 assumptions: very gradual lift of government constraints

- General retail re-opening
- Very limited international travel, tourism and related activities
- No large conventions and events

### Expected trends for Q4 taking into consideration the recent evolution of the COVID-19 situation:

- Stronger government targeted restrictions but no full lock-down of non-essential retail in our key acquiring countries until year end.
- Ingenico within its full year guidance

**FY 2020 guidance confirmed**

**Worldline**

# COMBINED SET OF 2020 OBJECTIVES (2/2)

## 2020 OBJECTIVES TAKING INTO ACCOUNT INGENICO CONTRIBUTION

### ORGANIC REVENUE EVOLUTION

Flat to low single digit decrease

### OMDA

Around 25%, circa the same percentage than 2019

### FREE CASH FLOW

Circa same cash conversion percentage than 2019\*

**FULLY CONSISTENT WITH PREVIOUS OBJECTIVES**

**COMMERCIAL**  
**& OPERATIONAL PERFORMANCE**  
**THIRD QUARTER 2020**

**MARC-HENRI DESPORTES**  
Deputy CEO

# Q3 TRANSACTION VOLUMES EVOLUTION



## Strong improvement in commercial acquiring transactions compared to Q2 2020

- **Number of commercial acquiring transactions in Continental Europe: +13%**
  - Of which: debit card transactions: +16%; credit card transactions: +3%
  - Of which: in-store transactions +10%; online acquiring transactions: +48%
- **Merchant turnover value processed in Continental Europe:**
  - Debit card transactions: +15%; credit card transactions: -15%
  - Still impacted by low levels in travel & hospitality sectors



## Overall stability of financial processing transactions vs. previous quarters

- Mid-single digit growth in accounts payments
- Continued strong growth of E/M-commerce related transactions (ACH, strong authentication, wallet transactions)
- Contrasted momentum in cards across geographies and activities (issuing/acquiring)

# Q3 COMMERCIAL ACTIVITY

## Merchant Services



- Roll-out of standardized cash register solution
- Extension to existing acquiring services to 4 new countries (Poland, Czech Republic, Croatia & Italy)

**Global fast-food chain**

- In partnership with a UK based payment gateway
- Deployment of Worldline's Visa, MasterCard and Diners online acquiring solution to all European restaurants of a global fast-food chain



- Partnership with iPayLinks, an online payment gateway to propose Visa and MasterCard acquiring services to iPayLink's existing and new merchants across Europe



- Sale of the new unattended payment terminal VALINA



## Financial Services



- 5-year extension to the current contract with PSA Payment Services Austria, for the processing of c.10m debit cards issued by Austrian banks
- c. 1 bn transactions in scope (Mobile/e-com/POS debit card transactions, ATM cash withdrawals, service transactions)

## MeTS



- INSEE WL Contact SAS platform for highly secure customer interactions

# INGENICO PRE-INTEGRATION PROCESS

## IMPLEMENTATION OF THE *DAY-ONE READINESS* APPROACH

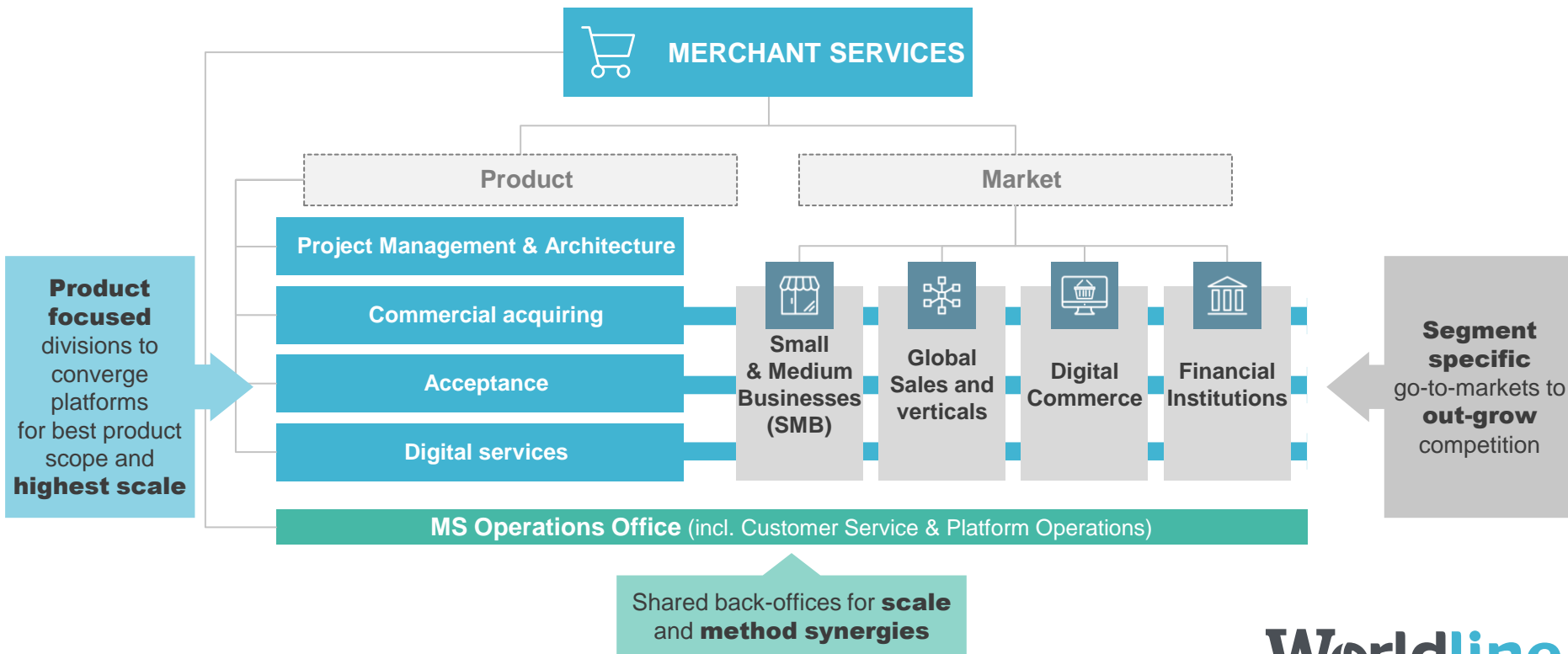


### INGENICO PRE-INTEGRATION WORK COMPLETED GO LIVE OF THE NEW COMBINED ORGANISATION PLANNED NOV 2<sup>nd</sup>

- ✓ **Day-one organization fully defined** and presented to social partners
  - Re-design of Merchant Services Global Business Line organizational blueprint
  - Dedicated Global Business Line for Terminal, Solutions & Services
  - Go-Live on November 2<sup>nd</sup>, 2020
  
- ✓ **Deep nomination process**
  - 2,200 managers to be nominated on November 2<sup>nd</sup>, 2020
  - Well balanced organization: 47% of Ingenico & 53% Worldline in top 700
  
- ✓ **Detailed synergies implementation plans are ready**
  - Objective of €250m synergy reconfirmed - execution starts immediately after closing
  - Dedicated team to track progress and support the transformation
  - Immediate activation of quick wins: management and G&A de-duplication, real estate consolidation, procurement savings, project portfolio de-duplication, etc...

# NEW MERCHANT SERVICES ORGANIZATION

## BIGGER, DEEPER, BETTER



# A RENEWED GROWTH AMBITION

## LEVERAGING A UNIQUE COMBINATION OF ASSETS



### Small & Medium Businesses

#### MARKET HIGHLIGHTS

**Increasing number of merchants of all sizes** requiring full **omni-channel capabilities**, with more automation and industrialized processes (self-onboarding etc.)



#### WORLDLINE VALUE PROPOSITION

**All-in-one easy solution** with **local payment method coverage**



#### INGENICO CONTRIBUTIONS

**Bambora** proven go-to-market approach and standardized and fast onboarding



#### OUR DIFFERENTIATING KPI'S

>1m merchant portfolio in 16 European countries



### Global Sales & Verticals

Ever-increasing merchant need for **integrated vertical-specific** and **high scale / cross-border solutions**



Push unique **full-service Omnichannel & vertical-driven** solutions in high-touch approach



**Extended geographic coverage** and leadership in **Big Retail** and **high volume acceptance**



1<sup>st</sup> Acceptance platform in Europe  
1<sup>st</sup> Cross Border Acquiring position with >€ 300bn processed



### Digital Commerce

**Booming e-com market** with **digital economy** needing cross-border multi-currency, multi payment methods solutions



**Combined acceptance & acquiring solution** for global e-com clients across verticals



**Global Online** unique set of solutions (Collecting expertise), **global reach** and **wide customer portfolio**, with **international reach** (China,...)



2.5bn online transactions  
Platforms, covering all key countries incl. BRICs



### Financial Institutions

**Growing appetite from FI to capture payment asset value** via tailored partnerships, while maintaining payment leadership



Offer **global leading payment capabilities** to **develop market winning banking alliances & JV**



**Banking partnership track record** (e.g. PAYONE, Paymark) and **vast relationship portfolio**



> 1000 banking relationships and premium partnership references (Payone, KB, ING...)



# SOLID 2021 AND MEDIUM-TERM PERSPECTIVES FOR GROWTH AND MARGIN IMPROVEMENT

## MARKET SPECIFIC DRIVERS

- Strong **acceleration of cashless payments** trends:
  - Sustained **change of consumer habits**
  - Strong dynamic of **e-commerce**
- **Lighter COVID impacts** in 2021:
  - **Progressive recovery** of intra-European cross-border transactions
  - Expected **restart** of intercontinental travel and tourism activities, mainly in H2 2021

## COMPANY SPECIFIC DRIVERS

- Repositioning of the **Merchant Services portfolio** towards more online:
  - From 20%+ for Worldline in 2020 to **30%+ post Ingenico merger**
- Top-line synergies fostered by the new Merchant Services organization
- **Client wins** from Wirecard with full year impact in 2021
- Stronger revenue contribution from the **ramp-up of large processing contracts** (Commerzbank, Unicredit...)
- Very **cautious management of the cost base**, already secured at the end of 2020, allowing a lean start of 2021 and **maximizing scale effects**
- **Cost synergies:**
  - Strong contribution of first year of **synergies with Ingenico:** c. €66m positive impact on OMDA
  - Third year of **Six Payment Services** synergies

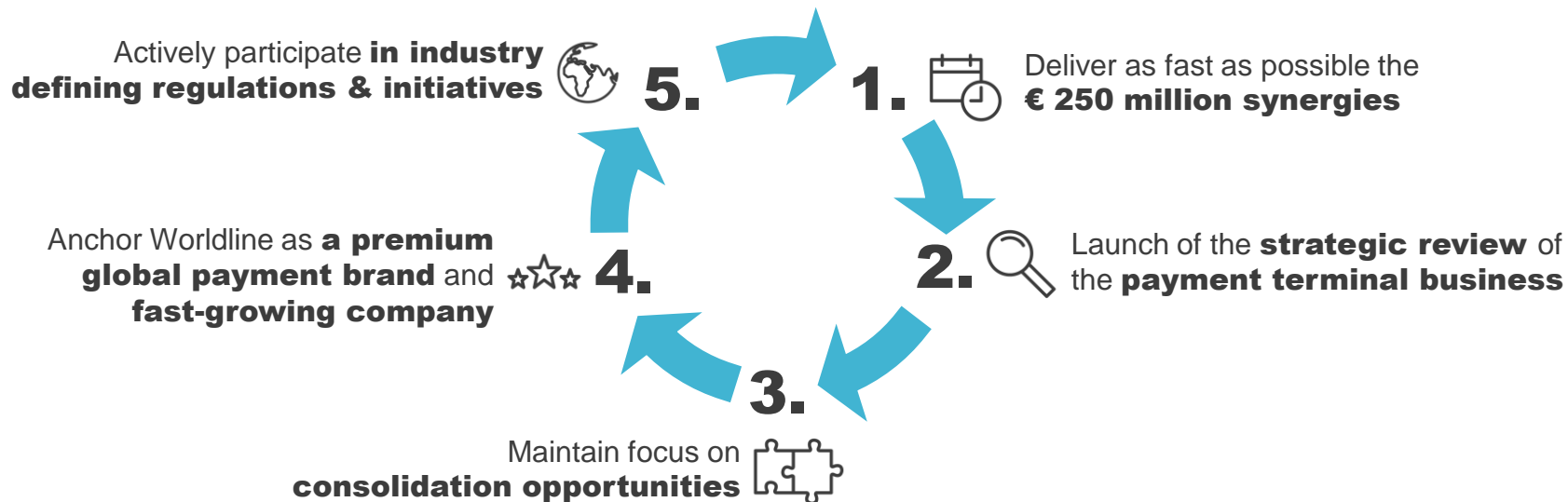
**CONCLUSION**

**THIRD QUARTER 2020**

**GILLES GRAPINET**  
Chairman & CEO

# 5 PRIORITIES FOR THE NEW GROUP

## EFFECTIVE TODAY



**BUILDING A POWERFUL GROWTH ENGINE FOR THE POST-COVID WORLD**

**Q&A**

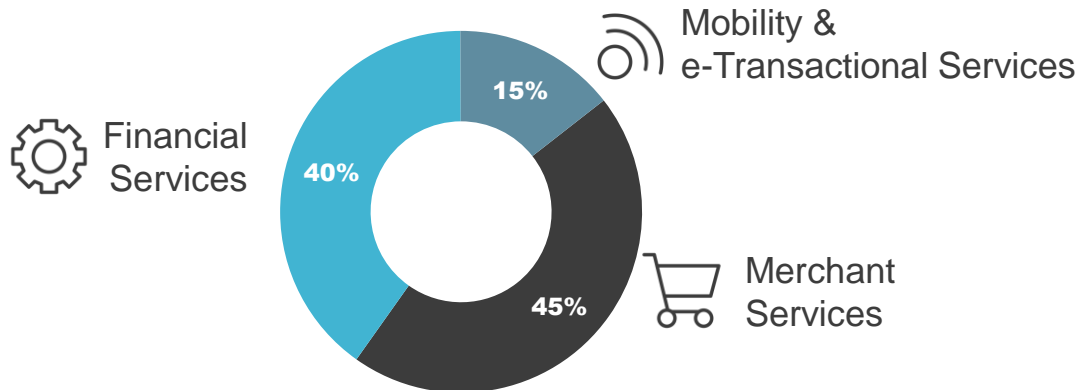
**THIRD QUARTER 2020**

# APPENDIX

# SEPTEMBER 2020 YTD REVENUE PERFORMANCE BY GLOBAL BUSINESS LINE

In € million	Revenue		
	9M 2020	9M 2019*	Organic change
Merchant Services	754.0	825.7	-8.7%
Financial Services	666.8	671.1	-0.6%
Mobility & e-Transactional Services	241.2	247.5	-2.5%
<b>Worldline</b>	<b>1,662.0</b>	<b>1,744.3</b>	<b>-4.7%</b>

\* at constant scope and exchange rates



# THANK YOU

FOR MORE INFORMATION,  
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