



# Q3 2021 REVENUE

October 21, 2021

# THANKS TO A STRONG PERFORMANCE IN Q3 2021, EDENRED IS NOW AIMING FOR 2021 EBITDA IN THE UPPER HALF OF THE TARGET RANGE

**Edenred delivered a strong sales performance, leveraging its distribution and innovation capabilities to further scale up its business and improve the customer experience**

- ▶ Q3 2021 operating revenue at €393m, i.e., up 13% L/L vs. both Q3 2020 and Q3 2019<sup>1</sup>
- ▶ Vs. 2019, faster growth across all regions in Q3 2021 after an already strong H1 2021 performance
- ▶ Double-digit organic growth in Q3 2021 vs. Q3 2019 in all business lines and all regions except Hispanic Latin America, which remains severely impacted by Covid-19
- ▶ Year-to-date, operating revenue increased by 14% L/L vs. 9M 2020 and by 11% L/L vs. 9M 2019

**Given the strong performance in Q3, Edenred is confident in its ability to generate a FY 2021 EBITDA in the upper half of the previously indicated €620-670m<sup>2</sup> target range, assuming no new major restrictions related to the health situation**

**Assuming no major pandemic surge, Edenred is reinstating its pre-Covid Next Frontier targets for 2022**

- ▶ >8% L/L annual operating revenue growth
- ▶ >10% L/L annual EBITDA growth
- ▶ >65% annual FCF/EBITDA conversion rate<sup>3</sup>

1. Like-for-like comparison with 2019, pre-Covid reference year, corresponds to the sum in euros of like-for-like growth generated in 2020 and 2021. All like-for-like and currency impact figures are excluding Venezuela.

2. Based on the assumption of an average BRL/EUR exchange rate for 2021 equal to 6.35.

3. At current regulations and methodologies



# Agenda

1. Q3 2021 highlights
2. Q3 2021 revenue
3. Outlook

## LEVERAGING INNOVATIVE DISTRIBUTION PARTNERSHIPS

### EXPANDING EMPLOYEE BENEFITS DISTRIBUTION CAPABILITIES ACROSS BRAZIL



- ▶ **The leading privately-held bank in Brazil: 4,000 physical and digital branches** across Brazil
- ▶ **The biggest B2B portfolio**, with a large portion of SMEs
- ▶ A dedicated organization to manage this **powerful sales channel** – e.g., sales training task force, joint marketing plan, sales incentive plan
- ▶ **Strong double-digit quarter-on-quarter growth in 2021**

### INTEGRATING CSI WITH KEY B2B PLAYERS TO TARGET SPECIFIC SEGMENTS IN NORTH AMERICA

- ▶ **A large and fragmented B2B-payments market** representing a volume of \$10,000bn in the US
- ▶ **Joining forces with Top-Tier US banks** to win major deals



- ▶ **White-labelling CSI AP-automation platform** for banks and accounting software to tackle smaller companies

**sage** Intacct  
(15k mid-size customers globally)

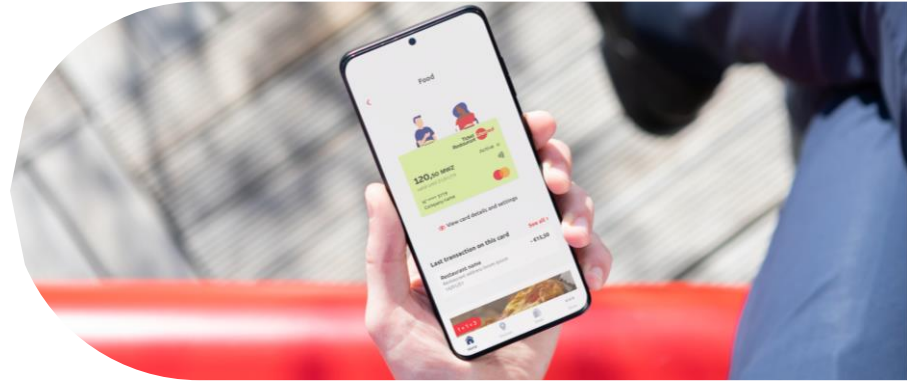
# DELIVERING INNOVATIVE PLASTICLESS SOLUTIONS - A CLEAR GAIN FOR ALL STAKEHOLDERS

- ▶ **More eco-friendly:** no paper, no plastic, no delivery
- ▶ **More efficient for HR teams:** no more lengthy manual processes and distribution - perfectly suited to home office
- ▶ **More efficient for merchants:** faster check-out and reimbursement
- ▶ **For users, the quickest access to Edenred ecosystem:**

- Solutions issued within 24 hours
- Pay with your mobile at one of the **2m partner merchants stores**



- Access to **>160 delivery platforms**



## Illustrations

**Taiwan: >30m e-coupons issued in 2021**, to pay at Top-Tier merchants (e.g., Sogo, 7-eleven, Watsons)

**Europe: Ramp-up with 3 new plasticless programs**, now 6 programs in 5 countries

# LEVERAGING DIGITAL INNOVATION TO DELIVER HIGHER CUSTOMER SATISFACTION

## PASSION FOR CUSTOMERS: A CORE VALUE FOR EDENRED

### Superior customer satisfaction



### Best-in-class digital user-experience



### Employee engagement driving customer satisfaction

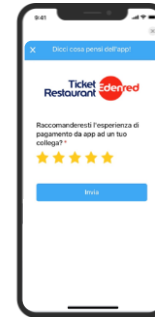


## LEVERAGING DIGITAL INNOVATION TO TAKE CUSTOMER-CENTRICITY ONE STEP FURTHER

### Context

- ▶ Rising expectations driven by **B2C standards**
- ▶ Automated tools to obtain **real-time feedback**

### A global digital Net Promoter Score program



- ▶ Covering **80% of Group revenue**
- ▶ For **Merchants, Users and Corporate clients**
- ▶ **Absolute and benchmark vs. competition**
- ▶ **Cold and hot feedbacks** via Medallia

# IMPROVING ESG DISCLOSURE AND RATINGS IN 2021

## IMPROVED INDUSTRY-LEADING ESG RATINGS



- ▶ **Strong increase in the V.E rating** ( up 12 points to 59/100, industry Top 10)
- ▶ **MSCI ESG “AA” rating confirmed** among industry leaders
- ▶ **FTSE4Good: ranked industry Top5**, included in the **index** for the tenth year in a row

## RECOGNIZED TRANSPARENT COMMUNICATION AND GOVERNANCE PRACTICES



- ▶ **Transparency Award** (Top 10 and Winner in the Website category)
- ▶ **AGEFI Award for Corporate Governance**
- ▶ **General Meeting & Gender Diversity Award**
- ▶ **EIM-KPMG Award - Responsible Strategic Plan category**



# Agenda

1. Q3 2021 highlights
- 2. Q3 2021 revenue**
3. Outlook



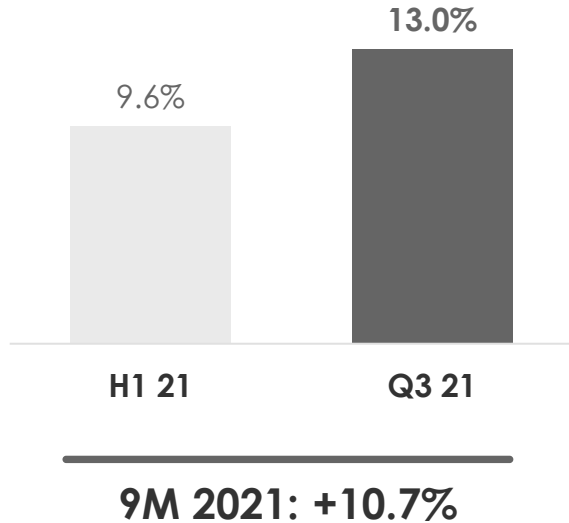
## DOUBLE-DIGIT ORGANIC GROWTH VS. BOTH 2020 AND 2019

	Q3 2020 €346m	9M 2020 €1,021m	
<b>LIKE-FOR-LIKE</b>	<b>+12.7%</b>	<b>+14.4%</b>	<b>vs. 2020</b>
	<b>+13.0%</b>	<b>+10.7%</b>	<b>vs. 2019</b>
<b>Scope</b>	-0.4%	-0.3%	
<b>Currency</b>	+1.2%	-3.5%	
<b>REPORTED</b>	<b>+13.6%</b>	<b>+10.7%</b>	
	— ∨ —	— ∨ —	
	<b>€393m</b>	<b>€1,130m</b>	
	<b>Q3 2021</b>	<b>9M 2021</b>	

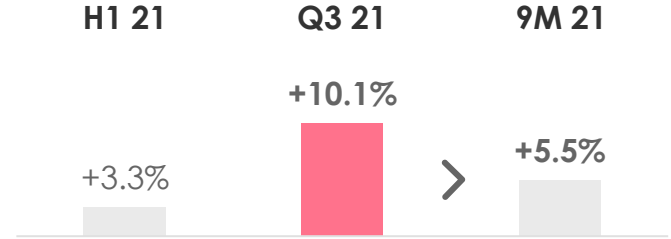
# Q3 2021 operating revenue - growth acceleration vs. 2019

## DOUBLE-DIGIT ORGANIC GROWTH ACROSS ALL BUSINESS LINES IN Q3 2021 VS. 2019

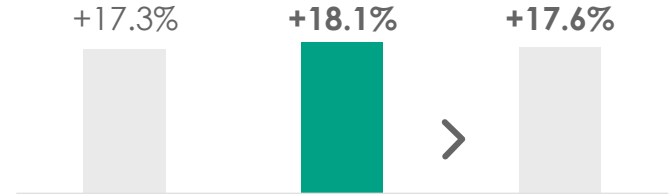
Like-for-like operating revenue growth vs. 2019



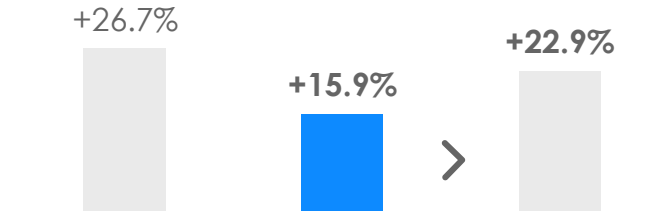
### EMPLOYEE BENEFITS



### FLEET & MOBILITY SOLUTIONS



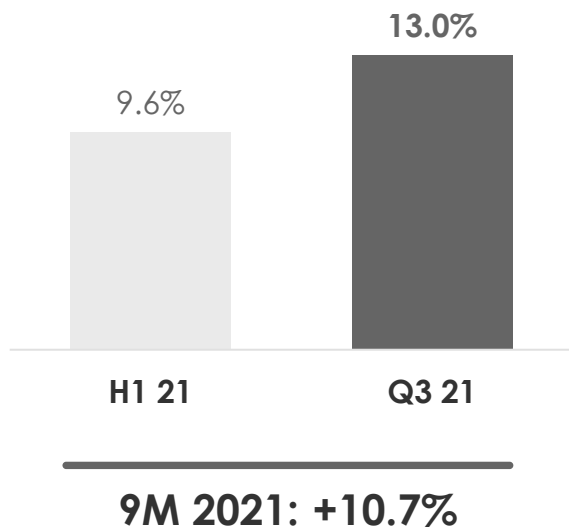
### COMPLEMENTARY SOLUTIONS



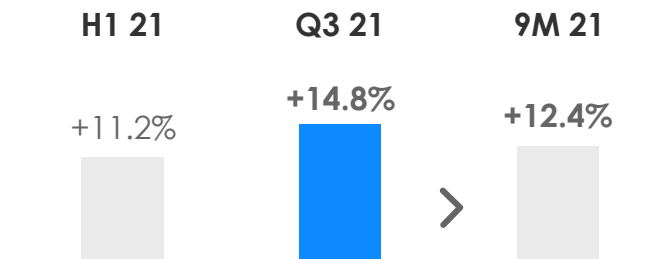
# Q3 2021 operating revenue - growth acceleration vs. 2019

## SIGNIFICANT ACCELERATION IN GROWTH ACROSS ALL REGIONS IN Q3 2021 VS. 2019

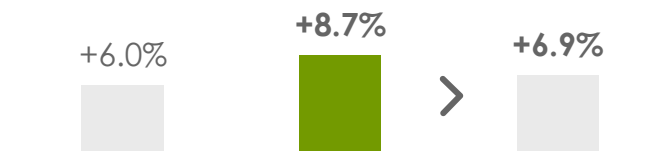
Like-for-like operating revenue growth vs. 2019



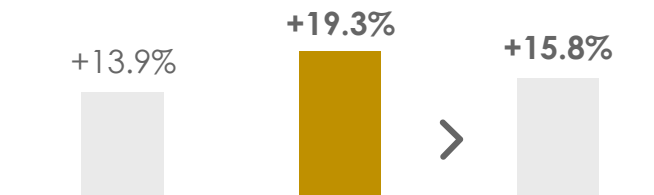
EUROPE



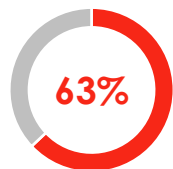
LATIN AMERICA



REST OF THE WORLD



# STRONG PERFORMANCE IN Q3, WITH DOUBLE-DIGIT L/L GROWTH VS. 2019



of 9M 2021 Group operating revenue

€716m  
in 9M 21

vs. 2020

+12.3%  
L/L

+12.6%  
as reported

## L/L CHANGE

	Q3 2021		9M 2021	
	vs. 2020	vs. 2019	vs. 2020	vs. 2019
France	+2.1%	+11.8%	+14.2%	+7.0%
Rest of Europe	+9.0%	+16.0%	+11.6%	+14.7%
<b>Total Europe</b>	<b>+7.0%</b>	<b>+14.8%</b>	<b>+12.3%</b>	<b>+12.4%</b>

## Q3 comments

- ▶ **High comparison basis vs. 2020** as Q3 2020 benefited from a strong catch-up in activity
- ▶ **Faster organic growth in both France and Rest of Europe vs. Q3 2019** supported by a continued sales momentum in all business lines
- ▶ Continued **positive trend on the SME segment**
- ▶ **Some catch-up related to merchants' reopening, especially restaurants** - in France, limited disruption for Ticket Restaurant usage despite implementation of the Covid certificate
- ▶ **Strong growth in Fleet and Mobility solutions** across the region thanks to higher traffic levels and Beyond fuel strategy, e.g., UTA One continuous geographical expansion

## Q3 & 9M 2021 operating revenue – Latin America

# HIGH SINGLE-DIGIT ORGANIC GROWTH VS. 2019 IN Q3 DESPITE A DETERIORATED HEALTH SITUATION IN HISPANIC LATIN AMERICA



of 9M 2021 Group operating revenue

€324m  
in 9M 21

+18.7%  
L/L

vs. 2020

+8.9%  
as reported

### L/L CHANGE

	Q3 2021		9M 2021	
	vs. 2020	vs. 2019	vs. 2020	vs. 2019
Brazil	+22.0%	<b>+12.1%</b>	+20.3%	<b>+9.3%</b>
Hispanic Latin America	+21.9%	<b>+0.4%</b>	+15.2%	<b>+1.2%</b>
<b>Total Latin America</b>	<b>+22.0%</b>	<b>+8.7%</b>	<b>+18.7%</b>	<b>+6.9%</b>

## Q3 comments

- ▶ **Double-digit organic growth vs. 2019 in Brazil while Hispanic Latin America continues to be impacted by Covid-related restrictions** amid a challenging health situation
  - E.g., in Mexico, schools only reopened in September 2021 after an 18-month closure
- ▶ **Fleet & Mobility solutions delivering strong growth in both regions**, notably thanks to the continued **roll-out of Beyond Fuel** services, such as toll and maintenance
- ▶ **Solid sales performance in Employee Benefits in Brazil**, notably benefiting from the **promising ramp-up of the Itaú** partnership, and from a gradual improvement in the health situation

## DOUBLE-DIGIT L/L GROWTH OFFSET BY NEGATIVE CURRENCY EFFECTS

### OTHER REVENUE

**€32m in 9M 21**

vs. €32m in 9M 20

- ▶ Increasing interest rates outside Europe
- ▶ No increase in Euro short-term interest rates (>80% of the float is located in Europe)
- ▶ Significant negative currency effects outside Europe

Other revenue in €m	9M 2021	9M 2020	L/L change	Reported change
Latin America	18	17	+9.4%	-0.1%
Europe	10	12	-12.2%	-11.9%
Rest of the World	4	3	+108.9%	+56.2%
<b>Total</b>	<b>32</b>	<b>32</b>	<b>+10.0%</b>	<b>+0.4%</b>

## Q3 & 9M 2021 TOTAL REVENUE

Q3 2020  
€357m

9M 2020  
€1,053m

**LIKE-FOR-LIKE** **+12.6%** **+14.3%** **vs. 2020**  
**+11.9%** **+9.9%** **vs. 2019**

**Scope** -0.4% -0.3%

**Currency** +1.2% -3.6%

**REPORTED** **+13.4%** **+10.4%**  
 **€405m** **€1,162m**  
**Q3 2021** **9M 2021**

## TOTAL REVENUE BREAKDOWN (IN €M)

<b>Q3 2021</b>	Q3 21	Q3 20	L/L change	Reported change
Operating revenue	393	346	+12.7%	+13.6%
Other revenue	11	11	+9.0%	+8.2%
<b>Total revenue</b>	<b>405</b>	<b>357</b>	<b>+12.6%</b>	<b>+13.4%</b>

<b>9M 2021</b>	9M 21	9M 20	L/L change	Reported change
Operating revenue	1,130	1,021	+14.4%	+10.7%
Other revenue	32	32	+10.0%	+0.4%
<b>Total revenue</b>	<b>1,162</b>	<b>1,053</b>	<b>+14.3%</b>	<b>+10.4%</b>



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# EDENRED WILL CONTINUE TO LEVERAGE ITS PLATFORM TO GENERATE SUSTAINABLE AND PROFITABLE GROWTH IN 2021 AND BEYOND

## IMPROVED CONFIDENCE FOR 2021

- ▶ Thanks to a strong Q3 sales performance
- ▶ And assuming no new major restrictions related to the health situation



Edenred is confident in its ability to generate a full-year 2021 EBITDA

in the upper half of the previously indicated target range

**€620m – €670m<sup>1</sup>**

## NEXT FRONTIER TARGETS REINSTATED IN 2022

- ▶ Assuming no major pandemic surge
- ▶ Edenred is reinstating Next Frontier guidance for 2022:

L/L ANNUAL OPERATING REVENUE GROWTH



>+8%

L/L ANNUAL EBITDA GROWTH



>+10%

ANNUAL FCF/EBITDA CONVERSION RATE<sup>2</sup>



>65%



# APPENDICES

## OPERATING REVENUE BY BUSINESS LINE

In € millions	Q1		Q2		Q3		9M	
	2021	2020	2021	2020	2021	2020	2021	2020
Employee Benefits	223	238	225	174	233	207	682	619
Fleet & Mobility	90	99	100	74	110	89	300	262
Complementary Solutions	50	46	48	44	50	51	148	140
<b>Operating revenue</b>	<b>363</b>	<b>383</b>	<b>373</b>	<b>292</b>	<b>393</b>	<b>346</b>	<b>1,130</b>	<b>1,021</b>

In %	Q1		Q2		Q3		9M	
	Reported	Like-for-like	Reported	Like-for-like	Reported	Like-for-like	Reported	Like-for-like
Employee Benefits	-6.4%	+0.2%	+29.5%	+31.5%	+12.9%	+12.2%	+10.2%	+13.0%
Fleet & Mobility	-8.9%	+5.3%	+35.6%	+40.0%	+24.0%	+22.2%	+14.8%	+20.8%
Complementary Solutions	+10.2%	+17.8%	+8.5%	+11.7%	-1.7%	-1.6%	+5.4%	+8.9%
<b>Operating revenue</b>	<b>-5.1%</b>	<b>+3.6%</b>	<b>+27.9%</b>	<b>+30.6%</b>	<b>+13.6%</b>	<b>+12.7%</b>	<b>+10.7%</b>	<b>+14.4%</b>

## OPERATING REVENUE BY REGION

In € millions	Q1		Q2		Q3		9M	
	2021	2020	2021	2020	2021	2020	2021	2020
Europe	237	228	238	183	241	224	716	635
France	69	70	66	41	65	64	200	175
Rest of Europe	168	158	172	142	176	160	516	460
Latin America	97	121	107	82	120	95	324	298
Rest of the world	29	34	28	27	33	27	90	88
<b>Operating revenue</b>	<b>363</b>	<b>383</b>	<b>373</b>	<b>292</b>	<b>393</b>	<b>346</b>	<b>1,130</b>	<b>1,021</b>

In %	Q1		Q2		Q3		9M	
	Reported	Like-for-like	Reported	Like-for-like	Reported	Like-for-like	Reported	Like-for-like
Europe	+4.2%	+4.2%	+29.3%	+28.7%	+7.5%	+7.0%	+12.6%	+12.3%
France	-1.4%	-1.4%	+59.6%	+59.6%	+2.1%	+2.1%	+14.2%	+14.2%
Rest of Europe	+6.7%	+6.6%	+20.6%	+19.9%	+9.7%	+9.0%	+12.0%	+11.6%
Latin America	-20.1%	+3.4%	+31.9%	+37.8%	+26.2%	+22.0%	+8.9%	+18.7%
Rest of the world	-13.4%	+0.8%	+6.3%	+22.1%	+19.7%	+27.6%	+2.9%	+15.7%
<b>Operating revenue</b>	<b>-5.1%</b>	<b>+3.6%</b>	<b>+27.9%</b>	<b>+30.6%</b>	<b>+13.6%</b>	<b>+12.7%</b>	<b>+10.7%</b>	<b>+14.4%</b>

## OTHER REVENUE BY REGION

In € millions	Q1		Q2		Q3		9M	
	2021	2020	2021	2020	2021	2020	2021	2020
Europe	3	4	3	4	3	4	10	12
France	1	2	1	1	1	2	4	5
Rest of Europe	2	2	2	3	2	2	6	7
Latin America	6	7	6	4	6	6	18	17
Rest of the world	1	1	1	1	1	1	4	3
<b>Other revenue</b>	<b>10</b>	<b>12</b>	<b>10</b>	<b>9</b>	<b>11</b>	<b>11</b>	<b>32</b>	<b>32</b>

In %	Q1		Q2		Q3		9M	
	Reported	Like-for-like	Reported	Like-for-like	Reported	Like-for-like	Reported	Like-for-like
Europe	-18.2%	-17.6%	-8.2%	-8.8%	-8.6%	-9.6%	-11.9%	-12.2%
France	-10.7%	-10.7%	-6.8%	-6.8%	-7.3%	-7.3%	-8.3%	-8.3%
Rest of Europe	-22.9%	-22.0%	-9.2%	-10.2%	-9.4%	-11.2%	-14.3%	-14.8%
Latin America	-14.9%	+9.5%	+8.6%	+12.7%	+8.4%	+6.3%	-0.1%	+9.4%
Rest of the world	+19.0%	+70.5%	+80.0%	+155.9%	+87.5%	+119.5%	+56.2%	+108.9%
<b>Other revenue</b>	<b>-12.8%</b>	<b>+6.0%</b>	<b>+7.9%</b>	<b>+15.9%</b>	<b>+8.2%</b>	<b>+9.0%</b>	<b>+0.4%</b>	<b>+10.0%</b>

## TOTAL REVENUE BY REGION

In € millions	Q1		Q2		Q3		9M	
	2021	2020	2021	2020	2021	2020	2021	2020
Europe	240	232	241	187	244	228	726	647
France	70	72	67	42	67	66	204	180
Rest of Europe	170	160	174	145	178	162	522	467
Latin America	103	128	113	86	126	101	342	315
Rest of the world	30	35	30	28	34	28	95	91
<b>Total revenue</b>	<b>373</b>	<b>395</b>	<b>384</b>	<b>301</b>	<b>405</b>	<b>357</b>	<b>1,162</b>	<b>1,053</b>

In %	Q1		Q2		Q3		9M	
	Reported	Like-for-like	Reported	Like-for-like	Reported	Like-for-like	Reported	Like-for-like
Europe	+3.8%	+3.8%	+28.6%	+28.0%	+7.3%	+6.8%	+12.2%	+11.9%
France	-1.6%	-1.6%	+57.2%	+57.2%	+1.9%	+1.9%	+13.6%	+13.6%
Rest of Europe	+6.2%	+6.2%	+20.1%	+19.4%	+9.5%	+8.7%	+11.7%	+11.2%
Latin America	-19.8%	+3.7%	+30.5%	+36.3%	+25.1%	+21.0%	+8.3%	+18.2%
Rest of the world	-12.3%	+3.1%	+8.3%	+25.8%	+21.5%	+30.1%	+4.5%	+18.4%
<b>Total revenue</b>	<b>-5.3%</b>	<b>+3.7%</b>	<b>+27.3%</b>	<b>+30.2%</b>	<b>+13.4%</b>	<b>+12.6%</b>	<b>+10.4%</b>	<b>+14.3%</b>

# AVERAGE EXCHANGE RATE

€1 = X foreign currency	Average rates												Average rates		Spot rate as of 09.30.2021	Spot rate as of 09.30.2020
	Q1 2021	Q1 2020	2021 vs. 2020 Change (in %)	Q2 2021	Q2 2020	2021 vs. 2020 Change (in %)	Q3 2021	Q3 2020	2021 vs. 2020 Change (in %)	9m 2021	9m 2020	2021 vs. 2020 Change (in %)	Q4 2020	FY 2020		
Brazilian real (BRL)	6.59	4.87	-26.1%	6.41	5.96	-7.0%	6.15	6.26	1.7%	6.38	5.70	-10.7%	6.49	5.89	6.22	6.63
Mexican Peso (MXN)	24.55	21.83	-11.1%	24.13	25.96	7.6%	23.60	25.78	9.3%	24.08	24.52	1.8%	24.58	24.54	23.50	26.18
Argentine Peso (ARS)	108.31	69.34	-36.0%	118.41	88.45	-25.3%	118.70	106.92	-9.9%	115.39	88.24	-23.5%	148.31	103.26	115.39	89.19
British Pound Sterling (GBP)	0.88	0.86	-1.8%	0.86	0.89	3.2%	0.85	0.90	5.8%	0.86	0.88	2.4%	0.90	0.89	0.85	0.91
Turkish Lira (TRY)	8.87	6.72	-24.3%	10.09	7.59	-24.7%	10.06	8.41	-16.4%	9.70	7.57	-21.9%	9.49	8.05	10.35	9.10
US Dollar (USD)	1.21	1.10	-8.6%	1.20	1.10	-8.5%	1.18	1.17	-1.0%	1.20	1.12	-6.1%	1.20	1.14	1.17	1.17
Bolivar Sovereign (VES)	2,040,853	77,922	-96.2%	3,266,421	186,412	-94.3%	4,582,964	335,546	-92.7%	3,322,095	199,960	-94.0%	904,067	375,987	4,820,638	503,607

## 2021 EXPECTED CALENDAR EFFECTS

	Q1	Q2	Q3	Q4	2021
<i>Working days</i>	Nb of days	Nb of days	Nb of days	Nb of days	Nb of days
Europe	-1	1	0	0	0
Latin America	-2	1	0	0	-1
Rest of the world	-1	0	-1	0	-2
<b>TOTAL</b>	<b>-1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>





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We  
connect,  
You  
win