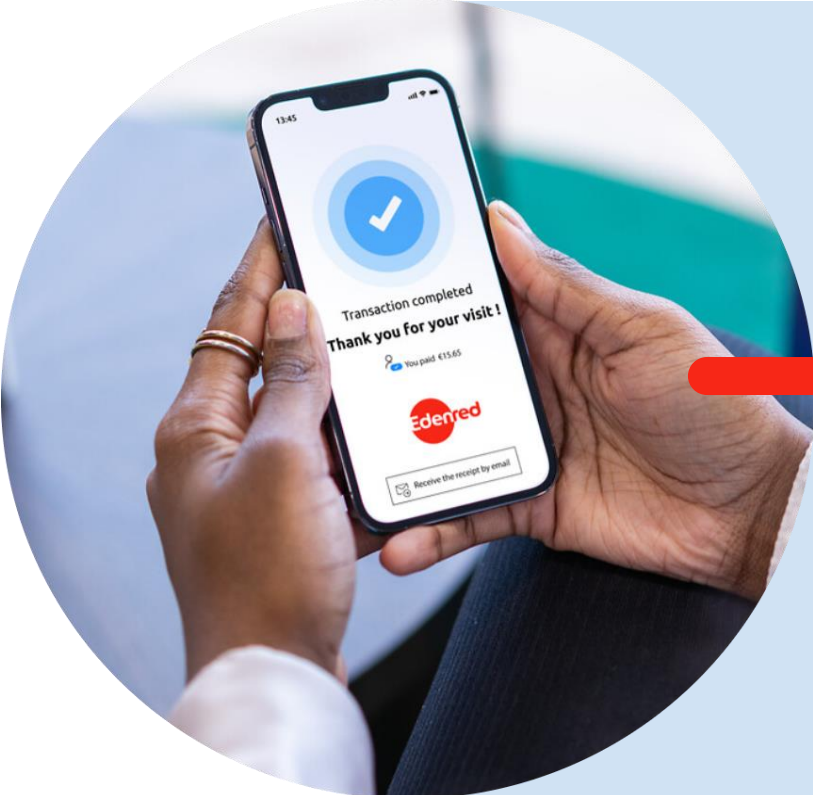


— 2023
Condensed
interim consolidated
financial statements
and notes —



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1.

Consolidated financial statements

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1.1 Consolidated income statement

<i>(in € millions)</i>	Notes	First-half 2023	First-half 2022
Operating revenue	4.1	1,081	891
Other revenue	4.1	82	31
Total revenue	4.1	1,163	922
Operating expenses	4.2	(680)	(557)
Depreciation, amortization and impairment losses	5.5	(84)	(70)
Operating profit before other income and expenses (EBIT)	4.4	399	295
Share of net profit (loss) from equity-accounted companies	5.4	(1)	1
Other income and expenses	10.1	(19)	(9)
Operating profit including share of net profit from equity-accounted companies		379	287
Net financial expense	6.1	(58)	(17)
Profit before tax		321	270
Income tax expense	7	(102)	(84)
NET PROFIT		219	186
Net profit attributable to owners of the parent		202	170
Net profit attributable to non-controlling interests		17	16
Earnings per share (in €)	8	0.81	0.68
Diluted earnings per share (in €)	8	0.76	0.64

1.2 Consolidated statement of comprehensive income

<i>(in € millions)</i>		First-half 2023	First-half 2022
Net profit		219	186
Other comprehensive income			
Currency translation adjustment		98	153
Fair value adjustments to financial instruments and assets at fair value through other comprehensive income		13	(18)
Tax on items that may be subsequently reclassified to profit or loss		(4)	5
Items that may be subsequently reclassified to profit or loss		107	140
Actuarial gains and losses on defined-benefit plans		-	12
Tax on items that may not be subsequently reclassified to profit or loss		-	(3)
Items that may not be subsequently reclassified to profit or loss		-	9
TOTAL OTHER COMPREHENSIVE INCOME		107	149
COMPREHENSIVE INCOME		326	335
Comprehensive income attributable to owners of the parent	1.5	303	312
Comprehensive income attributable to non-controlling interests	1.5	23	23

1.3 Consolidated statement of financial position

1.3.1 Consolidated assets

<i>(in € millions)</i>	Notes	June 30, 2023	Dec. 31, 2022
Goodwill	5.1	2,948	1,605
Intangible assets	5.2	973	738
Property, plant and equipment	5.3	167	157
Investments in equity-accounted companies	5.4	63	67
Non-current financial assets	6.2	131	129
Deferred tax assets		39	35
TOTAL NON-CURRENT ASSETS		4,321	2,731
Trade receivables	4.5	2,531	2,664
Inventories, other receivables and accruals	4.5	715	629
Restricted cash	4.6	2,273	2,120
Current financial assets	6.2/6.5	9	6
Other marketable securities	6.3/6.5	1,350	1,543
Cash and cash equivalents	6.3/6.5	1,369	1,481
TOTAL CURRENT ASSETS		8,247	8,443
TOTAL ASSETS		12,568	11,174

1.3.2 Consolidated equity and liabilities

<i>(in € millions)</i>	Notes	June 30, 2023	Dec. 31, 2022
Issued capital		499	499
Additional paid-in capital and consolidated retained earnings (accumulated losses)		(681)	(643)
Currency translation adjustment		(425)	(517)
Treasury shares		(56)	(57)
Equity attributable to owners of the parent		(663)	(718)
Non-controlling interests		115	105
Total equity		(548)	(613)
Non-current debt	6.4/6.5	3,971	2,763
Other non-current financial liabilities	6.4/6.5	364	368
Non-current provisions	10.2	22	20
Deferred tax liabilities		192	138
TOTAL NON-CURRENT LIABILITIES		4,549	3,289
Current debt	6.4/6.5	193	167
Other current financial liabilities	6.4/6.5	59	43
Current provisions	10.2	9	10
Fundsto be redeemed	4.5	5,732	5,840
Trade payables	4.5	1,128	1,033
Current tax liabilities	4.5	50	46
Other payables	4.5	1,396	1,359
TOTAL CURRENT LIABILITIES		8,567	8,498
TOTAL EQUITY AND LIABILITIES		12,568	11,174

1.4 Consolidated statement of cash flows

	Notes	First-half 2023	First-half 2022
+ Net profit attributable to owners of the parent		202	170
+ Non-controlling interests		17	16
- Share of net profit (loss) from equity-accounted companies	5.4	1	(1)
- Depreciation, amortization and changes in operating provisions		70	73
- Expenses related to share-based payments		12	10
- Non-cash impact of other income and expenses		5	4
- Difference between income tax paid and income tax expense		6	10
+ Dividends received from equity-accounted companies	5.4	3	10
= Funds from operations including other income and expenses		316	292
- Other income and expenses (including restructuring costs)		22	7
= Funds from operations before other income and expenses (FFO)		338	299
+ Decrease (increase) in working capital	4.5	(120)	(628)
+ Recurring decrease (increase) in restricted cash	4.6	(128)	419
= Net cash from (used in) operating activities		90	90
+ Other income and expenses (including restructuring costs) received/paid		(21)	(7)
= Net cash from (used in) operating activities including other income and expenses (A)		69	83
- Acquisitions of property, plant and equipment and intangible assets		(79)	(66)
- Acquisitions of investments		(5)	(2)
- External acquisition expenditure, net of cash acquired		(1,033)	(46)
+ Proceeds from disposals of assets		4	13
= Net cash from (used in) investing activities (B)		(1,113)	(101)
+ Capital increase		-	-
- Dividends paid ⁽¹⁾	3.1	(249)	(225)
+ (Purchases) sales of treasury shares		(8)	9
+ Increase in non-current debt		1,197	1
- Decrease in non-current debt		(255)	-
+ Change in current debt net of change in short-term investments		164	(188)
= Net cash from (used in) financing activities (C)		849	(403)
- Net foreign exchange differences (D)		24	17
= Net increase (decrease) in cash and cash equivalents (E) = (A) + (B) + (C) + (D)		(171)	(404)
+ Cash and cash equivalents at beginning of period		1,357	1,393
- Cash and cash equivalents at end of period		1,186	989
= NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(171)	(404)

(1) Including cash dividends paid to owners of the parent for €249 million (€1 per share).

Net cash and cash equivalents at the end of the period can be analyzed as follows:

(in € millions)	Notes	June 30, 2023	June 30, 2022
+ Cash and cash equivalents	6.3	1,369	1,160
- Bank overdrafts	6.5	(183)	(171)
= NET CASH AND CASH EQUIVALENTS		1,186	989

1.5 Consolidated statement of changes in equity

(in € millions)	Issued capital	Additional paid-in capital	Treasury shares	Consolidated retained earnings (accumulated losses) ⁽²⁾	Cumulative compensation costs – share-based payments	Cumulative fair value adjustments to financial instruments	Cumulative actuarial gains (losses) on defined-benefit plans	Cumulative currency translation adjustment ⁽¹⁾	Net profit attributable to owners of the parent	Equity	Total non-	Total equity
										attributable to owners of the parent	controlling interests	
Dec. 31, 2021	499	1,055	(67)	(2,294)	153	10	(7)	(615)	313	(953)	84	(869)
Appropriation of 2020 net profit	-	-	-	313	-	-	-	-	(313)	-	-	-
Increase (decrease) in share capital	-	-	-	-	-	-	-	-	-	-	-	-
- in cash	-	-	-	-	-	-	-	-	-	-	-	-
- cancellation of treasury shares	-	(10)	-	-	-	-	-	-	-	(10)	-	(10)
- options exercised	-	-	-	-	-	-	-	-	-	-	-	-
- dividends reinvested in new shares	-	-	-	-	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	(224)	-	-	-	-	-	(224)	(1)	(225)
Changes in consolidation scope ⁽⁴⁾	-	-	-	(36)	-	-	-	-	-	(36)	2	(34)
Compensation costs – share-based payments	-	-	-	-	10	-	-	-	-	-	10	10
(Acquisitions) disposals of treasury shares	-	-	19	-	-	-	-	-	-	-	19	19
Other	-	-	-	(28)	-	-	-	-	-	(28)	(4)	(32)
Other comprehensive income	-	-	-	-	-	(11)	9	144	-	142	7	149
Net profit for the period	-	-	-	-	-	-	-	-	170	170	16	186
TOTAL COMPREHENSIVE INCOME	-	-	-	-	-	(11)	9	144	170	312	23	335
June 30, 2022	499	1,045	(48)	(2,269)	163	(1)	2	(471)	170	(910)	104	(806)
Dec. 31, 2022	499	1,045	(57)	(2,251)	173	(1)	5	(517)	386	(718)	105	(613)
Appropriation of 2022 net profit	-	-	-	386	-	-	-	-	(386)	-	-	-
Increase (decrease) in share capital	-	-	-	-	-	-	-	-	-	-	-	-
- in cash	-	-	-	-	-	-	-	-	-	-	-	-
- cancellation of treasury shares	-	(9)	-	-	-	-	-	-	-	(9)	-	(9)
- options exercised	-	-	-	-	-	-	-	-	-	-	-	-
- dividends reinvested in new shares	-	-	-	-	-	-	-	-	-	-	-	-
Dividends paid ⁽³⁾	-	-	-	(249)	-	-	-	-	-	(249)	-	(249)
Changes in consolidation scope ⁽⁴⁾	-	-	-	(19)	-	(2)	-	(1)	-	(22)	(15)	(37)
Compensation costs – share-based payments	-	-	-	-	12	-	-	-	-	12	-	12
(Acquisitions) disposals of treasury shares	-	-	1	-	-	-	-	-	-	1	-	1
Other ⁽⁵⁾	-	-	-	22	-	(3)	-	-	-	19	2	21
Other comprehensive income	-	-	-	-	-	8	-	93	-	101	6	107
Net profit for the period	-	-	-	-	-	-	-	-	202	202	17	219
TOTAL COMPREHENSIVE INCOME	-	-	-	-	-	8	-	93	202	303	23	326
June 30, 2023	499	1,036	(56)	(2,111)	185	2	5	(425)	202	(663)	115	(548)

(1) See Note 1.4 “Presentation currency and foreign currencies” detailing the main exchange rates used in 2022 and 2023. The €425 million negative translation reserve attributable to owners of the parent corresponds mainly to translation adjustments arising from changes in exchange rates for the Brazilian real for a negative €295 million, the Venezuelan bolivar for a negative €130 million, the Argentine peso for a negative €34 million, the Turkish lira for a negative €25 million, the Mexican peso for a positive €29 million and the US dollar for a positive €31 million.

(2) This amount includes the €1,894 million negative impact of acquiring Edenred entities owned by Accor and deducted from equity following the demerger in June 2010.

(3) The distribution of €249 million corresponds to dividends paid to Group shareholders in cash (Note 3.1 “Payment of the 2022 dividend”).

(4) In first-half 2022, changes in consolidation scope corresponded mainly to the first-time consolidation of Greenpass, which resulted in a €4 million increase in non-controlling interests, and to the acquisition of the remaining 20% non-controlling interest in TRFC, which led to a €36 million decrease in equity attributable to owners of the parent and a €2 million decrease in non-controlling interests.

In first-half 2023, the impact corresponded mainly to the acquisition of the remaining 28.29% non-controlling interest in Edenred PayTech, which led to a €22 million decrease in equity attributable to owners of the parent and a €15 million decrease in non-controlling interests.

(5) The line “Other” corresponds mainly to the impact of the change in the liability relating to the option over the 49% non-controlling interest in Greenpass, resulting in a €16 million increase in equity attributable to owners of the parent and a €2 million increase in non-controlling interests, and to the impact of hyperinflation in Argentina and Turkey, resulting in a €9 million increase in attributable equity.

2.

Notes to the consolidated financial statements

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This icon indicates an IFRS standard issue.



This icon indicates a definition specific to the Edenred group.



This icon indicates the use of an estimate or judgment. In the absence of standards or interpretations applicable to a specific transaction, the management of Edenred uses judgment to define and apply the accounting methods that will provide relevant and reliable information, so that the financial statements present a true and fair view of the financial position, the financial performance and the cash flows of the Group, and show the economic reality of transactions.



This icon indicates the Group's figures for the current period as well as the comparative period.

NOTE 1 BASIS OF PREPARATION OF THE INTERIM FINANCIAL STATEMENTS

1.1 Approval of the financial statements for publication

The Edenred group's condensed consolidated financial statements for the six months ended June 30, 2023 were approved for publication by the Board of Directors on July 24, 2023.

1.2 Basis of preparation of the consolidated financial statements



Pursuant to European Regulation (EC) No. 1606/2002 of July 19, 2002, the Edenred consolidated financial statements for the six months ended June 30, 2023 have been prepared in accordance with IAS 34 – Interim Financial Reporting. Since they are condensed financial statements, they do not include all the disclosures required under IFRS for the preparation of complete financial statements and must therefore be read in conjunction with the 2022 consolidated financial statements.

The accounting principles used to prepare the condensed consolidated financial statements are in line with IFRS standards and interpretations, as adopted by the European Union at June 30, 2023, which can be viewed at the following address:

https://ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting/financial-reporting_fr#overview

The accounting policies used by the Group to prepare the condensed interim consolidated financial statements are the same as those applied to prepare the 2022 consolidated financial statements, with the exception of:

- (1) the standards, amendments and interpretations effective for annual reporting periods beginning on or after January 1, 2023 (Note 11);
- (2) the specific items relating to the preparation of interim financial statements (Note 1.3).

1.3 Specific items relating to the preparation of interim financial statements

Income tax

For the interim consolidated financial statements, current and deferred income tax expense is calculated by applying the estimated annual average tax rate for the current fiscal year for each entity or tax group to profit before tax for the period. Income tax on any material non-recurring items for the period is measured at the actual income tax rate applicable to the items concerned.

Post-employment benefits and other long-term employee benefits

The expense for the period relating to post-employment benefits and other long-term employee benefits corresponds to half of the projected annual expense, determined based on the data and actuarial assumptions used at the prior year-end.

In the event of significant changes in certain factors, such as market conditions and plan settlements and curtailments, the actuarial assumptions used by the Group to calculate the employee benefit obligation at the end of interim periods differ from those used at year-end. The impact of any changes in assumptions is recognized as appropriate in the consolidated statement of comprehensive income (see section 1.2).

1.4 Presentation currency and foreign currencies



In accordance with IAS 21 – The Effects of Changes in Foreign Exchange Rates, and for consolidation needs, balance sheet items expressed in a functional currency other than the euro are translated into euros at the exchange rate on the balance sheet date (closing exchange rate). Income statements expressed in a functional currency other than the euro are translated at the average rate for the period. Differences arising from translation are recorded as a separate component of equity and recognized in profit or loss on disposal or closing of the business.

ISO code	Currency	Country	First-half 2023		Full-year 2022		First-half 2022	
			Closing rate at		Closing rate at		Closing rate at	
			June 30, 2023	Average rate	Dec. 31, 2022	Average rate	June 30, 2022	Average rate
			EUR 1 =	EUR 1 =	EUR 1 =	EUR 1 =	EUR 1 =	EUR 1 =
ARS	Peso	ARGENTINA	278.96	278.96	188.93	188.93	130.06	130.06
BRL	Real	BRAZIL	5.28	5.48	5.64	5.44	5.42	5.55
AED	Dirham	UNITED ARAB EMIRATES	3.99	3.97	3.92	3.87	3.82	4.02
USD	US dollar	UNITED STATES	1.09	1.08	1.07	1.05	1.04	1.09
MXN	Peso	MEXICO	18.56	19.65	20.86	21.19	20.96	22.16
CZK	Koruna	CZECH REPUBLIC	23.74	23.68	24.12	24.56	24.74	24.64
RON	Leu	ROMANIA	4.96	4.93	4.95	4.93	4.95	4.95
GBP	Pound sterling	UNITED KINGDOM	0.86	0.88	0.89	0.85	0.86	0.84
SEK	Krona	SWEDEN	11.81	11.33	11.12	10.63	10.73	10.48
TWD	Taiwan dollar	TAIWAN	33.85	33.04	32.78	31.33	30.89	31.38
TRY	Lira	TURKEY	28.32	28.32	19.96	19.96	17.32	17.32
VES	Bolivar	VENEZUELA	30.09	25.85	18.03	6.89	5.72	5.07

The impact on attributable consolidated equity of currency translation adjustments was a positive €93 million between June 30, 2023 and December 31, 2022. The difference mainly reflects movements in the following currencies:

ISOcode	Currency	Country	June 30, 2023
BRL	Real	BRAZIL	43
USD	US dollar	UNITED STATES	(11)
MXN	Peso	MEXICO	29
GBP	Pound sterling	UNITED KINGDOM	40

Hyperinflation in Argentina and Turkey

Argentina and Turkey have been qualified as hyperinflationary economies since July 1, 2018 and January 1, 2022, respectively. The Group applies IAS 29 – Financial Reporting in Hyperinflationary Economies to its operations in these countries.

A EUR/ARS exchange rate of 278.96 and a EUR/TRY exchange rate of 28.32 have been used. Non-monetary items have been adjusted using Argentina’s IPC consumer price index, published by national statistics institute INDEC, and Turkey’s TÜFE consumer price index, respectively.

The application of hyperinflationary accounting to Argentina and Turkey had an €8 million negative impact on net profit attributable to owners of the parent, and a €9 million positive impact on consolidated reserves.

1.5 Use of judgments and estimates

The preparation of financial statements requires the use of judgments, estimates and assumptions to determine the reported amount of certain assets, liabilities, income and expenses, and to take into account the potential positive or negative effect of uncertainties existing at the balance sheet date.

Due to changes in the assumptions used and economic conditions different from those existing at the balance sheet date, the amounts in the Group’s future financial statements could be materially different from current estimates.

NOTE 2 ACQUISITIONS, DEVELOPMENT PROJECTS AND DISPOSALS

Edenred PayTech

On March 27, 2023, Edenred raised its stake in Edenred PayTech to 100% following the acquisition of the remaining 28.29% of the share capital (see section 1.5 “Consolidated statement of changes in equity”).

Reward Gateway

On May 16, 2023, Edenred acquired 100% of Reward Gateway, a leading employee engagement platform.

The following table sets out the provisional purchase price allocation as of May 16, 2023, the date on which Edenred obtained control:

(in € millions)	Provisional purchase price allocation
Brands	5
Customer lists	141
Other intangible assets	39
Property, plant and equipment	3
Deferred tax assets	-
Trade receivables	90
Cash and cash equivalents	30
Non-current debt	(266)
Deferred tax liabilities	(43)
Trade payables	(25)
Other current and non-current assets and liabilities	(205)
Net assets acquired	(231)
Provisional goodwill	1,267
Carrying amount of investment	1,036

The amounts presented in the table above are based on Reward Gateway’s unaudited financial statements at the date of acquisition of control, prepared in accordance with the entity’s usual accounting policies. The only changes made at June 30, 2023 were to bring Reward Gateway’s financial statements in line with Edenred’s accounting policies. Work is currently underway to adjust the values of the main assets and liabilities and to harmonize accounting policies.

In first-half 2023, the acquisition of Reward Gateway generated a cash outflow of €1,010 million, net of net debt assumed.

Acquisition-related costs were recognized under “Other income and expenses” for €16 million.

In first-half 2023, Reward Gateway’s total consolidated revenue was €16.6 million, with EBIT of €2.1 million.

GOintegro

On June 29, 2023, Edenred acquired 75% of GOintegro, a Latin American provider of a SaaS employee engagement platform. The provisional purchase price allocation primarily led to the recognition of goodwill for €17 million. Edenred granted a put option to the non-controlling interests on the remaining 25% stake.

NOTE 3 SIGNIFICANT EVENTS

3.1 Payment of the 2022 dividend

At the Combined General Meeting on May 11, 2023, Edenred shareholders approved a dividend of €1 per share in respect of 2022.

The total dividend amounted to €249 million and was paid in cash to Group shareholders on June 9, 2023.

3.2 Subsequent events

None.

NOTE 4 OPERATING ACTIVITY

4.1 Operating segments



IFRS 8 requires companies to present financial information aggregated into “operating segments”. The operating segments must reflect the groupings made by “the chief operating decision maker” for the purposes of allocating resources and assessing the performance of the consolidated group.

For aggregation to occur, IFRS 8 requires that the operating segments have similar long-term economic characteristics, and be similar in each of the following respects:

- a) the nature of the products and services;
- b) the nature of the production processes;
- c) the type or class of customer for their products and services;
- d) the methods used to distribute their products or provide their services; and
- e) if applicable, the nature of the regulatory environment, for example, banking, insurance or public utilities.

Chief operating decision maker



Edenred’s chief operating decision maker is the Chief Executive Officer assisted by the Executive Committee (or “executive management”). Executive management makes decisions about resource allocation to the operating segments and assesses their performance.

Executive management decisions are based on data produced by the Group’s internal reporting system. The internal reporting system presents information at the country level. This is because Edenred’s business is multi-location with operational decisions made at the level of each homogeneous geographic area.

In the Group’s internal reporting system, country-level information is aggregated into four geographical operating segments:

- France;
- Europe (excluding France);
- Latin America;
- Rest of the World.

Except France, the presented segments are thus aggregations of operating segments.

Aggregation



The “Europe (excluding France)” and “Latin America” aggregations meet the criteria mentioned above. The “Rest of the World” segment aggregates the countries that are not included in “France”, “Europe (excluding France)” and “Latin America”.

Finally, “Other” mainly comprises holding companies, regional headquarters and companies with no operating activity. Transactions between segments are not material.

4.1.1 Condensed financial information

Executive management uses the following indicators to track business performance:

- total revenue;
- EBITDA, which corresponds to total revenue less operating expenses excluding depreciation, amortization and provisions;
- EBIT, which corresponds to total revenue less operating expenses.

FIRST-HALF 2023



Income statement

<i>(in € millions)</i>	France	Europe (excl. France)	Latin America	Rest of the World	Other	First-half 2023
Operating revenue	169	508	312	92	-	1,081
Other revenue	9	40	24	9	-	82
Total external revenue	178	548	336	101	-	1,163
Inter-segment revenue	-	-	-	-	-	-
TOTAL REVENUE FROM OPERATING SEGMENTS	178	548	336	101	-	1,163
EBITDA	64	268	130	23	(2)	483
EBIT	52	236	104	15	(8)	399

FIRST-HALF 2022



Income statement

<i>(in € millions)</i>	France	Europe (excl. France)	Latin America	Rest of the World	Other	First-half 2022
Operating revenue	150	401	270	70	-	891
Other revenue	3	8	17	3	-	31
Total external revenue	153	409	287	73	-	922
Inter-segment revenue	-	-	-	-	-	-
TOTAL REVENUE FROM OPERATING SEGMENTS	153	409	287	73	-	922
EBITDA	55	187	120	18	(15)	365
EBIT	44	161	99	11	(20)	295



Changes in revenue and earnings

Changes in revenue and earnings between first-half 2023 and first-half 2022 break down as follows:

Δ First-half 2023 / First-half 2022

(in € millions)	First-half 2023	First-half 2022	Organic growth		Changes in consolidation scope		Currency effect		Total change	
			In €m	As a %	In €m	As a %	In €m	As a %	In €m	As a %
Operating revenue	1,081	891	+178	+20.0%	+24	+2.7%	(12)	(1.3)%	+190	+21.3%
Other revenue	82	31	+57	+185.2%	-	+0.0%	(6)	(19.4)%	+51	+166.4%
Total external revenue	1,163	922	+235	+25.5%	+24	+2.6%	(18)	(2.0)%	+241	+26.1%
EBITDA	483	365	+128	+35.2%	+3	+0.8%	(13)	(3.6)%	+118	+32.5%
EBIT	399	295	+119	+40.3%	(2)	(0.7)%	(13)	(4.4)%	+104	+35.2%



Reconciliation of EBITDA

(in € millions)	France	Europe (excl. France)	Latin America	Rest of the World	Other	TOTAL
Total revenue	178	548	336	101	-	1,163
Operating expenses	(114)	(280)	(206)	(78)	(2)	(680)
EBITDA – first-half 2023	64	268	130	23	(2)	483
EBITDA – first-half 2022	55	187	120	18	(15)	365



Statement of financial position

(in € millions)	France	Europe (excl. France)	Latin America	Rest of the World	Other	June 30, 2023
Goodwill	167	1,863	418	500	-	2,948
Intangible assets	87	443	288	115	40	973
Property, plant and equipment	34	74	35	10	14	167
Non-current financial assets and investments in equity-accounted companies	57	70	13	4	50	194
Deferred tax assets	5	15	22	1	(4)	39
Non-current assets	350	2,465	776	630	100	4,321
Current assets	1,414	3,462	1,967	465	939	8,247
TOTAL ASSETS	1,764	5,927	2,743	1,095	1,039	12,568
Equity and non-controlling interests	(317)	1,810	979	505	(3,525)	(548)
Non-current liabilities	47	179	112	14	4,197	4,549
Current liabilities	2,034	3,938	1,652	576	367	8,567
TOTAL EQUITY AND LIABILITIES	1,764	5,927	2,743	1,095	1,039	12,568

<i>(in € millions)</i>	France	Europe (excl. France)	Latin America	Rest of the World	Other	June 30, 2022
Goodwill	160	557	389	502	0	1,608
Intangible assets	83	250	254	117	24	728
Property, plant and equipment	39	65	25	9	17	155
Non-current financial assets and investments in equity-accounted companies	49	77	10	7	59	202
Deferred tax assets	5	14	22	-	(3)	38
Non-current assets	336	963	700	635	97	2,731
Current assets	1,309	2,996	1,783	374	1,307	7,769
TOTAL ASSETS	1,645	3,959	2,483	1,009	1,404	10,500
Equity and non-controlling interests	(271)	686	786	601	(2,608)	(806)
Non-current liabilities	49	116	157	11	2,983	3,316
Current liabilities	1,867	3,157	1,540	397	1,029	7,990
TOTAL EQUITY AND LIABILITIES	1,645	3,959	2,483	1,009	1,404	10,500

4.1.2 Segment information by indicator



TOTAL REVENUE BY REGION

Total revenue is made up of operating revenue and other revenue.

Changes in total revenue between first-half 2023 and first-half 2022 break down as follows:

<i>(in € millions)</i>	France	Europe (excl. France)	Latin America	Rest of the World	TOTAL
Total revenue – first-half 2023	178	548	336	101	1,163
Total revenue – first-half 2022	153	409	287	73	922
Change	+25	+139	+49	+28	+241
% change	+16%	+34%	+17%	+40%	+26%
LIKE-FOR-LIKE CHANGE	+24	+131	+49	+31	+235
LIKE-FOR-LIKE CHANGE AS A %	+16%	+32%	+17%	+43%	+26%



OPERATING REVENUE BY REGION

Changes in operating revenue between first-half 2023 and first-half 2022 break down by region as follows:

<i>(in € millions)</i>	France	Europe (excl. France)	Latin America	Rest of the World	TOTAL
Operating revenue – first-half 2023	169	508	312	92	1,081
Operating revenue – first-half 2022	150	401	270	70	891
Change	+19	+107	+42	+22	+190
% change	+13%	+27%	+15%	+33%	+21%
LIKE-FOR-LIKE CHANGE	+18	+99	+40	+21	+178
LIKE-FOR-LIKE CHANGE AS A %	+12%	+25%	+15%	+31%	+20.0%

Operating revenue for Brazil amounted to €211 million in first-half 2023, versus €190 million in first-half 2022.



OTHER REVENUE BY REGION

Other revenue is the interest generated by investing cash over the period between:

- the issuance date and the reimbursement date for prepaid vouchers; and
- the loading date and the redeeming date for prepaid cards.

<i>(in € millions)</i>	France	Europe (excl. France)	Latin America	Rest of the World	TOTAL
Other revenue – first-half 2023	9	40	24	9	82
Other revenue – first-half 2022	3	8	17	3	31
Change	+6	+32	+7	+6	+51
% change	+198%	+399%	+41%	+233%	+166%
LIKE-FOR-LIKE CHANGE	+6	+32	+9	+10	+57
LIKE-FOR-LIKE CHANGE AS A %	+198%	+405%	+52%	+368%	+185%

4.1.3 Operating revenue by business line



In accordance with IFRS 15, revenue is recognized upon the transfer of control to the customer. The Group acts almost exclusively as an agent for its three main businesses, recognizing only an agency commission. For any other transactions in which the Group acts as the principal, the revenue is recognized in full.

For the Employee Benefits and Mobility business lines:

- commissions received from corporate clients are recognized when vouchers are issued to clients;
- commissions received from partner merchants are recognized upon presentation of the vouchers for reimbursement after use by the beneficiary, including commissions receivable from partner merchants applicable in some countries;
- profits on vouchers that expire without being reimbursed are recognized in income after the expiry date of the reimbursement rights or using a statistical model.

In addition to the information broken down by region as presented in the section on segment information and in accordance with IFRS 15, the following tables show a breakdown of the Group's operating revenue by business line.

<i>(in € millions)</i>	Employee Benefits	Mobility	Complementary Solutions	TOTAL
Operating revenue – first-half 2023	662	282	137	1,081
Operating revenue – first-half 2022	528	252	111	891
Change	+134	+30	+26	+190
% change	+26%	+12%	+23%	+21%
LIKE-FOR-LIKE CHANGE	+120	+38	+20	+178
LIKE-FOR-LIKE CHANGE AS A %	+23%	+15%	+18%	+20%

Complementary Solutions encompasses Corporate Payment Services, Incentive & Rewards Solutions, and Public Social Programs.

4.2 Operating expenses



	First-half 2023	First-half 2022
<i>(in € millions)</i>		
Employee benefit expense	(325)	(267)
Cost of sales	(94)	(81)
Business taxes	(30)	(26)
Other operating expenses	(231)	(183)
TOTAL OPERATING EXPENSES	(680)	(557)

Other operating expenses consist mainly in IT expenses, external fees, marketing and advertising expenses, additions to and reversals of impairment of current assets, and development expenses for IT projects.

4.3 EBITDA



EBITDA BY REGION

<i>(in € millions)</i>	France	Europe (excl. France)	Latin America	Rest of the World	Other	TOTAL
EBITDA – first-half 2023	64	268	130	23	(2)	483
EBITDA – first-half 2022	55	187	120	18	(15)	365
Change	+9	+81	+10	+5	+13	+118
% change	+16%	+44%	+9%	+30%	+79%	+33%
LIKE-FOR-LIKE CHANGE	+8	+80	+14	+12	+14	+128
LIKE-FOR-LIKE CHANGE AS A %	+15%	+43%	+12%	+69%	+86%	+35%

4.4 EBIT



EBIT BY REGION

<i>(in € millions)</i>	France	Europe (excl. France)	Latin America	Rest of the World	Other	TOTAL
EBIT – first-half 2023	52	236	104	15	(8)	399
EBIT – first-half 2022	44	161	99	11	(20)	295
Change	+8	+75	+5	+4	+12	+104
% change	+18%	+47%	+4%	+46%	+61%	+35%
LIKE-FOR-LIKE CHANGE	+8	+76	+9	+13	+13	+119
LIKE-FOR-LIKE CHANGE AS A %	+18%	+48%	+9%	+122%	+67%	+40%

4.5 Change in working capital and funds to be redeemed

<i>(in € millions)</i>	June 30, 2023	Dec. 31, 2022	Change
Inventories, net	50	59	(9)
Trade receivables, net, linked to funds to be redeemed	1,270	1,479	(209)
Trade receivables, net, not linked to funds to be redeemed	1,261	1,185	76
Other receivables, net	665	570	95
WORKING CAPITAL – ASSETS	3,246	3,293	(47)
Trade payables	(1,128)	(1,033)	(95)
Other payables	(1,396)	(1,359)	(37)
Funds to be redeemed	(5,732)	(5,840)	108
WORKING CAPITAL – LIABILITIES	(8,256)	(8,232)	(24)
NEGATIVE WORKING CAPITAL	(5,010)	(4,939)	(71)
Current tax liabilities	(50)	(46)	(4)
NET NEGATIVE WORKING CAPITAL (incl. corporate income tax liabilities)	(5,060)	(4,985)	(75)

At June 30, 2023, working capital stood at negative €5,060 million versus negative €4,985 million at December 31, 2022. The difference in working capital (excluding corporate income tax liabilities) is mainly attributable to:

- the sustained pace of consumption by beneficiaries, which led funds to be redeemed to decrease faster than vouchers in circulation were renewed. This situation was exacerbated by business seasonality effects late in the first half;
- a significant decrease in receivables linked to funds to be redeemed, explained in particular by the new regulations in Brazil around regulated programs: issuing companies, which used to allow clients to pay or transfer funds after loading, must now receive the funds before loading; and
- a €70 million negative currency effect, mainly on the Brazilian real and the Mexican peso.

<i>(in € millions)</i>	First-half 2023	First-half 2022
Working capital at beginning of period	(4,939)	(4,853)
Change in working capital ⁽¹⁾	120	628
Acquisitions	(136)	(3)
Disposals/liquidations	4	-
Change in impairment of current assets	13	(3)
Currency translation adjustment	(70)	(39)
Reclassifications to other balance sheet items	(2)	(3)
NET CHANGE IN WORKING CAPITAL	(71)	580
WORKING CAPITAL AT END OF PERIOD	(5,010)	(4,273)

(1) See section 1.4 "Consolidated statement of cash flows".

The update to the statistical impairment rates used for Group entities' current assets did not lead to any additional material provisions being recognized in the first half of 2023.

4.6 Change in restricted cash



Restricted cash corresponds to voucher reserve funds. These funds, which are equal to the face value of vouchers in circulation, are subject to specific regulations in some countries, such as France for the *Ticket Restaurant*[®] and *Ticket CESU* solutions. In particular, use of the funds is restricted and they must be clearly segregated from the Group's other cash. The funds remain Edenred's property and are invested in locally regulated interest-bearing financial instruments. Restricted cash also includes funds relating to Edenred PayTech's direct clients.

Restricted cash corresponds mainly to voucher reserve funds subject to special regulations in the following countries: France (€886 million), the United Kingdom (€728 million), Belgium (€252 million), Romania (€152 million) and the United States (€91 million).



<i>(in € millions)</i>	First-half 2023	First-half 2022
Restricted cash at beginning of period	2,120	2,428
Change for the period ⁽¹⁾	128	(419)
Acquisitions	-	-
Currency translation adjustment	25	8
Other changes	-	(6)
Net change in restricted cash	153	(417)
RESTRICTED CASH AT END OF PERIOD	2,273	2,011

(1) See section 1.4 "Consolidated statement of cash flows".

NOTE 5 NON-CURRENT ASSETS

5.1 Goodwill



<i>(in € millions)</i>	June 30, 2023	Dec. 31, 2022
Goodwill, gross	3,119	1,777
Accumulated amortization and impairment losses	(171)	(172)
GOODWILL, NET	2,948	1,605

No indications of impairment were identified on Group goodwill or non-current assets in 2023.

<i>(in € millions)</i>	June 30, 2023	Dec. 31, 2022
France (mainly Ticket Cadeaux, Proweb CE and Moneo Resto)	167	163
United Kingdom (including Reward Gateway, Prepay Technologies and TRFC)	1,454	143
UTA (including Road Account)	169	169
Italy (including Easy Welfare)	92	92
Romania (including Benefit Online)	34	35
Finland	19	19
Slovakia	18	18
Poland (including Timex)	18	17
Sweden	15	16
Czech Republic	14	13
Lithuania (EBV)	12	12
Belgium (including Merits & Benefits and Ekivita)	11	11
Portugal	6	6
Other (individually representing less than €5 million)	1	1
Europe (excl. France)	1,863	552
Brazil (including Repom, Embrattec and Coopercard)	338	317
Mexico	51	46
Argentina	17	-
Other (individually representing less than €5 million)	12	11
Latin America	418	374
United States (including CSI)	464	479
Dubai (including Mint)	29	29
Japan	7	8
Other (individually representing less than €5 million)	-	-
Rest of the World	500	516
GOODWILL, NET	2,948	1,605



Changes in the carrying amount of goodwill during the period presented were as follows:

<i>(in € millions)</i>	First-half 2023	First-half 2022
NET GOODWILL AT BEGINNING OF PERIOD	1,605	1,506
Increase in gross goodwill and impact of scope changes	1,282	15
Brazil (Greenpass acquisition)	-	15
United Kingdom (Reward Gateway acquisition)	1,267	-
France (Cogesco acquisition)	4	-
France (Enjoy Mon CSE)	1	-
Argentina (GOintegro acquisition)	17	-
United States (IPS)*	(7)	-
Goodwill written off on disposals for the period	-	-
Impairment losses	-	-
Currency translation adjustment	61	87
NET GOODWILL AT END OF PERIOD	2,948	1,608

* Provisional allocation of IPS goodwill following the entity's acquisition in October 2022.

5.2 Intangible assets



<i>(in € millions)</i>	June 30, 2023	Dec. 31, 2022
GROSS CARRYING AMOUNT	1,698	1,371
Brands	70	65
Customer lists	775	606
Licenses and software	561	491
Other intangible assets	292	209
ACCUMULATED AMORTIZATION AND IMPAIRMENT LOSSES	(724)	(633)
Brands	(10)	(11)
Customer lists	(270)	(241)
Licenses and software	(364)	(322)
Other intangible assets	(81)	(59)
NET CARRYING AMOUNT	973	738

Changes in the carrying amount of intangible assets



<i>(in € millions)</i>	First-half 2023	First-half 2022
CARRYING AMOUNT AT BEGINNING OF PERIOD	738	677
Intangible assets of newly consolidated companies	195	1
Internally generated assets	62	50
Additions	13	12
Disposals	-	(3)
Amortization for the period	(61)	(49)
Impairment losses for the period	-	-
Currency translation adjustment	26	41
Reclassifications	-	(1)
CARRYING AMOUNT AT END OF PERIOD	973	728

5.3 Property, plant and equipment



Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, in accordance with IAS 16 – Property, Plant and Equipment. Assets under construction are measured at cost less any accumulated impairment losses. They are depreciated from the date when they are put in service.



(in € millions)	June 30, 2023			Dec. 31, 2022		
	GROSS	DEPRECIATION AND	NET CARRYING	GROSS	DEPRECIATION AND	NET CARRYING
	CARRYING	IMPAIRMENT		CARRYING	IMPAIRMENT	
AMOUNT	LOSSES	AMOUNT	AMOUNT	LOSSES	AMOUNT	
Land	2	-	2	2	-	2
Buildings	18	(8)	10	19	(8)	11
Fixtures and fittings	38	(29)	9	30	(21)	9
Equipment and furniture	128	(99)	29	114	(87)	27
Assets under construction	2	-	2	3	-	3
Right-of-use assets	222	(107)	115	202	(97)	105
Total	410	(243)	167	370	(213)	157

Changes in the carrying amount of property, plant and equipment during the period were as follows:



(in € millions)	First-half 2023	First-half 2022
CARRYING AMOUNT AT BEGINNING OF PERIOD	157	156
Property, plant and equipment of newly consolidated companies	3	-
Additions to property, plant and equipment	4	4
Right-of-use assets	25	13
Disposals and retirements	-	-
Depreciation for the period	(23)	(21)
Currency translation adjustment	2	3
Reclassifications	(1)	-
CARRYING AMOUNT AT END OF PERIOD	167	155

5.4 Investments in equity-accounted companies

At June 30, 2023, this item consisted mainly of AGES (AGES Maut System GmbH & Co KG and Ages International GmbH & Co KG), MSC (Mercedes Service Card Beteiligungs GmbH and Mercedes Service Card GmbH & Co KG) and Freto.

Change in investments in equity-accounted companies

<i>(in € millions)</i>	First-half 2023	First-half 2022
Investments in equity-accounted companies at beginning of period	67	67
Additions to investments in equity-accounted companies	-	-
Share of net profit (loss) from equity-accounted companies	(1)	1
Capital increase	-	-
Impairment of investments in equity-accounted companies	-	-
Currency translation adjustment	-	1
Changes in consolidation scope	-	-
Dividends received from investments in equity-accounted companies	(3)	(10)
Investments in equity-accounted companies at end of period	63	59

5.5 Depreciation, amortization and impairment losses

<i>(in € millions)</i>	First-half 2023	First-half 2022
Amortization of customer lists	(20)	(18)
Amortization of intangible assets (excl. customer lists)	(41)	(31)
Depreciation of property, plant and equipment	(6)	(7)
Depreciation of right-of-use assets	(17)	(14)
TOTAL	(84)	(70)

NOTE 6 FINANCIAL ITEMS

6.1 Net financial expense



<i>(in € millions)</i>	First-half 2023	First-half 2022
Gross borrowing cost	(29)	(26)
Hedging instruments	(22)	10
Income from cash and cash equivalents and other marketable securities	23	12
Net borrowing cost	(28)	(4)
Net foreign exchange gains (losses)	-	-
Other financial income	9	2
Other financial expenses	(39)	(15)
NET FINANCIAL EXPENSE	(58)	(17)

Gross borrowing costs for first-half 2023 include amortization of bond issuance costs for €5 million.

Hedging instruments relate to expenses and income on interest rate swaps as presented in Note 6.6 "Financial instruments and market risk management".

Other financial income and expenses mainly concern bank fees, banking expenses, miscellaneous interest, and financial provisions, as well as expenses related to the effects of applying IAS 29 hyperinflationary accounting to Argentina and Turkey.

6.2 Financial assets



IFRS 9 defines financial assets as a contractual right to receive an economic benefit that will ultimately result in the receipt of cash flows or an equity instrument. Financial assets are initially recognized at fair value plus transaction costs that are directly attributable to the acquisition of the asset. The initial fair value corresponds to the asset's purchase price.

6.2.1 Non-current financial assets

Non-current financial assets consist mainly of equity interests in non-consolidated companies, loans, and deposits and guarantees.



<i>(in € millions)</i>	June 30, 2023			Dec. 31, 2022		
	Gross carrying amount	Impairment losses	Net carrying amount	Gross carrying amount	Impairment losses	Net carrying amount
Equity interests	85	(8)	77	89	(7)	82
Deposits and guarantees	25	-	25	19	-	19
Other non-current financial assets	22	(1)	21	25	(1)	24
Non-current derivatives	8	-	8	4	-	4
NON-CURRENT FINANCIAL ASSETS	140	(9)	131	137	(8)	129

6.2.2 Current financial assets



<i>(in € millions)</i>	June 30, 2023			Dec. 31, 2022		
	Gross carrying amount	Impairment losses	Net carrying amount	Gross carrying amount	Impairment losses	Net carrying amount
Other current financial assets	13	(5)	8	11	(5)	6
Current derivatives	1	-	1	-	-	-
CURRENT FINANCIAL ASSETS	14	(5)	9	11	(5)	6

Other current financial assets primarily represent short-term loans with external counterparties.

Derivatives are recognized according to IFRS 9 – Financial Instruments. Their accounting treatment is detailed in Note 6.6 “Financial instruments and market risk management” to the consolidated financial statements for the year ended December 31, 2022.

6.3 Cash and cash equivalents and other marketable securities



Both cash and cash equivalents and other marketable securities are taken into account for the calculation of net debt.



(in € millions)	June 30, 2023			Dec. 31, 2022		
	Gross carrying amount	Impairment losses	Net carrying amount	Gross carrying amount	Impairment losses	Net carrying amount
Cash at bank and on hand	673	-	673	816	-	816
Term deposits and equivalent – less than 3 months	644	-	644	617	-	617
Bonds and other negotiable debt securities	1	-	1	-	-	-
Mutual fund units in cash – less than 3 months	51	-	51	48	-	48
CASH AND CASH EQUIVALENTS	1,369		1,369	1,481		1,481
Term deposits and equivalent – more than 3 months	1,334	(1)	1,333	1,422	(1)	1,421
Bonds and other negotiable debt securities	16	-	16	121	-	121
Mutual fund units in cash – more than 3 months	1	-	1	1	-	1
OTHER MARKETABLE SECURITIES	1,351	(1)	1,350	1,544	(1)	1,543
TOTAL CASH AND CASH EQUIVALENTS AND OTHER MARKETABLE SECURITIES	2,720	(1)	2,719	3,025	(1)	3,024

6.4 Debt and other financial liabilities



(in € millions)	June 30, 2023			Dec. 31, 2022		
	Non-current	Current	Total	Non-current	Current	Total
Convertible bonds	887	-	887	886	-	886
Non-bank debt	3,083	-	3,083	1,876	32	1,908
Bank borrowings	1	10	11	1	11	12
Neu CP	-	-	-	-	-	-
Bank overdrafts	-	183	183	-	124	124
DEBT	3,971	193	4,164	2,763	167	2,930
Lease liabilities	85	34	119	78	31	109
Deposits and guarantees	29	2	31	25	3	28
Put options over non-controlling interests	56	14	70	50	3	53
Derivatives	194	3	197	215	2	217
Other	-	6	6	-	4	4
OTHER FINANCIAL LIABILITIES	364	59	423	368	43	411
DEBT AND OTHER FINANCIAL LIABILITIES	4,335	252	4,587	3,131	210	3,341

The contractual documents for debt and other financial liabilities do not include any particular covenants or clauses that could significantly change the terms.

Debt

Convertible bonds and non-bank debt

On June 13, 2023, Edenred issued two tranches of bonds for a total of €1,200 million. The issuance comprises a €500 million tranche maturing on December 13, 2026 and a €700 million tranche maturing on June 13, 2031, both paying a coupon of 3.625%. The proceeds will be used to finance the recent acquisition of Reward Gateway (see Note 2 "Acquisitions, development projects and disposals").

At June 30, 2023, the Group's gross outstanding bond position amounted to €4,200 million, which breaks down as follows:

Issuance date	Amount in € m	Coupon	Maturity
June 13, 2023	500	3.625%	3 years & 6 months December 13, 2026
June 13, 2023	700	3.625%	8 years June 13, 2031
June 14, 2021	400*	0%	7 years June 14, 2028
June 18, 2020	600	1.375%	9 years June 18, 2029
September 6, 2019	500*	0%	5 years September 6, 2024
December 6, 2018	500	1.875%	7 years & 3 months March 6, 2026
March 30, 2017	500	1.875%	10 years March 30, 2027
March 10, 2015	500	1.375%	10 years March 10, 2025
Gross outstanding bond position	4,200		

* Convertible bonds (OCEANEs).

Bonds convertible into and/or exchangeable for new and/or existing shares (OCEANEs) maturing in 2024 and 2028

Following the distribution to Edenred SE shareholders of a dividend of €1.00 per share, paid out on June 9, 2023, the conversion/exchange ratio will be increased from 1.001 Edenred SE share per OCEANE to 1.003 Edenred SE shares per OCEANE by 2024 and from 1.003 to 1.007 Edenred SE shares per OCEANE by 2028, in accordance with the provisions of section 2.6.B.10 of the Terms and Conditions. This change will have no material impact on the financial statements.

At December 31, 2022, the gross outstanding bond position amounted to €3,000 million.

Issuance date	Amount in €m	Coupon	Maturity
June 14, 2021	400*	0%	7 years June 14, 2028
June 18, 2020	600	1.375%	9 years June 18, 2029
September 6, 2019	500*	0%	5 years September 6, 2024
December 6, 2018	500	1.875%	7 years & 3 months March 6, 2026
March 30, 2017	500	1.875%	10 years March 30, 2027
March 10, 2015	500	1.375%	10 years March 10, 2025
Gross outstanding bond position	3,000		

* Convertible bonds (OCEANes).

Other non-bank debt

In June 2023, the remaining €32 million outstanding at December 31, 2022 on the €250 million Schuldschein private placement was repaid.

Bank borrowings

Outstanding bank borrowings at June 30, 2023 amounted to €11 million.

Neu CP and Neu MTN programs

At June 30, 2023, there were no amounts outstanding under the €750 million Negotiable European Commercial Paper (Neu CP) program.

The €250 million Negotiable European Medium Term Note (Neu MTN) program had not been used at that date.

Maturity analysis – carrying amounts

At June 30, 2023



<i>(in € millions)</i>	First-half 2024	First-half 2025	First-half 2026	First-half 2027	First-half 2028	2029 and beyond	June 30, 2023
Convertible bonds	-	500	-	-	387	-	887
Non-bank debt	-	461	451	955	-	1,216	3,083
Bank borrowings	10	-	1	-	-	-	11
Neu CP	-	-	-	-	-	-	-
Bank overdrafts	183	-	-	-	-	-	183
DEBT	193	961	452	955	387	1,216	4,164
Lease liabilities	34	26	20	16	13	10	119
Deposits and guarantees	2	29	-	-	-	-	31
Put options over non-controlling interests	14	19	21	1	1	14	70
Derivatives	3	31	42	47	-	74	197
Other	6	-	-	-	-	-	6
OTHER FINANCIAL LIABILITIES	59	105	83	64	14	98	423
TOTAL	252	1,066	535	1,019	401	1,314	4,587

At December 31, 2022



<i>(in € millions)</i>	2023	2024	2025	2026	2027	2028 and beyond	Dec. 31, 2022
Convertible bonds	-	500	-	-	-	386	886
Non-bank debt	32	-	455	457	447	517	1,908
Bank borrowings	11	1	-	-	-	-	12
Neu CP	-	-	-	-	-	-	-
Bank overdrafts	124	-	-	-	-	-	124
DEBT	167	501	455	457	447	903	2,930
Lease liabilities	31	22	18	14	12	12	109
Deposits and guarantees	3	25	-	-	-	-	28
Put options over non-controlling interests	3	1	5	32	1	11	53
Derivatives	2	4	36	43	52	80	217
Other	4	-	-	-	-	-	4
OTHER FINANCIAL LIABILITIES	43	52	59	89	65	103	411
TOTAL	210	553	514	546	512	1,006	3,341

6.5 Net debt and net cash



<i>(in € millions)</i>	June 30, 2023	Dec. 31, 2022
Non-current debt	3,971	2,763
Other non-current financial liabilities	364	368
Current debt (excluding bank overdrafts)	10	43
Other current financial liabilities	59	43
Bank overdrafts	183	124
DEBT AND OTHER FINANCIAL LIABILITIES	4,587	3,341
Other current financial assets	(8)	(6)
Current derivatives	(1)	-
Non-current derivatives	(8)	(4)
Other marketable securities	(1,350)	(1,543)
Cash and cash equivalents	(1,369)	(1,481)
CASH AND CASH EQUIVALENTS AND OTHER FINANCIAL ASSETS	(2,736)	(3,034)
NET DEBT	1,851	307

Other non-current and current financial liabilities include lease liabilities recognized in application of IFRS 16 in an amount of €119 million.

<i>(in € millions)</i>	First-half 2023	First-half 2022
Net debt at beginning of period	307	816
Increase (decrease) in non-current debt	1 208	(177)
Increase (decrease) in other non-current financial liabilities	(4)	178
Decrease (increase) in other marketable securities	193	(298)
Decrease (increase) in cash and cash equivalents, net of bank overdrafts	171	404
Increase (decrease) in other financial assets and liabilities	(24)	133
Increase (decrease) in net debt	1 544	240
NET DEBT AT END OF PERIOD	1 851	1 056

6.6 Financial instruments and market risk management

Interest rate risk: fixed/variable interest rate analysis

► Hedging impact

- Before hedging

Debt before interest rate hedging breaks down as follows:



(in € millions)	June 30, 2023			Dec. 31, 2022		
	Amount	Interest rate	% of total debt	Amount	Interest rate	% of total debt
Fixed-rate debt ⁽¹⁾	3,981	1.9%	100%	2,806	1.1%	100%
Variable-rate debt	-	0.0%	0%	-	0.0%	0%
DEBT*	3,981	1.9%	100%	2,806	1.1%	100%

* Debt excluding bank overdrafts.

(1) The rates mentioned for fixed-rate debt correspond to the contractual rates (i.e., 1.375%, 1.875% and 3.625%) applied to the exact number of days in the year divided by 360.

- After hedging

Debt after interest rate hedging breaks down as follows:



(in € millions)	June 30, 2023			Dec. 31, 2022		
	Amount	Interest rate	% of total debt	Amount	Interest rate	% of total debt
Fixed-rate debt	2,611	2.5%	66%	1,415	1.2%	50%
Variable-rate debt	1,370	4.7%	34%	1,391	3.3%	50%
DEBT*	3,981	3.3%	100%	2,806	2.2%	100%

* Debt excluding bank overdrafts.

Foreign exchange risk: currency analysis

▸ Hedging impact

- Before hedging

Debt before currency hedging breaks down as follows:



(in € millions)	June 30, 2023			Dec. 31, 2022		
	Amount	Interest rate	% of total debt	Amount	Interest rate	% of total debt
EUR	3,974	1.9%	100%	2,799	1.1%	100%
Other currencies	7	7.4%	0%	7	7.6%	0%
DEBT*	3,981	1.9%	100%	2,806	1.1%	100%

* Debt excluding bank overdrafts.

- After hedging

Debt after currency hedging breaks down as follows:



(in € millions)	June 30, 2023			Dec. 31, 2022		
	Amount	Interest rate	% of total debt	Amount	Interest rate	% of total debt
EUR	3,635	3.1%	91%	2,764	2.2%	98%
Other currencies	346	5.4%	9%	42	5.6%	2%
DEBT*	3,981	3.3%	100%	2,806	2.2%	100%

* Debt excluding bank overdrafts.

Interest rate hedges include derivatives in the form of swaps that transform a fixed rate into a variable rate over a euro-denominated debt initially issued at a fixed rate. The derivatives are therefore variable-for-fixed swaps and classified as fair value hedges under IFRS 9.

These interest rate swaps represent a total notional amount of €1,950 million relating to an underlying debt of €3,300 million. At June 30, 2023, the derivatives had a fair value of negative €189 million, recorded in liabilities.

Edenred also have interest rate cap options to hedge swapped debt in euros designated as fixed rate hedging instruments in cash flow hedge under IFRS9.

These cap options have a notional value of €450 million relating to an underlying swapped debt of €1,950 million. At June 30, 2023, these derivatives had a fair value of positive €7 million, representing a financial asset.

Changes in the fair value of the hedges have no material impact on the income statement because they qualify for hedge accounting under IFRS.

NOTE 7 INCOME TAX – EFFECTIVE TAX RATE

The effective tax rate is calculated based on:

- profit before tax;
- income tax expense adjusted for the tax on dividends, withholding tax, utilization of tax loss carryforwards and non-recurring items.

Based on these calculations, the effective tax rate changed from 31.2% in first-half 2022 to 31.9% in first-half 2023.

NOTE 8 EARNINGS PER SHARE



At June 30, 2023, the Company's share capital was made up of 249,588,059 shares.

At June 30, 2023, the number of shares outstanding and the weighted average number of ordinary shares outstanding broke down as follows:

<i>(in shares)</i>	First-half 2023	First-half 2022
SHARE CAPITAL AT END OF PERIOD	249,588,059	249,588,059
Number of shares outstanding at beginning of period	249,009,088	248,536,041
Number of shares issued for dividend payments	-	-
Number of shares issued on conversion of performance share plans	208,027	237,271
Number of shares issued on conversion of stock option plans	-	-
Number of shares canceled	(208,027)	(237,271)
Issued shares at end of period excluding treasury shares	-	-
Treasury shares not related to the liquidity contract	212,295	479,123
Treasury shares under the liquidity contract	35,457	191,779
Treasury shares	247,752	670,902
NUMBER OF SHARES OUTSTANDING AT END OF PERIOD	249,256,840	249,206,943
Adjustment to calculate weighted average number of issued shares	(24,270)	(9,207)
Adjustment to calculate weighted average number of treasury shares	(157,407)	(315,200)
Total weighted average adjustment	(181,677)	(324,407)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING DURING THE YEAR	249,075,163	248,882,536

In addition, 1,766,444 performance shares were granted to employees between 2021 and 2023. Conversion of all of these potential shares, and of the 14,353,082 convertible bonds, would increase the number of shares outstanding to 265,376,366.

Based on the above number of potential shares and the average Edenred share price calculated:

- from January 1, 2023 to June 30, 2023 for Plans 14, 15, 16 and 17 (€55.26);
- from February 23, 2023 to June 30, 2023 for Plan 18 (€57.41);

the diluted weighted average number of shares outstanding at June 30, 2023 was 264,379,927.



	First-half 2023	First-half 2022
Net profit attributable to owners of the parent <i>(in € millions)</i>	202	170
Weighted average number of issued shares <i>(in thousands)</i>	249,564	249,579
Weighted average number of treasury shares <i>(in thousands)</i>	(489)	(696)
Number of shares used to calculate basic earnings per share <i>(in thousands)</i>	249,075	248,883
BASIC EARNINGS PER SHARE <i>(in €)</i>	0.81	0.68
Number of shares resulting from the exercise of stock options <i>(in thousands)</i>	-	-
Number of shares resulting from performance share grants <i>(in thousands)</i>	952	740
Convertible bonds <i>(in thousands)</i>	14,353	14,353
Number of shares used to calculate diluted earnings per share <i>(in thousands)</i>	264,380	263,976
DILUTED EARNINGS PER SHARE <i>(in €)</i>	0.76	0.64

NOTE 9 EMPLOYEE BENEFITS

9.1 Share-based payments

▶ Main characteristics

Performance shares vest when the performance conditions are fulfilled. However, if the grantee is no longer employed by the Group on the vesting date, depending on the reason for his or her departure the performance share rights may be forfeited or the number of rights may be reduced proportionately to his or her actual period of service since the grant date. The total number of vested shares may not exceed 100% of the initial grant.

Under the three-year Plan 18, the 626,185 shares granted on February 23, 2023 will vest on February 23, 2026 provided that several performance conditions are met.

Fulfillment of the performance conditions for the plan will be assessed over the period from January 1, 2023 to December 31, 2025, based on the degree to which the following objectives have been met:

(i) two internal performance objectives, which will determine 75% of the total grant and are linked to growth in:

- EBITDA,
- the three CSR criteria (diversity, greenhouse gas emissions and nutrition);

(ii) one external (market) performance objective, which will determine 25% of the total grant and is linked to:

- Edenred's total shareholder return (TSR) compared with the average TSR of the companies in the SBF 120 index.

Depending on the actual percentage of fulfillment of each of the plan's three performance conditions, the percentage of fulfillment of each performance condition may reach a maximum of 150% and the conditions can offset each other,

when one condition is exceeded and another is not met or only partially met. However, the total number of vested shares may not exceed 100% of the initial amount of shares granted.

Performance shares vest subject to the fulfillment of performance conditions and provided that the grantees are still employed by the Group at the end of the vesting period.

• Fair value of performance share plans



The fair value of performance shares corresponds to the share price on the day of the grant, net of the expected dividend payment during the vesting period.

The fair value of performance shares is recognized on a straight-line basis over the vesting period in employee benefit expense, with a corresponding adjustment to equity.

For Plan 18, the fair value amounts to €48.46 per performance share, compared with a share price of €53.10 on February 23, 2023, the grant date.

The fair value of performance shares is recognized on a straight-line basis over the vesting period in employee benefit expense, with a corresponding adjustment to equity. The total expense recognized in respect of the 2023 plan amounted to €3 million in first-half 2023.

NOTE 10 OTHER PROVISIONS AND OBLIGATIONS

10.1 Other income and expenses



To make the consolidated financial statements easier to read, certain specific items of income and expense are reported under "Other income and expenses". This item is used only for income and expenses:

- related to a major event that occurred during the reporting period; and
- whose impact, if it were not presented separately from that of other transactions, would distort the understanding of the Group's underlying performance by users of the financial statements.

Other income and expenses can be analyzed as follows:



<i>(in € millions)</i>	First-half 2023	First- half 2022
Movements in restructuring provisions	-	3
Restructuring and reorganization costs	(3)	(6)
Restructuring expenses	(3)	(3)
Impairment of assets	-	-
Acquisition-related costs	(17)	-
Capital gains and losses	(1)	(1)
Movements in provisions	3	-
Non- recurring gains and losses	(1)	(5)
Other	(16)	(6)
TOTAL OTHER INCOME AND EXPENSES*	(19)	(9)

* Net cash costs included under this caption amounted to €21 million in first-half 2023 and €7 million in first-half 2022.

Other income and expenses in first-half 2023 were primarily as follows:

- restructuring expenses for €3 million;
- acquisition-related costs for €17 million, including €16 million relating to the acquisition of Reward Gateway on May 16, 2023.

Other income and expenses in first-half 2022 were primarily as follows:

- restructuring expenses for €3 million;
- recognition of a €5 million loss during a platform migration in Mexico and the transfer of the historical balances of client cards.

10.2 Provisions



Movements in non-current provisions between January 1, 2023 and June 30, 2023 can be analyzed as follows:

<i>(in € millions)</i>	Dec. 31, 2022	Impact on equity	Additions	Used amounts	Reversals of unused amounts	Currency translation adjustment	Reclassifications and changes in scope	June 30, 2023
- Provisions for pensions and loyalty bonuses	12	-	1	-	-	-	-	13
- Provisions for claims and litigation and other contingencies	8	-	2	-	(1)	-	-	9
TOTAL NON-CURRENT PROVISIONS	20	-	3	-	(1)	-	-	22



Movements in current provisions between January 1, 2023 and June 30, 2023 can be analyzed as follows:

<i>(in € millions)</i>	Dec. 31, 2022	Impact on equity	Additions	Used amounts	Reversals of unused amounts	Currency translation adjustment	Reclassifications and changes in scope	June 30, 2023
- Restructuring provisions	1	-	-	-	-	-	-	1
- Provisions for claims and litigation and other contingencies	9	-	1	(1)	(1)	-	-	8
TOTAL CURRENT PROVISIONS	10	-	1	(1)	(1)	-	-	9

Taken individually, all ongoing disputes are immaterial, with the exception of those presented in Note 10.3 “Claims, litigation and tax risk”.

10.3 Claims, litigation and tax risk

In the normal course of its business, the Group is involved in a number of disputes with third parties or with judicial or administrative authorities (including tax authorities). Developments in significant disputes since December 31, 2022 are as follows:

Antitrust dispute in France

In 2015, the French company Octoplus and three hospitality unions filed a complaint with the French Antitrust Authority against several French companies in the meal voucher sector, including Edenred France. The Antitrust Authority’s board met on April 5, 2016 and on July 7, 2016 to hear all the parties concerned as well as the investigation departments. On October 6, 2016, the Antitrust Authority decided to pursue its investigations without passing provisional measures against Edenred France.

On February 27, 2019, the investigation departments provided Edenred France with their final report, which contained two complaints dating from the early 2000s concerning information sharing through the Centrale de

Remboursement des Titres (CRT) and the use of the CRT to lock up the meal voucher market. However, the Antitrust Authority dismissed all allegations made by Octoplus and the three hospitality unions. Edenred submitted its observations to the Antitrust Authority on April 29, 2019. On December 17, 2019, the Antitrust Authority announced that it had decided to fine Edenred €157 million on the grounds of the above two complaints. Edenred received an official request from the French tax authorities to pay the fine. In response, Edenred requested a stay of payment until March 31, 2021 with no impact on the fine, by providing a surety in the same amount. On March 31, 2021, Edenred paid the fine in an amount of €157 million and canceled the related surety. The associated asset has been recognized in other receivables.

Edenred believes that the Antitrust Authority has misunderstood the competitive situation in the French meal voucher market and the CRT's role in this market. Edenred has therefore appealed. Following the appeal hearing on November 18, 2021, the appeal court is expected to hand down its decision on November 16, 2023 at the latest. Based on the opinion of its legal advisers, Edenred believes that it has strong arguments to challenge the Antitrust Authority's decision. Therefore, the Company has not set aside a related provision.

Czech Republic antitrust dispute

In 2019, the Czech antitrust authorities conducted an investigation into Edenred Czech Republic, Sodexo and Up to examine the behavior of these entities on their market. This investigation led to a statement of objections being issued in October 2021 along with the amount of the potential fine, estimated by the Czech authorities at €4.1 million. Based on the opinion of its legal advisers, Edenred believes that it has solid arguments in its defense. Edenred has appealed the decision. The antitrust authorities are expected to announce their appeal decision in the second half of 2023. Judicial administrative appeal proceedings may then be launched, lasting approximately 12 to 18 months.

The Group believes that its arguments have a strong chance of success. Accordingly, no provision has been recognized in the financial statements.

Tax litigation in Brazil

Municipal tax – Ticket Serviços

In December 2011, the municipality of São Paulo notified the Brazilian company Ticket Serviços of a reassessment of municipal tax (ISS – *Imposto Sobre Serviços*) for the period from April to December 2006, even though the company had already paid this tax to the municipality of Alphaville.

For this period, the principal amount of the reassessment was 8 million Brazilian reais (€1 million), plus 119 million Brazilian reais (€21 million) in penalties and interest at December 31, 2022.

In November 2012, the municipality notified the company, on the same basis, of the amounts related to the period from January 2007 to March 2009.

For this second period, the principal amount of the reassessment was 28 million Brazilian reais (€5 million), plus 442 million Brazilian reais (€78 million) in penalties and interest at December 31, 2022. The company's motion before the Brazilian courts was denied in the first trial and an appeal was filed.

In addition to the reassessments mentioned above, the company may be required to pay for the government's legal fees and the court fees for a total of 60 million Brazilian reais (€11 million).

The administrative chamber of appeal ruled against the company on September 23, 2014. The company appealed the decision.

On August 11, 2015, the appeal lodged by the company was denied, thereby putting an end to the administrative phase of the dispute.

On November 10, 2015, the company filed a motion with the Court of Justice of the State of São Paulo for cancellation of the reassessments.

Based on the opinion of its tax advisers, the Company believes that there is a probable chance of a favorable outcome. Therefore, the Company has not set aside a related provision.

The motion included a request to defer the payment of the disputed amount, which was granted by a decision handed down on November 12, 2015. The tax authorities appealed this decision, but the appeal was denied. The State of São Paulo appealed to the Supreme Court of Justice.

At the Court's request, the company provided a guarantee issued by Swiss Re.

An expert was appointed as part of the proceedings to observe and examine the facts of the case. The expert's opinion was favorable to the company.

On August 13, 2020, the first-instance judicial courts rejected the company's application. On September 24, 2020, the State of São Paulo lodged an appeal against the cap on the interest due. On April 30, 2021, the company filed a second-instance appeal. On June 22, 2023, the appeal court ruled in favor of the company. However, the municipality of São Paulo has until September 2023 to appeal to the Superior Court. Based on the opinion of an expert familiar with the facts, the Company believes there is a good chance that the Superior Court judges will also find in its favor. Therefore, the Company has not set aside a related provision.

Tax litigation in Italy

In 2019, a tax audit was carried out at Edenred Italy, covering the period from 2014 to 2016.

In June 2019, the Italian tax authorities informed the company that the tax audit for the period from 2014 to 2016 had been completed. The tax authorities have challenged the brand royalties billed to Edenred Italy by Edenred SE, as well as the timing of revenue recognition (billing of partner merchants).

In November 2019, the authorities issued a proposed reassessment with the effect of suspending the statute of limitations. As no consensus was reached further to the discussions with the tax authorities in the first half of 2020, Edenred initiated a mutual agreement procedure (MAP) between the Italian and French tax authorities on May 28, 2020 in respect of the brand royalties paid by Edenred Italy. At the same time, the Company continued to challenge the reassessment of partner merchant billing before the courts.

In April 2021 and July 2021, the authorities issued additional proposed reassessments in respect of the amount of brand royalties billed by Edenred SE in 2015 and 2016. The mutual agreement procedure has been extended to these reassessments.

In September 2022, the first-instance court ruled in favor of the Company in the matter of partner merchant billing. The appeal court upheld this decision on May 24, 2023. However, the tax authorities have until the end of November 2023 to appeal to the Supreme Court.

Based on the opinion of its tax advisers, the Company believes that it has solid arguments in its defense.

A provision of €1 million has been set aside under current tax liabilities for this matter, corresponding to the Company's estimate of the reassessment risk, which is viewed as limited.

NOTE 11 UPDATE ON ACCOUNTING STANDARDS

11.1 Standards, amendments and interpretations

effective for reporting periods beginning on or after January 1, 2023

The following standards, amendments and interpretations adopted by the European Union became effective on January 1, 2023:

- IFRS 17 – Insurance Contracts, and its amendments Amendment to IFRS 17, and Initial Application of IFRS 17 and IFRS 9 – Comparative Information;
- Amendments to IAS 1 – Disclosure of Accounting Policies;
- Amendments to IAS 8 – Definition of Accounting Estimates;
- Amendments to IAS 12 – Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction.

These amendments are effective for annual reporting periods beginning on or after January 1, 2023.

Their application had no material impact on the periods presented.

11.2 Standards, amendments and interpretations effective after 2023

The following standards, amendments and interpretations published by the IASB are not yet effective in 2023:

- Amendments to IAS 1 – Classification of Liabilities as Current or Non-current, and Non-Current Liabilities with Covenants;
- Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback;
- Amendments to IAS 7 and IFRS 7 – Supplier Finance Arrangements;

The Edenred group chose not to early adopt these standards, amendments and interpretations at January 1, 2023. Their application is currently being analyzed.

- Amendments to IAS 12 – International Tax Reform – Pillar Two Model Rules.
In response to the “Pillar Two” international tax reform aimed at introducing a minimum global tax rate of 15%, the IASB published these amendments to IAS 12 on May 23, 2023, with immediate and retrospective effect.
Under the amendments, entities (i) neither recognize nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes, and (ii) disclose their exposure to any top-up taxes.
However, as these amendments had not been adopted by the European Union at June 30, 2023, the Group is not required to make the related disclosures. Pending adoption, the Group:
 - has not recognized any deferred tax assets or liabilities related to Pillar Two income taxes in accordance with IAS 8, given the difficulties involved in making the necessary estimates

- as well as the issues and uncertainties relating to the application of IAS 12 pending adoption of the abovementioned amendments,
is assessing its exposure to top-up taxes.

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For good.**



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