



Q3 2020 REVENUE

October 22, 2020

EXECUTIVE SUMMARY

**Rebound in Q3 2020 amid a gradual global easing of lockdown measures:
Edenred returns to growth in Q3 2020 and demonstrates its resilience thanks to its strong fundamentals**

- ▶ A rebound in Q3 with total revenue of €357m, up 0.5% like-for-like vs. -15.5% in Q2
- ▶ A global improvement in all business lines
- ▶ A sharp improvement in Europe with operating revenue up 7.3% like-for-like in Q3 vs. -13.1% in Q2, and first effects of gradual recovery in Latin America (-7.6% L/L in Q3 vs. -20.4% in Q2)
- ▶ Resilience in the first 9 months of 2020, total revenue of €1,053m, down 3.0% like-for-like and down 10.0% as reported due to a negative currency impact (-7.4%)

Edenred, a digital champion with strong fundamentals, well positioned to seize business opportunities from the new trends arising out of the crisis: a more connected, digital and contactless world, working more in a remote mode and seeking more responsible behavior

Edenred narrows FY 2020 EBITDA guidance of between €550m and €600m¹

- ▶ Business excellence actions will continue to contribute to business growth
- ▶ Confirmation of €100m cost savings/avoidance plan
- ▶ However, new partial local lockdowns in Europe could slow the trend in Q4, despite the improved sales dynamic



1. Based on an assumption of an average BRL/EUR exchange rate for the second half of 2020 equal to the closing spot rate on June 30, 2020. All like-for-like and currency impact figures are excluding Venezuela and based on pro forma 2019 figures that include a classification change for revenue recognition in Brazil (neutral impact over the full year). See the appendix, page 28.



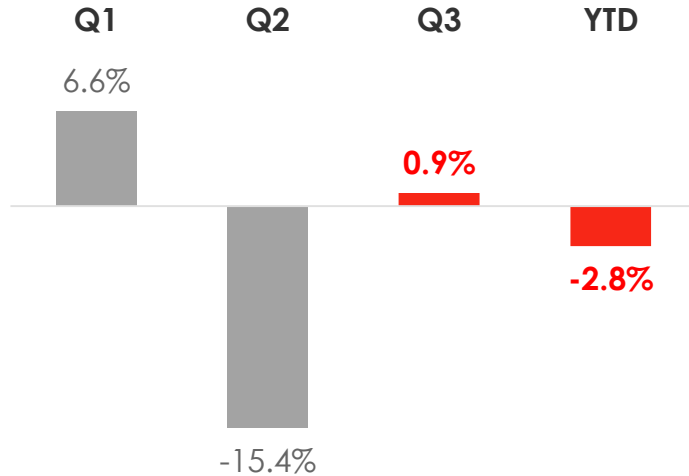
Agenda

1. Q3 2020 Highlights
2. Q3 2020 Revenue
3. 2020 Outlook



EDENRED SHOWS RESILIENCE IN 2020 WITH A STRONG REBOUND IN Q3: STRONG CATCH-UP IN EUROPE, A GRADUAL RECOVERY IN LATIN AMERICA

GROUP OPERATING REVENUE LIKE-FOR-LIKE CHANGE

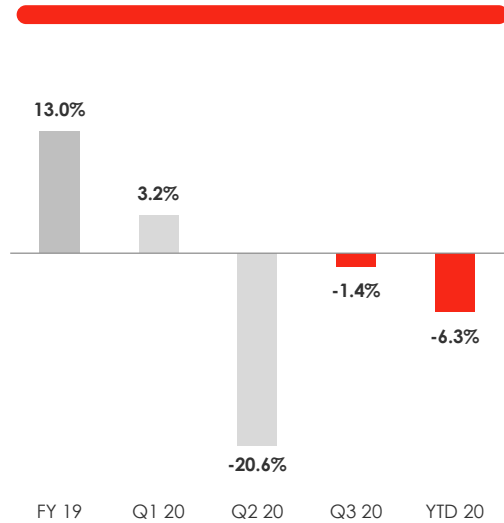


STRONG REBOUND IN Q3 THANKS TO IMPROVEMENTS WORLDWIDE

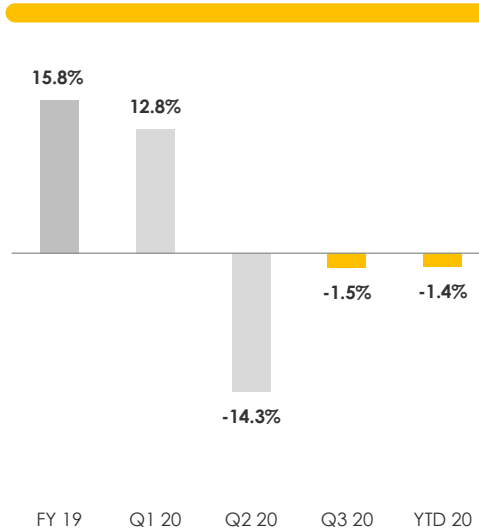
- ▶ **Solid rebound in Europe**, with a good restart of commercial activity and a stronger than expected **catch-up effect** in Employee Benefits
- ▶ Contribution from **Covid-19 specific-purpose programs**
- ▶ **More contrasted situation in Latin America**, with the late easing of lockdown rules
 - Brazil: Resilient Fleet & Mobility Solutions, late but gradual improvement in Employee Benefits
 - Hispanic Latin America still impacted by the economic and sanitary situation

STRONG REBOUND IN ALL BUSINESS LINES IN Q3 2020

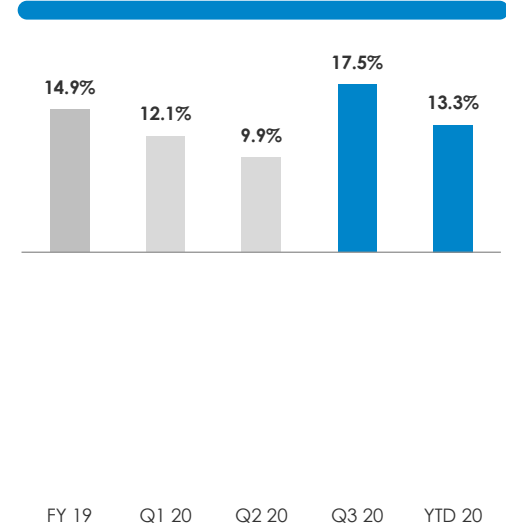
EMPLOYEE BENEFITS



FLEET & MOBILITY SOLUTIONS

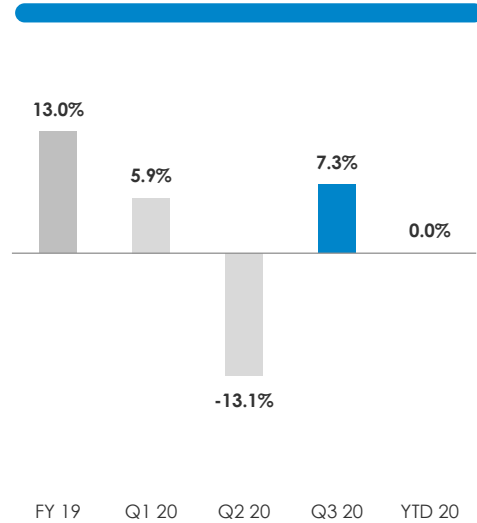


COMPLEMENTARY SOLUTIONS



ALL REGIONS REBOUNDED IN Q3 2020

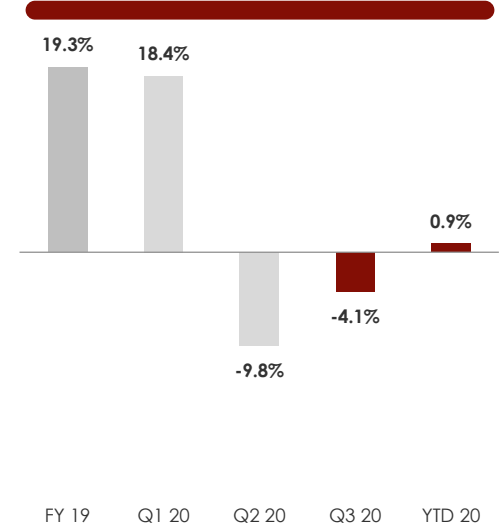
EUROPE



LATIN AMERICA



REST OF THE WORLD



TREND #1: IN A MORE CONNECTED, DIGITAL & CONTACTLESS WORLD



EDENRED IS THE DIGITAL LEADER



MOBILE PAYMENT

- ▶ Fast roll-out in **22 countries** (+1 vs. H1 2020) with **39 programs** (+3 vs. H1 2020)



DIGITAL TRAVEL PLANNING

- ▶ Launch of **UTA SmartCockpit**, an innovative travel planning solution **individualizing fueling plans** to reduce costs easily



86% of total **Edenred business volume** was digital in YTD 2020

- ✓ **+9pts** in **Employee Benefits digital adoption in Europe** vs. Q3 2019
- ✓ **Already fully digital** in Fleet & Mobility Solutions

TREND #2: IN A MORE REMOTE WORKING WORLD



**EDENRED IS DEVELOPING
INNOVATIVE SOLUTIONS**



FLEXIBILITY AND EFFICIENCY AT LUNCH TIME

- ✓ Ticket Restaurant® brings canteens up to 2.0
 - ▶ **Flexible**, as you can eat what, when and where you want (in-store, take-away, delivered to your door): **More than 1m restaurants and food stores, 67 partnerships with meal delivery platforms**
 - ▶ **Especially convenient when working from home** or when onsite food services are unavailable

DIGITAL SOLUTIONS TO STRENGTHEN SOCIAL BONDS WITH EMPLOYEES

- ✓ **Employee engagement platforms** offer digital solutions to **attract and retain** employees, especially when working from home
 - ▶ **Flexible benefits, rewards or savings** loaded on the platform
 - ▶ **2020 yearly cap for Welfare Benefits x2 in Italy**

TREND #3: IN A WORLD SEEKING MORE RESPONSIBLE BEHAVIOR



EDENRED IS AN ENABLER OF RESPONSIBLE BEHAVIOURS



RECONCILING ENVIRONMENTALLY FRIENDLY BEHAVIORS AND ECONOMIC RECOVERY

- ✓ Double-digit growth of **Ticket Ecochèque in Belgium** in Q3 2020 (to stimulate green consumption: 1kg CO₂ saved per €1 spent)
- ✓ Roll-out of the existing range of sustainable mobility benefits (USA, UK, Belgium, Finland) **in France** last March with the launch of **Ticket Mobilité**
 - **Ticket Mobilité: yearly cap increased to €500 per year per employee** (tax exempt) to pay for mobility (e.g. bicycle purchase and maintenance, public transportation)



TREND #4: IN A WORLD SEEKING MORE DIGITAL PAYMENTS



EDENRED IS DIGITALIZING B2B PAYMENTS



AUTOMATING PAYMENTS THROUGH CSI'S CLOUD-BASED AUTOMATION SOLUTION

- ✓ **Increased attractiveness** of digital B2B payment services
 - ▶ **Time and cost savings** from eliminating checks
 - ▶ **Accuracy, efficiency, control and security**
 - ▶ Easier payment **reconciliation**
- ✓ **Number of new contracts in line with pre-Covid expectations**, through both direct and indirect sales channels
- ✓ **Leveraging CSI's platform** to target promising verticals (e.g. utilities, construction) and mitigate volume decreases in the existing portfolio

SUPPORTING EDENRED'S ECOSYSTEM: MORE THAN EVER RELIEF PLAN

Up to €15 million committed to mitigate the consequences of the Covid-19 epidemic on Edenred's ecosystem

An agile bottom-up approach

- ▶ A selection of **65 initiatives** out of more than 100 proposals from local managers throughout all Edenred countries to:
- ▶ **Protect Edenred employees**, notably in countries with lower healthcare coverage
- ▶ **Support merchants** (e.g. restaurant owners) and **professional users** (e.g. truck drivers)
- ▶ **Support scientific research** to find a cure for Covid-19

Illustrations

- ▶ Strengthening **health insurance coverage** and **financing Covid-19 tests** in some Latin American countries
- ▶ **Supporting essential needs for professional users**
 - Access to sanitary facilities for European truckers
 - Free online health consultations for Brazilian truckers
- ▶ **Protecting merchants' treasury and helping to relaunch restaurants' business**, e.g.:
 - Fees waived for fast reimbursement services
 - Incentive campaigns to tempt users back in restaurants



Illustration:



Edenred awarded as **"Hero of the fight against coronavirus"** by CZECH TOP 100





Agenda

1. Q3 2020 Highlights
- 2. Q3 2020 Revenue**
3. 2020 Outlook

Q3 & YTD 2020 TOTAL REVENUE

	Q3 2020	YTD 2020
	€357m	€1,053m
REPORTED	-9.3%	-10.0%
Scope	+0.2%	+0.3%
Currency	-10.0%	-7.4%
LIKE-FOR-LIKE	+0.5%	-3.0%
	€393m	€1,170m
	Q3 2019	YTD 2019

TOTAL REVENUE DETAILS (IN €M)

Q3 2020	Q3 20	Q3 19	Reported change	L/L change
Operating revenue	346	379	-8.6%	+0.9%
Other revenue	11	14	-26.4%	-9.9%
Total revenue	357	393	-9.3%	+0.5%

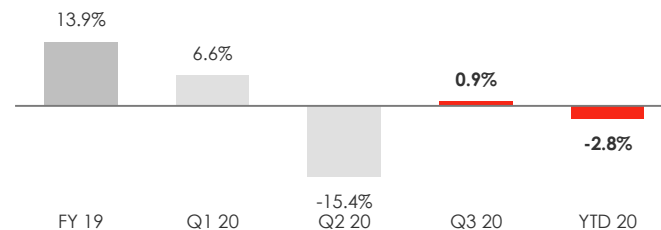
YTD 2020	YTD 20	YTD 19	Reported change	L/L change
Operating revenue	1,021	1,130	-9.7%	-2.8%
Other revenue	32	40	-21.2%	-9.4%
Total revenue	1,053	1,170	-10.0%	-3.0%

Q3 & YTD 2020 OPERATING REVENUE

Back to positive organic growth in the third quarter of the year: +0.9%

	Q3 2020	YTD 2020
REPORTED	€346m -8.6%	€1,021m -9.7%
Scope	+0.2%	+0.4%
Currency	-9.7%	-7.2%
LIKE-FOR-LIKE	+0.9%	-2.8%
	€379m Q3 2019	€1,130m YTD 2019

L/L OPERATING REVENUE CHANGE



YTD 2020 CURRENCY EFFECTS (IN €M)

BRL	(63)
MXN	(9)
Other currencies	(10)
Total impact	(82)

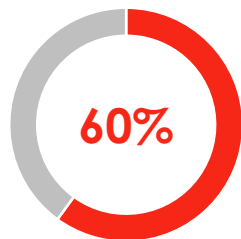
YTD 2020 OPERATING REVENUE BREAKDOWN PER BUSINESS LINE

EMPLOYEE BENEFITS

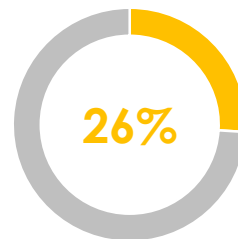
FLEET & MOBILITY SOLUTIONS

COMPLEMENTARY SOLUTIONS

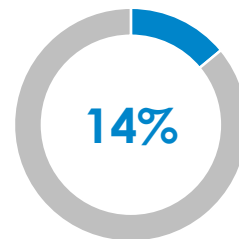
% OF YTD 2020 GROUP OPERATING REVENUE



€619m



€262m



€140m

- ▶ Corporate Payment Services
- ▶ Incentive & Rewards
- ▶ Public Social Programs

YTD 2020 OPERATING REVENUE CHANGE

LIKE-FOR-LIKE

-6.3%

-1.4%

+13.3%

REPORTED

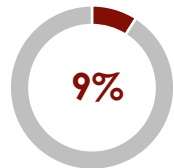
-11.8%

-12.1%

+7.3%

YTD 2020 OPERATING REVENUE BREAKDOWN PER REGION

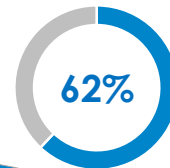
REST OF THE WORLD



+0.9% L/L

-4.5% as reported

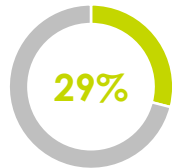
EUROPE



+0.0% L/L

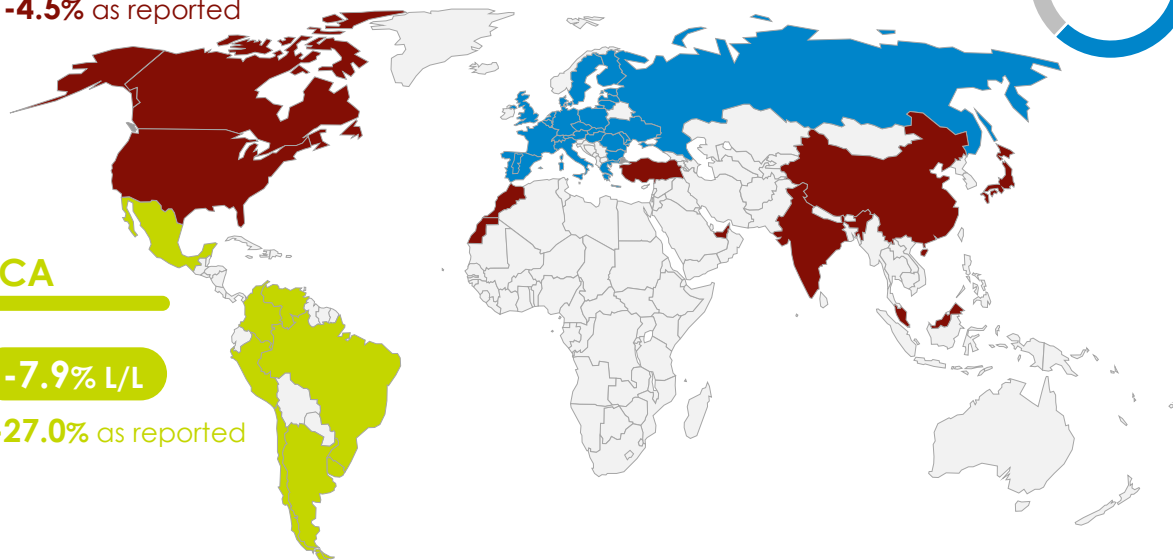
+0.8% as reported

LATIN AMERICA



-7.9% L/L

-27.0% as reported



YTD 2020 OPERATING REVENUE – EUROPE

Confirmation of rebound, particularly in France

€635m
in YTD 20

+0.0%
L/L

+0.8%
as reported

L/L CHANGE

	Q1 20	Q2 20	Q3 20	YTD 20
France	+2.0%	-31.3%	+9.5%	-6.3%
Rest of Europe	+7.8%	-5.9%	+6.4%	+2.7%
Total Europe	+5.9%	-13.1%	+7.3%	+0.0%

France

- ▶ **One of the hardest hit** countries by stay-at-home and short-time working measures **in Q2**
- ▶ **Catch-up effect since June** with a rebound of sales activities
- ▶ **Ticket Restaurant** daily spending cap revised up from €19 to €38 in restaurants, **positively impacting merchant revenues**, even if a large amount of funds remained unspent at the end of Q3

Rest of Europe

- ▶ **Employee Benefits:** Good performance in Q3 thanks to an improved sales dynamic and a progressive easing of lockdowns
- ▶ **Fleet & Mobility:** Continued volume recovery in Q3 in both heavy fleet and light fleet

YTD 2020 OPERATING REVENUE – LATIN AMERICA

Health crisis still severe, uncertainties surrounding economic recovery

€298m
in YTD 20

-7.9%
L/L

-27.0%
as reported

L/L CHANGE

	Q1 20	Q2 20	Q3 20	YTD 20
Brazil	+7.1%	-22.2%	-4.4%	-6.9%
Hispanic Latin America	+0.6%	-16.0%	-15.4%	-10.5%
Total Latin America	+5.2%	-20.4%	-7.6%	-7.9%

Brazil

- ▶ **Gradual recovery in the second half of Q3**, with the easing of lockdown rules
- ▶ Solid performance of **Fleet & Mobility Solutions in Q3**, with continued development of the Maintenance offering
- ▶ **Employee Benefits** impacted notably by closed restaurants, especially in the first half of Q3
- ▶ **Fast adoption of meal delivery platform** app-to-app payment solutions with over 1 million transactions in Q3

Hispanic Latin America

- ▶ **Still some lockdowns in place during Q3**, impacting the business locally
- ▶ **Mexico still impacted** by the epidemic, the rise in unemployment and a negative retail fuel price effect in Fleet & Mobility Solutions

YTD 2020 OTHER REVENUE

Lower interest rates worldwide, strong negative currency effects in Latin America

OTHER REVENUE

€32m in YTD 20
vs. €40m in YTD 19

- ▶ Lower interest rates worldwide, especially in non-eurozone and non-European countries
- ▶ Negative currency effects in Latin America

Other revenue in €m	YTD 2020	YTD 2019	Reported change	L/L change
Latin America	17	22	-20.7%	-2.5%
Europe	12	13	-11.7%	-11.3%
Rest of the World	3	5	-47.6%	-35.4%
Total	32	40	-21.2%	-9.4%



Agenda

1. Q3 2020 Highlights
2. Q3 2020 Revenue
- 3. 2020 Outlook**



FY 2020 OUTLOOK

Business excellence actions will continue to contribute to growth

Employee Benefits

- ▶ Continued business digitalization in Europe is contributing to performance in Q4
- ▶ Year-to-date delayed user spending will continue to have a positive impact on merchants revenues in Q4

Fleet & Mobility

- ▶ Continued gradual recovery in Europe and Latin America
- ▶ A high comparison basis with Q4 2019 and negative fuel price impact, especially in Latin America

Complementary Solutions

- ▶ Corporate Payment still impacted in some specific verticals in North America (e.g. hospitality, media)
- ▶ Restart of some Covid-19 specific-purpose programs?

However, higher uncertainties related to impacts of new partial local lockdowns in Europe

€100m cost savings/avoidance plan on track

**FY 2020 EBITDA estimate¹
between €550m and €600m**

vs. €540m-€610m previously



1. Based on an assumption of an average BRL/EUR exchange rate for the second half of 2020 equal to the closing spot rate on June 30, 2020.

FY 2020 CASH FLOW OUTLOOK

H2 2020

- ▶ Gradual business recovery
- ▶ Float retention time to gradually return to normal after a longer retention time in H1 due to lockdowns
- ▶ Further negative FX impact on the float
- ▶ Capex in H2 2020 < H2 2019
- ▶ Limited M&A transactions

FY 2020 leverage
Net debt < 2.8x EBITDA

A DIGITAL CHAMPION WITH STRONG FUNDAMENTALS TO OVERCOME THE CURRENT CRISIS, WELL POSITIONED FOR THE “POST-COVID” WORLD

Edenred’ strong business and financial fundamentals

- ▶ **A strong growth profile** with a robust financial position
- ▶ **A global player, operating in 46 countries**, on vastly underpenetrated markets
- ▶ **A tech leader**, delivering relentless innovation around **specific-purpose payment solutions**
- ▶ **250+ solutions covering essential needs**: Eat, Move, Care, Pay
- ▶ **An agile organization**, with local corporate entrepreneurs operating on the ground, supported by e-Quarter’s **scaling champions** and **technology experts**

Seize business opportunities and pursue the product and technology investment strategy

- ▶ **Front-liner on markets experiencing fast-paced digitalization**: shift from paper to card, ramp-up of innovative digital features such as app-to-app payment, contactless payment
- ▶ **Leverage our platform and innovation capabilities to launch efficient specific-purpose programs**
 - ▶ Help corporates gain efficiency and attractiveness
 - ▶ Support governments in providing efficient and targeted stimulus to the economy
- ▶ **Pursue our ambitious technology and product innovation strategy and seize medium-term M&A opportunities in all business lines**

The capacity to rebound quickly thanks to our resilient profile, strengthened digital leadership, the accelerated deployment of earmarked funds programs, and an ambitious product and technology investment strategy



APPENDICES

EDENRED: TECH FOR GOOD

A recognized commitment

MEMBER OF

**Dow Jones
Sustainability Indices**



In collaboration with

a RobecoSAM brand



FTSE4Good



WE SUPPORT



MSCI



ISS ESG
ethix • climate • oekom

vigeo eiris



SUSTAINALYTICS



CDP
DRIVING SUSTAINABLE ECONOMIES

ecovadis



OPERATING REVENUE

In € millions	Q1		Q2		Q3		YTD	
	2020	2019	2020	2019	2020	2019	2020	2019
Europe	228	213	183	209	224	208	635	630
<i>France</i>	70	69	41	59	64	59	175	187
<i>Rest of Europe</i>	158	144	142	150	160	149	460	443
Latin America	121	129	82	140	95	139	298	408
Rest of the world	34	28	27	32	27	32	88	92
Operating revenue	383	370	292	381	346	379	1 021	1 130

In %	Q1		Q2		Q3		YTD	
	Reported	Like-for-like	Reported	Like-for-like	Reported	Like-for-like	Reported	Like-for-like
Europe	+6.9%	+5.9%	-12.3%	-13.1%	+7.9%	+7.3%	+0.8%	+0.0%
<i>France</i>	+2.0%	+2.0%	-31.3%	-31.3%	+9.5%	+9.5%	-6.3%	-6.3%
<i>Rest of Europe</i>	+9.3%	+7.8%	-4.7%	-5.9%	+7.2%	+6.4%	+3.9%	+2.7%
Latin America	-5.6%	+5.2%	-41.9%	-20.4%	-31.8%	-7.6%	-27.0%	-7.9%
Rest of the world	+18.9%	+18.4%	-15.0%	-9.8%	-14.9%	-4.1%	-4.5%	+0.9%
Operating revenue	+3.5%	+6.6%	-23.4%	-15.4%	-8.6%	+0.9%	-9.7%	-2.8%

OTHER REVENUE

In € millions	Q1		Q2		Q3		YTD	
	2020	2019	2020	2019	2020	2019	2020	2019
Europe	4	4	4	4	4	4	12	13
France	2	2	1	1	2	1	5	5
Rest of Europe	2	2	3	3	2	3	7	8
Latin America	7	7	4	7	6	8	17	22
Rest of the world	1	1	1	2	1	2	3	5
Other revenue	12	13	9	13	11	14	32	40

In %	Q1		Q2		Q3		YTD	
	Reported	Like-for-like	Reported	Like-for-like	Reported	Like-for-like	Reported	Like-for-like
Europe	+2.7%	+2.4%	-15.1%	-14.2%	-20.6%	-20.2%	-11.7%	-11.3%
France	-5.8%	-5.8%	-1.8%	-1.8%	-2.0%	-2.0%	-3.2%	-3.2%
Rest of Europe	+9.0%	+8.5%	-22.8%	-21.4%	-29.9%	-29.3%	-16.6%	-16.1%
Latin America	-11.3%	-3.2%	-29.3%	-7.4%	-21.6%	+3.0%	-20.7%	-2.5%
Rest of the world	-24.0%	-20.1%	-54.6%	-48.2%	-59.8%	-36.1%	-47.6%	-35.4%
Other revenue	-8.4%	-3.4%	-27.9%	-14.7%	-26.4%	-9.9%	-21.2%	-9.4%

REVENUE CLASSIFICATION CHANGE IN BRAZIL – PRO FORMA FIGURES

Group Operating Revenue	Q1	Q2	Q3	Q4	FY
Actual 2019	369	379	377	445	1 570
Pro forma 2019	370	381	379	440	1 570

Group Other Revenue	Q1	Q2	Q3	Q4	FY
Actual 2019	14	15	16	11	56
Pro forma 2019	13	13	14	16	56

Latin America Operating Revenue	Q1	Q2	Q3	Q4	FY
Actual 2019	128	138	137	156	559
Pro forma 2019	129	140	139	151	559

Latin America Other Revenue	Q1	Q2	Q3	Q4	FY
Actual 2019	9	9	10	4	32
Pro forma 2019	7	7	8	9	32

TOTAL REVENUE

In € millions	Q1		Q2		Q3		YTD	
	2020	2019	2020	2019	2020	2019	2020	2019
Europe	232	217	187	213	228	212	647	643
France	72	71	42	60	66	60	180	192
Rest of Europe	160	146	145	153	162	152	467	451
Latin America	128	137	86	147	101	147	315	430
Rest of the world	35	29	28	34	28	34	91	97
Total revenue	395	383	301	394	357	393	1 053	1 170

In %	Q1		Q2		Q3		YTD	
	Reported	Like-for-like	Reported	Like-for-like	Reported	Like-for-like	Reported	Like-for-like
Europe	+6.9%	+5.9%	-12.4%	-13.1%	+7.3%	+6.6%	+0.6%	-0.2%
France	+1.8%	+1.8%	-30.5%	-30.5%	+9.2%	+9.2%	-6.2%	-6.2%
Rest of Europe	+9.3%	+7.8%	-5.1%	-6.1%	+6.5%	+5.6%	+3.5%	+2.4%
Latin America	-5.9%	+4.7%	-41.3%	-19.7%	-31.3%	-7.0%	-26.7%	-7.7%
Rest of the world	+16.8%	+16.5%	-17.0%	-11.7%	-17.5%	-5.9%	-6.8%	-1.0%
Total revenue	+3.1%	+6.3%	-23.6%	-15.5%	-9.3%	+0.5%	-10.0%	-3.0%

AVERAGE EXCHANGE RATE

€1 = X foreign currency	Average rates												Q4 2019	FY 2019	Spot rate as of 30.09.2020	Spot rate as of 30.09.2019
	Q1 2020	Q1 2019	2020 vs. 2019 Change (in %)	Q2 2020	Q2 2019	2020 vs. 2019 Change (in %)	Q3 2020	Q3 2019	2020 vs. 2019 Change (in %)	YTD 2020	YTD 2019	2020 vs. 2019 Change (in %)				
Brazilian real (BRL)	4.87	4.28	-12.2%	5.96	4.41	-26.1%	6.26	4.41	-29.5%	5.70	4.37	-23.4%	4.56	4.41	6.63	4.53
Mexican Peso (MXN)	21.83	21.80	-0.1%	25.96	21.50	-17.2%	25.78	21.60	-16.2%	24.52	21.63	-11.8%	21.32	21.55	26.18	21.45
Argentine Peso (ARS) *	69.34	48.67	-29.8%	88.45	48.01	-45.7%	106.92	91.46	-14.5%	88.24	62.71	-28.9%	80.91	67.26	89.19	62.71
British Pound Sterling (GBP)	0.86	0.87	1.4%	0.89	0.87	-1.6%	0.90	0.90	-0.3%	0.88	0.88	-0.2%	0.86	0.88	0.91	0.89
Turkish Lira (TRY)	6.72	6.11	-9.1%	7.59	6.60	-13.1%	8.41	6.31	-25.0%	7.57	6.34	-16.3%	6.42	6.36	9.10	6.15
US Dollar (USD)	1.10	1.14	3.0%	1.10	1.12	2.1%	1.17	1.11	-4.8%	1.12	1.12	0.0%	1.11	1.12	1.17	1.09
Bolivar Sovereign (VES)	77 922	2 992	-96.2%	186 412	5 793	-96.9%	335 546	15 917	-95.3%	199 960	8 234	-95.9%	34 335	14 759	503 607	22 869

2020 EXPECTED CALENDAR EFFECTS

	Q1	Q2	Q3	Q4	2020
<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	1	-1	-1	-1	-2
Rest of the world	1	0	1	1	3
TOTAL	1	-1	0	0	0



We
connect,
You
win