

# **Consolidated financial statements & notes**

# 2023



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# 1.

## Consolidated financial statements

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## 1.1 Consolidated income statement

<i>(in € millions)</i>	Notes	2023	2022
Operating revenue	4.2	2,311	1,944
Other revenue	4.2	203	87
<b>Total revenue</b>	<b>4.2</b>	<b>2,514</b>	<b>2,031</b>
Operating expenses	4.3	(1,420)	(1,195)
Depreciation, amortization and provision expenses	5.6	(193)	(149)
<b>Operating profit before other income and expenses (EBIT)</b>	<b>4.5</b>	<b>901</b>	<b>687</b>
Share of net profit from equity-accounted companies	5.4	-	2
Other income and expenses	10.1	(195)	(30)
<b>Operating profit including share of net profit from equity-accounted companies</b>		<b>706</b>	<b>659</b>
Net financial expense	6.1	(172)	(54)
<b>Profit before tax</b>		<b>534</b>	<b>605</b>
Income tax expense	7	(226)	(188)
<b>Net profit</b>		<b>308</b>	<b>417</b>
Net profit attributable to owners of the parent		267	386
Net profit attributable to non-controlling interests	8.3	41	31
Earnings per share (in €)	8.2	1.07	1.55
Diluted earnings per share (in €)	8.2	1.01	1.46

## 1.2 Consolidated statement of comprehensive income

<i>(in € millions)</i>	Notes	2023	2022
<b>Net profit</b>		<b>308</b>	<b>417</b>
<b>Other comprehensive income</b>			
Currency translation adjustment		86	101
Fair value adjustments to financial instruments and assets at fair value through other comprehensive income		22	(17)
Tax on items that may be subsequently reclassified to profit or loss		(7)	5
<b>Items that may be subsequently reclassified to profit or loss</b>		<b>101</b>	<b>89</b>
Actuarial gains and losses on defined-benefit plans		(1)	16
Tax on items that may not be subsequently reclassified to profit or loss		-	(4)
<b>Items that may not be subsequently reclassified to profit or loss</b>		<b>(1)</b>	<b>12</b>
<b>Total other comprehensive income</b>		<b>100</b>	<b>101</b>
<b>Comprehensive income</b>		<b>408</b>	<b>518</b>
Comprehensive income attributable to owners of the parent	1.5	362	486
Comprehensive income attributable to non-controlling interests	1.5	46	32

## 1.3 Consolidated statement of financial position

### Consolidated assets

<i>(in € millions)</i>	Notes	2023	2022
Goodwill	5.1	2,779	1,605
Intangible assets	5.2	1,253	738
Property, plant and equipment	5.3	160	157
Investments in equity-accounted companies	5.4	18	67
Non-current financial assets	6.2	129	129
Deferred tax assets	7.2	55	35
<b>Total non-current assets</b>		<b>4,394</b>	<b>2,731</b>
Trade receivables	4.8	2,788	2,664
Inventories, other receivables and accruals	4.8	678	629
Restricted cash	4.7	2,073	2,120
Current financial assets	6.2	10	6
Other marketable securities	6.3	1,998	1,543
Cash and cash equivalents	6.3	1,354	1,481
<b>Total current assets</b>		<b>8,901</b>	<b>8,443</b>
<b>Total assets</b>		<b>13,295</b>	<b>11,174</b>

### Consolidated equity and liabilities

<i>(in € millions)</i>	Notes	2023	2022
Issued capital		499	499
Additional paid-in capital and consolidated retained earnings (accumulated losses)		(670)	(643)
Currency translation adjustment		(435)	(517)
Treasury shares		(73)	(57)
<b>Equity attributable to owners of the parent</b>		<b>(679)</b>	<b>(718)</b>
Non-controlling interests		110	105
<b>Total equity</b>	8	<b>(569)</b>	<b>(613)</b>
Non-current debt	6.4/6.5	3,547	2,763
Other non-current financial liabilities	6.4/6.5	318	368
Non-current provisions	10.2	21	20
Deferred tax liabilities	7.2	256	138
<b>Total non-current liabilities</b>		<b>4,142</b>	<b>3,289</b>
Current debt	6.4/6.5	536	167
Other current financial liabilities	6.4/6.5	69	43
Current provisions	10.2	10	10
Funds to be redeemed	4.6	5,690	5,840
Trade payables	4.6	1,653	1,033
Current tax liabilities	4.6	82	46
Other payables	4.8	1,682	1,359
<b>Total current liabilities</b>		<b>9,722</b>	<b>8,498</b>
<b>Total equity and liabilities</b>		<b>13,295</b>	<b>11,174</b>

## 1.4 Consolidated statement of cash flows

	Notes	2023	2022
Net profit attributable to owners of the parent		267	386
Non-controlling interests		41	31
Share of net profit from equity-accounted companies	5.4	-	(2)
Depreciation, amortization and changes in operating provisions		346	164
Expenses related to share-based payments		21	20
Non-cash impact of other income and expenses		(8)	18
Difference between income tax paid and income tax expense		28	26
Dividends received from equity-accounted companies	5.4	3	10
<b>Funds from operations including other income and expenses</b>		<b>698</b>	<b>653</b>
Other income and expenses (including restructuring costs)		32	20
<b>Funds from operations before other income and expenses (FFO)</b>		<b>730</b>	<b>673</b>
Decrease (increase) in working capital	4.6	300	84
Recurring decrease (increase) in restricted cash	4.7	65	275
<b>Net cash from (used in) operating activities</b>		<b>1,095</b>	<b>1,032</b>
Other income and expenses (including restructuring costs) received/paid		(43)	(19)
<b>Net cash from (used in) operating activities including other income and expenses (A)</b>		<b>1,052</b>	<b>1,013</b>
Acquisitions of property, plant and equipment and intangible assets		(190)	(151)
Acquisitions of investments		(14)	(12)
External acquisition expenditure, net of cash acquired		(1,036)	(77)
Proceeds from disposals of assets		12	29
<b>Net cash from (used in) investing activities (B)</b>		<b>(1,228)</b>	<b>(211)</b>
Capital increase		-	(1)
Dividends paid <sup>(1)</sup>	3.2	(278)	(238)
(Purchases) sales of treasury shares		(25)	(2)
Increase in non-current debt	6.5	1,198	10
Decrease in non-current debt	6.5	(255)	-
Change in current debt net of change in short-term investments		(493)	(597)
<b>Net cash from (used in) financing activities (C)</b>		<b>147</b>	<b>(828)</b>
<b>Net foreign exchange differences (D)</b>		<b>(1)</b>	<b>(10)</b>
<b>Net increase (decrease) in cash and cash equivalents (E) = (A) + (B) + (C) + (D)</b>		<b>(30)</b>	<b>(36)</b>
Cash and cash equivalents at beginning of period		1,357	1,393
Cash and cash equivalents at end of period		1,327	1,357
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(30)</b>	<b>(36)</b>

(1) Including cash dividends paid to owners of the parent for €249 million (€1 per share) and cash dividends paid to non-controlling interests for €29 million.

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

	Notes	2023	2022
Cash and cash equivalents	6.3	1,354	1,481
Bank overdrafts	6.5	(27)	(124)
<b>Net cash and cash equivalents</b>		<b>1,327</b>	<b>1,357</b>

## 1.5 Consolidated statement of changes in equity

(in € millions)	Notes	Issued capital	Additional paid-in capital	Treasury shares	Consolidated retained earnings (accumulated losses)	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	Net profit attributable to owners of the parent	Equity attributable to owners of the parent	Total non-controlling interests	Total equity
					8				1.5				
2021		499	1,055	(67)	(2,294)	153	10	(7)	(615)	313	(953)	84	(869)
Appropriation of 2021 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)	(14)	(238)
Changes in consolidation scope		-	-	-	(37)	-	-	-	-	-	(37)	9	(28)
Compensation costs – share-based payments		-	-	-	-	20	-	-	-	-	20	-	20
(Acquisitions) disposals of treasury shares		-	-	10	-	-	-	-	-	-	10	-	10
Other		-	-	-	(9)	-	(1)	-	-	-	(10)	(6)	(16)
<b>Other comprehensive income</b>		-	-	-	-	-	(10)	12	98	-	100	1	101
Net profit for the period		-	-	-	-	-	-	-	-	386	386	31	417
<b>Total comprehensive income</b>		-	-	-	-	-	(10)	12	98	386	486	32	518
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	3.2	-	-	-	(249)	-	-	-	-	-	(249)	(29)	(278)
Changes in consolidation scope	2	-	-	-	(21)	-	(2)	-	(1)	-	(24)	(14)	(38)
Compensation costs – share-based payments		-	-	-	-	21	-	-	-	-	21	-	21
(Acquisitions) disposals of treasury shares		-	-	(16)	-	-	-	-	-	-	(16)	-	(16)
Other		-	-	-	(43)	-	(3)	-	-	-	(46)	2	(44)
<b>Other comprehensive income</b>		-	-	-	-	-	13	(1)	83	-	95	5	100
Net profit for the period		-	-	-	-	-	-	-	-	267	267	41	308
<b>Total comprehensive income</b>		-	-	-	-	-	13	(1)	83	267	362	46	408
2023		499	1,036	(73)	(2,178)	194	7	4	(435)	267	(679)	110	(569)

The line “Other” corresponds mainly to the impact, on consolidated retained earnings and non-controlling interests, of the liability relating to the options over the non-controlling interests (see Note 6.5 “Net debt and net cash”), and the reclassification of the historical impact of hyperinflation in Argentina and Turkey from attributable retained earnings to currency translation adjustments (see Note 1.5 “Presentation currency and foreign currencies”).

# 2.

## Notes to the consolidated financial

<b>NOTE 1</b>	Presentation of the Group and basis of preparation of the consolidated financial statements	<b>NOTE 8</b>	Equity
<b>NOTE 2</b>	Acquisitions, development projects and disposals	<b>NOTE 9</b>	Employee benefits
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<b>NOTE 4</b>	Operating activity	<b>NOTE 11</b>	Additional information
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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** Presentation of the Group and basis of preparation of the consolidated financial statements

### 1.1 Business overview

**Edenred** is a leading digital platform for services and payments and the everyday companion for people at work, connecting more than 60 million users and more than 2 million partner merchants in 45 countries via close to 1 million corporate clients.

Edenred offers specific-purpose payment solutions for food (such as meal benefits), engagement (such as gift cards and dedicated platforms), mobility (such as multi-energy solutions, including EV charging, maintenance, toll, parking and commuter solutions) and corporate payments (such as virtual cards).

True to the Group's purpose, "Enrich connections. For good.", these solutions enhance users' well-being and purchasing power. They improve companies' attractiveness and efficiency, and vitalize the employment market and the local economy. They also foster access to healthier food, more environmentally friendly products and softer mobility.

Edenred's 12,000 employees are committed to making the world of work a connected ecosystem that is safer, more efficient and more responsible every day.

In 2023, thanks to its global technology assets, the Group managed €41 billion in business volume, primarily carried out via mobile applications, online platforms and cards.

Edenred is listed on the Euronext Paris stock exchange and included in the following indices: CAC 40, CAC 40 ESG, CAC Large 60, Euronext 100, Euronext Tech Leaders, FTSE4Good and MSCI Europe.

### 1.2 Management of the Group's capital structure

Edenred's main objective is to maintain a balanced capital structure that maximizes value for shareholders and is compatible with a "Strong Investment Grade" rating, enabling it to access capital markets on favorable terms.

This financial policy requires rigorous monitoring of debt and capital ratios when determining investment, acquisition and shareholder return policies. The Group may adjust its dividend policy, return capital to shareholders or issue new shares to optimize its capital structure.

## 1.3 Information about the parent company

Edenred SE is a European company with a Board of Directors and is the parent company of the Edenred group. Its registered office is located at 14-16 boulevard Garibaldi, 92130 Issy-les-Moulineaux, France.

The Company is governed by applicable European Union law and French law provisions, and by its bylaws. It has share capital of €499,176,118 and is registered in France on the Nanterre Trade and Companies Register under No. 493 322 978, NAF code: 7010Z.

Edenred SE is responsible for the management and coordination of all its subsidiaries and provides them with management assistance, particularly in legal, financial and tax matters and with regard to information systems.

These consolidated financial statements for the year ended December 31, 2023 were approved for publication by the Board of Directors of Edenred on February 26, 2024. They will be submitted for shareholders' approval during the General Meeting on May 7, 2024.

## 1.4 Basis of preparation of the consolidated financial statements



Pursuant to European Regulation (EC) 1606/2002 of July 19, 2002, the Edenred consolidated financial statements for the year ended December 31, 2023 have been prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Union as of that date. They include comparative financial information for 2022, prepared in accordance with the same principles and conventions and the same standards.

Based on the Group's performance, cash flows and net assets, the consolidated financial statements have been prepared on a going concern basis.

The financial statements are presented in million euros, rounded to the nearest million. In some cases, rounding may lead to non-material differences between reported totals and the sum of the reported amounts.

The accounting policies used by the Group to prepare the 2023 consolidated financial statements are the same as those applied to prepare the 2022 consolidated financial statements, with the exception of the standards, amendments and interpretations effective for annual reporting periods beginning on or after January 1, 2023.

### 1.4.1 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;

- 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 the amendments to IAS 12 on May 23, 2023, with immediate and retrospective effect.

Under these amendments, entities must not recognize deferred tax in line with Pillar Two rules and must provide qualitative and quantitative information about their exposure to any top-up taxes. While the assessment is still under way, the Group considers that its exposure to Pillar Two rules remains limited, and the expected impacts are not material.

Their application had no material impact on the periods presented.

### **1.4.2 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 IFRS 16 – Lease Liability in a Sale and Leaseback;
- Amendments to IAS 1 – Classification of Liabilities as Current or Non-current, and Non-Current Liabilities with Covenants;
- Amendments to IAS 7 and IFRS 7 – Supplier Finance Arrangements;
- Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates.

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

## 1.5 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 closing 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	2023		2022	
			Closing rate at	Average rate	Closing rate at	Average rate
			Dec. 31, 2023	EUR 1 =	Dec. 31, 2022	EUR 1 =
ARS	Peso	ARGENTINA	893.36	893.36	188.93	188.93
BRL	Real	BRAZIL	5.36	5.40	5.64	5.44
AED	Dirham	UNITED ARAB EMIRATES	4.06	3.97	3.92	3.87
USD	US dollar	UNITED STATES	1.11	1.08	1.07	1.05
MXN	Peso	MEXICO	18.72	19.19	20.86	21.19
CZK	Koruna	CZECH REPUBLIC	24.72	24.00	24.12	24.56
RON	Leu	ROMANIA	4.98	4.95	4.95	4.93
GBP	Pound sterling	UNITED KINGDOM	0.87	0.87	0.89	0.85
SEK	Krona	SWEDEN	11.10	11.47	11.12	10.63
TWD	Taiwan dollar	TAIWAN	33.79	33.70	32.78	31.33
TRY	Lira	TURKEY	32.65	32.65	19.96	19.96
VES	Bolivar	VENEZUELA	39.57	39.57	18.03	6.89

The impact on attributable consolidated equity of currency translation adjustments was a positive €83 million between December 31, 2022 and December 31, 2023. The difference mainly reflects the impact of hyperinflation (see paragraph below) and translation adjustments on the following currencies:

ISO code	Currency	Country	2023
BRL	Real	BRAZIL	33
USD	US dollar	UNITED STATES	(19)
MXN	Peso	MEXICO	26
GBP	Pound sterling	UNITED KINGDOM	15

The €435 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 €305 million, the Venezuelan bolivar for a negative €130 million, the Argentine peso for a negative €45 million, the Turkish lira for a negative €25 million, Pound sterling for a negative €8 million and the US dollar for a positive €24 million, as well as the impact of hyperinflation in Argentina for €27 million and in Turkey for €10 million.

### 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 893.36 and a EUR/TRY exchange rate of 32.65 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. In accordance with IAS 29, the impact of remeasuring non-monetary items in the opening statement of financial position is recognized in the statement of comprehensive income (OCI).

The application of hyperinflationary accounting to Argentina and Turkey had a €13 million negative impact on net profit attributable to owners of the parent, and a €14 million positive impact on consolidated equity. The historical impact of hyperinflation was reclassified from attributable retained earnings to currency translation adjustments for €23 million.

## 1.6 Use of judgments and estimates

The preparation of financial statements requires the use of 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 reporting date, based on information available at the end of the reporting period.

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.

In particular, the Group used judgments and estimates in assessing the recoverable amount of goodwill and intangible assets (see *Note 5.5 "Impairment tests"*); in valuing right-of-use assets and lease liabilities, subject in particular to management's estimates of the term of property leases (see *Note 5.3 "Property, plant and equipment"*); in estimating expected credit losses (see *Note 4.6 "Change in working capital and funds to be redeemed"*); in measuring assets acquired in business combinations at fair value (see *Note 5.1 "Goodwill"*); in estimating the amount of provisions for employee benefit obligations, the calculation of which is partly based on actuarial assumptions (see *Note 9.2 "Provisions for pensions and other post-employment benefits"*); in determining provisions for contingencies and charges (see *Note 10.2 "Provisions"*); and in measuring deferred tax assets arising from tax loss carryforwards based on projections of taxable profits (see *Note 7.2 "Deferred taxes"*).

The Group also exercised its judgment in determining and disclosing the impact of the Russo-Ukrainian conflict on its financial statements. The Group ceased all operations in Russia indefinitely in March 2022 in line with sanctions imposed by the European Union. Its operations in the country were limited to providing access to a fuel distribution network. In Ukraine, the Group's operations are also limited to providing access to a fuel distribution network. Edenred's direct economic exposure to this conflict is therefore limited.

However, the Group has observed that certain countries have levied economic sanctions on Russia due to the conflict. While the Group did not observe any impact on its operations in 2023, these sanctions could nevertheless lead to a worldwide slowdown in business activity and therefore negatively impact growth in the business volume generated by the Group's solutions. Although this impact is still difficult to estimate accurately, Edenred reaffirms its confidence in its ability to generate sustainable and profitable growth in 2024.

### Assessing the impact of climate change on financial statements

The Group exercised its judgment in assessing the risks and impacts of climate change on its financial statements. The significant risks identified and their impact are as follows:

The shift towards a low-carbon economy and the introduction of carbon tax policies to regulate emissions could impact the Group's fleet and mobility solutions in the long run.

In the light of climate change and the evolving electric vehicle market, there's a new risk posed by competitors specializing in electric vehicle recharging. Fuel card revenues could also be impacted by the growing share of

electric vehicles in new vehicle sales, as statistically, these vehicles are less likely to be recharged at recharging stations than at home or at the workplace.

Management factored these considerations into the growth and development assumptions used for impairment tests conducted on property, plant and equipment and intangible assets. The Group has not identified any impairment losses on its assets in this respect. The above-mentioned climate issues have not affected the useful lives of the Group's assets, and depreciation/amortization schedules have been maintained.

In addition, a growing proportion of the Group's activities are based on processing IT transactions, leading to a dependence on the elements that make up network infrastructures, such as the sources of electricity used, the smooth running of the Internet network or the availability of data centers. Most of the scenarios drawn up by specialist observers predict an increase in the frequency and intensity of extreme weather events, which could lead to flooding or power cuts. For the Group, business interruptions resulting from extreme weather events may lead to extra expenses for the repair of offices or facilities used by Edenred, as well as the risk of revenue loss.

In addition to economic criteria, performance share plans include three CSR criteria, one of which is the reduction in greenhouse gas emissions.

Finally, during the risk analyses carried out by the legal department, the Group concluded that it is not exposed to any significant legal risk related to climate change. The Group has not recognized any provisions for contingencies and charges in this respect.

## NOTE 2 Acquisitions, development projects and disposals



In accordance with IFRS 10 – Consolidated Financial Statements, control over an entity has been determined based on a review of the criteria specified in the standard, which is not limited to the percentage of control (more than 50%); an investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the year following the acquisition of a consolidated company, fair value adjustments are made to the identifiable assets and liabilities acquired. For this purpose, fair values are determined in the new subsidiary's local currency. In subsequent years, these fair value adjustments follow the same accounting treatment as the items to which they relate.

In accordance with IFRS 11 – Joint Arrangements, companies over which the Group exercises significant influence, either directly or indirectly, are accounted for by the equity method. Under the equity method, investments in associates and joint ventures are initially recognized at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets.

The Group has accounted for business combinations and changes in ownership interest that do not result in a loss of control in accordance with IFRS 3 (revised) – Business Combinations and IFRS 10 – Consolidated Financial Statements.

As part of certain acquisitions and/or business combinations, the Group regularly grants commitments to buy back minority shareholders' interests. The exercise price of these options can be fixed or calculated using a predefined formula, and they can be exercised at any time or at a set date. The Group records a financial liability at its present value for the puts granted to the minority shareholders of the entities concerned. Subsequent changes to the commitment's value are recognized with adjustments to the equity attributable to owners of the parent.

All equity security transactions between controlling and non-controlling shareholders not involving a loss of control must be recognized directly in equity.

# Acquisitions, development projects and disposals in 2023

## Edenred PayTech

On March 27, 2023, Edenred raised its stake in Edenred PayTech (ex-Prepay Technologies) to 100% following the acquisition of the remaining 28.29% of the share capital. The impact corresponded to a €22 million decrease in equity attributable to owners of the parent and a €15 million decrease in non-controlling interests.

## Reward Gateway

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

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

(in € millions)	Purchase price allocation
Brands	6
Customer relationships	397
Other intangible assets	41
Property, plant and equipment	3
Deferred tax assets	4
Trade receivables	42
Cash and cash equivalents	33
Non-current debt	(251)
Deferred tax liabilities	(116)
Trade payables	(21)
Other current and non-current assets and liabilities	(194)
<b>Net assets acquired</b>	<b>(56)</b>
Goodwill	1,092
<b>Carrying amount of investment</b>	<b>1,036</b>

The amounts presented in the table above are based on Reward Gateway's financial statements at the date of acquisition of control, as harmonized in accordance with Edenred's accounting policies and the adjustment of values of the main assets and liabilities, leading to a recognition of provisional goodwill of €1,092 million. The main revaluation of acquired assets and liabilities relates to client relationships.

In 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 2023, Reward Gateway's total consolidated revenue was €80 million, with EBIT of €17 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 Decision by the French Antitrust Authority

In 2015, a complaint was filed with the French Antitrust Authority (*Autorité de la Concurrence*, or ADLC) against several French companies in the meal voucher sector, including Edenred France (see *Note 10.3 "Claims, litigation and risk"*). In 2019, the Group was ordered to pay a fine of €158 million. This amount was paid by the Group in 2021, pending consideration of its counter-arguments by the Court of Appeal. The asset associated with the settlement of the fine was recognized in other receivables. On November 16, 2023, the Paris Court of Appeal upheld the ADLC's decision 19-D-25 of December 19, 2019. Pending the presentation of its arguments to the French Court of Cassation (*Cour de cassation*), the Group decided to fully write down the asset associated with the payment of the fine at December 31, 2023.

### 3.2 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.

## 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" includes the Edenred SE holding company, regional headquarters and companies with no operating activity.

Transactions between segments are not material.

## Condensed financial information

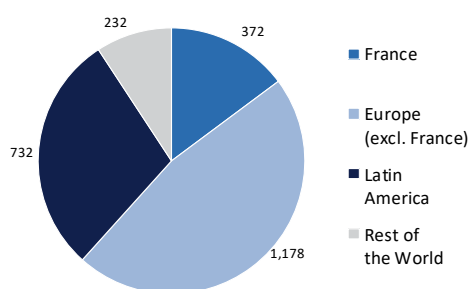
Executive management uses the following indicators to track business performance:

- total revenue
- EBITDA
- EBIT



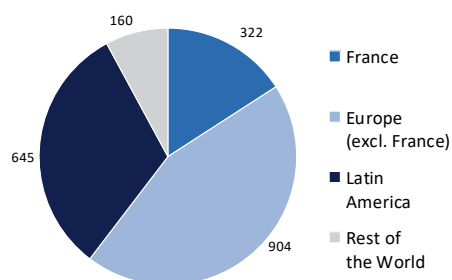
Total revenue from operating segments (including inter-segment revenue)

**Total revenue from operating segments (including inter-segment revenue)**  
(in € millions)



2023  
TOTAL: 2,514

**Total revenue from operating segments (including inter-segment revenue)**  
(in € millions)

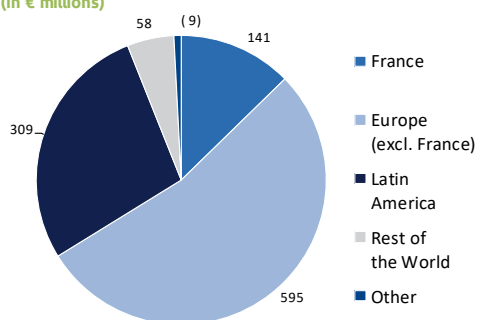


2022  
TOTAL: 2,031



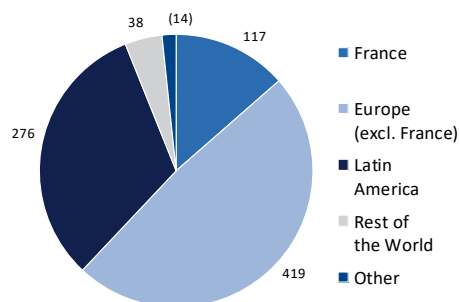
EBITDA

**EBITDA**  
(in € millions)



2023  
TOTAL: 1,094

**EBITDA**  
(in € millions)



2022  
TOTAL: 836



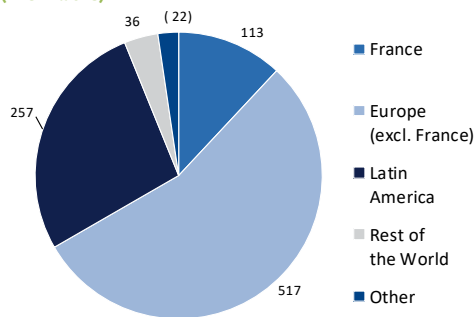
## Reconciliation of EBITDA

(in € millions)	Europe (excl. France)		Latin America	Rest of the World	Other	Total
	France	France)				
Total revenue	372	1,178	732	232	-	2,514
Operating expenses	(231)	(583)	(423)	(174)	(9)	(1,420)
<b>EBITDA – 2023</b>	<b>141</b>	<b>595</b>	<b>309</b>	<b>58</b>	<b>(9)</b>	<b>1,094</b>
<b>EBITDA – 2022</b>	<b>117</b>	<b>419</b>	<b>276</b>	<b>38</b>	<b>(14)</b>	<b>836</b>



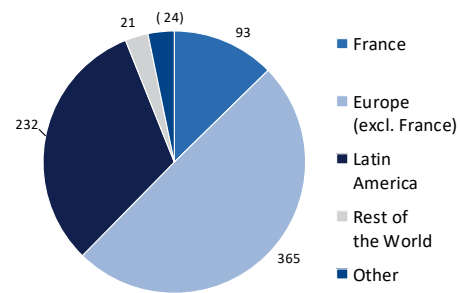
## EBIT

EBIT  
(in € millions)



2023  
TOTAL: 901

EBIT  
(in € millions)



2022  
TOTAL: 687



## Statement of financial position

(in € millions)	France	Europe (excl. France)	Latin America	Rest of the World	Other	2023
Goodwill	167	1,294	407	911	-	2,779
Intangible assets	85	590	306	225	47	1,253
Property, plant and equipment	33	69	32	11	15	160
Non-current financial assets and investments in equity-accounted companies	56	20	17	4	50	147
Deferred tax assets	3	14	36	2	-	55
<b>Non-current assets</b>	<b>344</b>	<b>1,987</b>	<b>798</b>	<b>1,153</b>	<b>112</b>	<b>4,394</b>
<b>Current assets</b>	<b>1,422</b>	<b>3,949</b>	<b>2,265</b>	<b>529</b>	<b>736</b>	<b>8,901</b>
<b>Total assets</b>	<b>1,766</b>	<b>5,936</b>	<b>3,063</b>	<b>1,682</b>	<b>848</b>	<b>13,295</b>
<b>Equity and non-controlling interests</b>	<b>(427)</b>	<b>1,518</b>	<b>943</b>	<b>986</b>	<b>(3,589)</b>	<b>(569)</b>
<b>Non-current liabilities</b>	<b>45</b>	<b>245</b>	<b>109</b>	<b>42</b>	<b>3,701</b>	<b>4,142</b>
<b>Current liabilities</b>	<b>2,148</b>	<b>4,173</b>	<b>2,011</b>	<b>654</b>	<b>736</b>	<b>9,722</b>
<b>Total equity and liabilities</b>	<b>1,766</b>	<b>5,936</b>	<b>3,063</b>	<b>1,682</b>	<b>848</b>	<b>13,295</b>

(in € millions)	France	Europe (excl. France)	Latin America	Rest of the World	Other	2022
Goodwill	163	552	374	516	-	1,605
Intangible assets	82	253	260	112	31	738
Property, plant and equipment	37	65	30	10	15	157
Non-current financial assets and investments in equity-accounted companies	56	74	9	4	53	196
Deferred tax assets	3	11	20	1	-	35
<b>Non-current assets</b>	<b>341</b>	<b>955</b>	<b>693</b>	<b>643</b>	<b>99</b>	<b>2,731</b>
<b>Current assets</b>	<b>1,348</b>	<b>3,205</b>	<b>1,910</b>	<b>437</b>	<b>1,543</b>	<b>8,443</b>
<b>Total assets</b>	<b>1,689</b>	<b>4,160</b>	<b>2,603</b>	<b>1,080</b>	<b>1,642</b>	<b>11,174</b>
<b>Equity and non-controlling interests</b>	<b>(198)</b>	<b>788</b>	<b>799</b>	<b>585</b>	<b>(2,587)</b>	<b>(613)</b>
<b>Non-current liabilities</b>	<b>47</b>	<b>114</b>	<b>131</b>	<b>12</b>	<b>2,985</b>	<b>3,289</b>
<b>Current liabilities</b>	<b>1,840</b>	<b>3,258</b>	<b>1,673</b>	<b>483</b>	<b>1,244</b>	<b>8,498</b>
<b>Total equity and liabilities</b>	<b>1,689</b>	<b>4,160</b>	<b>2,603</b>	<b>1,080</b>	<b>1,642</b>	<b>11,174</b>

## 4.2 Segment information



As explained in Note 14 "Glossary", like-for-like or organic growth corresponds to comparable data, that is, at constant scope of consolidation and exchange rates. This indicator reflects the Group's business performance.



Changes in revenue between 2023 and 2022 break down as follows:

	2023	2022	Organic growth		Changes in consolidation scope		Impact de change		Total change	
			In €m	As a %	In €m	As a %	En M€	En %	En M€	As a %
Operating revenue	2,311	1,944	339	+17%	96	+5%	(68)	(3)%	367	+19%
Other revenue	203	87	136	+158%	1	+0%	(21)	(24)%	116	+134%
<b>Total revenue</b>	<b>2,514</b>	<b>2,031</b>	<b>+475</b>	<b>+23%</b>	<b>+97</b>	<b>+5%</b>	<b>(89)</b>	<b>(4)%</b>	<b>+483</b>	<b>+24%</b>

## 4.2.1 Segment information by indicator



### Total revenue by region

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

<i>(in € millions)</i>	France	Europe (excl. France)	Latin America	Rest of the World	Total
Total revenue – 2023	372	1,178	732	232	2,514
Total revenue – 2022	322	904	645	160	2,031
Change	+50	+274	+87	+72	+483
% change	+16%	+30%	+13%	+44%	+24%
<b>Like-for-like change</b>	<b>+49</b>	<b>+226</b>	<b>+127</b>	<b>+73</b>	<b>+475</b>
<b>Like-for-like change as a %</b>	<b>+15%</b>	<b>+25%</b>	<b>+20%</b>	<b>+46%</b>	<b>+23%</b>



### Operating revenue by region

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

<i>(in € millions)</i>	France	Europe (excl. France)	Latin America	Rest of the World	Total
Operating revenue – 2023	348	1,086	667	210	2,311
Operating revenue – 2022	315	874	603	152	1,944
Change	+33	+212	+64	+58	+367
% change	+10%	+24%	+11%	+37%	+19%
<b>Like-for-like change</b>	<b>+32</b>	<b>+164</b>	<b>+92</b>	<b>+51</b>	<b>+339</b>
<b>Like-for-like change as a %</b>	<b>+10%</b>	<b>+19%</b>	<b>+15%</b>	<b>+33%</b>	<b>+17%</b>

In 2023, operating revenue for Brazil stood at €455 million, versus €422 million in 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 – 2023	24	92	65	22	203
Other revenue – 2022	7	30	42	8	87
Change	+17	+62	+23	+14	+116
% change	+249%	+203%	+56%	+182%	+134%
<b>Like-for-like change</b>	<b>+17</b>	<b>+62</b>	<b>+34</b>	<b>+23</b>	<b>+136</b>
<b>Like-for-like change as a %</b>	<b>+249%</b>	<b>+206%</b>	<b>+83%</b>	<b>+295%</b>	<b>+158%</b>

## 4.2.2 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, revenue is recognized in full.

For the Employee Benefits and Mobility business lines, revenue corresponds to:

- commissions received from corporate clients; recognized when vouchers are issued to clients;
- commissions received from partner merchants, recognized upon presentation of the vouchers for reimbursement following their use by the beneficiary;
- profits on vouchers that expire without being reimbursed, recognized in income after the expiry date of the reimbursement rights or using a statistical model;
- commissions received from corporate clients for use of the Group's platforms, recognized on a straight-line basis over the periods of use.

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

<i>(in € millions)</i>	<b>Benefits &amp; Engagement</b>	<b>Mobility</b>	<b>Complementary Solutions</b>	<b>Total</b>
Operating revenue – 2023	1,449	577	285	<b>2,311</b>
Operating revenue – 2022	1,152	539	253	<b>1,944</b>
Change	+297	+38	+32	<b>+367</b>
% change	+26%	+7%	+13%	<b>+19%</b>
<b>Like-for-like change</b>	<b>+225</b>	<b>+87</b>	<b>+27</b>	<b>+339</b>
<b>Like-for-like change as a %</b>	<b>+20%</b>	<b>+16%</b>	<b>+11%</b>	<b>+17%</b>

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



## 4.3 Operating expenses



<i>(in € millions)</i>	2023	2022
Employee benefit expense	(682)	(560)
Costs of sales	(200)	(182)
Business taxes	(61)	(57)
Other operating expenses	(477)	(396)
<b>Total operating expenses</b>	<b>(1,420)</b>	<b>(1,195)</b>

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.

## 4.4 EBITDA



Changes in EBITDA between 2023 and 2022 break down as follows:

<i>(in € millions)</i>	2023	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 %
<b>EBITDA</b>	<b>1,094</b>	<b>836</b>	<b>+284</b>	<b>+34%</b>	<b>+27</b>	<b>+3%</b>	<b>(53)</b>	<b>(6)%</b>	<b>+258</b>	<b>+31%</b>



EBITDA is analyzed by operating segment in the table below:

<i>(in € millions)</i>	Europe					Other	Total
	France	(excl. France)	Latin America	Rest of the World			
EBITDA – 2023	141	595	309	58	(9)	<b>1,094</b>	
EBITDA – 2022	117	419	276	38	(14)	<b>836</b>	
Change	+24	+176	+33	+20	+5	<b>+258</b>	
% change	+19%	+42%	+12%	+56%	+33%	<b>+31%</b>	
<b>Like-for-like change</b>	<b>+24</b>	<b>+156</b>	<b>+61</b>	<b>+36</b>	<b>+7</b>	<b>+284</b>	
<b>Like-for-like change as a %</b>	<b>+19%</b>	<b>+37%</b>	<b>+22%</b>	<b>+97%</b>	<b>+46%</b>	<b>+34%</b>	

## 4.5 EBIT



Changes in EBIT between 2023 and 2022 break down as follows:

(in € millions)	2023	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 %
<b>EBIT</b>	<b>901</b>	<b>687</b>	<b>+262</b>	<b>+38%</b>	<b>+3</b>	<b>+0%</b>	<b>(51)</b>	<b>(7)%</b>	<b>+214</b>	<b>+31%</b>



EBIT is analyzed by operating segment in the table below:

(in € millions)	Europe					Other	Total
	France	Europe (excl. France)	Latin America	Rest of the World			
EBIT – 2023	113	517	257	36	(22)	<b>901</b>	
EBIT – 2022	93	365	232	21	(24)	<b>687</b>	
Change	+20	+152	+25	+15	+2	<b>+214</b>	
% change	+22%	+41%	+11%	+72%	+8%	<b>+31%</b>	
<b>Like-for-like change</b>	<b>+20</b>	<b>+149</b>	<b>+54</b>	<b>+35</b>	<b>+4</b>	<b>+262</b>	
<b>Like-for-like change as a %</b>	<b>+22%</b>	<b>+41%</b>	<b>+24%</b>	<b>+169%</b>	<b>+15%</b>	<b>+38%</b>	

## 4.6 Change in working capital and funds to be redeemed



Funds to be redeemed correspond to the face value of all vouchers in circulation and funds loaded on cards but not yet used. They derive from multiple transactions:

- on the one hand, with customers to whom vouchers have been issued or whose cards have been loaded, with a corresponding inflow recognized either in available cash or – depending on applicable regulations – in restricted cash (mainly in France, Belgium, the United States, the United Kingdom, Brazil, Romania and Mexico);
- on the other hand, with merchants that are reimbursed by Edenred with respect to the vouchers and cards used by employees in their establishments.

Given the nature of Edenred's business, funds to be redeemed are a key indicator in managing the Group's operations, in the same way as restricted cash (see Note 4.7 "Change in restricted cash").

Funds to be redeemed are recognized in current liabilities.

<i>(in € millions)</i>	<b>2023</b>	<b>2022</b>	<b>Change</b>
Inventories, net	67	59	8
Trade receivables, net, linked to funds to be redeemed	1,358	1,479	(121)
Trade receivables, net, not linked to funds to be redeemed	1,430	1,185	245
Other receivables, net	611	570	41
<b>Working capital – assets</b>	<b>3,466</b>	<b>3,293</b>	<b>173</b>
Trade payables	(1,653)	(1,033)	(620)
Other payables	(1,682)	(1,359)	(323)
Funds to be redeemed	(5,690)	(5,840)	150
<b>Working capital – liabilities</b>	<b>(9,025)</b>	<b>(8,232)</b>	<b>(793)</b>
<b>Negative working capital</b>	<b>(5,559)</b>	<b>(4,939)</b>	<b>(620)</b>
Current tax liabilities	(82)	(46)	(36)
<b>Net negative working capital (incl. corporate income tax liabilities)</b>	<b>(5,641)</b>	<b>(4,985)</b>	<b>(656)</b>

At December 31, 2023, working capital stood at negative €5,641 million versus negative €4,985 million at December 31, 2022. The difference in working capital (excluding corporate income tax liabilities) is mainly attributable to:

- a significant increase in trade payables (€620 million) due to growth in the Mobility business line, generating at the same time an increase in trade receivables not related to funds to be redeemed (€245 million);
- a decrease in receivables linked to funds to be redeemed (€121 million), explained in particular by the new regulations in Brazil around regulated programs : issuing companies, which used to allow private clients to pay or transfer funds after loading, must now receive the funds before loading; and
- an increase in other payables of €323 million, partly linked to the activities of acquisitions made during the year.

<i>(in € millions)</i>	<b>2023</b>	<b>2022</b>
Working capital at beginning of period	(4,939)	(4,853)
Change in working capital <sup>(1)</sup>	(300)	(84)
Acquisitions	(142)	(2)
Disposals/liquidations	16	-
Change in impairment of current assets	(150)	(14)
Currency translation adjustment	(36)	23
Reclassifications to other balance sheet items	(8)	(9)
<b>Net change in working capital</b>	<b>(620)</b>	<b>(86)</b>
<b>Working capital at end of period</b>	<b>(5,559)</b>	<b>(4,939)</b>

<sup>(1)</sup> See section 1.4 "Consolidated statement of cash flows"

The working capital items included in acquisitions are those of Reward Gateway and GOIntegro.

The change in impairment of current assets is mainly explained by the impairment of the asset associated with the payment of the ADLC fine for €158 million (see Note 10.3 "Claims, litigation and risk").

## 4.7 Change in restricted cash



Restricted cash notably 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 y Edenred PayTech subsidiary's direct clients in the United Kingdom.

Restricted cash corresponds to reserve funds subject to special regulations in the following countries: France (€808 million), the United Kingdom (€615 million), Belgium (€263 million), Romania (€127 million), the United States (€97 million), Taiwan (€38 million), Bulgaria (€36 million), Mexico (€35 million), the United Arab Emirates (€23 million), Brazil (€17 million), and Uruguay (€12 million).

Given the nature of Edenred's business, restricted cash is a key indicator in managing the Group's operations, in the same way as funds to be redeemed (see Note 4.6 "Change in working capital and funds to be redeemed").



<i>(in € millions)</i>	<b>2023</b>	<b>2022</b>
Restricted cash at beginning of period	2,120	2,428
Change for the period <sup>(1)</sup>	(65)	(275)
Acquisitions	-	-
Currency translation adjustment	12	(25)
Other changes	6	(8)
<b>Net change in restricted cash</b>	<b>(47)</b>	<b>(308)</b>
<b>Restricted cash at end of period</b>	<b>2,073</b>	<b>2,120</b>

<sup>(1)</sup> See section 1.4 "Consolidated statement of cash flows".

## 4.8 Trade and other receivables and payables

### Trade receivables



In accordance with IFRS 9, impairment of trade and other receivables are measured taking into account expected credit losses. A provision for impairment will therefore need to be recognized as soon as the receivable arises. For receivables with no significant financing component, the Group applies the alternative model, which consists in recognizing a provision equal to the lifetime expected credit losses over the life of the receivables.



(in € millions)

	2023	2022
Gross carrying amount	2,900	2,779
Impairment losses	(112)	(115)
<b>Trade receivables, net</b>	<b>2,788</b>	<b>2,664</b>

### Inventories, other receivables and accruals



Inventories are measured at the lower of cost and net realizable value, in accordance with IAS 2 – Inventories. Cost is determined by the weighted average cost method.



For Edenred, inventories mainly include ticket inventories sold through online platforms such as Proweb CE, as well as cards and paper for printing vouchers.



(in € millions)

	2023	2022
Inventories	67	59
Recoverable VAT	207	172
Employee advances and prepaid payroll taxes	6	5
Other prepaid and recoverable taxes	26	14
Prepaid expenses	41	34
Other receivables	489	345
<b>Inventories, other receivables and accruals, gross</b>	<b>836</b>	<b>629</b>
Impairment losses	(158)	-
<b>Inventories, other receivables and accruals, net</b>	<b>678</b>	<b>629</b>



At December 31, 2023, "Other receivables" stood at €489 million, versus €345 million at December 31, 2022. This item mainly comprises the asset associated with the payment of the ADLC fine amounting to €158 million (see Note 10.3 "Claims, litigation and risk"), contract assets relating to merchant commission for €86 million (€83 million at December 31, 2022), and other miscellaneous receivables for €246 million (€105 million at December 31, 2022). Following the decision of the Court of Appeal, pending the appeal in cassation, the asset relating to the payment of the ADLC fine was written down in full at December 31, 2023.

## Other payables and accruals



(in € millions)	2023	2022
VAT payable	56	41
Wages, salaries and payroll taxes payable	150	123
Other taxes payable (excl. corporate income tax)	16	12
Deferred income	83	68
<b>Other payables</b>	<b>1,377</b>	<b>1,115</b>
<b>Total other payables and accruals</b>	<b>1,682</b>	<b>1,359</b>
Corporate income tax liabilities	82	46
<b>Other payables and accruals, net</b>	<b>1,764</b>	<b>1,405</b>

"Other payables" primarily comprises volumes to be issued for €48 million (€41 million at December 31, 2022) and other miscellaneous payables for €1,329 million (€1,074 million at December 31, 2022) relating mainly to funds payable by Edenred PayTech to clients.

## NOTE 5 Non-current assets

### 5.1 Goodwill



In the year following the acquisition of a consolidated company, fair value adjustments are made to the identifiable assets and liabilities acquired and the acquisition price is allocated. For this purpose, fair values are determined in the new subsidiary's local currency.

#### Goodwill

Goodwill, representing the excess of the cost of a business combination over the Group's interest in the net fair value of the identifiable assets and liabilities acquired at the acquisition date, is recognized in assets under "Goodwill". Goodwill mainly results from the expected synergies and other benefits arising from the business combinations that have not been recognized as separated assets in IFRS.

In accordance with IFRS 3 (revised) – Business Combinations, each time it acquires an interest of less than 100% in an entity, the Group must choose whether to measure the non-controlling interest at fair value or as the non-controlling interest's proportionate share of the acquiree's identifiable net assets (with no change possible later in the event of an additional interest being acquired that does not transfer control). If the business is measured at its total fair value including non-controlling interests, goodwill attributable to non-controlling interests is also recognized.

Goodwill arising on investments in associates – corresponding to companies over which the Group exercises significant influence – is included in the carrying amount of the associate concerned.

Goodwill arising on the acquisition of subsidiaries is reported separately.

In accordance with IAS 36, goodwill is tested for impairment at least once a year and more frequently if there is any indication that it may be impaired (see Note 5.5 "Impairment tests"). If the carrying amount of goodwill exceeds its recoverable amount, an irreversible impairment loss is recognized in the income statement.



(in € millions)	2023	2022
Gross carrying amount	2,949	1,777
Accumulated amortization and impairment losses	(170)	(172)
<b>Goodwill, net</b>	<b>2,779</b>	<b>1,605</b>

<i>(in € millions)</i>	<b>2023</b>	<b>2022</b>
France (mainly Ticket Cadeaux, ProwebCE and Moneo Resto)	167	163
United Kingdom (including Reward Gateway, Prepay Technologies and TRFC)	838	143
UTA (including Road Account)	216	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	16	16
Czech Republic	13	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
<b>Europe (excl. France)</b>	<b>1,294</b>	<b>552</b>
Brazil (including Repom, Embrattec and Coopercard)	334	317
Mexico	58	46
Other (individually representing less than €5 million)	15	11
<b>Latin America</b>	<b>407</b>	<b>374</b>
United States (including CSI and Reward Gateway)	579	479
Australia (Reward Gateway)	297	-
Dubai (including Mint)	28	29
Japan	7	8
Other (individually representing less than €5 million)	-	-
<b>Rest of the World</b>	<b>911</b>	<b>516</b>
<b>Goodwill, net</b>	<b>2,779</b>	<b>1,605</b>





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

<i>(in € millions)</i>	<b>2023</b>	<b>2022</b>
<b>Net goodwill at beginning of period</b>	<b>1,605</b>	<b>1,506</b>
<b>Increase in gross goodwill and impact of scope changes</b>	<b>1,148</b>	<b>43</b>
United Kingdom (Reward Gateway)	680	-
Australia (Reward Gateway)	290	-
United States (Reward Gateway)	122	-
UTA <sup>(1)</sup>	47	-
Latin America – Others (Gointegro)	5	-
Brazil (Gointegro)	5	-
Mexico (Gointegro)	4	-
France (Cogesco)	4	-
France (Enjoy Mon CSE) <sup>(2)</sup>	1	3
United States (Gointegro)	1	-
United States (IPS) <sup>(2)</sup>	(7)	26
Brazil (Sysdata) <sup>(2)</sup>	(4)	5
Brazil (Greenpass)	-	9
<b>Goodwill written off on disposals for the period</b>	<b>-</b>	<b>-</b>
<b>Impairment losses</b>	<b>-</b>	<b>-</b>
<b>Currency translation adjustment</b>	<b>26</b>	<b>56</b>
<b>Net goodwill at end of period</b>	<b>2,779</b>	<b>1,605</b>

<sup>(1)</sup> The initial allocation to investments in equity-accounted companies AGES and MSC was reclassified to UTA (see Note 5.4 "Investments in equity-accounted companies").

<sup>(2)</sup> In 2023, impact of the final allocation of the purchase price of EnjoyMonCSE (acquisition in September 2022), IPS (acquisition in October 2022) and Sysdata (acquisition in November 2022).

## 5.2 Intangible assets



Intangible assets are measured at cost less accumulated amortization and any accumulated impairment losses, in accordance with IAS 38 – Intangible Assets.

Incurred expenses related to internal projects are differentiated based on whether they are incurred during the research phase or the development phase. This differentiation is essential as the financial treatment is different for the two categories.

Expenses incurred during the research phase of an internal project are not capitalized but expensed in the income statement of the period during which they occurred.

Expenses incurred during the development phase of an internal project are analyzed in order to determine whether or not they can be capitalized. If the six criteria defined by IAS 38 are simultaneously met, expenses can be capitalized and amortized over the period defined by the category of assets in which they are included. If not, they are expensed in the income statement of the period during which they occurred.

As a reminder, according to IAS 38, expenses may only be capitalized if the entity demonstrates the following six items:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the intangible asset and use or sell it;
- its ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- its ability to measure reliably the expenditure attributable to the intangible asset during its development.



The main brands are considered intangible assets with indefinite useful lives and are therefore not amortized. Their carrying amount is reviewed at least once a year and more frequently if there is any indication that they may be impaired. If their recoverable amount determined according to the criteria applied at the acquisition date is less than their carrying amount, an impairment loss is recognized.

Other intangible assets (acquired and internally developed software, licenses and customer relationships) are considered as having finite useful lives. They are amortized on a straight-line basis over their useful lives, as follows:



- licenses: life of the license;
- customer relationships: 3 to 22 years;
- software: 2 to 7 years.

Identifiable intangible assets recognized in a business combination are initially recognized at amounts determined by independent valuations, performed using relevant criteria for the business concerned that can be applied for the subsequent measurement of the assets. Identifiable brands are measured based on multiple criteria, taking into account both brand equity and their contribution to profit. Customer relationships are measured based on the cost of acquiring new customers.

In the case of SaaS (Software as a Service) supplier contracts, customization and configuration costs incurred on behalf of the Group are recognized as intangible assets when they correspond to specific IT developments that are separable and controlled by the Group, and when they meet the usual capitalization criteria set out in IAS 38.



<i>(in € millions)</i>	<b>2023</b>	<b>2022</b>
Gross carrying amount	2,039	1,371
Brands	71	65
Customer relationships	1,030	606
Licenses and software	605	491
Other intangible assets	333	209
Accumulated amortization and impairment losses	(786)	(633)
Brands	(12)	(11)
Customer relationships	(300)	(241)
Licenses and software	(397)	(322)
Other intangible assets	(77)	(59)
<b>Net carrying amount</b>	<b>1,253</b>	<b>738</b>

Other intangible assets mainly concern assets in progress as part of technology platform development projects.



Changes in the carrying amount of intangible assets:

<i>(in € millions)</i>	<b>2023</b>	<b>2022</b>
<b>Carrying amount at beginning of period</b>	<b>738</b>	<b>677</b>
Intangible assets of newly consolidated companies	457	14
Internally generated assets	142	111
Additions	38	29
Disposals	-	(1)
Amortization for the period	(141)	(105)
Impairment losses for the period	(1)	(10)
Currency translation adjustment	20	28
Reclassifications	-	(5)
<b>Carrying amount at end of period</b>	<b>1,253</b>	<b>738</b>

## 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.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives, using the components method, from the date when they are put in service. The main depreciation periods applied are as follows:



- building improvements, fixtures and fittings: 5 to 15 years;
- equipment and furniture: 3 to 7 years.



(in € millions)	2023			2022		
	Gross carrying amount	Depreciation and impairment losses	Net carrying amount	Gross carrying amount	Depreciation and impairment losses	Net carrying amount
Land	2	-	2	2	-	2
Buildings	19	(8)	11	19	(8)	11
Fixtures and fittings	36	(28)	8	30	(21)	9
Equipment and furniture	120	(94)	26	114	(87)	27
Assets under construction	1	-	1	3	-	3
Right-of-use assets	231	(119)	112	202	(97)	105
<b>Total</b>	<b>409</b>	<b>(249)</b>	<b>160</b>	<b>370</b>	<b>(213)</b>	<b>157</b>

Changes in the carrying amount of property, plant and equipment:



(in € millions)	2023	2022
Carrying amount at beginning of period	157	156
Property, plant and equipment of newly consolidated companies	4	3
Additions to property, plant and equipment	10	11
Right-of-use assets	42	28
Disposals and retirements	(1)	-
Depreciation for the period	(52)	(44)
Currency translation adjustment	-	1
Reclassifications	-	2
<b>Carrying amount at end of period</b>	<b>160</b>	<b>157</b>

## 5.4 Investments in equity-accounted companies



In accordance with IFRS 12 – Disclosure of Interests in Other Entities, an entity must disclose information that enables users of financial statements to evaluate:

- the nature of, and risks associated with, its interests in other entities; and
- the effects of those interests on its financial position, financial performance and cash flows.

As per IAS 28 (revised), exercising significant influence over a company consists in having the power to participate in the financial and operating policy decisions of the company but not control (as in the case of a fully consolidated company) or joint control over those policies.

At December 31, 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 Betterway.

### Change in investments in equity-accounted companies

<i>(in € millions)</i>	2023	2022
Investments in equity-accounted companies at beginning of period	67	67
Additions to investments in equity-accounted companies	1	6
Share of net profit from equity-accounted companies	-	2
Capital increase	-	2
Impairment of investments in equity-accounted companies	-	-
Changes in consolidation scope*	(47)	-
Dividends received from investments in equity-accounted companies	(3)	(10)
<b>Investments in equity-accounted companies at end of period</b>	<b>18</b>	<b>67</b>

\* The initial allocation of goodwill to AGES and MSC was reclassified to UTA goodwill to reflect UTA's takeover of the main activities carried out by these two companies.

## 5.5 Impairment tests



### Recoverable amount of assets

In accordance with IAS 36 – Impairment of Assets, the carrying amounts of goodwill, intangible assets, property, plant and equipment, and investment properties are tested for impairment when there is any indication that they may be impaired. Assets with an indefinite useful life – corresponding solely to goodwill and brands – are tested at least once a year.

### Reversal of impairment losses

In accordance with IAS 36 – Impairment of Assets, impairment losses on goodwill are irreversible. Impairment losses on property, plant and equipment and on intangible assets with an indefinite useful life, such as brands, are reversible in the case of a change in estimates used to determine their recoverable amount.

### Cash-generating units

Impairment tests are performed at the level of the cash-generating unit (CGU) or group of CGUs.

A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. It corresponds to the level at which the Group organizes its businesses and monitors its results for internal management purposes. All assets are allocated to CGUs. When it is not possible to allocate goodwill on a non-arbitrary basis to individual CGUs, it may be allocated to a group of CGUs which may not be greater than an operating segment as defined in *Note 4 "Operating Activity"*.



Indications of impairment are as follows for the Group's CGUs:

- a significant drop in revenue, operating profit or operating cash flows;
- an unfavorable change (observed or expected in the near future) in the conditions of use of an asset (temporary closures or stoppages, downturn in business, disruptions to supplies or production, etc.);
- an unfavorable change (observed or expected in the near future) in the general economic environment of the entity or asset.

CGUs are identified by country (see *Note 5.1 "Goodwill"*). For the main countries, they are identified by type of solution (Employee Benefits, Mobility and Complementary Solutions) if there are very different activities with separated sales teams and customer portfolios.

### Methods used to determine recoverable amounts

Impairment tests consist in comparing the carrying amount of a CGU with its recoverable amount, defined as the higher of fair value less cost to sell and value in use.

The carrying amount corresponds to the carrying value of capital employed.

For Edenred, it includes:



- goodwill;
- property, plant and equipment and intangible assets;
- working capital excluding float but including current tax liability.

Float corresponds to operating working capital, that is, vouchers in circulation to be redeemed less trade receivables.

Impairment tests are carried out in two steps:

- Step one: The carrying amount of the CGU/group of CGUs is compared to an EBITDA multiple that is considered as being representative of fair value less cost to sell. The Group considers that a difference of more than 20% between the fair value, less cost to sell, and the carrying amount means a potential loss in value.
- Step two: When there is a risk of a loss in value identified using this method or changes in the economic environment of the country or the local business, a test based on the discounted cash flow method is applied in order to determine the potential loss in value compared with the carrying amount.

The method used is as follows:

Step 1: Fair value less cost to sell	Step 2* : Value in use
<p><b>EBITDA multiple method:</b> This method can be used to measure fair value less cost to sell, and provides the best estimate of the price at which a CGU could be sold on the market on the valuation date. The method consists of calculating the CGU's average EBITDA for the last two years and applying a multiple based on the CGU's geographic location and the specific country risk. The multiples applied correspond to the average of transactions occurring on the market and within a range comparable to the valuation multiples of the Edenred group. If the recoverable amount is less than the carrying amount, it is recalculated using the discounted cash flow method (step 2).</p>	<p><b>Discounted cash flow method:</b> The projections used are consistent with the five-year business plans approved by the Board of Directors. In 2023, the rate used to discount cash flows was the Group's after-tax weighted average cost of capital (WACC), broken down by country and by business type. The perpetuity growth rate is aligned with the economic outlook in each of the countries concerned.</p>

\* Used in two situations:

- the first step demonstrates loss of value;
- the CGU or the country is under specific economic circumstances.

If as a result of this test the recoverable amount is less than the carrying amount, an impairment loss is recognized in an amount corresponding to the value-in-use method. The impairment loss is recorded first as a deduction from the carrying amount of the goodwill allocated to the CGU/group of CGUs, and then as a deduction from the carrying amount of the other assets of the CGU/group of CGUs.



In 2023, at the end of the first stage of the impairment test, the value-in-use study (the second stage of the impairment test), was carried out for the following CGUs : United Kingdom (Benefits & Engagement), Edenred Pay North America (CSI) and Japan.

In 2022, at the end of the first stage of the impairment test, the value-in-use study (the second stage of the impairment test), was carried out for the following CGUs : CSI, Japan, Poland, Nectar, Colombia, Fleet & Mobility United States and Ticket Serviços.

## Impairment losses

No impairment losses were recognized during the impairment tests. Accumulated impairment losses on property, plant and equipment and intangible assets amounted to €197 million in 2023, versus €199 million in 2022.

Property, plant and equipment and intangible assets of Group CGUs impacted by accumulated impairment losses are detailed as follows:



(in € millions)	2023				2022			
	Gross carrying amount	Depreciation/ amortization	Accumulated impairment losses	Net carrying amount	Gross carrying amount	Depreciation/ amortization	Accumulated impairment losses	Net carrying amount
Goodwill	2,949	-	(170)	2,779	1,777	-	(172)	1,605
Brands	71	(7)	(5)	59	65	(6)	(5)	54
Customer relationships	1,030	(296)	(4)	730	606	(237)	(4)	365
Other intangible assets	938	(456)	(18)	464	700	(363)	(18)	319
Property, plant and equipment	409	(249)	-	160	370	(213)	-	157
<b>Total</b>	<b>5,397</b>	<b>(1,008)</b>	<b>(197)</b>	<b>4,192</b>	<b>3,518</b>	<b>(819)</b>	<b>(199)</b>	<b>2,500</b>

## Key assumptions



In 2023, the discount rate applied was based on the Group weighted average cost of capital (WACC) and averaged 9.8% (9.8% in 2022).

The table below presents the discount rates and perpetuity growth rates for the CGUs tested in 2023.



	Discount rate		Perpetuity growth rate	
	2023	2022	2023*	2022
Europe (excl. France)	7.9%	10.3%- 10.3%	1.9%	2.5%- 2.5%
Rest of the World	7.9%- 8.3%	7.1%- 10.0%	1.1%- 2.0%	1.0%- 2.0%

\* Source: IMF inflation forecast for 2028.



## Sensitivity analysis

The quantitative data relating to the rate and growth assumption sensitivity analyses below concern the impacts on entities that were impaired during the year.

Impairment tests are performed by CGU but the results are presented below at the level of aggregations of segments in the interest of concision.

### Discount rate sensitivity

A 50 basis point increase in the discount rates used to measure the 2023 values in use for the above-listed CGUs would not take into account the material impairment losses for the year.

### Growth assumption sensitivity

A 50 basis point decrease in the growth assumptions used to measure the 2023 values in use for the above-listed CGUs would not take into account the material impairment losses for the year.

## 5.6 Depreciation, amortization and provision expense



Depreciation and amortization of non-current assets reflect the operating holding costs of controlled assets, including assets revalued as part of business combinations, based on the useful lives indicated in Notes 5.2 "Intangible assets" and 5.3 "Property, plant and equipment".

<i>(in € millions)</i>	<b>2023</b>	<b>2022</b>
Amortization of customer relationships	(52)	(38)
Amortization of intangible assets (excl. customer relationships)	(89)	(67)
Depreciation of property, plant and equipment	(15)	(13)
Depreciation of right-of-use assets	(37)	(31)
<b>Total</b>	<b>(193)</b>	<b>(149)</b>

In 2023, amortization of customer relationships – mainly recognized during purchase price allocations – included €14 million for Reward Gateway, €9 million for CSI, €7 million for UTA, €5 million for Ticket Serviços (partnership with Itaú), €5 million for Ticket Log, €3 million for TRFC and €9 million for others, including Edenred Italy, EBV, ProwebCE, C3, Ticket Service and IPS.

Net changes in operating provisions are detailed in Note 10.2 "Provisions".

## NOTE 6 Financial items

### 6.1 Net financial expense



Net financial expense includes:

- interest expense or income on borrowings, other financial liabilities and loans and receivables;
- exchange gains and losses on financial transactions;
- movements on financial provisions.



<i>(in € millions)</i>	2023	2022
Gross borrowing cost	(76)	(49)
Hedging instruments	(54)	9
Income from cash and cash equivalents and other marketable securities	24	27
<b>Net borrowing cost</b>	<b>(106)</b>	<b>(13)</b>
Net foreign exchange gains (losses)	(4)	(5)
Other financial income	10	10
Other financial expenses	(72)	(46)
<b>Net financial expense</b>	<b>(172)</b>	<b>(54)</b>

Gross borrowing costs for 2023 include amortization of bond issuance costs for €10 million.

Interest paid amounted to €98 million in 2023 and €31 million in 2022.

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 (see *Note 1.5 "Presentation currency and foreign currencies"*).

## 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.

Financial assets and liabilities are recognized and measured in accordance with IFRS 9 – Financial Instruments.

Financial assets and liabilities are recognized in the statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets are classified among the three main categories defined in IFRS 9, as follows:

- **At amortized cost:** One of the conditions of eligibility of a debt instrument for measurement at amortized cost is that the contractual cash flows are solely payments of principal and interest on the principal amount outstanding (“SPPI instruments”). SPPI instruments include:

- 1) term deposits and loans to non-consolidated companies. These assets are initially recognized at fair value;
- 2) bonds and other marketable securities that are **held to maturity**. Because they are considered as being held to maturity, these assets are initially recognized at fair value.

They are subsequently measured at amortized cost at each balance-sheet date. If there is an objective indication of impairment, an impairment loss is recognized at the reporting date. The impairment loss – corresponding to the difference between the carrying amount and the recoverable amount (*i.e.*, the present value of expected cash flows discounted using the original effective interest rate) – is recognized in the income statement. It is reversible if recoverable value increases in following periods. For these two categories, initial fair value is equivalent to acquisition cost, because no material transaction costs are incurred.

- **At fair value through profit or loss:** Mutual fund units in cash are booked in “**Financial assets at fair value through profit and loss**”. These assets are recognized at fair value in the statement of financial position and fair value changes are recorded in the income statement.

- **At fair value through other comprehensive income (OCI):** Derivative financial instruments recorded in assets and eligible for hedge accounting are measured at fair value and fair value changes are recorded in other comprehensive income.

## 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>	2023			2022		
	Gross carrying amount	Impairment losses	Net carrying amount	Gross carrying amount	Impairment losses	Net carrying amount
Equity interests	87	(8)	79	89	(7)	82
Deposits and guarantees	25	-	25	19	-	19
Other non-current financial assets	18	(1)	17	25	(1)	24
Non-current derivatives	8	-	8	4	-	4
<b>Non-current financial assets</b>	<b>138</b>	<b>(9)</b>	<b>129</b>	<b>137</b>	<b>(8)</b>	<b>129</b>

## 6.2.2 Current financial assets



<i>(in € millions)</i>	2023			2022		
	Gross carrying amount	Impairment losses	Net carrying amount	Gross carrying amount	Impairment losses	Net carrying amount
Other current financial assets	9	(1)	8	11	(5)	6
Current derivatives	2	-	2	-	-	-
<b>Current financial assets</b>	<b>11</b>	<b>(1)</b>	<b>10</b>	<b>11</b>	<b>(5)</b>	<b>6</b>

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”.

## 6.3 Cash and cash equivalents and other marketable securities



### Cash and cash equivalents

"Cash and cash equivalents" include bank balances and short-term investments in money market instruments. To be classified in cash and cash equivalents, investments have to respect IAS 7 criteria. These instruments mainly correspond to bank term deposits and risk-free interest-bearing demand deposits. They have initial maturities of three months or less, are readily convertible into known amounts of cash, and are subject to an insignificant risk of changes in value.

### Other marketable securities

Instruments that have initial maturities of more than three months and less than one year are reported under "Other marketable securities". These instruments are highly liquid and are subject to an insignificant risk of changes in value due to interest rate and foreign exchange rate changes. However, they are no longer classified as cash and cash equivalents in line with IAS 7. This line item also includes restricted cash, corresponding to cash and cash equivalents subject to restrictions due to regulations that are specific to a country (such as exchange rate control). Instruments with initial maturities of more than one year may also be reported under this caption if they can be sold or canceled at any time without incurring material penalties.

### Accounting method

"Cash and cash equivalents" and "Other marketable securities" are financial assets recognized according to all the principles of IFRS 9 – Financial Instruments and its amendments.



Both cash and cash equivalents and other marketable securities are taken into account for the calculation of consolidated net debt (see Note 6.5 "Net debt and net cash").



(in € millions)	2023			2022		
	Gross carrying amount	Impairment losses	Net carrying amount	Gross carrying amount	Impairment losses	Net carrying amount
Cash at bank and on hand	669	-	669	816	-	816
Term deposits and equivalent – less than 3 months	647	-	647	617	-	617
Mutual fund units in cash – less than 3 months	38	-	38	48	-	48
<b>Cash and cash equivalents</b>	<b>1,354</b>	<b>-</b>	<b>1,354</b>	<b>1,481</b>	<b>-</b>	<b>1,481</b>
Term deposits and equivalent – more than 3 months	1,998	(2)	1,996	1,422	(1)	1,421
Bonds and other negotiable debt securities	2	-	2	121	-	121
Mutual fund units in cash – more than 3 months	-	-	-	1	-	1
Other marketable securities	2,000	(2)	1,998	1,544	(1)	1,543
<b>Total cash and cash equivalents and other marketable securities</b>	<b>3,354</b>	<b>(2)</b>	<b>3,352</b>	<b>3,025</b>	<b>(1)</b>	<b>3,024</b>

## 6.4 Debt and other financial liabilities



### Debt

Non-bank debt (bonds, private placements such as Schuldschein instruments, etc.) and bank borrowings set up as interest-bearing lines of credit and bank overdrafts are recognized for the amounts received, net of direct issuing costs.

Debt is measured at amortized cost at inception and at fair value for the share of any hedged underlying debt. Amortized cost is determined by the effective interest rate method, taking into account the costs of the issuance and any issuance or redemption premiums.



(in € millions)	2023			2022		
	Non-current	Current	Total	Non-current	Current	Total
Convertible bonds	389	500	889	886	-	886
Non-bank debt	3,157	-	3,157	1,876	32	1,908
Bank borrowings	1	9	10	1	11	12
Neu CP	-	-	-	-	-	-
Bank overdrafts	-	27	27	-	124	124
<b>Debt</b>	<b>3,547</b>	<b>536</b>	<b>4,083</b>	<b>2,763</b>	<b>167</b>	<b>2,930</b>
Lease liabilities	80	36	116	78	31	109
Deposits and guarantees	28	1	29	25	3	28
Put options over non-controlling interests and liabilities arising on business combinations	85	12	97	50	3	53
Derivatives	125	-	125	215	2	217
Other	-	20	20	-	4	4
Other financial liabilities	318	69	387	368	43	411
<b>Debt and other financial liabilities</b>	<b>3,865</b>	<b>605</b>	<b>4,470</b>	<b>3,131</b>	<b>210</b>	<b>3,341</b>

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

At December 31, 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
13/06/2023	700	3.625%	8 years June 13, 2031
13/06/2023	500	3.625%	3 years & 6 months December 13, 2026
14/06/2021	400*	0%	7 years June 14, 2028
18/06/2020	600	1.375%	9 years June 18, 2029
06/09/2019	500*	0%	5 years September 6, 2024
06/12/2018	500	1.875%	7 years & 3 months March 6, 2026
30/03/2017	500	1.875%	10 years March 30, 2027
10/03/2015	500	1.375%	10 years March 10, 2025
<b>Gross outstanding bond position</b>	<b>4,200</b>		

\* 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 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. These changes had 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
14/06/2021	400*	0%	7 years June 14, 2028
18/06/2020	600	1.375%	9 years June 18, 2029
06/09/2019	500*	0%	5 years September 6, 2024
06/12/2018	500	1.875%	7 years & 3 months March 6, 2026
30/03/2017	500	1.875%	10 years March 30, 2027
10/03/2015	500	1.375%	10 years March 10, 2025
<b>Gross outstanding bond position</b>	<b>3,000</b>		

\* Convertible bonds (OCEANES).

## Bank borrowings

Outstanding bank borrowings at December 31, 2023 amounted to €10 million.

## Neu CP and Neu MTN programs

At December 31, 2023, there were no longer any 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 December 31, 2023



(in € millions)	2024	2025	2026	2027	2028	2029 and beyond	Total
Convertible bonds	500	-	-	-	389	-	889
Non-bank debt	-	476	973	470	-	1,238	3,157
Bank borrowings	9	-	1	-	-	-	10
Neu CP	-	-	-	-	-	-	-
Bank overdrafts	27	-	-	-	-	-	27
<b>Debt</b>	<b>536</b>	<b>476</b>	<b>974</b>	<b>470</b>	<b>389</b>	<b>1,238</b>	<b>4,083</b>
Lease liabilities	36	27	21	17	10	5	116
Deposits and guarantees	1	28	-	-	-	-	29
Put options over non-controlling interests	12	14	32	1	-	38	97
Derivatives	-	19	24	28	1	53	125
Other	20	-	-	-	-	-	20
Other financial liabilities	69	88	77	46	11	96	387
<b>Total</b>	<b>605</b>	<b>564</b>	<b>1,051</b>	<b>516</b>	<b>400</b>	<b>1,334</b>	<b>4,470</b>

At December 31, 2022



(in € millions)	2023	2024	2025	2026	2027	2028 and beyond	Total
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
<b>Debt</b>	<b>167</b>	<b>501</b>	<b>455</b>	<b>457</b>	<b>447</b>	<b>903</b>	<b>2,930</b>
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
<b>Total</b>	<b>210</b>	<b>553</b>	<b>514</b>	<b>546</b>	<b>512</b>	<b>1,006</b>	<b>3,341</b>

## Credit facility

At December 31, 2023, Edenred had a €750 million undrawn confirmed line of credit, expiring in February 2027. This facility will be used for general corporate purposes.

## 6.5 Net debt and net cash



(in € millions)	2023	2022
Non-current debt	3,547	2,763
Other non-current financial liabilities	318	368
Current debt (excluding bank overdrafts)	509	43
Other current financial liabilities	69	43
Bank overdrafts	27	124
<b>Debt and other financial liabilities</b>	<b>4,470</b>	<b>3,341</b>
Other current financial assets	(8)	(6)
Current derivatives	(2)	-
Non-current derivatives	(8)	(4)
Other marketable securities	(1,998)	(1,543)
Cash and cash equivalents	(1,354)	(1,481)
Cash and cash equivalents and other financial assets	(3,370)	(3,034)
<b>Net debt</b>	<b>1,100</b>	<b>307</b>

Other non-current and current financial liabilities include lease liabilities recognized in application of IFRS 16 in an amount of €115 million.

At December 31, 2023



	Changes in non-cash items							2023
	2022	Changes in cash and cash equivalents	Changes in consolidation scope	Other changes	Fair value adjustments to financial instruments	Reclassifications	Currency translation adjustment	
Non-current debt	2,763	946 -	252	-	83	(501)	4	3,547
Other non-current financial liabilities	368	2 -	2	66	(83)	(40)	3	318
<b>Total non-current financial liabilities</b>	<b>3,131</b>	<b>948</b>	<b>254</b>	<b>66</b>	<b>-</b>	<b>(541)</b>	<b>7</b>	<b>3,865</b>
Current debt (including bank overdrafts)	167	(159) -	27	-	-	501	-	536
Other current financial liabilities	43	(21) -	4	17	(15)	41	-	69
<b>Total current financial liabilities</b>	<b>210</b>	<b>(180) -</b>	<b>31</b>	<b>17</b>	<b>(15)</b>	<b>542</b>	<b>-</b>	<b>605</b>
Non-current derivative assets	(4)	(5) -	-	-	4	(3)	-	(8)
Current financial assets	(3,030)	(281) -	(30)	1	(4)	2	(20)	(3,362)
<b>Total current liabilities net of financial assets</b>	<b>(2,824)</b>	<b>(466)</b>	<b>1</b>	<b>18</b>	<b>(15)</b>	<b>541</b>	<b>(20)</b>	<b>(2,765)</b>
<b>Net debt</b>	<b>307</b>	<b>482</b>	<b>255</b>	<b>84</b>	<b>(15)</b>	<b>-</b>	<b>(13)</b>	<b>1,100</b>

Other changes in non-current financial liabilities include the change in put options over non-controlling interests in the minority shareholders for €22 million, with a corresponding deduction from equity attributable to owners of the parent for an amount of €24 million euros and non-controlling interests for €2 million.

At December 31, 2022



	Changes in non-cash items							2022
	2021	Changes in cash and cash equivalents	Changes in consolidation scope	Other changes	Fair value adjustments to financial instruments	Reclassifications	Currency translation adjustment	
Non-current debt	3,023	10	-	-	(234)	(36)	-	2,763
Other non-current financial liabilities	120	-	-	57	209	(22)	4	368
<b>Total non-current financial liabilities</b>	<b>3,143</b>	<b>10</b>	<b>-</b>	<b>57</b>	<b>(25)</b>	<b>(58)</b>	<b>4</b>	<b>3,131</b>
Current debt (including bank overdrafts)	348	(215)	-	-	(1)	36	(1)	167
Other current financial liabilities	47	(33)	-	9	-	20	-	43
<b>Total current financial liabilities</b>	<b>395</b>	<b>(248)</b>	<b>-</b>	<b>9</b>	<b>(1)</b>	<b>56</b>	<b>(1)</b>	<b>210</b>
Non-current derivative assets	-	-	-	-	-	(4)	-	(4)
Current financial assets	(2,722)	(307)	(10)	-	35	6	(32)	(3,030)
<b>Total current liabilities net of financial assets</b>	<b>(2,327)</b>	<b>(555)</b>	<b>(10)</b>	<b>9</b>	<b>34</b>	<b>58</b>	<b>(33)</b>	<b>(2,824)</b>
<b>Net debt</b>	<b>816</b>	<b>(545)</b>	<b>(10)</b>	<b>66</b>	<b>9</b>	<b>-</b>	<b>(29)</b>	<b>307</b>

## 6.6 Financial instruments and market risk management



The Group uses derivative financial instruments to hedge its exposure to risks arising in the course of its business. Hedged risks relate to risks arising from changes in foreign exchange rates, interest rates and fuel prices.

In accordance with IFRS 9, derivatives are initially recognized at cost. They are subsequently measured at fair value at each period-end. The intended use of the derivatives determines the IFRS designation and therefore the accounting treatment of changes in fair value.

Most interest rate and foreign currency derivatives used by Edenred meet the criteria to qualify as hedging instruments. In accordance with IAS 39, hedge accounting is applicable if, and only if:

- at the time of setting up the hedge, there is a formal designation and documentation of the hedging relationship;
- the effectiveness of the hedging relationship can be demonstrated from the outset and at each balance sheet date, prospectively and retrospectively.

### Financial instruments designated as hedging instruments

When derivatives are designated as hedging instruments, their accounting treatment varies depending on whether they are designated as:

- a fair value hedge of an asset or a liability or of an unrecognized firm commitment; or
- a cash-flow hedge.

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### Fair value hedge

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A fair value hedge is a hedge of the exposure to changes in fair value of a financial liability or an unrecognized firm commitment.

The gain or loss from the change in fair value of the hedging instrument is recognized in profit or loss on a symmetrical basis with the gain or loss from the change in fair value of the hedged item. These two remeasurements offset each other within the same line items in the income statement, except for the ineffective portion of the hedge.

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### Cash flow hedge

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A cash flow hedge is a hedge of the exposure to variability in future cash flows associated with an existing asset or liability, or a highly probable forecast transaction.

The effective portion of the gain or loss from remeasurement at fair value of the hedging instrument is recognized in equity and the ineffective portion is recognized in the income statement for the period.

Cumulative gains or losses in equity are reclassified to the income statement in the period when the hedged item affects profit.

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When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss carried in equity at the time remains in equity and is recognized in the income statement when the forecast transaction is ultimately recognized in the income statement.

When a forecast transaction is no longer expected to occur, the cumulative gain or loss carried in equity is immediately transferred to the income statement.

### Other derivatives

Derivatives not designated as hedging instruments are classified as "Financial assets at fair value through profit and loss". Any changes in their fair value are booked in financial income or expense.

## Interest rate risk: fixed/variable interest rate analysis

### ▸ Hedging impact

- Before hedging

Debt before interest rate hedging breaks down as follows:



(in € millions)	2023			2022		
	Amount	Interest rate	% of total debt	Amount	Interest rate	% of total debt
Fixed-rate debt <sup>(1)</sup>	4,056	1.9%	100%	2,806	1.1%	100%
Variable-rate debt	-	0.0%	0%	-	0.0%	0%
<b>Debt*</b>	<b>4,056</b>	<b>1.9%</b>	<b>100%</b>	<b>2,806</b>	<b>1.1%</b>	<b>100%</b>

\* 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)	2023			2022		
	Amount	Interest rate	% of total debt	Amount	Interest rate	% of total debt
Fixed-rate debt	2,634	2.4%	65%	1,415	1.2%	50%
Variable-rate debt	1,422	5.2%	35%	1,391	3.3%	50%
<b>Debt*</b>	<b>4,056</b>	<b>3.4%</b>	<b>100%</b>	<b>2,806</b>	<b>2.2%</b>	<b>100%</b>

\* Excluding bank overdrafts.

### ▸ Hedging of interest rate risk

Interest rate risk on fixed rate debt and variable rate financial assets is hedged using swaps where the Group receives a fixed rate and pays a variable rate, and swaps where the Group receives a variable rate and pays a fixed rate:

- swaps to hedge debt in euros: notional value of €1,950 million relating to an underlying debt of €2,100 million and for a fair value of negative €120 million representing a financial liability;
- interest rate caps to hedge swapped debt in euros: notional value of €450 million relating to an underlying swapped debt of €1,950 million and for a fair value of €3 million representing a financial asset;
- swaps to hedge marketable securities in Brazilian reals: notional value of €257 million equivalent to 1,380 million Brazilian reals and for a fair value of €5 million representing a financial asset;
- swaps to hedge marketable securities in Mexican pesos: notional value of €134 million equivalent to 2,500 million pesos and for a fair value of negative €5 million representing a financial liability.

Under IFRS 9, swaps on debt are designated as hedging instruments in fair value hedges, and interest rate caps and swaps on marketable securities are designated as hedging instruments in cash flow hedges. These hedging operations have no material impact on the income statement as the efficiency ratio is almost 100%.

<i>(in € millions)</i>	<b>Notional value</b>	<b>Fair value</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029 and beyond</b>
BRL: fixed-rate receiver swaps <sup>(1)</sup>	257	5	69	37	-	72	79	-
EUR: interest rate purchase options (cap) <sup>(2)</sup>	450	3	-	450	-	-	-	-
EUR: variable-rate payer swaps	1,950	(120)	-	500	500	500	-	450
MXN: fixed-rate receiver swaps <sup>(3)</sup>	134	(5)	27	53	27	-	27	-
<b>Total</b>	<b>2,791</b>	<b>(117)</b>	<b>96</b>	<b>1,040</b>	<b>527</b>	<b>572</b>	<b>106</b>	<b>450</b>

(1) BRL 1,380 million (€257 million) in swaps to hedge marketable securities of the Ticket Serviços SA, Repom and Ticket Log entities.

(2) EUR 450 million in interest rate caps to hedge variable-rate debt.

(3) MXN 2,500 million (€134 million) in swaps to hedge marketable securities of the Edenred Mexico entity.

## Interest rate risk sensitivity

Edenred is exposed to the risk of fluctuations in interest rates, given:



- the cash flows related to variable-rate debt, after hedge accounting; and
- derivative financial instruments eligible for cash flow hedge accounting for the ineffective portion of the hedging relationships.

The analysis below has been prepared assuming that the amount of the debt and the notional amounts of derivative instruments at December 31, 2023 remain constant over one year.

A 100 basis point change in interest rates (mainly the 3-month Euribor) would have the following impacts on equity and profit (before tax) at year-end:

<i>(in € millions)</i>	<b>Profit</b>		<b>Equity</b>	
	<b>100 bp decrease in rates</b>	<b>100 bp increase in rates</b>	<b>100 bp decrease in rates</b>	<b>100 bp increase in rates</b>
Debt at variable rate after hedge accounting	16	(16)	-	-
Derivatives eligible for cash flow hedge accounting	(4)	4	(1)	-
<b>Total</b>	<b>12</b>	<b>(12)</b>	<b>(1)</b>	<b>-</b>

## Foreign exchange risk: currency analysis

### ▸ Hedging impact

- Before hedging

Debt before currency hedging breaks down as follows:



(in € millions)	2023			2022		
	Amount	Interest rate	% of total debt	Amount	Interest rate	% of total debt
EUR	4,048	1.9%	100%	2,799	1.1%	100%
Other currencies	8	6.2%	0%	7	7.6%	0%
<b>Debt*</b>	<b>4,056</b>	<b>1.9%</b>	<b>100%</b>	<b>2,806</b>	<b>1.1%</b>	<b>100%</b>

\* Excluding bank overdrafts.

- After hedging

Debt after currency hedging breaks down as follows:



(in € millions)	2023			2022		
	Amount	Interest rate	% of total debt	Amount	Interest rate	% of total debt
EUR	3,676	3.2%	91%	2,764	2.2%	98%
Other currencies	380	5.5%	9%	42	5.6%	2%
<b>Debt*</b>	<b>4,056</b>	<b>3.4%</b>	<b>100%</b>	<b>2,806</b>	<b>2.2%</b>	<b>100%</b>

\* Excluding bank overdrafts.

## Currency hedges



For each currency, the "nominal value" corresponds to the amount of currency sold or purchased forward. Fair value is the difference between the amount converted at the period-end forward rate (which is different from the contract-date forward rate) and at the spot rate on the hedge's inception date.

All currency transactions carried out by the Group, as listed below, are hedging transactions. They consist of designated hedges of intra-group loans and borrowings in foreign currencies and correspond to documented fair value hedging relationships.

Currency hedging breaks down as follows:



(in € millions)	Nominal value	Fair value	2024	2025	2026	2027	2028	2029 and beyond
MXN	2	-	2	-	-	-	-	-
<b>Forward purchases and currency swaps</b>	<b>2</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
GBP	319	1	319	-	-	-	-	-
AED	29	-	29	-	-	-	-	-
USD	24	1	24	-	-	-	-	-
<b>Forward sales and currency swaps</b>	<b>372</b>	<b>2</b>	<b>372</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>374</b>	<b>2</b>	<b>374</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Sensitivity to exchange rates

A 10% increase in the currency exchange rates of the major currencies would have the following impacts on EBIT: Brazil (BRL) negative €20 million, United Kingdom (GBP) negative €5 million and Mexico (MXN) negative €4 million.

A 10% decrease in the currency exchange rates of the major currencies would have the following impacts on EBIT: Brazil (BRL) positive €20 million, United Kingdom (GBP) positive €5 million and Mexico (MXN) positive €4 million.

## Liquidity risk



The tables below show the repayment schedule of debt, interest included.

Future cash flows relating to interest rates are calculated using market interest rates at December 31, 2023. Variable rates are estimated by reference to forecast rates and fixed rates are known in advance. Future cash flows represented by debt repayments are estimated based on the assumption that the facilities will not be rolled over at maturity.



## At December 31, 2023



(in € millions)	Dec. 31, 2023 carrying amount	Total contrac- tual flows	2024	2025	2026	2027	2028	2029 and beyond
Convertible bonds	889	889	500	-	-	-	389	-
Bonds	3,157	3,157	-	476	973	470	-	1,238
Schuldschein	-	-	-	-	-	-	-	-
Neu CP	-	-	-	-	-	-	-	-
Bank borrowings	10	10	9	-	1	-	-	-
Future interest	-	-	-	-	-	-	-	-
Bank overdrafts	27	27	27	-	-	-	-	-
<b>Debt</b>	<b>4,083</b>	<b>4,083</b>	<b>536</b>	<b>476</b>	<b>974</b>	<b>470</b>	<b>389</b>	<b>1,238</b>
Other financial liabilities	387	387	69	88	77	46	11	96
Future interest	-	356	79	74	64	38	35	66
Other financial liabilities	387	743	148	162	141	84	46	162
<b>Debt and other financial liabilities</b>	<b>4,470</b>	<b>4,826</b>	<b>684</b>	<b>638</b>	<b>1,115</b>	<b>554</b>	<b>435</b>	<b>1,400</b>

## At December 31, 2022



(in € millions)	Dec. 31, 2022 Carrying amount	Total contrac- tual flows	2023	2024	2025	2026	2027	2028 and beyond
Convertible bonds	886	886	-	500	-	-	-	386
Bonds	1,876	1,876	-	-	455	457	447	517
Schuldschein	32	32	32	-	-	-	-	-
Neu CP	-	-	-	-	-	-	-	-
Bank borrowings	12	12	11	1	-	-	-	-
Future interest	N/A	148	35	36	30	22	12	13
Bank overdrafts	124	124	124	-	-	-	-	-
<b>Debt</b>	<b>2,930</b>	<b>3,078</b>	<b>202</b>	<b>537</b>	<b>485</b>	<b>479</b>	<b>459</b>	<b>916</b>
Other financial liabilities	411	411	43	52	59	89	65	103
Future interest	N/A	214	54	58	40	26	16	20
Other financial liabilities	411	625	97	110	99	115	81	123
<b>Debt and other financial liabilities</b>	<b>3,341</b>	<b>3,703</b>	<b>299</b>	<b>647</b>	<b>584</b>	<b>594</b>	<b>540</b>	<b>1,039</b>

## Commodity risk

The Group had no commodity hedges at December 31, 2023.

## Credit and counterparty risk



In the normal course of business, the Group is exposed to the risk of counterparties being unable to honor their contractual obligations.

For example, the Group is exposed to credit risk in the event of default by its clients and to counterparty risk in respect of its investments of cash and its purchases of derivative instruments.

With several hundreds of thousands of corporate and public authority clients at December 31, 2023, the Group has a highly diversified customer base. Moreover, its clients include all types of entities, ranging from large and medium-sized corporates to national, regional and local public authorities to SMEs.

The Group diversifies its exposure to financial counterparties by investing available cash with a variety of leading financial institutions. About 80% of investments are with institutions rated investment grade.

Its maximum exposure to a single financial counterparty represented less than 20% of the total funds invested at the closing date.

## Financial instruments and fair value analysis of financial assets and liabilities



In accordance with IFRS 13 "Fair Value Measurement", assets carried at fair value are classified according to a three-level hierarchy. Classification depends on the inputs used to determine fair value:

- **Level 1:** Fair value is assessed by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** Fair value is assessed by reference to inputs observable either directly (i.e., prices) or indirectly (i.e., inputs derived from prices), other than quoted prices included in Level 1.
- **Level 3:** Fair value is measured by reference to inputs related to the asset or liability that are not based on market data.

### Market value of financial instruments



(in € millions)	Fair value	Dec. 31, 2023 carrying amount	Amortized cost	Fair value through profit and loss	through other comprehensive income	instruments qualifying for hedged accounting <sup>(1)</sup>	Level 1	Level 2	Level 3
<b>Assets</b>									
Non-current financial assets	129	129	42	79	-	8	-	8	79
Restricted cash	2,197	2,073	1,496	-	577	-	-	577	-
Other current financial assets	10	10	8	-	-	2	-	2	-
Other marketable securities	2,180	1,998	1,998	-	-	-	-	-	-
Cash and cash equivalents	1,354	1,354	1,316	38	-	-	38	-	-
<b>Total assets</b>	<b>5,870</b>	<b>5,564</b>	<b>4,860</b>	<b>117</b>	<b>577</b>	<b>10</b>	<b>38</b>	<b>587</b>	<b>79</b>
<b>Liabilities</b>									
Non-current debt	3,639	3,547	3,667	-	-	(120)	-	(120)	-
Other non-current financial liabilities	318	318	193	-	-	125	-	125	-
Current debt	469	509	509	-	-	-	-	-	-
Other current financial liabilities	69	69	69	-	-	-	-	-	-
Bank overdrafts	27	27	27	-	-	-	-	-	-
<b>Total liabilities</b>	<b>4,522</b>	<b>4,470</b>	<b>4,465</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>5</b>	<b>-</b>

(1) And remeasurements of hedged items.

## Derivative financial instruments



(in € millions)	IFRS classification	2023			2022		
		Fair value	Notional value	Nominal value	Fair value	Notional value	Nominal value
<b>Derivative financial instruments – asset position</b>							
Interest rate instruments	Cash flow hedge	8	676	-	4	450	-
Interest rate instruments	Fair value hedge	-	-	-	-	-	-
Currency instruments	Fair value hedge	2	-	374	-	-	-
Currency instruments	Cash flow hedge	-	-	-	-	-	-
Currency instruments	Trading	-	-	-	-	-	-
<b>Derivative financial instruments – liability position</b>							
Interest rate instruments	Cash flow hedge	(5)	165	-	(14)	325	-
Interest rate instruments	Fair value hedge	(120)	1,950	-	(203)	1,982	-
Currency instruments	Fair value hedge	-	-	-	-	-	37
Currency instruments	Cash flow hedge	-	-	-	-	-	-
Currency instruments	Trading	-	-	-	-	-	-
Other derivatives	Cash flow hedge	-	-	-	-	-	-
<b>Net derivative financial instruments</b>		<b>(115)</b>	<b>2,791</b>	<b>374</b>	<b>(213)</b>	<b>2,757</b>	<b>37</b>



Derivative instruments were measured at December 31, 2023 by applying a credit/debit valuation adjustment (CVA/DVA) for counterparty risk and embedded credit risk in accordance with IFRS 13.

The CVA/DVA for a given counterparty and for Edenred are determined by calculating the result of: (i) exposure (*i.e.*, the market value of the derivative instruments), (ii) probability of default, and (iii) loss given default. CVAs at December 31, 2023 were not material.

- Cumulative fair value of financial instruments

Changes in retained earnings related to fair value of financial instruments are detailed in the table below:



(in € millions)	2022	New transactions	Change in fair value	Reclassification to P&L	Other	2023
Cash flow hedges (after tax)	(6)	1	14	-	(2)	7
Securities at fair value	3	-	-	-	(3)	-
<b>Total</b>	<b>(3)</b>	<b>1</b>	<b>14</b>	<b>-</b>	<b>(5)</b>	<b>7</b>

## NOTE 7 Income tax – effective tax rate

### 7.1 Income tax



Income tax is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

In accordance with IAS 12 – Income Taxes, deferred taxes are recognized for temporary differences between the carrying amount of assets and liabilities and their tax base using the liability method. This method consists of adjusting deferred taxes at each period-end, based on the tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The effects of changes in tax rates (and tax laws) are recognized in the income statement for the period in which the change is adopted.



Edenred has decided that the French tax assessed on the value added by the business (CVAE), which is based on the value added reflected in the individual financial statements of French companies, had the characteristics of an income tax, as defined in IAS 12. Therefore, income tax expense also includes the expense related to the CVAE. The CVAE amounted to €1 million in 2023 and to €2 million in 2022.

#### Income tax expense and benefit



<i>(in € millions)</i>	<b>2023</b>	<b>2022</b>
Current taxes	(245)	(183)
Withholding tax	(6)	(4)
Provisions for tax risks	-	-
<b>Sub-total: current taxes</b>	<b>(251)</b>	<b>(187)</b>
Deferred taxes arising on temporary differences during the period	25	(1)
Deferred taxes arising on changes in tax rates or rules	-	-
<b>Sub-total: deferred taxes</b>	<b>25</b>	<b>(1)</b>
<b>Total income tax expense</b>	<b>(226)</b>	<b>(188)</b>

## Tax proof



<i>(in € millions)</i>	<b>2023</b>	<b>2022</b>
<b>Net profit</b>	<b>308</b>	<b>417</b>
Income tax	(226)	(188)
<b>Profit before tax</b>	<b>534</b>	<b>605</b>
<b>Standard tax rate in France</b>	<b>25.83%</b>	<b>25.83%</b>
<b>Theoretical income tax expense</b>	<b>(138)</b>	<b>(156)</b>
Differences in foreign tax rates	(7)	(7)
Tax impact of share of net profit from equity-accounted companies	-	1
Adjustments for current taxes in respect of prior years	4	1
Adjustments for taxes arising on changes in tax rates	1	3
Fines and penalties*	(41)	-
Movements in impairment of deferred tax assets	(18)	(3)
Other items**	(27)	(27)
<b>Total adjustments to theoretical income tax expense</b>	<b>(88)</b>	<b>(32)</b>
<b>Income tax expense</b>	<b>(226)</b>	<b>(188)</b>
<b>Effective tax rate</b>	<b>42.3%</b>	<b>31.0%</b>

\* Fines and penalties include in particular the impact of the non-deductibility of the ADLC fine.

\*\* Other items include the impact of permanent differences and items taxed on bases other than the Group entities' taxable profit, primarily through withholding tax, France's CVAE tax and Italy's IRAP tax.

## 7.2 Deferred taxes



Deferred taxes are recognized for all temporary differences, except when the difference arises from the initial recognition of non-deductible goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and which, at the time of the transaction, affects neither accounting profit nor taxable profit.

A deferred tax liability is recognized for all taxable temporary differences associated with investments in subsidiaries, associates and joint ventures except when:

- the Group is able to control the timing of the reversal of the temporary difference; and
- it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred tax asset is recognized for ordinary and evergreen tax loss carry forwards only when it is probable that the asset will be recovered in the foreseeable future. The probability of recovery of deferred tax assets is reviewed on a periodic basis for each tax entity. Where appropriate, the review may lead the Group to derecognize deferred tax assets that had been recognized in prior years. The probability of recovery is assessed using a tax plan that indicates the taxable income outlook for the entity, as projected over a period of five years. The assumptions used in the tax plan are consistent with those used in the budgets and medium-term plans prepared by Group entities and approved by executive management.

Deferred taxes are normally recognized in the income statement. However, when the underlying transaction is recognized in equity, the related deferred tax is also recorded in equity. Adjustments to deferred tax assets acquired in a business combination are recognized in profit or loss without a corresponding adjustment to goodwill.

In accordance with IAS 12, deferred taxes are not discounted.

An entity shall simultaneously offset deferred tax assets and deferred tax liabilities if, and only if:

- Edenred has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

## Details of recognized deferred tax assets and liabilities

Deferred tax assets at December 31, 2023 and any changes over the period break down as follows by type:

	2022	Profit and loss	Changes in consolidation scope	Other comprehensive income	Currency translation adjustment	Other	2023
Property, plant and equipment and intangible assets (including PPAs, goodwill and impairment)	(115)	(24)	(116)	-	(3)	(2)	(260)
IAS 19 provisions	4	-	-	-	-	1	5
Other provisions	20	19	-	-	(1)	2	40
Financial instruments	(6)	7	-	(7)	1	(5)	(10)
Tax loss carryforwards	57	19	-	-	-	2	78
Other	(63)	4	1	-	-	4	(54)
<b>Total</b>	<b>(103)</b>	<b>25</b>	<b>(115)</b>	<b>(7)</b>	<b>(3)</b>	<b>2</b>	<b>(201)</b>
Of which deferred tax assets		35					55
Of which deferred tax liabilities		138					256

Tax loss carryforwards break down as follows by maturity:

(in € millions)	2023
2024	8
2025	16
2026	1
2027	11
2028 and beyond	68
Indefinite	342
<b>Total</b>	<b>446</b>

At December 31, 2023, unrecognized deferred tax assets on tax loss carryforwards amounted to €32 million, including €10 million for Slovakia, €7 million for Edenred SE and €3 million each for China, India and Singapore.

At December 31, 2022, unrecognized deferred tax assets on tax loss carryforwards amounted to €20 million, including €7 million for Slovakia, €4 million for China and €2 million for India and Singapore.

## NOTE 8 Equity



At December 31, 2023, total equity attributable to owners of the parent amounted to a negative €679 million. This negative value is mainly due to the legacy of the financial statements established for Edenred's demerger from the Accor group in July 2010.

In these financial statements, equity represented a negative €1,044 million at December 31, 2010. This is due to the recognition at historical cost of assets contributed or sold to Edenred by Accor through the asset contribution-demerger transaction. 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.

None of the legal restructuring operations, whether consisting of asset contributions or sales by Accor in favor of Edenred, qualify as business combinations under IFRS 3. Whatever the legal method used to create the Edenred group, the transactions would not have changed Edenred's scope as defined in the consolidated financial statements. Consequently, the contributions were analyzed as an internal restructuring of Edenred without any effect on Edenred's consolidated financial statements, to the extent that all of the contributed entities were already included in the scope of the consolidated financial statements. Similarly, the legal sale transactions between Accor and Edenred did not constitute acquisitions for Edenred, because all of the sold entities were already included in the scope of Edenred's combined financial statements prior to the legal sale transactions. However, in Edenred's financial statements, the sales led to an outflow of cash to the shareholder, Accor, without any benefit being received in return. The cash outflow therefore had to be recognized when it occurred as a distribution of reserves by Edenred, giving rise to a reduction in equity.

### 8.1 Equity

#### Issued capital

At December 31, 2023, the Company's capital was made up of 249,588,059 shares with a par value of €2 (two euros) each, all fully paid up.

These 249,588,059 shares are ordinary shares with rights to distributions of interim and final dividends, reserves or equivalent amounts.

#### Change in capital in number of shares



	2023	2022
<b>At January 1</b>	<b>249,588,059</b>	<b>249,588,059</b>
Capital increase linked to dividend payments	-	-
Shares issued on conversion of performance share rights	208,027	237,971
Shares issued on exercise of stock options	-	-
Share cancellation	(208,027)	(237,971)
<b>At December 31</b>	<b>249,588,059</b>	<b>249,588,059</b>

## Treasury shares

Edenred shares held by the Group are recorded as a deduction from consolidated equity at cost. Capital gains/losses on disposal of Edenred shares are recognized directly in equity and do not affect profit for the financial year.



<i>(in number of shares)</i>	<b>2023</b>	<b>2022</b>
<b>Shares at beginning of period</b>	<b>578,971</b>	<b>1,052,018</b>
<b>Purchases of shares</b>		
Share buy-back agreements	400,460	141,395
Liquidity contracts	65,553	(134,619)
<b>Sales of shares</b>		
Purchase option exercise, bonus shares and capital allocations	(204,728)	(241,852)
Share cancellation	(208,027)	(237,971)
<b>Shares at end of period</b>	<b>632,229</b>	<b>578,971</b>

Edenred SE shares held by the Company are measured at cost and recorded as a deduction from equity under "Treasury shares".

At December 31, 2023, a total of 632,229 shares were held in treasury. It held 578,971 shares in treasury at end-2022.

Entity to which the custody of the liquidity contract* has been assigned	Period	<b>2023</b>				<b>2022</b>			
		Sold		Purchased		Sold		Purchased	
		No.	Total (in € millions)	No.	Total (in € millions)	No.	Total (in € millions)	No.	Total (in € millions)
Kepler	Since Jun. 3, 2019	-	-	-	-	5,042,228	225	4,850,449	215
BNP Paribas Exane	Since Jul. 5, 2022	2,793,290	156	2,858,843	159	1,567,452	78	1,624,612	80

\* In accordance with the code of ethics published by the *Association française des marchés financiers* (AMAFI) on March 8, 2011 and recognized by the French financial markets authority (*Autorité des marchés financiers* – AMF) on March 21, 2011.

The funds allocated to liquidity contracts but not invested in Edenred shares represent liquid assets and are classified as cash and cash equivalents.

## Dividends

### 2023 dividend

At the Edenred General Meeting called to approve the financial statements for the year ended December 31, 2023, shareholders will be asked to approve a dividend of €1.10 per share, representing €0.10 growth compared with 2022, in line with the Group's progressive dividend policy.

Subject to approval by the General Meeting, this dividend will be granted during the first half of 2024. The dividend was not recognized under liabilities in the financial statements for the year ended December 31, 2023 as these financial statements were presented before appropriation of profit.



## 8.2 Earnings per share



### Basic earnings per share

Basic earnings per share are calculated by dividing net profit (attributable to owners of the parent) by the weighted average number of shares outstanding during the year (adjusted to exclude shares held in treasury during the year).

### Diluted earnings per share

Diluted earnings per share are calculated based on the average number of outstanding shares, as adjusted to include the weighted average number of shares that would result from the exercise, during the year, of existing stock options and any other dilutive instruments.

Diluted earnings per share are based on the average number of outstanding shares adjusted to take into account the effect of the potential ordinary shares.



At December 31, 2023, the Company's share capital was made up of 249,588,059 ordinary shares.

At December 31, 2023, the number of shares outstanding and the weighted average number of ordinary shares outstanding broke down as follows:

<i>(in shares)</i>	<b>2023</b>	<b>2022</b>
Share capital at end of period	249,588,059	249,588,059
<b>Number of shares outstanding at beginning of period</b>	<b>249,009,088</b>	<b>248,536,041</b>
Number of shares issued for dividend payments	-	-
Number of shares issued on conversion of performance share plans	208,027	237,971
Number of shares issued on conversion of stock option plans	-	-
Number of shares canceled	(208,027)	(237,971)
<b>Issued shares at end of period excluding treasury shares</b>	<b>-</b>	<b>-</b>
Treasury shares not related to the liquidity contract	12,295	338,428
Treasury shares under the liquidity contract	(65,553)	134,619
<b>Treasury shares</b>	<b>(53,258)</b>	<b>473,047</b>
Number of shares outstanding at end of period	248,955,830	249,009,088
Adjustment to calculate weighted average number of issued shares	(12,002)	(4,553)
Adjustment to calculate weighted average number of treasury shares	88,525	(11,596)
<b>Total weighted average adjustment</b>	<b>76,523</b>	<b>(16,149)</b>
<b>Weighted average number of shares outstanding during the year</b>	<b>249,032,353</b>	<b>248,992,939</b>

In addition, 1,678,714 performance shares were granted to employees between 2021 and 2023. Conversion of all of these potential shares, and of the bonds convertible into and/or exchangeable for new and/or existing shares (OCEANES) the number of shares outstanding would total 264,987,626.

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

- from January 1, 2023 to December 31, 2023 for Plans 14, 15, 16 and 17 (€55.26);

- from February 23, 2023 to December 31, 2023 for Plan 18 (€56.16); and
- from July 26, 2023 to December 31, 2023 for Plan 19 (€54.77).

The weighted average number of shares used to calculate diluted earnings at December 31, 2023 was 264,473,352.



	2023	2022
<b>Net profit attributable to owners of the parent</b> <i>(in € millions)</i>	<b>267</b>	<b>386</b>
Weighted average number of issued shares <i>(in thousands)</i>	249,576	249,584
Weighted average number of treasury shares <i>(in thousands)</i>	(544)	(591)
<b>Number of shares used to calculate basic earnings per share</b> <i>(in thousands)</i>	<b>249,032</b>	<b>248,993</b>
<b>Basic earnings per share</b> <i>(in €)</i>	<b>1.07</b>	<b>1.55</b>
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>	1,088	1,003
Convertible bonds <i>(in thousands)</i>	14,353	14,353
<b>Number of shares used to calculate diluted earnings per share</b> <i>(in thousands)</i>	<b>264,473</b>	<b>264,349</b>
<b>Diluted earnings per share</b> <i>(in €)</i>	<b>1.01</b>	<b>1.46</b>

## 8.3 Non-controlling interests

(in € millions)

<b>2021</b>	<b>84</b>
Net profit from non-controlling interests for the year	31
Dividends paid to non-controlling interests	(14)
Changes in consolidation scope	9
Capital increase	-
Other	(6)
Currency translation adjustment	3
Fair value adjustments to financial instruments and assets at fair value through other comprehensive income	(2)
<b>2022</b>	<b>105</b>
Net profit from non-controlling interests for the year	41
Dividends paid to non-controlling interests	(29)
Changes in consolidation scope	(14)
Capital increase	-
Other	2
Currency translation adjustment	3
Fair value adjustments to financial instruments and assets at fair value through other comprehensive income	2
<b>2023</b>	<b>110</b>

Changes in consolidation scope in 2022 correspond mainly to the acquisition of a 51% controlling interest in Greenpass and the exercise of the call option on the remaining 20% of The Right Fuel Card (TRFC).

Changes in consolidation scope in 2023 relate mainly to the acquisition of a 28.29% stake in Edenred PayTech (see Note 2 "Acquisitions, development projects and disposals").

## NOTE 9 Employee benefits

### 9.1 Share-based payments

#### Performance share plans



IFRS 2 – Share-based Payment applies to the performance share plans set up by the Board of Directors on March 10, 2020, May 6, 2020, May 11, 2021, October 19, 2021, February 23, 2022, July 26, 2022, February 23, 2023 and July 26, 2023.

The recognition principles are the same as those applied to stock option plans.

The number of performance shares is reviewed annually based on changes in the probability of the performance objectives being met.

#### • Main characteristics

The duration of the 2020 to 2023 plans is three years for all beneficiaries.

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.

Under the three-year Plan 19, the 23,950 shares granted on July 26, 2023 will vest on July 26, 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.

The performance objectives are as follows:

	Weight		Conditions	
	75% of the shares granted	25% of the shares granted		
<b>Plan 12</b>				
Plan of March 10, 2020 502,551 shares	Two internal performance objectives, linked to like-for-like growth in operating EBIT and funds from operations before non-recurring items (FFO)	One market performance objective, linked to Edenred's total shareholder return (TSR) compared with the average TSR of the companies in the SBF 120 index	The performance objectives were partially met for Plans 12 and 13.	
<b>Plan 13</b>				
Plan of May 6, 2020 12,013 shares				
<b>Plan 14</b>				
Plan of May 11, 2021 527,258 shares				
<b>Plan 15</b>				
Plan of October 19, 2021 8,500 shares				
<b>Plan 16</b>				
Plan of February 23, 2022 646,845 shares	Two internal performance objectives, linked to like-for-like growth in EBITDA and three CSR indicators (diversity, GHG emissions and nutrition)	One market performance objective, linked to Edenred's total shareholder return (TSR) compared with the average TSR of the companies in the SBF 120 index		The performance objectives are still being assessed for Plans 14, 15, 16, 17, 18 and 19
<b>Plan 17</b>				
Plan of July 26, 2022 37,700 shares				
<b>Plan 18</b>				
Plan of February 23, 2023 626,185 shares				
<b>Plan 19</b>				
Plan of July 26, 2023 23,950 shares				

## ▸ 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.

The current fair value of Plan 18 is €48.46 per share, compared with a share price of €53.10 on February 23, 2023, the grant date. The current fair value of Plan 19 is €52.20 per share, compared with a share price of €57.20 on July 26, 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 plans amounted to €7 million in 2023.



	2020		2021		2022		2023	
	Plan 12	Plan 13	Plan 14	Plan 15	Plan 16	Plan 17	Plan 18	Plan 19
Fair value of benefits for French tax residents	37.79	33.66	40.31	43.94	36.68	43.92	52.20	57.20
Fair value of benefits for non-residents	37.79	33.66	40.31	43.94	36.68	43.92	52.20	57.20
Expense recognized* (in € millions)	16		17		21		24	

\* With a corresponding adjustment to equity for the duration of the plan.

## 9.2 Provisions for pensions and other post-employment benefits



The Group's obligation is determined by the projected unit credit method based on actuarial assumptions related to future salary levels, retirement age, mortality, staff turnover and discount rates. These assumptions take into account the macroeconomic situation and other specific circumstances in each country where the Group operates.

The fair value of the plan assets intended to hedge retirement obligation and other long-term employee benefits is used in order to evaluate the amount of the liability related to them. Pension and other retirement benefit obligations recognized in the balance sheet correspond to the discounted present value of the defined-benefit obligation less the fair value of plan assets. Any surpluses, corresponding to the excess of the fair value of plan assets over the projected benefit obligation, are recognized only when they represent future economic benefits available for the Group, for instance in the form of refunds from the plan or reductions in future contributions to the plan.

The net defined-benefit obligation is recognized in the balance sheet under "Non-current provisions".

For defined-benefit plans, current and past service costs are recognized in operating expenses.

For post-employment benefits, actuarial gains and losses arising from changes in actuarial assumptions and experience adjustments are recognized immediately in equity.

However, actuarial gains and losses related to current employees' long-term benefits, particularly long-service awards and loyalty bonuses, are recognized immediately in net financial expense.



Group employees receive three kinds of benefits:

- 1) **Short-term benefits:** Paid vacation, paid sick leave and profit-shares.
- 2) **Long-term benefits:** Long-service awards, long-term disability benefits, loyalty bonuses and seniority bonuses.
- 3) **Post-employment benefits:**
  - a. **Defined-contribution plans:** Obligations under these plans are funded by periodic contributions to external organizations that are responsible for the administrative and financial management of the plans. Contributions to these plans are recognized immediately as an expense. The external organization is responsible for all benefit payments and the Group has no liability beyond the payment of contributions.  
  
Contributions to these plans are recognized in the period to which they relate.
  - b. **Defined-benefit plans (end-of-career compensation, pension funds):** For defined-benefits plans, the Group assesses its obligation in accordance with IAS 19 (revised) – Employee Benefits. These plans are characterized by the employer's obligation toward employees. If they are not entirely pre-funded, a provision must be set aside.

For Edenred, the main post-employment defined-benefit plans concern:

- Defined-benefit pension plans, for which the benefits are calculated as follows:
  - lump-sum payments made to employees on retirement, determined by reference to the employee's years of service and final salary;
  - calculation based on factors defined by the Finance and Human Resources Departments each year;
  - a provision is recognized in the statement of financial position in respect of the benefit obligation calculated.

These plans mainly concern: Edenred SE, Edenred France and ProwebCE in France, Edenred UK in the United Kingdom, Ticket Serviços Brazil in Brazil, and Servicios Edenred and Edenred Mexico in Mexico. The 2023 French pension reform has not had any significant impact on commitments at December 31, 2023.

- Length-of-service awards in Italy:
  - lump-sum payments made to employees on retirement, resignation or dismissal, determined by reference to the employee's years of service and final salary;
  - a provision is recognized in the statement of financial position in respect of the benefit obligation calculated.
  
- The Edenred group's pension obligations are funded under insured plans or by external funds. Plan assets therefore consist mainly in the classes of assets held in insurers' general portfolios managed according to conservative investment strategies.

## Actuarial assumptions

Actuarial valuations are based on a certain number of long-term factors defined by the Group, which are reviewed each year.



2023	United			
	France	Kingdom	Belgium	Italy
Rate of future salary increases	3.0%	-	3.0%	2.0%
Discount rate	3.2%	5.6%	3.2%	4.1%
Inflation rate	2.0%	3.6%	2.0%	2.0%

2022	United			
	France	Kingdom	Belgium	Italy
Rate of future salary increases	3.0%	-	3.0%	2.0%
Discount rate	3.7%	4.6%	3.7%	3.7%
Inflation rate	2.0%	2.3%- 3%	2.0%	2.0%

## Funded status of post-employment defined-benefit plans and long-term employee benefits

To improve legibility, Edenred has decided to present only non-zero and/or material aggregates.

▶ At December 31, 2023



<i>(in € millions)</i>	Defined-benefit pension plans	Other defined- benefit plans*	Total
Present value of funded obligation	14	-	14
Fair value of plan assets	(18)	-	(18)
<b>Surplus (deficit)</b>	<b>(4)</b>	<b>-</b>	<b>(4)</b>
Present value of unfunded obligation	-	17	+17
<b>Liabilities recognized in the balance sheet</b>	<b>(4)</b>	<b>17</b>	<b>13</b>

\* Including length-of-service awards and loyalty bonuses.

▶ At December 31, 2022



<i>(in € millions)</i>	Defined-benefit pension plans	Other defined- benefit plans*	Total
Present value of funded obligation	15	-	15
Fair value of plan assets	(18)	-	(18)
<b>Surplus (deficit)</b>	<b>(3)</b>	<b>-</b>	<b>(3)</b>
Present value of unfunded obligation	-	15	+15
<b>Liabilities recognized in the balance sheet</b>	<b>(3)</b>	<b>15</b>	<b>12</b>

\* Including length-of-service awards and loyalty bonuses.



## Change in funded status of post-employment defined-benefit plans by region



Pension plans										
(in € millions)	France	United Kingdom	Belgium	Italy	Other*	Rest of the World	Total	Other benefits	Total 2023	Total 2022
<b>Projected benefit obligation at beginning of period</b>	3	10	2	2	6	6	29	1	30	44
Service costs	-	-	-	-	1	1	2	-	2	2
Interest costs	-	-	-	-	-	1	1	-	1	1
Employee contributions	-	-	-	-	-	-	-	-	-	-
Past service costs (plan amendments)	-	-	-	-	(1)	-	(1)	-	(1)	(1)
Plan curtailments/settlements	-	-	1	-	-	(2)	(1)	-	(1)	-
Acquisitions (disposals)	-	-	-	-	-	-	-	-	-	-
Benefits paid	-	-	-	(1)	-	-	(1)	-	(1)	(1)
Actuarial (gains) losses	-	(1)	-	-	1	-	-	-	-	(14)
Currency translation adjustment	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	1	1	-	1	(1)
<b>Projected benefit obligation at end of period</b>	3	9	3	1	7	7	30	1	31	30

\* The impact on actuarial gains and losses is mainly due to experience adjustments resulting from the change in governance.



(in € millions)	France	United Kingdom	Belgium	Italy	Other	Rest of the World	Total	Other benefits	Total 2023	Total 2022
<b>Fair value of plan assets at beginning of period</b>	-	14	4	-	-	-	18	-	18	18
Interest income	-	-	-	-	-	-	-	-	-	-
Actual return on plan assets	-	-	-	-	-	-	-	-	-	-
Employer contributions	-	-	-	-	-	-	-	-	-	1
Employee contributions	-	-	-	-	-	-	-	-	-	-
Benefits paid	-	-	-	-	-	-	-	-	-	-
Settlements	-	1	-	-	-	-	1	-	1	(1)
Acquisitions (disposals)	-	-	-	-	-	-	-	-	-	-
Actuarial (gains) losses	-	(1)	-	-	-	-	(1)	-	(1)	2
Currency translation adjustment	-	-	-	-	-	-	-	-	-	(1)
Other	-	-	(1)	-	-	1	-	-	-	(1)
<b>Fair value of plan assets at end of period</b>	-	14	3	-	-	1	18	-	18	18



(in € millions)	France	United Kingdom	Belgium	Italy	Other	Rest of the World	Total	Other benefits	Total 2023	Total 2022
<b>Plan deficit at beginning of period*</b>	3	(4)	(2)	2	6	6	11	1	12	26
<b>Plan deficit at end of period*</b>	3	(4)	-	1	7	5	12	1	13	12

\* Including length-of-service awards and loyalty bonuses.



(in € millions)	France	United Kingdom	Belgium	Italy	Other	Rest of the World	Total	Other benefits	Total 2023	Total 2022
<b>Service costs</b>	-	-	-	-	1	1	2	-	2	2
Net interest income	-	-	-	-	-	1	1	-	1	-
<b>Cost for the period</b>	-	-	1	-	-	-	1	-	1	2
<b>Actuarial gains and losses recognized in equity</b>	-	-	-	-	1	-	1	-	1	(16)

## Changes in pension liabilities (including loyalty bonuses) between December 31, 2021 and December 31, 2023



<i>(in € millions)</i>	<b>Amount</b>
<b>Liability at December, 31st 2021</b>	<b>26</b>
Additions for the year	3
Reversals of unused amounts	(1)
Used amounts	(1)
Actuarial gains and losses for the period recognized in equity	(16)
Effect of changes in consolidation scope	-
Currency translation adjustment	1
<b>Liability at December, 31st 2022</b>	<b>12</b>
Additions for the year	4
Reversals of unused amounts	(3)
Used amounts	(1)
Actuarial gains and losses for the period recognized in equity	1
Effect of changes in consolidation scope	-
Currency translation adjustment	-
<b>Liability at December, 31st 2023</b>	<b>13</b>

Actuarial gains and losses arising from changes in assumptions and experience adjustments



<i>(in € millions)</i>	<b>2023</b>	<b>2022</b>
Actuarial (gains) and losses – experience adjustments	-	(1)
Actuarial (gains) and losses – changes in demographical assumptions	-	(2)
Actuarial (gains) and losses – changes in financial assumptions	1	(13)
<b>Actuarial (gains) losses</b>	<b>1</b>	<b>(16)</b>

### Sensitivity analysis

At December 31, 2023, a 0.5 point decrease and a 0.5 point increase in the discount rate would respectively lead to a roughly €2 million increase and a roughly €2 million decrease in the Group's projected benefit obligation.

## NOTE 10 Other provisions, income and expenses

### 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>	2023	2022
Movements in restructuring provisions	-	5
Restructuring and reorganization costs	(10)	(13)
<b>Restructuring expenses</b>	<b>(10)</b>	<b>(8)</b>
Impairment of property, plant and equipment	-	-
Impairment of intangible assets	(1)	(10)
<b>Impairment of assets</b>	<b>(1)</b>	<b>(10)</b>
Acquisition-related costs	(29)	(5)
Capital gains and losses	11	-
Movements in provisions	(155)	2
Non-recurring gains and losses	(11)	(9)
<b>Other</b>	<b>(184)</b>	<b>(12)</b>
<b>Total other income and expenses*</b>	<b>(195)</b>	<b>(30)</b>

(\*) Net cash costs included under this caption amounted to €43 million in 2023 and €20 million in 2022.

Other income and expenses in 2023 were primarily as follows:

- acquisition-related costs for €29 million, including €16 million relating to the acquisition of Reward Gateway on May 16, 2023;
- the full write-down of the asset relating to payment of the ADLC fine for €158 million;
- recognition of a €9 million loss during a platform migration in Latin America and the transfer of the historical balances of client cards;
- restructuring costs for €10 million;
- net capital gains of €11 million.

Other income and expenses in 2022 were primarily as follows:

- acquisition costs for €5 million;

- recognition of a €7 million loss during a platform migration in Latin America and the transfer of the historical balances of client cards;
- impairment of a platform in Latin America for €9 million;
- restructuring costs for €8 million.

## 10.2 Provisions



In accordance with IAS 37 – Provisions, Contingent Liabilities and Contingent Assets, a provision is recognized when the Group has a present obligation (legal, contractual or implicit) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are determined based on the best estimate of the expenditure required to settle the obligation.

Provisions for restructuring costs are recorded when the Group has a detailed formal plan for the restructuring and the plan's main features have been announced to those affected by it.



Provisions for losses due to voucher theft are calculated according to declarations and based on a percentage of the stolen vouchers' aggregate face value corresponding to the Group's best estimate of the proportion of those vouchers that will be cashed in.



Movements in non-current provisions between January 1, 2023 and December 31, 2023 can be analyzed as follows:

<i>(in € millions)</i>	2022	Impact on equity	Additions	Used amounts	Reversals of unused amounts	Currency translation adjustment	Reclassifications and changes in scope	2023
Provisions for pensions and loyalty bonuses	12	1	2	(1)	(2)	-	1	13
Provisions for claims and litigation and other contingencies	8	-	5	(1)	(4)	-	-	8
<b>Total non-current provisions</b>	<b>20</b>	<b>1</b>	<b>7</b>	<b>(2)</b>	<b>(6)</b>	<b>-</b>	<b>1</b>	<b>21</b>



Movements in current provisions between January 1, 2023 and December 31, 2023 can be analyzed as follows:

<i>(in € millions)</i>	2022	Impact on equity	Additions	Used amounts	Reversals of unused amounts	Currency translation adjustment	Reclassifications and changes in scope	2023
Restructuring provisions	1	-	2	(2)	(0)	-	-	1
Provisions for claims and litigation and other contingencies	9	-	4	(2)	(2)	-	-	9
<b>Total current provisions</b>	<b>10</b>	<b>-</b>	<b>6</b>	<b>(4)</b>	<b>(2)</b>	<b>-</b>	<b>-</b>	<b>10</b>

Taken individually, all ongoing disputes are immaterial, with the exception of those presented in *Note 10.3 "Claims, litigation and risks"*.

## 10.3 Claims, litigation and 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).

### 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, namely with regard to an alleged price cartel. 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 €158 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 €158 million and canceled the related surety. The asset associated with this ruling was recognized in other receivables.

On November 16, 2023, the Paris Court of Appeal upheld the Antitrust Authority's decision. Edenred believes that the Court of Appeal did not provide sufficiently satisfactory answers to its arguments. Edenred therefore appealed to the Court of Cassation. The asset associated with the payment of the fine, recorded under other receivables, was written down in full at December 31, 2023.

### Turkish antitrust litigation

In February 2010, the Turkish antitrust authorities conducted an investigation into Edenred Turkey and Sodexo Turkey to examine the behavior of these two entities on their market between 2007 and 2010. In July 2010, this investigation resulted in a decision to close the case without further action. After examining the application of another market participant seeking the annulment of that decision, the High Court of Justice ruled that the antitrust authorities had to conduct a full investigation of six market participants in Turkey, including Edenred, on the basis of their respective behavior on the service voucher market between 2007 and 2010.

On November 15, 2018, the Turkish antitrust authorities imposed a fine of approximately €1 million on Edenred in its capacity as a shareholder of Netser, the subsidiary set up 17 years ago with Sodexo to offer restaurant operators an efficient, low-cost technical electronic payments solution. Edenred paid the fine in the first half of 2019. The Company appealed the decision before the Ankara Administrative Court on May 31, 2019. The appeal was heard on October 22, 2020 and a decision is expected in the next few years.

### Czech Republic antitrust dispute

In 2019, the Czech antitrust authority 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. On October 24, 2023, the Chairman of the Czech antitrust authority issued his decision, confirming the findings in the first instance regarding the alleged anticompetitive practices, but annulling the fine imposed on Edenred Czech Republic for procedural reasons. The case was referred back to the court of

first instance. To date, no fine has been imposed on the Edenred Czech Republic, and the Czech antitrust authority is due to issue a new decision in the course of 2024, which may, if necessary, result in an appeal procedure lasting between 12 and 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 132 million Brazilian reais (€25 million) in penalties and interest at December 31, 2023.

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 491 million Brazilian reais (€92 million) in penalties and interest at December 31, 2023. 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 66 million Brazilian reais (€12 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. The municipality of São Paulo appealed to the Superior Court in September 2023. 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 allowance for goodwill amortization

In January 2012, the Brazilian federal tax authorities notified Ticket Serviços of a reassessment of corporate income tax and the additional contribution (IRPJ and CSLL) for the fiscal years spanning from 2007 to 2010. The principal amount of the reassessment was 97 million Brazilian reais (€18 million), plus 315 million Brazilian reais (€59 million) in penalties and interest at December 31, 2023.

During 2016, the tax authorities issued two new reassessments, in line with the previous reassessment, for 2011 and 2012.

For 2011, the principal amount of the reassessment was 25 million Brazilian reais (€5 million), plus 72 million Brazilian reais (€13 million) in penalties and interest at December 31, 2023.

For 2012, the principal amount of the reassessment was 16 million Brazilian reais (€3 million), plus 46 million Brazilian reais (€9 million) in penalties and interest at December 31, 2023.

The tax authorities disallowed the tax deductibility of the goodwill amortization recognized on the buyout of the minority interest in Ticket Serviços. The Company contests these reassessments.

For the 2007-2010 reassessment, the Company has filed a first-instance request before the judicial courts to have the reassessments canceled and an application has also been made for a stay of payment of the contested amount. In 2018, the company posted a bank guarantee in support of its application for a stay of payment in an amount of 386 million Brazilian reais (€72 million), which constitutes an off-balance sheet commitment given by the Group. On June 21, 2020, the first-instance judicial courts rejected the company's application. The Company appealed this decision before the Federal Regional Court on October 19, 2020, which overturned the decision in August 2023 and sent the case back to the court of first instance.

For the 2011-2012 reassessment, last-instance administrative proceedings on September 14, 2022 upheld the reassessment but overturned the 150% penalty. An action for annulment was lodged in Brasilia in September 2023.

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.

## 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. The tax authorities appealed this decision before 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.

## Tax audit in Italy

From July to December 2022, a tax audit was carried out at Edenred Italy covering 2018.

On December 16, 2022, the Italian tax authorities sent the Company notice that the tax audit for 2018 had been completed, challenging Edenred SE's billing of brand royalties to Edenred Italy and the valuation of Edenred UK shares transferred to Edenred SE.

From May to December 2023, a tax audit was carried out at Edenred Italy covering 2017.

On December 5, 2023, the Italian tax authorities sent the Company notice that the tax audit for 2018 had been completed, challenging Edenred SE's billing of brand royalties to Edenred Italy.



## NOTE 11 Additional information

### 11.1 Additional information about jointly controlled entities

None.

### 11.2 Related parties

For the purpose of applying IAS 24, the Group has identified the following related parties:

#### Companies accounted for by the equity method

Relations between the parent company and its associates are presented on a dedicated line in the consolidated income statement and statement of financial position.

#### Members of the Executive Committee


The Group considers all members of the Executive Committee and the members of their direct families to be related parties, as well as all companies in which a member of the Executive Committee holds significant voting rights.

Transactions with members of the Executive Committee are disclosed in full in *Note 11.3 "Compensation paid to key management staff"*.

#### Members of the Board of Directors

The Group considers all members of the Board of Directors and the members of their direct families to be related parties. The members of the Board of Directors receive annual compensation, which is determined by the Board of Directors and approved by the General Meeting. For the 2023 financial year, this compensation amounted to an aggregate €0.8 million. The Chairman and Chief Executive Officer does not receive any compensation for his duties as member of the Board of Directors. His compensation is disclosed in *Note 11.3 "Compensation paid to key management staff"*.

### 11.3 Compensation paid to key management staff



(in € millions)

	2023	2022
Short-term benefits	13	12
Share-based payments	8	7
<b>TOTAL COMPENSATION</b>	<b>21</b>	<b>19</b>

## 11.4 Statutory Auditors' fees

The table below shows the total fees billed by the Statutory Auditors that were recognized in the income statement in respect of the two periods presented:



<i>(in € millions)</i>	DELOITTE & ASSOCIÉS				ERNST & YOUNG			
	Amount (excl. tax)		%		Amount (excl. tax)		%	
	2023	2022	2023	2022	2023	2022	2023	2022
	<b>Fees paid to the Statutory Auditors for auditing the financial statements</b>							
- Issuer	(0.4)	(0.4)	19%	16%	(0.4)	(0.4)	13%	17%
- Fully consolidated subsidiaries	(1.7)	(1.5)	81%	58%	(2.3)	(1.7)	76%	74%
<b>Sub-total</b>	<b>(2.1)</b>	<b>(1.9)</b>	<b>100%</b>	<b>74%</b>	<b>(2.7)</b>	<b>(2.1)</b>	<b>89%</b>	<b>91%</b>
	<b>Fees paid to the Statutory Auditors for other services*</b>							
- Issuer	-	(0.1)	0%	2%	-	-	0%	0%
- Fully consolidated subsidiaries	-	(0.6)	0%	24%	(0.3)	(0.2)	11%	9%
<b>Sub-total</b>	<b>-</b>	<b>(0.7)</b>	<b>0%</b>	<b>26%</b>	<b>(0.3)</b>	<b>(0.2)</b>	<b>11%</b>	<b>9%</b>
<b>Total</b>	<b>(2.1)</b>	<b>(2.6)</b>	<b>100%</b>	<b>100%</b>	<b>(3.0)</b>	<b>(2.3)</b>	<b>100%</b>	<b>100%</b>

\*In 2023, these fees mainly concerned tax and payroll compliance engagements, as well as buy-side due diligence.

## 11.5 Off-balance sheet commitments

### Off-balance sheet commitments given

Off-balance sheet commitments amounted to €681 million at December 31, 2023, versus €594 million in 2022.

At December 31, 2023, off-balance sheet commitments given broke down as follows:



(in € millions)	2023				Total	2022
	<1 year	>1 year <5 years	>5 years			
Voucher sale guarantees given to the public sector	33	33	111	177	158	
Guarantees given to the public sector in Mexico	94	-	-	94	84	
Bank bonds issued in Brazil	-	-	29	29	29	
Bail bond issued within the framework of tax litigation on municipal tax in Brazil (ISS)	-	-	129	129	120	
Bail bond issued within the framework of litigation on tax allowances for goodwill amortization	-	-	102	102	65	
Capital commitments given to the Partech investment fund	1	-	12	13	6	
Intermarché bond as part of the contract with LCCC	32	-	-	32	30	
<b>Sub-total</b>	<b>160</b>	<b>33</b>	<b>383</b>	<b>576</b>	<b>492</b>	
Other*	35	9	61	105	102	
<b>Total off-balance sheet commitments given</b>	<b>195</b>	<b>42</b>	<b>444</b>	<b>681</b>	<b>594</b>	

\* Mainly comprising rental commitments not included in the scope of IFRS 16 and deposits.

To the best of the Group's knowledge and in accordance with generally accepted accounting principles, no commitments given have been omitted from the above list.

### Off-balance sheet commitments received

Off-balance sheet commitments received from third parties at December 31, 2023 amounted to €2 million. They consisted mainly in guarantees received from clients in Brazil whose contracts with the Repom subsidiary do not require prepayment.

## NOTE 12 List of consolidated companies at December 31, 2023

In accordance with regulation 2016-09 of French accounting board Autorité des Normes Comptables Françaises, the list of consolidated companies and details of the main investments in non-consolidated companies are provided below for users of the financial statements. All companies controlled by the Group or over which the Group exercises significant influence are included in the scope of consolidation. UNION TANK Eckstein GmbH & Co. KG applied the exemption from publishing annual financial statements provided for in paragraph 264 in relation with paragraph 264b of the German Commercial Code (*Handelsgesetzbuch*).

Company	Country		2023		2022		
			Method	Interest held (%)	Method	Interest held (%)	Change (%)
<b>FRANCE</b>							
Conecs	France		EQ	25.00	EQ	25.00	0.00
Edenred Corporate Payment France	France		FC	100.00	FC	100.00	0.00
Edenred France	France		FC	100.00	FC	100.00	0.00
Edenred Paiement	France		FC	100.00	FC	100.00	0.00
Ticket Fleet Pro SAS	France		FC	100.00	FC	100.00	0.00
Edenred Fuel Card A	France		NC	0.00	FC	100.00	-100.00
La Compagnie des Cartes Carburants	France		FC	100.00	FC	100.00	0.00
ProwebCE	France		FC	100.00	FC	100.00	0.00
Edenred Fleet & Mobility SAS	France		FC	100.00	FC	100.00	0.00
Addworking	France		NC	14.79	NC	14.79	0.00
Lucky Cart SAS	France		NC	22.18	NC	22.18	0.00
Andjaro	France		NC	0.00	NC	18.10	-18.10
CRCESU	France		NC	16.67	NC	16.67	0.00
Fretlink	France		NC	5.50	NC	5.50	0.00
Fuse	France		NC	9.12	NC	9.12	0.00
OONETIC SAS	France		NC	16.50	NC	16.50	0.00
CRT	France		NC	25.00	NC	25.00	0.00
RAISE	France		NC	17.00	NC	17.00	0.00
Benefiz SAS.	France		NC	11.10	N/A	N/A	N/A
Likeo	France		NC	27.03	N/A	N/A	N/A
SAS Betterway	France		EQ	48.18	EQ	48.18	0.00
Enjoy Mon CSE SAS	France		NC	0.00	FC	100.00	-100.00
Cogesco	France	New in scope	FC	100.00	N/A	N/A	N/A
<b>Europe (excl. France)</b>							
Ages Maut System GmbH & Co KG	Germany	(UTA sub-group)	EQ	16.60	EQ	16.60	0.00
Ages International GmbH & Co KG	Germany	(UTA sub-group)	EQ	16.60	EQ	16.60	0.00
Edenred Deutschland GmbH	Germany		FC	100.00	FC	100.00	0.00
Edenred Tankkarten (*)	Germany		FC	100.00	FC	100.00	0.00
Union Tank Eckstein GmbH & Co. KG	Germany	(UTA sub-group)	FC	100.00	FC	100.00	0.00
UTA GmbH	Germany	(UTA sub-group)	FC	100.00	FC	100.00	0.00
Ifemion Verwaltungs GmbH	Germany	(UTA sub-group)	FC	100.00	FC	100.00	0.00
Mercedes Service Card GmbH & Co KG	Germany	(UTA sub-group)	EQ	49.00	EQ	49.00	0.00

Company	Country		2023		2022		
			Method	Interest held (%)	Method	Interest held (%)	Change (%)
Mercedes Service Card Beteiligungs GmbH	Germany	(UTA sub-group)	EQ	49.00	EQ	49.00	0.00
Omega2 GMBH	Germany		FC	100.00	FC	100.00	0.00
Belonio GMBH	Germany		EQ	25.00	EQ	25.00	0.00
Edenred Austria GmbH	Austria		FC	100.00	FC	100.00	0.00
UTA Austria GmbH	Austria	(UTA sub-group)	FC	100.00	FC	100.00	0.00
Edenred Belgium SA	Belgium		FC	100.00	FC	100.00	0.00
PPS EU (Edenred Paytech)	Belgium		FC	100.00	FC	71.71	28.29
Edenred Bulgaria AD	Bulgaria		FC	50.00	FC	50.00	0.00
EBV Bulgaria	Bulgaria	(EBV sub-group)	FC	60.00	FC	60.00	0.00
UTA Bulgaria	Bulgaria	(UTA sub-group)	FC	100.00	FC	100.00	0.00
Nikosax A/S	Denmark	(EBV sub-group)	FC	60.00	FC	60.00	0.00
UTA España	Spain	(UTA sub-group)	FC	100.00	FC	100.00	0.00
Nikosax España	Spain	(EBV sub-group)	FC	60.00	FC	60.00	0.00
Edenred España SA	Spain		FC	100.00	FC	100.00	0.00
EBV Spain	Spain	(EBV sub-group)	FC	60.00	FC	60.00	0.00
Tarjeta Gasolina Edenred	Spain	New in scope	FC	100.00	N/A	N/A	N/A
Integro Worldwide SA	Spain	New in scope	FC	75.00	N/A	N/A	N/A
Timex Card Estonia	Estonia	(UTA sub-group)	FC	100.00	FC	100.00	0.00
UTA Estonia OÜ	Estonia	(UTA sub-group)/New in	FC	100.00	N/A	N/A	N/A
Edenred Finland	Finland		FC	100.00	FC	100.00	0.00
Vouchers Services	Greece		FC	51.00	FC	51.00	0.00
UTA Magyarország Kft.	Hungary	(UTA sub-group)	FC	100.00	FC	100.00	0.00
Nikosax HU	Hungary	(EBV sub-group)	FC	60.00	FC	60.00	0.00
Edenred Magyarország	Hungary		NC	0.00	FC	100.00	-100.00
UTA Italia s.r.l.	Italy	(UTA sub-group)	FC	100.00	FC	100.00	0.00
Edenred Italia s.r.l.	Italy		FC	100.00	FC	100.00	0.00
Edenred Italia Financiera S.r.l	Italy		NC	0.00	FC	100.00	-100.00
Easy Welfare	Italy		NC	0.00	FC	100.00	-100.00
EW Innovation	Albania		FC	100.00	FC	100.00	0.00
UTA Latvija SIA	Lithuania	(UTA sub-group)/New in	FC	100.00	N/A	N/A	N/A
Timex Card Lithuania	Lithuania	(UTA sub-group)	FC	100.00	FC	100.00	0.00
UAB Areja	Lithuania	(EBV sub-group)	FC	100.00	FC	100.00	0.00
EBV Lithuania	Lithuania	(EBV sub-group)	FC	60.00	FC	60.00	0.00
UAB UTA Lithuania	Lithuania	(EBV sub-group)/New in	FC	100.00	N/A	N/A	N/A
Edenred Luxembourg	Luxembourg		FC	100.00	FC	100.00	0.00
Cube RE SA	Luxembourg		FC	100.00	FC	100.00	0.00
Car-Pay-Diem	Luxembourg		NC	9.81	NC	9.81	0.00
Kwalyo Incentive SCSp	Luxembourg		NC	8.54	NC	8.54	0.00
UTA Nederland B.V.	Netherlands	(UTA sub-group)	FC	100.00	FC	100.00	0.00
UTASP. Z.O.O. (ex-Timex Card)	Poland	(UTA sub-group)	FC	100.00	FC	100.00	0.00
Nikosax PL	Poland	(EBV sub-group)	FC	60.00	FC	60.00	0.00
Edenred Polska	Poland		FC	100.00	FC	100.00	0.00
EBV Poland	Poland	(EBV sub-group)	FC	60.00	FC	60.00	0.00
Edenred Portugal Lda	Portugal		FC	50.00	FC	50.00	0.00
One Card	Portugal		FC	100.00	FC	100.00	0.00

Company	Country		2023		2022		
			Method	Interest held (%)	Method	Interest held (%)	Change (%)
UTA Czech s.r.o.	Czech Republic	(UTA sub-group)	FC	100.00	FC	100.00	0.00
Edenred CZ s.r.o.	Czech Republic		FC	100.00	FC	100.00	0.00
UTA Romania Services srl	Romania	(UTA sub-group)	FC	100.00	FC	100.00	0.00
Edenred Romania srl	Romania		FC	100.00	FC	100.00	0.00
Edenred Digital Technology Center	Romania		FC	100.00	FC	100.00	0.00
Benefit Systems SRL	Romania		FC	100.00	FC	100.00	0.00
Benefit Broker De Pensii Private	Romania		FC	100.00	FC	100.00	0.00
EBV Romania	Romania	(EBV sub-group)	FC	60.00	FC	60.00	0.00
UTA Freight UK Ltd	United Kingdom	(UTA sub-group)	FC	100.00	FC	100.00	0.00
Edenred UK Group Ltd	United Kingdom		FC	100.00	FC	100.00	0.00
Edenred Incentives & Motivation Limited	United Kingdom		FC	100.00	FC	100.00	0.00
Prepay Technologies Ltd (Edenred Paytech)	United Kingdom		FC	100.00	FC	71.71	28.29
Edenred Corporate Payment UK	United Kingdom		FC	100.00	FC	100.00	0.00
The Right Fuel Card Group	United Kingdom		FC	100.00	FC	100.00	0.00
Diesel 24	United Kingdom		FC	100.00	FC	100.00	0.00
JayTeeEnergy	United Kingdom		FC	100.00	FC	100.00	0.00
Be Fuelcards	United Kingdom		FC	100.00	FC	100.00	0.00
ChildCare Vouchers	United Kingdom		FC	100.00	FC	100.00	0.00
Globalv card Paysystems UK	United Kingdom		FC	100.00	FC	100.00	0.00
Stoke Talent	United Kingdom		NC	0.43	NC	0.43	0.00
ERG HoldCo Limited	United Kingdom	New in scope	FC	100.00	N/A	N/A	N/A
ERG MidCo 1 Limited	United Kingdom	New in scope	FC	100.00	N/A	N/A	N/A
ERG MidCo 2 Limited	United Kingdom	New in scope	FC	100.00	N/A	N/A	N/A
ERG BidCo Limited	United Kingdom	New in scope	FC	100.00	N/A	N/A	N/A
RG Engagement Group 2 Limited	United Kingdom	New in scope	FC	100.00	N/A	N/A	N/A
Engagement Group Limited UK	United Kingdom	New in scope	FC	100.00	N/A	N/A	N/A
RG Engagement Group 3 Limited UK	United Kingdom	New in scope	FC	100.00	N/A	N/A	N/A
RG Engagement Group 4 Limited UK	United Kingdom	New in scope	FC	100.00	N/A	N/A	N/A
RG Engagement Group 5 Limited UK	United Kingdom	New in scope	FC	100.00	N/A	N/A	N/A
International Benefits Holding Limited	United Kingdom	New in scope	FC	100.00	N/A	N/A	N/A
Asperity Employee Benefits Group	United Kingdom	New in scope	FC	100.00	N/A	N/A	N/A
Reward Gateway (UK) Limited	United Kingdom	New in scope	FC	100.00	N/A	N/A	N/A
Xexec Limited	United Kingdom	New in scope	FC	100.00	N/A	N/A	N/A
Staff Treats Limited	United Kingdom	New in scope	FC	100.00	N/A	N/A	N/A
5Mins	United Kingdom		NC	5.30	N/A	N/A	N/A
Edenred Slovakia s.r.o	Slovakia		FC	100.00	FC	100.00	0.00
UTA Slovakia s.r.o	Slovakia	(UTA sub-group)	FC	100.00	FC	100.00	0.00
Ticket Service s r o	Slovakia		FC	100.00	FC	100.00	0.00
UTA mobility SI, storitve d.o.o.	Slovenia	New in scope	FC	100.00	N/A	N/A	N/A
Edenred Sweden AB	Sweden		FC	100.00	FC	100.00	0.00
Delicard Group AB	Sweden		FC	100.00	FC	100.00	0.00
UTA Tank AG	Switzerland	(UTA sub-group)	FC	100.00	FC	100.00	0.00
Avrios International	Switzerland		NC	0.00	NC	7.38	-7.38
Timex Card Ukraine	Ukraine	(UTA sub-group)	FC	100.00	FC	100.00	0.00

Company	Country		2023		2022		
			Method	Interest held (%)	Method	Interest held (%)	Change (%)
<b>Latin America</b>							
Edenred Argentina	Argentina		FC	100.00	FC	100.00	0.00
Soporte Servicios (*)	Argentina		FC	100.00	FC	100.00	0.00
Integ SA	Argentina	New in scope	FC	75.00	N/A	N/A	N/A
Ticket Serviços Brasil	Brazil		FC	89.00	FC	89.00	0.00
Ticketseg - Corretora de seguros S.A.	Brazil		NC	0.00	FC	100.00	-100.00
Edenred Brasil Participações (*)	Brazil		FC	100.00	FC	100.00	0.00
Accentiv ' Serviços Tecnológica Da informação S/A	Brazil		FC	65.00	FC	65.00	0.00
Ticket Soluções HDFGT S.A	Brazil		FC	65.00	FC	65.00	0.00
Edenred Brasil Holding Financeira SA (*)	Brazil		FC	100.00	FC	100.00	0.00
Ticket Soluções Holding Financeira SA (*)	Brazil		FC	65.00	FC	65.00	0.00
B2B Comercio Electronico de Paces	Brazil		FC	65.00	FC	50.00	15.00
Repom SA	Brazil		FC	65.00	FC	65.00	0.00
Topazio Cartoes	Brazil		FC	50.00	FC	50.00	0.00
Ticket Freto	Brazil		EQ	46.96	EQ	46.96	0.00
Levo Log	Brazil		EQ	46.96	EQ	46.96	0.00
Edenred Serviços Empresariais	Brazil		FC	100.00	FC	100.00	0.00
Good Card	Brazil		EQ	35.00	EQ	35.00	0.00
Sysdata Tecnologia e Participacoes LTDA	Brazil		FC	65.00	FC	65.00	0.00
Greenpass Tecnologia em Pagamentos SA	Brazil		FC	33.15	FC	33.15	0.00
Integro Marketing Brasil Ltda	Brazil	New in scope	FC	75.00	N/A	N/A	N/A
Conecttec	Brazil	New in scope	EQ	10.00	N/A	N/A	N/A
Edenred Chile	Chile		FC	74.35	FC	74.35	0.00
Integro Chile S.A	Chile	New in scope	FC	75.00	N/A	N/A	N/A
Servicios Empresariales de Colombia S.A.	Colombia		FC	100.00	FC	100.00	0.00
Big Pass S.A.	Colombia		FC	100.00	FC	100.00	0.00
Integro Colombia S.A.S	Colombia	New in scope	FC	75.00	N/A	N/A	N/A
Nectar Holdings	Costa Rica		NC	0.00	EQ	30.00	-30.00
Nectar Tech International SA	Costa Rica	New in scope	FC	91.00	N/A	N/A	N/A
Servicios Y Soluciones Empresariales Ticket Edenred S.A. de C.V.	Mexico		FC	100.00	FC	100.00	0.00
Operadora de Programas de Abasto Multiple SA de CV	Mexico		FC	100.00	FC	100.00	0.00
Edenred Mexico	Mexico		FC	100.00	FC	100.00	0.00
Sinergel S.A. de C.V.	Mexico		NC	0.00	FC	100.00	-100.00
Vales y Monederos Electronicos Puntoclave	Mexico		FC	100.00	FC	100.00	0.00
Merchant Services de Mexico S.A. de C.V.	Mexico		FC	100.00	FC	100.00	0.00
Servicios Edenred	Mexico		FC	100.00	FC	100.00	0.00
Fintech Mexico	Mexico		FC	100.00	FC	100.00	0.00
Nectar Technologies Mexico	Mexico		FC	91.00	FC	75.00	16.00
Gointegro Mexico SA de CV	Mexico	New in scope	FC	75.00	N/A	N/A	N/A
Nectar Technology	Nicaragua		NC	0.00	FC	75.00	-75.00
Edenred Peru	Peru		FC	67.00	FC	67.00	0.00
Efectibono	Peru		FC	67.00	FC	67.00	0.00
Integro Peru	Peru	New in scope	FC	75.00	N/A	N/A	N/A
Westwell Group (*)	Uruguay		FC	100.00	FC	100.00	0.00
Luncheon Tickets	Uruguay		FC	100.00	FC	100.00	0.00
Promote S.A.	Uruguay		FC	100.00	FC	100.00	0.00
Ajiner Investment SA	Uruguay	New in scope	FC	75.00	N/A	N/A	N/A

Company	Country		2023		2022		
			Method	Interest held (%)	Method	Interest held (%)	Change (%)
Cestaticket Services C.A.	Venezuela		FC	57.00	FC	57.00	0.00
Inv ersiones Quattro Venezuela	Venezuela		FC	100.00	FC	100.00	0.00
Inv ersiones Cinq Venezuela	Venezuela		FC	100.00	FC	100.00	0.00
Inv ersiones Huit Venezuela	Venezuela		FC	100.00	FC	100.00	0.00
Inv ersiones Neuf Venezuela	Venezuela		FC	100.00	FC	100.00	0.00
Inv ersiones Dix Venezuela	Venezuela		FC	100.00	FC	100.00	0.00
Inv ersiones Onze 2040	Venezuela		FC	100.00	FC	100.00	0.00
Inv ersiones Douze Venezuela	Venezuela		FC	100.00	FC	100.00	0.00
Inv ersiones Seize 30	Venezuela		FC	100.00	FC	100.00	0.00
<b>Rest of the World</b>							
Reward Gateway Pty Limited	Australia	New in scope	FC	100.00	N/A	N/A	N/A
Globalv card Canada	Canada		FC	100.00	FC	100.00	0.00
Beijing Surf gold Technology Ltd	China		FC	100.00	FC	100.00	0.00
Accentiv ' Shanghai Company	China		FC	100.00	FC	100.00	0.00
Smart Fleet Maintenance Technology	China		EQ	49.00	EQ	49.00	0.00
C3 Card International Limited	United Arab Emirates		FC	100.00	FC	100.00	0.00
C3 Edenred LLC	United Arab Emirates		FC	49.00	FC	49.00	0.00
Edenred North America inc	United States		FC	100.00	FC	100.00	0.00
Edenred Commuter Benefits Solution	United States		FC	100.00	FC	100.00	0.00
Global Rewards North America	United States		FC	100.00	FC	100.00	0.00
Edenred F&M Americas Holding	United States		FC	100.00	FC	100.00	0.00
CSI Entreprises Inc	United States		FC	100.00	FC	100.00	0.00
Globalv card LLC	United States		FC	100.00	FC	100.00	0.00
Beamery Inc	United States		NC	5.74	NC	5.74	0.00
Beekeeper Holding Inc	United States		NC	3.98	NC	3.98	0.00
Dexx Technologies Inc	United States		NC	5.75	NC	5.75	0.00
Image Processing Systems.Inc	United States		FC	100.00	FC	100.00	0.00
Go connect USA LLC	United States	New in scope	FC	75.00	N/A	N/A	N/A
Reward Gateway (US) Inc.	United States	New in scope	FC	100.00	N/A	N/A	N/A
Matchup, LLC	United States	New in scope	FC	100.00	N/A	N/A	N/A
Achieve Brand Integrity, LLC	United States	New in scope	FC	100.00	N/A	N/A	N/A
Brand Integrity Solution, LLC	United States	New in scope	FC	100.00	N/A	N/A	N/A
Xexec Inc	United States	New in scope	FC	100.00	N/A	N/A	N/A
Edenred India PVT ltd	India		FC	100.00	FC	100.00	0.00
SRI Ganesh Hospitality Services Private Ltd (*)	India		FC	100.00	FC	100.00	0.00
Accentiv (India) Private Limited	India		FC	100.00	FC	100.00	0.00
Edenred Japan	Japan		FC	100.00	FC	100.00	0.00
Edenred Maroc SAS	Morocco		NC	0.00	FC	83.67	-83.67
Edenred Singapore PTE Ltd	Singapore		FC	100.00	FC	100.00	0.00
Edenred Fleet & Mobility Singapore (*)	Singapore		FC	100.00	FC	100.00	0.00
Global Rewards Singapore PTE Ltd	Singapore		NC	0.00	FC	100.00	-100.00
Smart Fleet Management Technology	Singapore		EQ	49.00	EQ	49.00	0.00
Edenred PTE Ltd. Taiwan Branch	Taiwan		FC	100.00	FC	100.00	0.00
TR Tunisie	Tunisia		NC	99.97	NC	99.97	0.00



Company	Country	2023		2022		
		Method	Interest held (%)	Method	Interest held (%)	Change (%)
Edenred Kurumsal Cozumler	Turkey	FC	100.00	FC	100.00	0.00
Accentiv Hediye Ve Danismanlik Hizmetleri	Turkey	NC	0.00	FC	100.00	-100.00
Edenred Ödeme Hizmetleri	Turkey	NC	0.00	FC	100.00	-100.00
Edenred Thailand Ltd	Thailand	FC	100.00	FC	100.00	0.00
<b>Holding &amp; Other</b>						
ASM (*)	France	FC	100.00	FC	100.00	0.00
Gaméo (*)	France	FC	100.00	FC	100.00	0.00
Landray (*)	France	FC	100.00	FC	100.00	0.00
Saminvest (*)	France	FC	100.00	FC	100.00	0.00
GABC (*)	France	FC	100.00	FC	100.00	0.00
Veninvest Quattro (*)	France	FC	100.00	FC	100.00	0.00
Veninvest Cinq (*)	France	FC	100.00	FC	100.00	0.00
Veninvest Huit (*)	France	FC	100.00	FC	100.00	0.00
Veninvest Neuf (*)	France	FC	100.00	FC	100.00	0.00
Veninvest Onze (*)	France	FC	100.00	FC	100.00	0.00
Veninvest Douze (*)	France	FC	100.00	FC	100.00	0.00
Veninvest Quatorze (*)	France	FC	100.00	FC	100.00	0.00
Veninvest Quinze (*)	France	FC	100.00	FC	100.00	0.00
Veninvest Seize (*)	France	FC	100.00	FC	100.00	0.00

FC: full consolidation method

EQ: equity method

NC: non-consolidated

(\*) Holding company

## NOTE 13 Subsequent events

### Investigation opened against Edenred Italia S.r.l.

An investigation has been opened against Edenred Italia S.r.l. and certain of its directors and officers, relating to a public tender launched in 2019.

Edenred is at the disposal of the Italian judicial authorities to provide all necessary explanations.

Edenred cannot comment while the judicial investigation is underway, but is confident of the outcome.

### Acquisition of Spirii

Edenred signed in February 2024 an agreement to acquire a majority stake in Spirii, a fast-growing Denmark-based global SaaS platform offering a broad range of electric vehicle charging solutions in Europe. Through proprietary technology and a strong partner network, Spirii covers the whole electric vehicle charging value chain by offering

a cutting-edge electric vehicle charging management platform and an intuitive end-user charging and roaming app in addition to turnkey charging solutions.

#### **Acquisition of RB**

Edenred signed in February 2024 an agreement to acquire 100% of RB, a best-in-class platform in employee transport benefits in Brazil. In addition to issuing transport cards, RB distributes third-party meal & food benefits.

## NOTE 14 Glossary

### 14.1 Business volume



Business volume comprises total issue volume of Benefits & Engagement, Incentive and Rewards, Public Social Program solutions and Corporate Payment Services, plus the transaction volume of Fleet & Mobility Solutions and other solutions.

### 14.2 Operating revenue



Operating revenue corresponds to revenue from (i) the voucher business managed by Edenred and (ii) value-added services such as incentive programs, human services and event-related services. It corresponds to the amount billed to the corporate client and is recognized on delivery of the solutions.

### 14.3 Other revenue



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.

Other revenue represents income from operations and is combined with operating revenue to determine total revenue.

### 14.4 EBITDA



This aggregate corresponds to total revenue (operating revenue and other revenue) less operating expenses (excluding depreciation, amortization and impairment). It is used as the benchmark for determining compensation at the Group level, especially for executives, as it reflects the economic performance of the business.

## 14.5 Operating EBIT



This aggregate corresponds to EBIT less other revenue.

## 14.6 EBIT



This aggregate is the “Operating profit before other income and expenses”, which corresponds to total revenue (operating revenue and other revenue) less operating expenses, depreciation, amortization (mainly intangible assets, internally generated or acquired assets) and non-operating impairment. It is used as the benchmark for determining compensation at the Group level, especially for executives, as it reflects the economic performance of the business.

EBIT excludes the net profit from equity-accounted companies and excludes the other income and expenses recognized in “Operating profit including share of net profit from equity-accounted companies”.

## 14.7 Consolidated statement of cash flows



The consolidated statement of cash flows is presented on the same basis as the management reporting schedules used internally to manage the business. It shows cash flows from operating, investing and financing activities.

Cash flows from operating activities include:

- funds from operations before other income and expenses (FFO);
- cash received and paid in relation to other income and expenses;
- changes in working capital;
- changes in restricted cash.

Cash flows from investing activities include:

- recurring expenditure to maintain in a good state of repair or to replace operating assets held at January 1 of each year and required for normal operations;
- development expenditure, including the fixed assets and working capital of newly consolidated subsidiaries and additions to fixed assets of existing subsidiaries;
- proceeds from disposals of assets.

Cash flows from financing activities include:

- changes in equity;
- changes in debt and borrowings;
- dividend payments;
- purchases/sales of treasury shares;
- acquisition of non-controlling interests.

## 14.8 Like-for-like



Like-for-like growth corresponds to organic growth, that is, at constant scope of consolidation and exchange rates. This indicator reflects the Group's business performance.

Changes in activity (like-for-like or organic growth) represent changes in amounts between the current period and the comparative period, adjusted for currency effects and for the impact of acquisitions and/or disposals. Like-for-like data temporarily excludes Venezuela, due to the country's high level of inflation.

The impact of acquisitions is eliminated from the amount reported for the current period and changes in activity are calculated in relation to this adjusted amount for the current period.

The impact of disposals is eliminated from the amount reported for the comparative period and changes in activity are calculated in relation to this adjusted amount for the comparative period.

The changes in activity thus calculated are translated at the exchange rate applicable in the comparative period and divided by the adjusted amount for the comparative period.