



H2 2024

# Shareholder letter

**adyen**

engineered  
for ambition

Net revenue

| H1<br>2023 | H2<br>2023 | H1<br>2024 | H2<br>2024 |
|------------|------------|------------|------------|
| 739.1      | 887.0      | 913.4      | 1,082.7    |



H2 ↗22%YoY

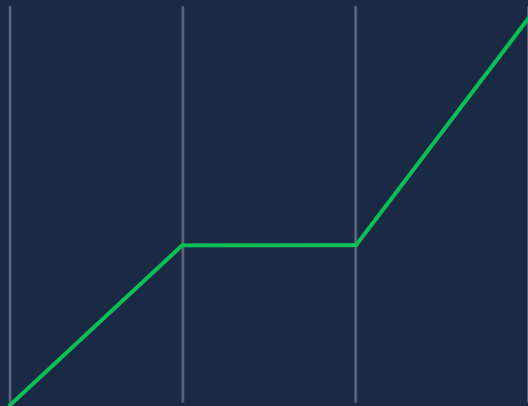
€1,082.7 MN

FY ↗23% YoY

€1,996.1 MN

EBITDA

| H1<br>2023 | H2<br>2023 | H1<br>2024 | H2<br>2024 |
|------------|------------|------------|------------|
| 320.0      | 423.0      | 423.1      | 569.2      |



H2 ↗35% YoY

€569.2 MN

FY ↗34% YoY

€992.3 MN

MARGIN 53%

MARGIN 50%

We delivered a strong period driven by continued growth with existing customers

- Net revenue growth was 22% YoY in H2 2024, driven by share of wallet expansion with existing customers and new business wins across verticals
- In a period where headcount grew at a slower pace and net revenue growth remained strong, EBITDA margin landed at 53%
- In line with our strategic priorities, we maintained our sustainable capital expenditure level of up to 5% of net revenue while investing in our office spaces and data centers

Our ability to win was clear across our most established and emerging regions

- EMEA was yet again a key net revenue contributor, growing 27% YoY, signaling that we are still at the outset of realizing our market opportunity even in our most established regions
- North America grew 21% YoY as we continued gaining market share in this key market, giving us further confidence in our double-down approach to this target region
- APAC net revenue was up 12% YoY, and LATAM showed good momentum on a constant currency basis of 12% YoY<sup>1</sup>

Our competitive differentiation widened with our platform's functionality advantage

- In Digital, our AI-powered, payment optimization suite drew on our vast dataset to optimize the full payments funnel, striking the balance between conversion, risk, and cost
- In Unified Commerce, we reliably facilitated record-setting Black Friday volumes and unlocked enhanced brand experiences with the launch of our SFO1 terminal
- Platforms remained our fastest growing pillar, with our Embedded Financial Product (EFP) suite equipping businesses to unlock new revenue streams

<sup>1</sup> While we do not report regional progress on a constant currency basis, we are providing this view for LATAM given the outsized impact of FX this period



# Further differentiating ourselves to capitalize on the long-term opportunity ahead

Dear shareholders,

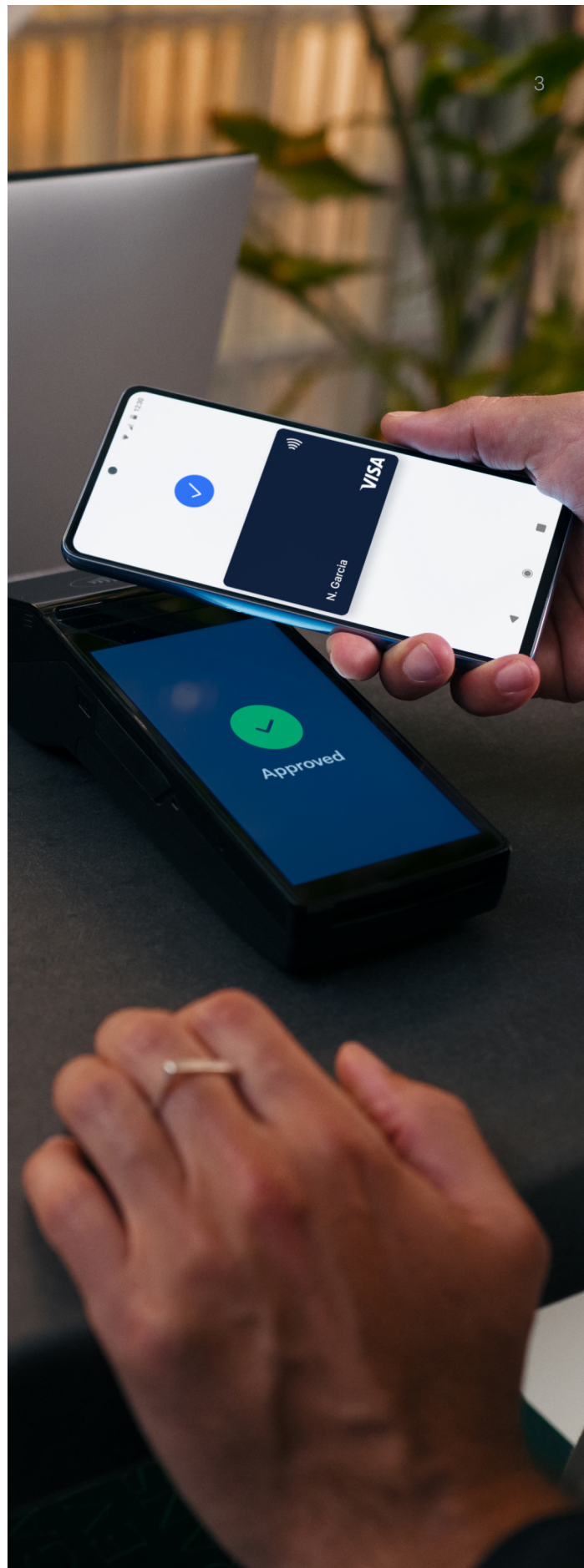
February 13, 2025

Looking back on 2024, we are proud to have delivered a strong year of growth. A productive second half contributed to this, with H2 net revenue – the metric on which we manage the business – arriving at €1,082.7 million, up 22% YoY. In line with our building blocks, expanding with existing customers remained a primary driver of this period's results, as we further increased our share of wallet. This continued expansion demonstrates our value as a long-term partner to leading global enterprises, their appetite for innovation, and the value Adyen's premium functionality brings.

Since the time of Adyen's founding in 2006, we have paved our own path by making decisions that set us apart and best position us for long-term success. These ranged from developing our tech stack entirely in-house, to building for the needs of enterprise businesses, investing in our banking and acquiring license portfolio, and scaling our global team with the highest talent standards. We have, by design, done things differently. The benefits of this approach are compounding, and allowed us to capitalize on exciting opportunities in H2.

## **Demand for payments as a key strategic enabler**

Global commerce is reaching new levels of sophistication, with customer expectations steadily increasing. Today, industries need not be convinced that payments can be a strategic revenue driver. Rather, more sectors are independently recognizing this fact, and now seeking the partner most capable of unlocking value. In tandem, consumers around the world demand the highest level of ease, speed, and channel fluidity. In fact, 61% of shoppers expect personalized experiences, and 55% will abandon their cart if their preferred payment method is not available.<sup>1</sup> Adyen has distinguished itself as the technology partner that can best meet these needs for businesses and consumers alike.



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<sup>1</sup> Adyen Retail Report 2024

Adyen's forerunning proposition results from our determination to competitively differentiate both our product and partnership capabilities. In 2024, this resolve was reflected in our Net Promoter Score (NPS) increasing to a company high of 66, as meeting customer priorities continued to guide our thinking. We can confidently say that what we offer businesses today is distinct, and that our functionality advantage is being supported by our ongoing investments.

As businesses navigate an increasingly competitive landscape, turning payments into strategic opportunities is becoming a higher priority. This tailwind benefitted us in H2, as our platform's unique abilities won us household name brands. We remained the Digital partner of choice for the world's leading content and subscription businesses, as demonstrated by our partnership with Adobe, which continues to globally expand across our payment solutions, and has in turn grown our share of wallet as one of their primary payment providers in North America and beyond. Adyen's ability to continually unlock value using a balanced approach of optimizing for costs and conversion makes us the clear choice for the world's premier enterprises.

This expertise extends beyond the digital space – it also caters to verticals relying on in-person engagement and channel fluidity. Our technology continued to reduce purchase abandonment and maximize conversion by eliminating friction at checkout, both in person and online. By enabling effortless, cross-channel experiences, we accelerate transaction speed – a crucial advantage in the quick service restaurant (QSR) segment of food and beverage (F&B), one of our focus industries. In one testament to this, in H2, we expanded our Unified Commerce partnership with KFC in APAC, where we now power their e-commerce activities alongside their existing in-person payments.

Throughout this half, we were pleased to reach industries beyond our core verticals, while further ascending in our time-tested sectors. We continued partnering with customers in the insurance and health care industries, including Thomson Medical Singapore, ModMed, and Tokio Marine – a promising representation of the digital transformation taking place. In H2, companies like Intuit, the global technology platform behind QuickBooks, Mailchimp, TurboTax, and Credit Karma – for whom security, compliance, and uptime are critical priorities – choose Adyen's payments to complement their core services in the UK. Adyen for Platforms (AfP) saw further traction in SaaS ramps, and we were pleased to reach a new Embedded Financial Products (EFP) milestone with Issuing volumes up 258% YoY.

#### **Providing our customers with a subscription to innovation**

Given the nuanced needs of global enterprises operating across currencies, payment methods, languages and beyond, it would be a misjudgment to view payments as lacking complexity or quality differences. Fraud tactics are becoming more intricate, with nearly half of global businesses (45%)





falling victim to fraudulent activity.<sup>2</sup> Regulation is tightening, particularly concerning payment data usage and protection. To address these needs, in 2024, we built and piloted Adyen Uplift. Our newly launched, AI-powered Uplift technology draws on our vast dataset to optimize the full payments funnel, striking the balance between conversion, risk, and cost simultaneously. Uplift makes the most informed, intelligent transaction decisions to enable frictionless and secure flows while controlling fraud. In our 2024 pilot, we helped businesses increase payment conversion rates by up to 6% compared to legacy implementations, underscoring the value Adyen brings.<sup>3</sup>

In H2, we remained at the industry's forefront not only from a technological perspective, but also on the regulatory front. Our ongoing investment in Intelligent Payment Routing for US Debit exemplifies the marriage of these two focus areas, as this payment framework simultaneously becomes more highly regulated and in demand. We played the long game in our approach to US Debit, for which we spent years investing in five direct connections to the debit networks, thereafter ensuring our customers could access them via our single platform integration.

Today, Adyen's Intelligent Payment Routing for US Debit seamlessly optimizes conversion and cost outcomes, with no impact on performance or the front-end consumer experience. We are pleased to have nearly doubled the number of customers adopting and benefiting from our US Debit solution YoY. And in a testament to its efficacy, in a pilot with over 20 enterprise businesses, we helped drive their profit margins with an average of 26% cost savings and a 22bps increase in authorization rate.<sup>4</sup> With our early US Debit use cases showing promise, we look forward to further tapping into this burgeoning framework.

Whether through our Uplift product or Intelligent Payment Routing, the key to unlocking meaningful outcomes for our customers is our platform's underlying artificial intelligence (AI). Indeed, the intelligence of our platform is expanding by orders of magnitude each year alongside our volume growth. Our single tech-stack was architected to capture a cohesive view of processed volumes, and in 2024, we processed €1,285.9 billion. As we have continuously highlighted, we do not view processed volumes as an adequate representation of our business growth. However, volumes do offer some insight into the sheer scale of data we are transmitting, learning from, and refining our product with. In H2, volumes were up 28% excluding a single large volume customer.

### **Delivering today while investing for the long term**

Steadily building Adyen to our current standing enables us to deliver not only for the long term – but also today – as we demonstrated during the most demanding moment in global commerce. The Black Friday/Cyber Monday (BF/CM)

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<sup>2</sup> [Adyen Fraud Findings Press Release 2024](#)

<sup>3</sup> [Adyen Uplift Press Release 2024](#)

<sup>4</sup> [Adyen Intelligent Payment Routing Press Release 2024](#)





weekend is a pinnacle example of the scale at which we are operating. Throughout the 2024 BF/CM period, Adyen's platform processed over \$34 billion in transaction value globally, with a 99.9999+% uptime.<sup>5</sup> During peak activity in retail's biggest event of the year, Adyen's systems processed more than 160k transactions per minute, enabled by advanced consumer recognition. Meanwhile, at the infrastructure level, our public APIs handled more than 25k requests per second across all data centers. We look forward to continuing to innovate at the enterprise level, while sustaining the highest levels of platform reliability.

Adyen's ability to perform at scale is not only clear from a volumes perspective, but also from a regional view. Again, our long-term investments into expanding our global reach are enabling us to deliver today, and our efforts further materialized in H2. EMEA net revenue achieved sustained growth of 27% YoY signaling that even in Adyen's most established regions, we are still at the outset of grasping our market opportunity. North America, meanwhile, grew 21% YoY, as we continued gaining market share in this target region.

APAC, a high-potential region for us, had net revenue growth of 12% YoY, in addition to contributing to regional growth elsewhere as our APAC customers internationally expanded. While growth wasn't visible on a reported basis for LATAM, we were pleased to see that on a constant currency basis, it showed promising momentum of 12% growth YoY. Now equipped with our direct Pix integration in Brazil, we are not only utilizing the country's predominant payment method to drive conversion while lowering costs – but also exploring further enhancements, such as recurring payments. As our sights remain set on deepening our presence and reputation in the region, we look forward to powering LATAM's experiences of the future.

With our global activities recently extending into India – currently the fifth largest economy in the world and likely to further climb – we are primed to enable a country rapidly transitioning to cashless payments. Adyen's activities in India serve as a clear example of how we focus on opportunities today that have the potential to drive growth over a longer-term horizon. Both domestic and global businesses are hungry to enter or expand in India, which presents a dynamic commercial landscape. Digital payments are widespread here, with accelerating adoption of the Unified Payments Interface (UPI), an instant, real-time payment system.

Though India's local regulatory environment is demanding, Adyen approaches things differently. Embracing complexity, we remained fully committed to navigating Indian regulation. This resolve generated our distinct advantage, when Adyen received authorization from the Reserve Bank of India to operate as an Online Payment Aggregator for domestic and cross-border payment. Paired with our expanding technology hub in Bengaluru, these investments combine to give us a competitive edge on the ground. We are working to be the



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<sup>5</sup> Adyen Black Friday/Cyber Monday Blog Post



leader in the region, and will be actively turning challenges into opportunities in India over the coming years.

Though we are pleased with the progress made over the course of 2024, when we zoom out, we know that these are Adyen's early days. We will continue investing in our business to further our positive trajectory. Our investment philosophy remains unchanged, and is reflected in our approach to scaling our infrastructure, platform, and global workforce for continued success. In 2024, we announced the expansion of our local footprint in San Francisco and Chicago with two larger office spaces. These hubs embody our commitment to the North American market, and will strengthen our growing commercial and tech teams, which support the gamut of local, regional, and international customers. Core to our hiring strategy is never compromising on quality, so while our 2024 net hiring was slightly less than planned, we built our team with intentionality and focus, and will continue doing so over the course of 2025. In a period in which headcount grew at a slower pace and net revenue growth remained strong, EBITDA margin landed at 53%, compared to 48% in H2 2023.

2024 was a continuation down the path we charted long ago, and we're excited by the position it puts us in to capitalize on the substantial opportunity ahead. We set out building Adyen to someday power every payment. Today, our financial technology is on its way to becoming the infrastructure behind the world's most seamless transactions – online, in person, and the experiences moving fluidly in-between. From our vantage, the runway ahead remains clear, and we will continue executing against it. This is the same path we have been progressing along, the path upon where we stand now, and where we are heading. Our long-term orientation remains, and we look forward to all that is still to come.





# Unlocking commercial success through competitive product innovation

## Digital

Adyen's Digital capabilities are where our platform first began. Across online, in-app, and subscription activities, we have long been trusted by leading enterprises to enable the most advanced digital payment flows. Our single tech stack effectively increases conversion, manages risk, and enables our customers to expand into new markets. By connecting to our platform, businesses can utilize our global acquiring capabilities, unlock local payment methods (LPMs), and internationally scale. In H2 2024, this draw was reflected in our Digital volumes growing 21% YoY excluding a single large



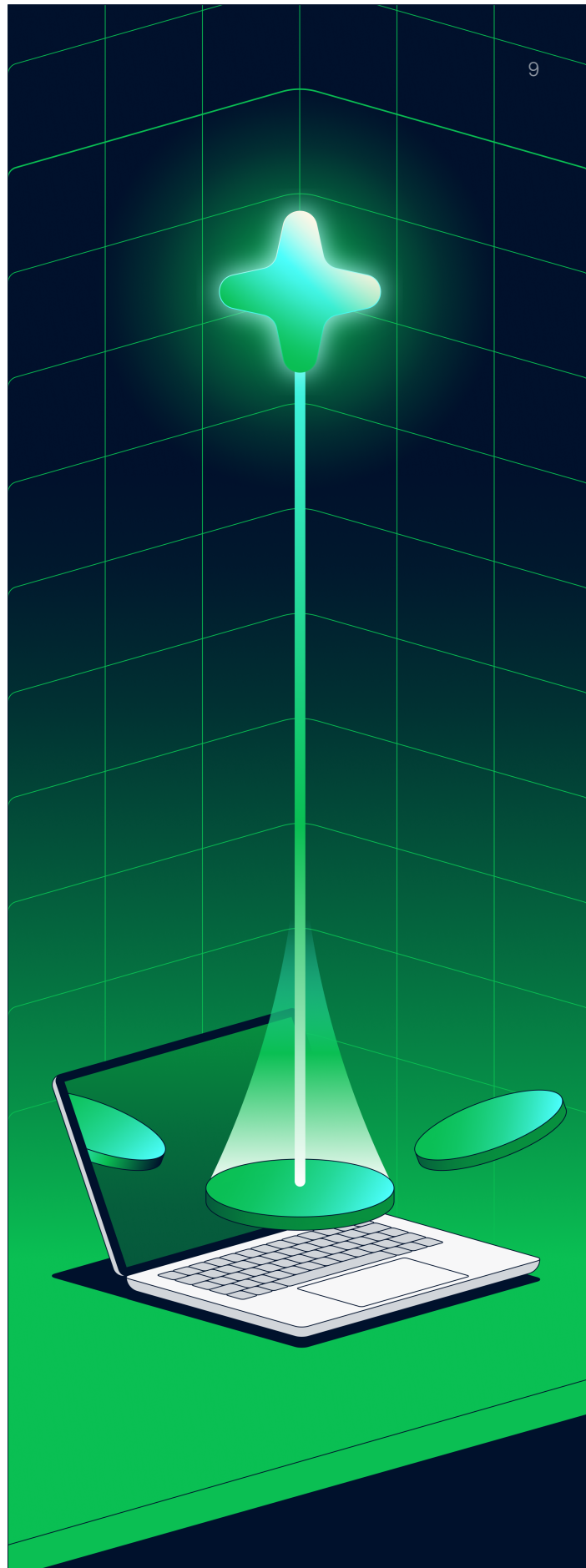
volume customer. With settlement in local currencies, plus rich insights into diverse consumer behaviors and preferences, Adyen's Digital product is pioneering in global processing.

Yet, even our most established pillar remains a space ripe for innovation. In recent years, Adyen has leveraged machine learning to improve consumer recognition, which drives authentication and mitigates fraud. This period, we pushed our technology to new heights by piloting Adyen Uplift, a payment solution optimizing every transaction with AI. Using risk-based intelligence, we help our customers get the most out of payments – opening new paths to cost savings and revenue generation in tandem. Having processed payments for over one billion consumers globally and drawing on over one trillion euros worth of global payments data, our single platform is trained to make the most informed decisions. With Uplift, our customers can benefit from tailored performance recommendations, which test different payment configurations to maximize each outcome.

Our innovative approach remains at the forefront of our enterprise appeal. This period, Adyen strengthened our long-standing strategic partnership with Zalando, Europe's leading online multi-brand fashion destination. The collaboration includes a joint focus on enhancing the security and convenience of Zalando's online payments, with continuous improvements in 3D Secure transactions as part of the Payment Services Directive 2 (PSD2) framework. One of the key innovations in our partnership is the implementation of Network Token Optimization, which has transformed Zalando's online payment process. The introduction of Network Token Optimization has enabled Zalando to achieve higher authorization rates and conversion success, while ensuring a frictionless payment experience and added convenience for Zalando shoppers.

By harnessing tokenization and AI at scale, Adyen's digital solution has pronounced decision-making advantages, which we're seeing front and center in North America as a result of our ongoing US Debit investments. Following the 2023 Durbin Amendment revision, which was modified to widen its scope and create more competition among signature networks like Visa, Mastercard, and Discover, all debit cards issued in the US have been mandatorily branded by at least one additional unaffiliated network. This increased competition has led to lower costs for enterprises, but also increased complexity.

When we saw that the cheaper networks often came with worse performance, we seized the opportunity to do things differently and better. Our intelligent payment routing not only minimizes interchange and scheme fees for lower costs, but was built to achieve this without compromising on approval rates. This can be unlocked in an instant, with no additional code required for Adyen customers. Once leveraged, our AI analyzes a range of factors for each payment – including the scheme and issuer – and then chooses the best network based on success rates and scheme fees. As Adyen remains network agnostic, we can focus fully on performance and cost reduction.



That being said, the return on investment when partnering with Adyen does not end with improved conversion. Preventing and detecting fraud is also a highly complex process, typically requiring businesses to implement extensive, manual rules to combat ever-advancing fraud techniques. With the Adyen platform, businesses are empowered to automate their fraud control – thus removing the operational burden placed upon fraud management teams. Our solution makes this possible by automating and refining risk management without relying on manual rules, successfully lowering fraud levels and reducing false positives in the process. Pilot enterprise customers saw a reduction in their manual risk rules by 86% on average, and 35% of customers completely eliminated manual rules, saving valuable time and resources.<sup>6</sup>

With businesses seeking ways to optimize costs and drive revenue, the ability to re-allocate anti-fraud resources is a great benefit, but we do not stop there. To further minimize the total cost of payments without compromising on performance, our fraud detection technology also works to save customer chargeback fees. Businesses further realized cost savings through Adyen's payment method optimizations, which tailor the consumer-facing checkout flow to their personal preferences to drive conversion. In total, our piloted Uplift product reduced payment cost by up to 5% for pilot customers in the U.S.<sup>7</sup>

**Top 100 Digital customers using local payment methods**

Using LPMs

91%



<sup>6 7</sup> [Adyen Uplift Product Page](#)



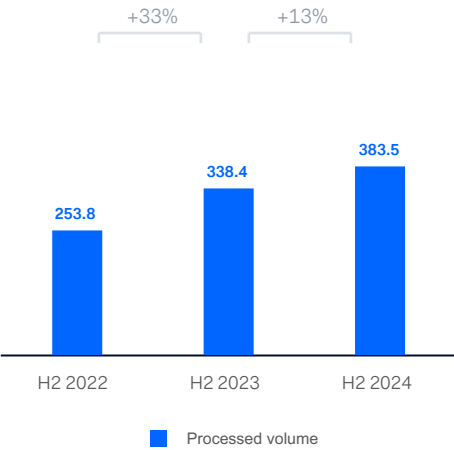


**Figure 1**

Digital: Processed volumes (in billion euros) of non-platform merchants that process over 99.5% of their volumes online



## Unified Commerce

Today's consumers are not just digital-native, but choice-native, and expect to be able to pay with their preferred payment methods across all channels. In fact, 55% of shoppers will abandon a purchase if they cannot pay in the way they would like.<sup>7</sup> To cater to this expectation of flexibility and cross-channel fluidity, businesses are steadily moving away from disconnected, legacy infrastructure in favor of a single solution that connects all channels. By removing silos, we found that 47% of businesses that connected their backend systems reported increased sales.<sup>8</sup> Adyen's Unified Commerce offering is the pre-eminent answer to this call. Adyen offers an industry-leading, in-person payment solution, with a product portfolio ranging from mobile solutions to countertop terminals, and catering to any business need — all powered by our single tech stack.

Adyen has long solidified its reputation as the foremost omni-channel solution, ensuring a smooth payment experience while fostering consumer engagement. This drove our H2 2024 Unified Commerce volumes up 35% YoY. Still, the payment landscape is rapidly evolving, with new methods and channels gaining traction. Adyen remains at the cutting-edge of this evolution with our extensive payment method suite, which continues to expand without complicating our single integration. Instead, our single platform easily unlocks enhanced, cross-channel experiences, ranging from self-service checkouts, to endless aisles, click and collect, reserve and collect, mPOS, and beyond.

## Number of Unified Commerce customers processing across channels at scale<sup>9</sup>

H2 2024

YoY

**417** ↗ **97**

Along the way, we provide global businesses with impactful insights into their operations, which not only lead to more refined front-end experiences, but can increase stickiness and unlock further brand loyalty. We see that retailers are investing significantly in their customer data infrastructure, such as tooling and loyalty programs, as well as strategies to capture more data in store. The ultimate goal is to better understand customer behavior so they can deliver personalization and improve each shopper's lifetime value.



<sup>7</sup> Adyen Retail Report 2024

<sup>8</sup> Adyen Index Unified Commerce 2024

<sup>9</sup> Defined as the number of merchants processing at least €10 million on both POS and eCommerce, with over €50 million in total processed volume in the last 12 months.



Although the digital revolution is well underway, nearly 80%<sup>10</sup> of payments still take place in person today. Adyen therefore continues to differentiate its product to best power immersive experiences across physical payment touchpoints. One embodiment of our commitment to pioneering in-person payment technology was seen in our SFO1 terminal launch, which took place in H2. The SFO1 is Adyen's proprietary multimedia countertop and Android terminal. With an 8-inch touch screen, the SFO1 enhances the payment experience by integrating the necessary functions of traditional terminals as well as facilitating unlimited branding and content opportunities on the display. This development is an exciting next step in Adyen's reimagining of in-store experiences.

With simple and effective customization options, the SFO1 helps our customers represent and enhance their brand. This can take the form of real-time insights, including through visually engaging, live purchase views that captivate and inform. It may take the form of brand marketing or loyalty program advertisements. Businesses can also deepen their customer connections with personalized experiences that boost retention. Ultimately, the SFO1 allows enterprise and platform businesses to maintain consistent brand presence and engage customers by seamlessly integrating with their point of sale (POS) systems or partners. In the process, the modernized setup reduces counter clutter and costs.

Number of transacting Unified Commerce terminals

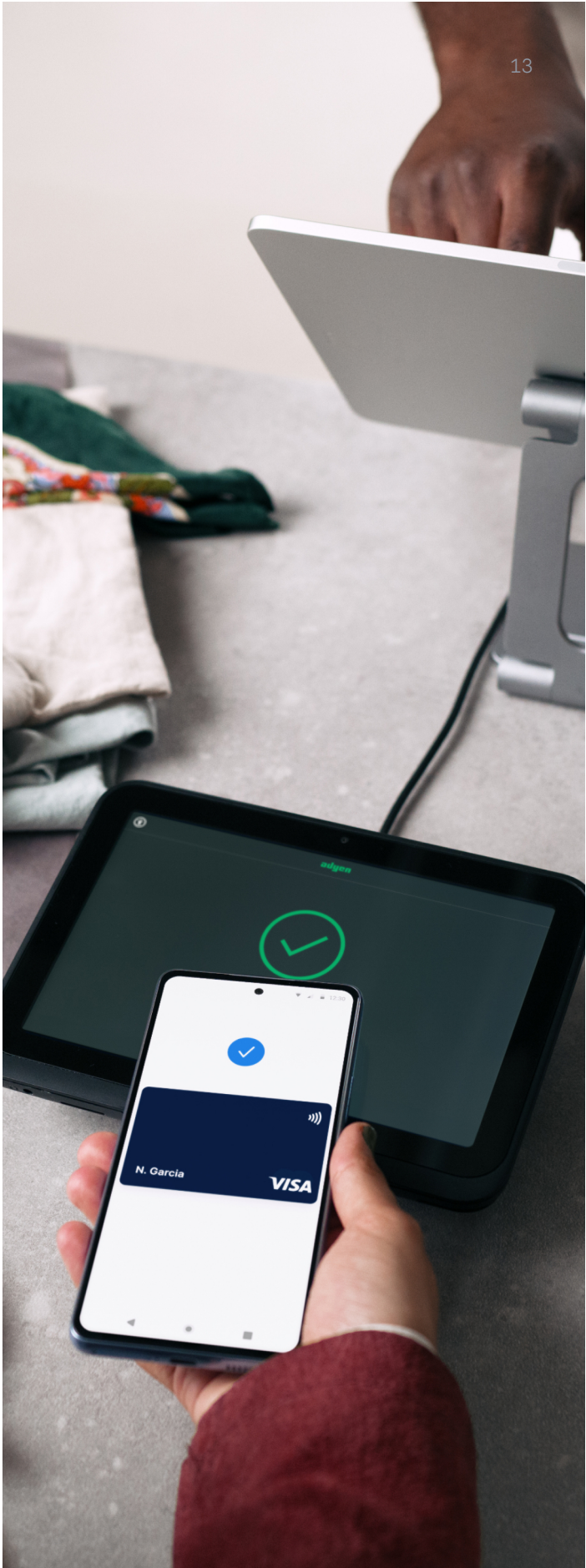
H2 2024

YoY

363K ↗86K

We catered to the global demand for contactless payments by being the first to introduce our Tap to Pay solutions on a global scale, with recent expansion into Sweden, Austria, Czech Republic, Ireland, and Romania. In H2, we also expanded our Tap To Pay on Android capabilities into Europe, the UAE, Hong Kong, Malaysia, Australia, and New Zealand. Adyen's Tap to Pay on Android solution transforms any NFC-enabled Android device into a secure payment terminal, eliminating the need for traditional POS hardware. This reduces upfront costs for merchants and offers greater flexibility in accepting payments – whether they take place in-store, at pop-up events, or on-the-go. As an industry forerunner, Adyen is also one of the first to offer both a comprehensive software development kit (SDK) and a payments app, balancing robust control with ease of integration.

<sup>10</sup> Federal Reserve Research 2024



Number of Unified Commerce customers processing in multiple regions

H2 2024

YoY

574 ↗74

What is unique to Adyen's long-term thinking is how we build for both the present moment and, in parallel, the trends or movements we see upcoming. Our terminals are a perfect example of how we build to meet the needs of our customers today, while foreseeing the way local regulation is changing and proactively navigating it on their behalf. The PCI5 evolution to PCI6 – an information security standard designed to reduce payment card fraud by increasing security controls for cardholder data – is a key upcoming milestone, but Adyen's solution is built to last. We help our customers protect their investments and reap the benefits of our new PCI6 compliant line-up of terminals, equipped with enhanced features and security. The SFO1 – much like every device in Adyen's terminal portfolio – ensures there's no trade-off between consumer experience and market compliance. Looking at terminal demand, large format retail – a key growth vertical – continued gaining solid traction in Unified Commerce. An exemplary case was our recent partnership with Sofology, a leader in furniture retail, for whom we are streamlining payment channels and improving back-end efficiency.

We were pleased to also achieve further industry diversification this period. In H2, we saw increased Unified Commerce contributions from non-retail verticals. Hospitality was again among the fastest growing, as exemplified by our partnership with Motel One. Hotels are entrusted with sensitive customer information, including payment details and personal identification, which makes secure data handling a top priority. From booking to check-in, shopping and dining, all the way to check-out, Adyen consolidates end-to-end payment moments on our single platform. By providing one view of all online and offline activities across channels and locations, we help hospitality businesses easily tap into valuable insights, optimize their business, and grow guest loyalty.

This model is proving similarly attractive to another segment of non-retail verticals: F&B businesses. For merchants looking to unlock an in-person payments solution across their outlets, Adyen is the ultimate omni-channel solution. Our single platform enables easy roll-out of the most advanced in-person, online, and in-app journeys, with a consolidated view of these transactions across all locations. Our partnership with Alsea – for whom we process all 800+ Starbucks locations in Mexico – is a great example of how we globally enable household name brands.



VALENTINO

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sleep  number





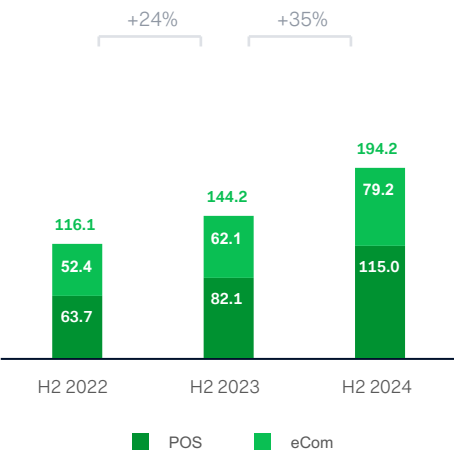


Figure 2

Unified Commerce: Processed volumes (in billion euros) of non-platform merchants processing at least 0.5% of their volumes via point-of-sale (POS).





## Platforms

Adyen's dedication to continuously expanding and refining our platform is on full display with Adyen for Platforms (AfP) – our youngest but fastest-growing commercial pillar, with volumes up 44% YoY in H2 2024. AfP uniquely combines the strengths of the Digital and Unified Commerce technology that came before it. We enable platforms and marketplace businesses to process payments across online, in-person, and mobile channels, and to do so at scale for their sub-merchants and users. AfP was designed to be easy to integrate and highly configurable for enterprise platforms supporting unique use cases across their sub-merchant base. With one integration, AfP helps unlock new revenue streams; attract and retain users by integrating payments into a platform's core offering; and globally expand into new markets. Alongside the embedded payments that AfP brings, Adyen handles the heavy lifting of global payments compliance by staying up-to-date with changing local regulation. Our customers are free to focus on their ambitions, as their end-to-end payment activities are centralized and optimized by our single tech stack.

Adyen works with the largest, most international enterprise businesses to embed payments into their platforms and marketplaces. Their needs are naturally complex, and their standards of speed and efficiency are similarly at the highest levels. With our shared appetite to be the best and fastest, Adyen's direct banking connections enable quicker, more flexible payouts. In 2024, we further increased our speed by realizing new banking connections in the US (direct FedACH connection) and the UK (direct Faster Payment System integration), alongside our direct EU Banking Connection (including SEPA instant).

### Number of Platform business customers serviced



AfP's competitive advantage begins with our in-built licenses. As one of the few non-traditional banks able to connect directly to FedNow – for which we qualified thanks to our banking license – we need only to rely on our own infrastructure and direct connections, eliminating third-party dependencies. Compared to those dependent on partner banks, our AfP solution expedites fund transfer by using our own bank to settle. This capability provides a distinct edge as it pertains to our embedded financial products (EFP), which continue to gain traction. SaaS platforms are where we see the most opportunity, particularly for those looking to incorporate an in-person element into their offering, for which Adyen is best positioned to partner.





Number of transacting Platform terminals

H2 2024

YoY

204k ↗82k

In H2, we again saw everyday, essential industries leading the charge in embedded payments, with F&B and healthcare remaining significant pillar contributors this period. The global F&B SaaS industry is expected to grow over the coming decade, as POS (point of sale) systems and technology continue to transform the restaurant industry. The market is characterized by innovation eagerness, as restaurants turn their POS systems into opportunities – enabling them to automate order-taking, payment processing, and inventory management functions, reducing the need for manual intervention and simultaneously improving efficiency. Another important trend in the F&B space is the increasing adoption of cloud-based POS solutions, which offer several advantages, including scalability, cost-effectiveness, and real-time reporting. Cloud-based solutions are particularly attractive to small and medium-sized businesses (SMBs) and restaurants, which otherwise may not have the resources to invest in modern on-premise and back-end solutions.

Given F&B SMBs generally have one or more shopfronts, in-person transactions remain their primary means of payment. Adyen unlocks value for the market's long-tail of F&B SMBs with our portfolio of terminals featuring diverse receipt options and tipping functionality, vast LPM acceptance, as well as consolidated portal overviews for global players, chains, franchises, and beyond. While these SaaS verticals are some of our more mature AfP focus areas, there is still significant opportunity ahead, particularly in the US, where we have single-digit market share. This is because leading SaaS players are often looking for more mature and customizable products that can enhance their offerings, data insights, and loyalty programs – now and in the future.

The AfP journey begins with embedded payments, but can quickly expand to include our financial product suite. We shared a pinnacle example of this evolution in H2, when we partnered with the rapidly scaling spend management and procurement platform, Spendesk, to accelerate SMB innovation with both embedded payments and financial services. Spendesk chose Adyen for its full-stack Banking-as-a-Service (BaaS) coverage across multiple key markets. Spendesk saw a significant opportunity to enhance their solution by refining spend management workflows for SMB users – eliminating complex, multi-provider set-ups in the process. By leveraging Adyen's UK banking licence, our collaboration empowers Spendesk to maintain full control over the payment experience, provide its UK customers with the card customization they need, and embed financial products beyond payments going forward.



Finding avenues for continued growth and stickiness is at the core of our Platforms product. With our track record of enabling this, we are pleased to be chosen as the partner to the most advanced players in the industry, helping them improve operations, increase sales, and create better end-user and consumer experiences.

Number of Platform customers processing over €1 billion

H2 2024

YoY

28

↗10

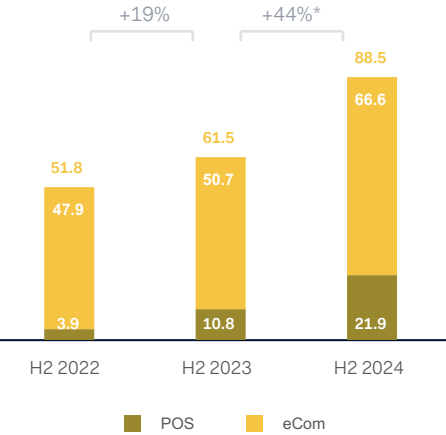


Figure 3

Platforms: Processed volumes (in billion euros) of customers processing at least 50% of their volumes via Adyen for Platforms (AfP).

\*Excluding eBay volumes, Platforms volume growth was 58% YoY





## Continued investment in our global team

This period, we were thrilled to expand our footprint in Chicago and San Francisco with larger office spaces, as we continue doubling-down on our North American strategy. These two locations will support our high-impact commercial and tech teams, as well as enhance our ability to serve both regional and global customers.

Following our two-year accelerated investment phase spanning 2022 and 2023, this year was spent hiring at a slower pace as we absorbed the sizable cohort of new hires. This meant that over the course of H2, we were deliberate about where to add resources, while effectively onboarding new talent across our global offices, ensuring our standards of collaborative excellence were met.

Though we ended the year slightly below the couple of hundred net new hires we initially planned for the year, our strategy remains unchanged. We are confident in our decision to retain the highest talent bar rather than compromise for the sake of speed. This long-standing approach resulted in 111 net new joiners being hired in H2, with the majority again located in North America in commercial and engineering roles. As we look ahead, we still intend to hire at a thoughtful pace over the course of 2025, focusing on our key priorities. As we prepare to seize the opportunity ahead, we look forward to continuing to create the best team to execute on our lofty ambitions.





Total FTEs: 4,345



North America

|               | H1  | H2  |
|---------------|-----|-----|
| San Francisco | 295 | 294 |
| New York      | 198 | 207 |
| Chicago       | 188 | 228 |
| Toronto       | 28  | 28  |

Latin America

|             | H1  | H2  |
|-------------|-----|-----|
| São Paulo   | 164 | 175 |
| São José    | 48  | 56  |
| Mexico City | 26  | 29  |

Europe, Middle East & Africa

|            | H1    | H2    |
|------------|-------|-------|
| Amsterdam  | 2,295 | 2,268 |
| London     | 134   | 135   |
| Madrid     | 138   | 166   |
| Paris      | 96    | 100   |
| Berlin     | 97    | 99    |
| Stockholm  | 84    | 81    |
| Milan      | 35    | 32    |
| Dubai      | 24    | 27    |
| Munich     | 19    | 20    |
| Warsaw     | 18    | 18    |
| Brussels   | 14    | 15    |
| Manchester | 14    | 13    |

Asia-Pacific

|              | H1  | H2  |
|--------------|-----|-----|
| Singapore    | 159 | 165 |
| Sydney       | 50  | 50  |
| Shanghai     | 43  | 49  |
| Tokyo        | 38  | 40  |
| Bengaluru    | 0   | 26  |
| Mumbai       | 11  | 11  |
| Hong Kong    | 9   | 9   |
| Kuala Lumpur | 4   | 3   |
| Auckland     | 0   | 1   |

# Discussion of financial results

## Net revenue grew as we scaled our customer relationships

Net revenue was €1,082.7 million in H2 2024, growing 22% YoY. On a constant currency basis, H2 2024 net revenue also grew 22% YoY. The majority of the growth in the half was driven by expanding our relationships with existing customers. As we worked to further differentiate our offering, we expanded our share of wallet with long-term customers and forged new relationships across verticals.

For the Full Year (FY) 2024, net revenue was €1,996.1 million, up 23% YoY.

Net revenue in H2 2024 includes €5.8 million of net interest income relating to our Embedded Financial Products suite. For FY 2024, net interest income was €8.3 million.

Regional net revenue contributions remained consistent, with EMEA contributing 58%, followed by North America at 27%, APAC at 10%, and LATAM contributing 5% of total net revenue H2 2024.

EMEA was our fastest growing region, with net revenue up 27% YoY in H2 2024. We are pleased to see strong underlying momentum across all other regions, despite FX headwinds impacting LATAM<sup>11</sup>. We see a significant growth runway in both our most established and emerging regions, and we are well positioned to capitalize on the market opportunity.

Figure 4

Net revenue per region (in EUR millions).



<sup>11</sup>On a constant currency basis, LATAM net revenue in H2 2024 was up 12% YoY. The impact of constant currency was immaterial in all other regions.



## Processed volume growth driven primarily by share of wallet gains amongst existing customers

We processed €666.4 billion during H2 2024, up 22% YoY. Volume growth this period was impacted by a single large volume customer, which, as previously mentioned, had a limited impact on net revenue. Excluding this customer, processed volume was up 28% YoY in H2. For FY 2024 we processed €1,285.9 billion, up 33% YoY.

Digital remained the largest volume contributor overall, realizing €383.5 billion in H2, up 13% YoY. Excluding a single large volume customer, growth accelerated in H2, driven by ongoing momentum in our digital content and subscription vertical as well as in our delivery and mobility vertical. For FY 2024, Digital volumes were €783.4 billion, up 29% YoY.

Unified Commerce volumes amounted to €194.2 billion in H2, up 35% YoY. Growth was primarily driven by further diversifying into verticals beyond luxury and small-format retail. For FY 2024, Unified Commerce volumes were €334.8 billion, up 32% YoY.

Platforms contributed €88.5 billion in volumes in H2, up 44% YoY, again making it our fastest growing pillar. For FY 2024, Platforms volumes were €167.6, billion up 51% growth YoY. Excluding eBay, Platforms growth was 58% in H2 and 70% for the FY.

Take rate increased from last period, landing at 16.2 bps in H2 2024, compared to 14.7 bps in H1 2024 and 16.3bps in H2 2023. This was driven by changes in the overall merchant mix.

## Operating expenses reflects continued investment in scaling our operations

Operating expenses were €576.9 million in H2 2024, up 17% YoY. For FY 2024, operating expenses were €1,115.3 million, up 18% YoY.

Employee benefits were €353.7 million in H2 2024, up 15% YoY. For FY 2024, employee benefits were €701.2 million, up 18% YoY. We welcomed 111 net new joiners in H2, which brought us to a total of 4,345 FTEs at the year's end.

In other operating expenses, we remain committed to pledging 1% of our net revenue to initiatives that support the United Nations Sustainable Development Goals (UN SDGs). In H2, this amount totaled €10.8 million. This contribution is in the process of going towards nonprofit partnerships including UNICEF, Plan International, UNHCR, and the WWF.

## **EBITDA margin expansion reflects strong net revenue growth**

EBITDA was €569.2 million in H2 2024, up 35% YoY. For FY 2024, EBITDA was €992.3 million, up 34% YoY. EBITDA margin was 53% in H2 2024, compared to 48% in H2 2023. This figure was primarily impacted by growth in net revenue, as well as a more moderate increase in people-related costs than in prior periods.

## **Net income supported by significant finance income**

Net income was €515.6 million for the H2 2024, up 24% YoY. We generated finance income of €172.9 million in the period, primarily stemming from our balances at central and commercial banks.

For FY 2024, net income was €925.2 million, up 32% YoY.

## **CapEx remains in-line with objective**

CapEx was €48.8 million, or 5% of net revenue, in-line with 5% of net revenue in H1 2024. The majority of our CapEx is related to our data centers, where capacity grows as we scale.

In FY 2024, CapEx was €91.1 million.

## **Continued strength in free cash flow conversion**

Free cash flow was €499.2 million in H2 2024, up 27% YoY. Free cash flow conversion ratio was 88%.

For FY 2024, free cash flow was €859.8 million, up 34% YoY.

## **2025 Outlook**

As we look ahead, similar to the trend we saw in 2024, we expect a slight acceleration in our annual net revenue growth rate in 2025.

We continue to believe we have a long growth runway ahead of us. We therefore plan to continue to add headcount to support our strategic growth in our focus regions. While this will be at a higher rate than we saw in 2024, we expect to grow net revenue at a faster pace than the team. Therefore, we expect EBITDA margin to further expand in 2025, albeit at a less expansive rate than in 2024.



# Financial objectives

We did not see any business developments over the second half of 2024 that would lead us to update our guidance. Our standing financial objectives therefore remain unchanged.

**Net revenue growth:** We aim to continue to grow net revenue annually between the low-twenties and high-twenties percent, up to and including 2026.

**EBITDA margin:** We aim to improve EBITDA margin to levels above 50% in 2026, as we expect to benefit from operating leverage inherent to our business model.

**Capital expenditure:** We aim to maintain a sustainable capital expenditure level of up to 5% of our net revenue.

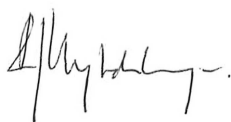
We will be broadcasting a live video conference hosted by Ingo Uytdehaage (Co-CEO) and Ethan Tandowsky (CFO) to discuss these results at 3PM CET on February 13, 2025. You can follow the livestream at [www.adyen.com/ir](https://www.adyen.com/ir). A recording will be made available on our investor relations website following the call.

Sincerely,



**P.W. van der Does**

Co-founder and Co-CEO



**I.J. Uytdehaage**

Co-CEO



**E.L. Tandowsky**

CFO

**Interim Condensed Consolidated  
Financial Statements  
H2 2024 Adyen N.V.**

## Consolidated statement of comprehensive income

For the six months ended December 31, 2024 and 2023

(all amounts are in EUR thousands unless otherwise stated)

|                                                                                         | Note | H2 2024          | H2 2023        |
|-----------------------------------------------------------------------------------------|------|------------------|----------------|
| Non-interest revenue                                                                    | 1    | 1,196,511        | 1,009,856      |
| Costs incurred from financial institutions                                              | 1    | (79,324)         | (73,402)       |
| Costs of goods sold                                                                     | 1    | (40,263)         | (49,500)       |
| <i>Net non-interest revenue</i>                                                         |      | <i>1,076,924</i> | <i>886,954</i> |
| Interest income                                                                         | 1    | 13,944           | —              |
| Interest expense                                                                        | 1    | (8,174)          | —              |
| <i>Net interest income</i>                                                              |      | <i>5,770</i>     | <i>—</i>       |
| <b>Net revenue</b>                                                                      |      | <b>1,082,694</b> | <b>886,954</b> |
| Wages and salaries                                                                      |      | (308,417)        | (267,020)      |
| Social securities and pension costs                                                     |      | (45,259)         | (41,066)       |
| Amortization and depreciation                                                           | 5    | (55,221)         | (44,529)       |
| Other operating expenses                                                                | 2    | (168,028)        | (138,661)      |
| Other income/(expenses)                                                                 |      | 8,195            | (17,189)       |
| <b>Income before net finance income and income taxes</b>                                |      | <b>513,964</b>   | <b>378,489</b> |
| Finance income                                                                          | 4    | 172,929          | 152,993        |
| Finance expense                                                                         |      | (4,680)          | (2,492)        |
| Other financial results                                                                 |      | 2,946            | 40,601         |
| <b>Net finance income</b>                                                               |      | <b>171,195</b>   | <b>191,102</b> |
| <i>Income before income taxes</i>                                                       |      | <i>685,159</i>   | <i>569,591</i> |
| Income taxes                                                                            |      | (169,610)        | (153,442)      |
| <b>Net income for the period</b>                                                        |      | <b>515,549</b>   | <b>416,149</b> |
| <i>Net income attributable to owners of Adyen N.V.</i>                                  |      | <i>515,549</i>   | <i>416,149</i> |
| <i>Other comprehensive income/(expense)</i>                                             |      |                  |                |
| Items that may be reclassified to profit or loss:                                       |      |                  |                |
| Currency translation adjustments foreign operations                                     |      | 4,184            | (2,402)        |
| <i>Other comprehensive income/(expense) for the year</i>                                |      | <i>4,184</i>     | <i>(2,402)</i> |
| <b>Total comprehensive income for the period (attributable to owners of Adyen N.V.)</b> |      | <b>519,733</b>   | <b>413,747</b> |
| <b>Earnings per share (in EUR)</b>                                                      |      |                  |                |
| Net profit per share - Basic                                                            | 6    | 16.55            | 13.42          |
| Net profit per share - Diluted                                                          | 6    | 16.49            | 13.36          |

The accompanying notes are an integral part of these interim condensed consolidated financial statements.



## Consolidated balance sheet

As at December 31, 2024 and 2023

(all amounts are in EUR thousands unless otherwise stated)

|                                                          | Note | December 31, 2024 | December 31, 2023 |
|----------------------------------------------------------|------|-------------------|-------------------|
| Intangible assets                                        |      | 8,500             | 8,757             |
| Plant and equipment                                      | 5    | 207,941           | 165,136           |
| Right-of-use assets                                      |      | 200,198           | 199,663           |
| Other financial assets at FVPL                           |      | 9,486             | 14,821            |
| Contract assets                                          | 1.3  | 5,959             | 24,195            |
| Deferred tax assets                                      |      | 105,056           | 112,679           |
| <b>Total non-current assets</b>                          |      | <b>537,140</b>    | <b>525,251</b>    |
| Inventories                                              |      | 99,848            | 104,502           |
| Receivables from merchants and financial institutions    |      | 658,854           | 490,052           |
| Trade and other receivables                              |      | 132,062           | 134,274           |
| Current income tax receivables                           |      | 8,433             | 7,310             |
| Other financial assets at amortized cost                 |      | 23,912            | —                 |
| Cash and cash equivalents                                | 4    | 9,965,030         | 8,306,982         |
| <b>Total current assets</b>                              |      | <b>10,888,139</b> | <b>9,043,120</b>  |
| <b>Total assets</b>                                      |      | <b>11,425,279</b> | <b>9,568,371</b>  |
| Share capital                                            | 3    | 315               | 310               |
| Share premium                                            | 3    | 585,331           | 390,043           |
| Other reserves                                           |      | 127,272           | 159,232           |
| Retained earnings                                        |      | 3,518,606         | 2,601,282         |
| <b>Total equity attributable to owners of Adyen N.V.</b> |      | <b>4,231,524</b>  | <b>3,150,867</b>  |
| Derivative liabilities                                   | 1.3  | —                 | 1,400             |
| Deferred tax liabilities                                 |      | 801               | 6,455             |
| Lease liability                                          |      | 173,321           | 172,397           |
| Cash-settled share-based payment plan                    |      | 1,936             | 1,563             |
| <b>Total non-current liabilities</b>                     |      | <b>176,058</b>    | <b>181,815</b>    |
| Payables to merchants and financial institutions         |      | 6,684,721         | 5,953,563         |
| Trade and other payables                                 |      | 254,138           | 168,397           |
| Lease liability                                          |      | 54,935            | 50,666            |
| Current income tax payables                              |      | 23,903            | 63,063            |
| <b>Total current liabilities</b>                         |      | <b>7,017,697</b>  | <b>6,235,689</b>  |
| <b>Total liabilities and equity</b>                      |      | <b>11,425,279</b> | <b>9,568,371</b>  |

The accompanying notes are an integral part of these condensed consolidated financial statements.

## Consolidated statement of changes in equity

For the years ended December 31, 2024 and 2023

(all amounts are in EUR thousands unless otherwise stated)

|                                                              | Note | Share capital | Share premium  | Other reserves |                             |                 | Retained earnings | Total equity     |
|--------------------------------------------------------------|------|---------------|----------------|----------------|-----------------------------|-----------------|-------------------|------------------|
|                                                              |      |               |                | Legal reserves | Share-based payment reserve | Warrant reserve |                   |                  |
| <b>Balance - January 1, 2023</b>                             |      | 310           | 352,399        | 6,254          | 124,723                     | 25,575          | 1,906,795         | 2,416,056        |
| Net income for the year                                      |      |               |                |                |                             |                 | 698,322           | 698,322          |
| Currency translation adjustments                             |      |               |                | 790            |                             |                 |                   | 790              |
| <b>Total comprehensive income for the year</b>               |      | —             | —              | <b>790</b>     | —                           | —               | <b>698,322</b>    | <b>699,112</b>   |
| <i>Adjustments:</i>                                          |      |               |                |                |                             |                 |                   |                  |
| Intangible assets                                            |      |               |                | 717            |                             |                 | (717)             | —                |
| Other adjustments                                            |      |               |                |                | 744                         |                 | (3,118)           | (2,374)          |
|                                                              |      | —             | —              | 717            | 744                         | —               | (3,835)           | (2,374)          |
| <i>Transactions with owners in their capacity as owners:</i> |      |               |                |                |                             |                 |                   |                  |
| Deferred tax on share-based compensation                     |      |               | 11,196         |                | (31,398)                    |                 |                   | (20,202)         |
| Options exercised                                            |      |               | 634            |                | (634)                       |                 |                   | —                |
| Proceeds on issuing shares                                   |      | —             | 13,201         |                |                             |                 |                   | 13,201           |
| Share-based payments                                         |      |               | 12,613         |                | 12,037                      |                 |                   | 24,650           |
| Reclassification of share-based payment plan                 |      |               |                |                | 20,424                      |                 |                   | 20,424           |
|                                                              |      | —             | 37,644         | —              | 429                         | —               | —                 | 38,073           |
| <b>Balance - December 31, 2023</b>                           |      | <b>310</b>    | <b>390,043</b> | <b>7,761</b>   | <b>125,896</b>              | <b>25,575</b>   | <b>2,601,282</b>  | <b>3,150,867</b> |

|                                                              | Note | Share capital | Share premium  | Other reserves |                             |                 | Retained earnings | Total equity     |
|--------------------------------------------------------------|------|---------------|----------------|----------------|-----------------------------|-----------------|-------------------|------------------|
|                                                              |      |               |                | Legal reserves | Share-based payment reserve | Warrant reserve |                   |                  |
| <b>Balance - January 1, 2024</b>                             |      | <b>310</b>    | <b>390,043</b> | <b>7,761</b>   | <b>125,896</b>              | <b>25,575</b>   | <b>2,601,282</b>  | <b>3,150,867</b> |
| Net income for the year                                      |      |               |                |                |                             |                 | 925,163           | 925,163          |
| Currency translation adjustments                             |      |               |                | 858            |                             |                 |                   | 858              |
| <b>Total comprehensive income for the year</b>               |      | <b>—</b>      | <b>—</b>       | <b>858</b>     | <b>—</b>                    | <b>—</b>        | <b>925,163</b>    | <b>926,021</b>   |
| <i>Adjustments:</i>                                          |      |               |                |                |                             |                 |                   |                  |
| Intangible assets                                            |      |               |                | (156)          |                             |                 | 156               | —                |
| Other adjustments                                            |      |               | 1,026          | 262            | (2,629)                     |                 | 2,129             | 788              |
|                                                              |      | —             | 1,026          | 106            | (2,629)                     | —               | 2,285             | 788              |
| <i>Transactions with owners in their capacity as owners:</i> |      |               |                |                |                             |                 |                   |                  |
| Equity transfer on exercise of warrant                       |      |               | 34,100         |                |                             | (23,976)        | (10,124)          | —                |
| Deferred tax on share-based compensation                     |      |               | 16,840         |                | (9,789)                     |                 |                   | 7,051            |
| Options exercised                                            |      |               | 803            |                | (803)                       |                 |                   | —                |
| Proceeds on issuing shares                                   | 3    | 4             | 112,006        |                |                             |                 |                   | 112,010          |
| Share-based payments                                         |      | 1             | 30,513         |                | 4,273                       |                 |                   | 34,787           |
|                                                              |      | 5             | 194,262        | —              | (6,319)                     | (23,976)        | (10,124)          | 153,848          |
| <b>Balance - December 31, 2024</b>                           |      | <b>315</b>    | <b>585,331</b> | <b>8,725</b>   | <b>116,948</b>              | <b>1,599</b>    | <b>3,518,606</b>  | <b>4,231,524</b> |

The accompanying notes are an integral part of these condensed consolidated financial statements.



## Consolidated statement of cash flows

For the six months ended December 31, 2024 and 2023 (all amounts are in EUR thousands unless otherwise stated)

|                                                                        | Note | H2 2024          | H2 2023          |
|------------------------------------------------------------------------|------|------------------|------------------|
| <b>Income before income taxes</b>                                      |      | <b>685,159</b>   | <b>569,591</b>   |
| <i>Adjustments for:</i>                                                |      |                  |                  |
| – Interest income                                                      | 1    | (13,944)         | —                |
| – Interest expense                                                     | 1    | 8,174            | —                |
| – Finance income                                                       | 4    | (172,929)        | (152,993)        |
| – Finance expense                                                      |      | 4,680            | 2,492            |
| – Other financial results                                              |      | (2,946)          | (40,601)         |
| – Other expenses                                                       |      | 1,889            | 257              |
| – Depreciation of plant and equipment                                  | 5    | 29,477           | 23,768           |
| – Amortization of intangible fixed assets                              |      | 1,697            | 1,732            |
| – Depreciation of right-of-use assets                                  |      | 24,046           | 19,029           |
| – Equity-settled share-based compensation                              |      | 16,822           | 18,650           |
| – Cash-settled share-based payment plan                                |      | 313              | (1,239)          |
| <i>Changes in working capital:</i>                                     |      |                  |                  |
| – Inventories                                                          |      | (12,677)         | 9,558            |
| – Trade and other receivables                                          |      | 18,240           | (14,221)         |
| – Receivables from merchants and financial institutions                |      | (109,064)        | (67,577)         |
| – Payables to merchants and financial institutions                     |      | 665,494          | 1,464,864        |
| – Trade and other payables                                             |      | 59,866           | 7,599            |
| – Amortization and additions of contract assets                        |      | 7,526            | 13,475           |
| <b>Cash generated from operations</b>                                  |      | <b>1,211,823</b> | <b>1,854,384</b> |
| Interest income received                                               | 1    | 13,944           | —                |
| Interest expense paid                                                  | 1    | (8,174)          | —                |
| Finance income received                                                | 4    | 172,929          | 152,993          |
| Finance expense paid                                                   |      | (4,680)          | (2,492)          |
| Income taxes paid                                                      |      | (190,585)        | (83,479)         |
| <b>Net cash flows from operating activities</b>                        |      | <b>1,195,257</b> | <b>1,921,406</b> |
| Redemption of financial assets at FVPL                                 |      | 8,824            | —                |
| Purchases of other financial assets at amortized cost                  |      | (7,052)          | —                |
| Purchases of plant and equipment                                       | 5    | (57,430)         | (12,645)         |
| Capitalization of intangible assets                                    |      | (1,529)          | (1,003)          |
| <b>Net cash used in investing activities</b>                           |      | <b>(57,187)</b>  | <b>(13,648)</b>  |
| Proceeds from issues of shares                                         | 3    | 104,457          | 6,540            |
| Lease payments                                                         |      | (21,186)         | (17,564)         |
| <b>Net cash flows used in financing activities</b>                     |      | <b>83,271</b>    | <b>(11,024)</b>  |
| <b>Net increase in cash, cash equivalents and bank overdrafts</b>      |      | <b>1,221,341</b> | <b>1,896,734</b> |
| Cash, cash equivalents and bank overdrafts at beginning of the period  |      | 8,735,272        | 6,411,624        |
| Exchange gains/(losses) on cash, cash equivalents and bank overdrafts  |      | 8,417            | (1,376)          |
| <b>Cash, cash equivalents and bank overdrafts at end of the period</b> |      | <b>9,965,030</b> | <b>8,306,982</b> |

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

## Notes to the interim condensed consolidated financial statements

### General information

Adyen N.V. (hereinafter 'Adyen', or 'the Company', or 'the Group') is a licensed Credit Institution by De Nederlandsche Bank (the Dutch Central Bank) and registered in the Netherlands under the company number 34259528. The Credit Institution license includes the ability to provide cross-border services in the European Economic Area. Additionally, Adyen provides services in the United States through its US Federal Foreign Branch licence, and in the United Kingdom through its license to operate as a third party branch, by the Prudential Regulatory Authority (PRA) and Financial Conduct Authority (FCA).

Adyen N.V. directly or indirectly owns 100% of the shares of its subsidiaries, and therefore controls all entities included in these interim condensed consolidated financial statements. Adyen shares are traded on Euronext Amsterdam, where the Company is part of the AEX Index and has a credit rating of A-, per S&P rating agency.

All amounts in the notes to the interim condensed consolidated financial statements are stated in thousands of EUR, unless otherwise stated.

### Basis of preparation

The interim condensed consolidated financial statements for the period July 1, 2024 to December 31, 2024 have been prepared in line with the accounting and recognition principles included in the Adyen annual consolidated financial statements of 2023, in accordance with International Financial Reporting Standards and IFRS IC interpretations as endorsed by the European Union (EU-IFRS). This report should, therefore, be read in conjunction with the 2023 annual consolidated financial statements, as well as our H1 2024 interim condensed consolidated financial statements.

The following periods have been presented for the interim condensed consolidated financial statements ended December 31, 2024:

| Interim condensed consolidated financial statements | Current period                | Comparative period            |
|-----------------------------------------------------|-------------------------------|-------------------------------|
| Statement of comprehensive income                   | July 1 - December 31, 2024    | July 1 - December 31, 2023    |
| Balance sheet                                       | As at December 31, 2024       | As at December 31, 2023       |
| Statement of changes in equity                      | January 1 - December 31, 2024 | January 1 - December 31, 2023 |
| Statement of cash flows                             | July 1 - December 31, 2024    | July 1 - December 31, 2023    |

### Relevant accounting policies

Significant and other accounting policies that summarize the measurement basis used, and are relevant to understanding the financial statements, are provided in the annual consolidated financial statements for the year ended December 31, 2023. Any significant accounting policy changes during the last six months of 2024 are reflected throughout the notes to these interim condensed consolidated financial statements.

## Key disclosures

### 1. Revenue and segment reporting

#### Net revenue

The Management Board monitors net revenue as a performance indicator. Adyen considers net revenue to provide additional insight to its users to evaluate the nature and financial effects of the business activities in which it engages and the economic environments in which it operates. Net revenue consists of net non-interest revenue and net interest income. Net revenue is a non-IFRS measure – refer to note 1.2 for further explanation on the non-IFRS measures reported by Adyen.

| Net revenue (in EUR'000) | H2 2024          | H2 2023        |
|--------------------------|------------------|----------------|
| Net non-interest revenue | 1,076,924        | 886,954        |
| Net interest income      | 5,770            | —              |
| <b>Net revenue</b>       | <b>1,082,694</b> | <b>886,954</b> |

#### Net non-interest revenue

The company derives non-interest revenue from settling and processing payments, sales of goods such as the sale of point-of-sale (POS) terminals, and other payment specific services. Adyen incurs fees charged by third parties that provide services to enable Adyen's payment processing and acquiring services to merchants, that do not form part of the pass-through settlement fees, which are presented as 'costs incurred from financial institutions'. The non-interest revenue and costs are classified under 'net non-interest revenue'.

The breakdown of the composition of net non-interest revenue, detailing revenue from contracts with customers per type of goods or service, is as follows:

| Types of goods or services (in EUR'000)    | H2 2024          | H2 2023          |
|--------------------------------------------|------------------|------------------|
| Settlement fees                            | 717,702          | 596,209          |
| Processing fees                            | 283,550          | 251,220          |
| Sales of goods                             | 43,583           | 42,955           |
| Other services                             | 151,676          | 119,472          |
| <b>Non-interest revenue</b>                | <b>1,196,511</b> | <b>1,009,856</b> |
| Costs incurred from financial institutions | (79,324)         | (73,402)         |
| Costs of goods sold                        | (40,263)         | (49,500)         |
| <b>Net non-interest revenue</b>            | <b>1,076,924</b> | <b>886,954</b>   |

The breakdown of revenue from contracts with customers based on timing is as follows:

| Timing of revenue recognition (in EUR '000)        | H2 2024          | H2 2023          |
|----------------------------------------------------|------------------|------------------|
| Goods and services transferred at a point in time  | 1,187,993        | 1,001,930        |
| Services transferred over time                     | 8,518            | 7,926            |
| <b>Total revenue from contracts with customers</b> | <b>1,196,511</b> | <b>1,009,856</b> |

#### Net interest income

Adyen's newly-introduced financial product offering includes Accounts, in the form of merchant-related funds held in business accounts, and Capital, in the form of loans and advances. Adyen earns interest income on funds held in Accounts and on Capital loans and advances issued. Simultaneously, Adyen incurs interest expense related to the deposited funds held in the Accounts. Adyen also includes interest income earned on sale of terminals with a financing agreements as part of net interest income. Adyen presents net interest income as part of net revenue, as it is earned through the Company's revenue generating activities. During H2 2024, Adyen earned net interest income of EUR 5,770, which mainly relates to the Accounts product offering from business accounts.

Interest earned on cash balances outside of the aforementioned products, are not classified within net interest income but form part of net finance income. Refer to note 4 'Cash and cash equivalents'.



## 1.1 Segment reporting

The following table summarizes Adyen's geographical breakdown of its revenue, based on the billing location as requested by the merchant for the periods indicated.

| Revenue - Geographical breakdown                   | H2 2024          | H2 2023          |
|----------------------------------------------------|------------------|------------------|
| Europe, the Middle East, and Africa (EMEA)         | 689,285          | 558,906          |
| North America                                      | 324,428          | 275,930          |
| Asia-Pacific                                       | 121,191          | 111,526          |
| Latin America                                      | 61,607           | 63,494           |
| <b>Total revenue from contracts with customers</b> | <b>1,196,511</b> | <b>1,009,856</b> |

## 1.2 Non-IFRS financial measures

Non-IFRS financial measures are disclosed in addition to the financial statements. The Management Board monitors these non-IFRS financial measures internally as a performance indicator. Adyen considers these to be important supplemental measures of its performance, primarily because these measures are used widely amongst others in the payments industry as a means of evaluating a company's underlying operating performance. Furthermore, Adyen has provided objectives on several of these non-IFRS measures, as described in the 'Financial objectives' section.

Adyen reports on the following additional financial measures that are directly derived from the consolidated statement of comprehensive income, statement of cash flows and notes:

- **Net revenue<sup>12</sup>**: Net non-interest revenue ("Non-interest revenue" less "Costs incurred from financial institutions" and "Costs of goods sold") and Net interest income on the consolidated statement of comprehensive income;

The geographical breakdown of net revenue and related year-on-year growth is as follows (based on the billing location as requested by the merchant for the periods indicated).

| Net revenue - Geographical breakdown and year-on-year growth | H2 2024          | YoY%        | H2 2023        | YoY%        |
|--------------------------------------------------------------|------------------|-------------|----------------|-------------|
| Europe, the Middle East, and Africa (EMEA)                   | 625,408          | 27 %        | 490,954        | 23 %        |
| North America                                                | 292,075          | 21 %        | 242,045        | 27 %        |
| Asia-Pacific                                                 | 109,953          | 12 %        | 97,978         | 25 %        |
| Latin America                                                | 55,258           | (1)%        | 55,977         | 5 %         |
| <b>Total net revenue</b>                                     | <b>1,082,694</b> | <b>22 %</b> | <b>886,954</b> | <b>23 %</b> |

- **EBITDA**: "Income before net finance income and income taxes" less "Amortization and depreciation" on the consolidated statement of comprehensive income;
- **EBITDA margin**: EBITDA as a percentage of "Net revenue" on the consolidated statement of comprehensive income;
- **CapEx<sup>13</sup>**: Capital expenditures consists of line items "Purchases of plant and equipment, excluding POS rental terminals" in note 5, and "Capitalization of intangible assets" on the consolidated statement of cash flows;
- **Free cash flow**: EBITDA less CapEx and "Lease payments" on the consolidated statement of cash flows; and
- **Free cash flow conversion ratio**: free cash flow as a percentage of EBITDA.

<sup>12</sup> As of 2024, Net revenue also includes net interest income relating to Adyen's financial product offering.

<sup>13</sup> As of 2024, the CapEx definition has been revised to exclude additions relating to POS rental terminals capitalized to plant and equipment. This allows for more consistent comparison across companies and periods, and provides a clearer indication of the investments in the underlying operational asset base supporting Adyen's core business. There is no impact on comparatives.

Refer below to a detailed reconciliation of the non-IFRS financial measure to the most directly reconcilable line item in the Consolidated Financial Statements.

| Selected non-IFRS financial measures                             | H2 2024        | H2 2023        |
|------------------------------------------------------------------|----------------|----------------|
| Income before net finance income and income taxes                | 513,964        | 378,489        |
| Amortization and depreciation                                    | 55,221         | 44,529         |
| <b>EBITDA</b>                                                    | <b>569,185</b> | <b>423,018</b> |
| Net revenue                                                      | 1,082,694      | 886,954        |
| <b>EBITDA margin (%)</b>                                         | <b>53 %</b>    | <b>48 %</b>    |
| Purchases of plant and equipment, excluding POS rental terminals | 47,233         | 12,645         |
| Capitalization of intangible assets                              | 1,529          | 1,003          |
| <b>CapEx</b>                                                     | <b>48,762</b>  | <b>13,648</b>  |
| EBITDA                                                           | 569,185        | 423,018        |
| CapEx                                                            | (48,762)       | (13,648)       |
| Lease payments                                                   | (21,186)       | (17,564)       |
| <b>Free cash flow</b>                                            | <b>499,237</b> | <b>391,806</b> |
| Free cash flow                                                   | 499,237        | 391,806        |
| EBITDA                                                           | 569,185        | 423,018        |
| <b>Free cash flow conversion ratio (%)</b>                       | <b>88 %</b>    | <b>93 %</b>    |

### 1.3 Long-term merchant contract & contract assets

#### Long-term merchant contract

In 2018, Adyen entered into a long-term contract with eBay for the provision of payment services that resulted in the initial recognition of contract assets settled with a cash advance and issue of warrants over Adyen's shares. During 2024, the related contract was extended from January 31, 2025 to June 30, 2025, with no impact on the recognition and subsequent measurement of the contract asset and warrant reserve.

The contract assets are separated into a monetary and non-monetary component and are assessed for impairment annually with reference to the remaining (net) benefits from the long-term merchant contract. The monetary component was fully repaid and amortized in 2022.

During H2 2024 the second tranche milestone was met, vested, and the related warrant was subsequently exercised by eBay. A total of 403,724 shares were issued to eBay at €240 per share. The gross equity balance relating to tranche 2 and related deferred tax were transferred from 'warrant reserve' to 'share premium' and 'retained earnings', respectively. The dilutive effect of the exercised warrant in 2024 (tranche 2) was reflected in the shares outstanding at 2024 year-end. The exercise price for the third and fourth tranches were also fixed when the second tranche milestone was met. As such, tranche 3 and 4 were reclassified from 'derivative liabilities' to 'warrant reserve' as the classification criteria for equity were met (note 3). There were no further tranche milestones met during 2024. As per December 31, 2024, the 'warrant reserve' was carried at historic cost (EUR 1,599).

#### Contract assets

Management derived its best estimate of the future (net) revenue from expected payments volumes and fees determined in the merchant contract, net of directly attributable costs to fulfil the remaining payment service obligations. The contract assets were not impaired at December 31, 2024 and 2023 as the remaining estimated (net) benefits from the merchant contract exceeded the contract assets balance at year-end.

Contract asset costs mainly relate to integration and development fees that are directly incremental to obtain the multi-year contracts and do not represent separate performance obligations. Adyen will amortize these costs (non-monetary component) against revenue (settlement fees) on a pro rata basis as the related revenue is recognized. The non-monetary component relate to the long-term contract with eBay (refer above). During H2 2024, Adyen entered into multi-year service agreements with its merchants totaling EUR 1,658 (H2 2023: EUR 0), for which costs related to obtain these agreements have been capitalized as contract assets ('other contract assets').

The following table summarizes the movement in the contract assets balance:

| Contract assets                    | Non-monetary component* | Other contract assets | Total contract assets |
|------------------------------------|-------------------------|-----------------------|-----------------------|
| <b>Balance - 1 July, 2023</b>      | <b>32,013</b>           | <b>5,700</b>          | <b>37,713</b>         |
| <i>Movements:</i>                  |                         |                       |                       |
| Additions                          |                         | —                     | —                     |
| Amortization for the period        | (12,284)                | (1,191)               | (13,475)              |
| Exchange differences               |                         | (43)                  | (43)                  |
| <b>Balance - December 31, 2023</b> | <b>19,729</b>           | <b>4,466</b>          | <b>24,195</b>         |
| <b>Balance - 1 July, 2024</b>      | <b>9,293</b>            | <b>3,985</b>          | <b>13,278</b>         |
| <i>Movements:</i>                  |                         |                       |                       |
| Additions                          |                         | 1,658                 | 1,658                 |
| Amortization for the period        | (7,603)                 | (1,581)               | (9,184)               |
| Exchange differences               | —                       | 207                   | 207                   |
| <b>Balance - December 31, 2024</b> | <b>1,690</b>            | <b>4,269</b>          | <b>5,959</b>          |

\* The non-monetary component relates to the long-term eBay contract.

## 2. Other operating expenses

The other operating expenses can be specified as follows:

| Other operating expenses (in EUR '000) | H2 2024        | H2 2023        |
|----------------------------------------|----------------|----------------|
| Travel and other staff expenses        | 31,248         | 28,801         |
| Sales and marketing costs              | 29,221         | 25,611         |
| IT costs                               | 25,937         | 23,037         |
| Advisory costs                         | 16,466         | 12,109         |
| Housing costs                          | 12,593         | 9,035          |
| 1% for the UN SDGs                     | 10,827         | 8,870          |
| Contractor costs                       | 5,729          | 6,773          |
| Office costs                           | 3,870          | 6,104          |
| Miscellaneous operating expenses       | 32,137         | 18,321         |
| <b>Total other operating expenses</b>  | <b>168,028</b> | <b>138,661</b> |

As part of Adyen's sustainability efforts in H2 2024, EUR 10,827 represented the 1% of net revenue pledge towards UN Sustainable Development Goals (SDG's). These contributions are in the process of going towards charitable partnerships including UNICEF, Plan International, UNHCR and the WWF.

### 3. Capital management

Adyen's objective when managing capital is to safeguard its ability to continue as a going concern. Furthermore, Adyen ensures that it meets regulatory capital requirements at all times.

| Capital management (in EUR '000) | December 31 , 2024 | December 31 , 2023 |
|----------------------------------|--------------------|--------------------|
| Share capital                    | 315                | 310                |
| Share premium                    | 585,331            | 390,043            |
| <b>Total</b>                     | <b>585,646</b>     | <b>390,353</b>     |

In 2024, 452,089<sup>14</sup> (December 31, 2023: 46,799) additional shares were issued. The additional issued shares were a result of exercises of the warrant linked to tranche 2 of the long-term merchant contract (refer to note 1.3 ), exercises of options granted to employees, share issuance relating to the Fixed Salary shares award plan and vesting of shares granted to employees relating to the RSU plan. The number of outstanding ordinary shares as of December 31, 2024 is 31,485,187 (December 31, 2023: 31,033,098) with an absolute nominal value EUR 0.01 per share. The total number of authorized shares as of December 31, 2024 is 80,000,000 (December 31, 2023: 80,000,000).

The following reserves are considered to be non-distributable: legal reserves (in accordance with Dutch Law), share-based payment reserve, warrant reserve, and total comprehensive income for the current period. The total of distributable reserves as at December 31, 2024 amounts to EUR 3,169,603 (December 31, 2023: EUR 2,293,313). The legal reserves restricted for distribution in accordance with Dutch Law as at December 31, 2024 amounts to EUR 18,210 (December 31, 2023: EUR 22,582).

Net income is added to retained earnings reserve and the current dividend approach is to not pay dividends, as retained earnings are used to support and finance the growth strategy.

### 4. Cash and cash equivalents

| Cash and cash equivalents (in EUR '000)      | December 31, 2024 | December 31, 2023 |
|----------------------------------------------|-------------------|-------------------|
| Cash held at central banks                   | 7,049,816         | 5,863,231         |
| Cash held at banks, other than central banks | 2,915,214         | 2,443,751         |
| <b>Total</b>                                 | <b>9,965,030</b>  | <b>8,306,982</b>  |

Cash and cash equivalents consist of the "Cash held at central banks" and "Cash held at banks, other than central banks", including merchant -related funds held with Adyen (Accounts). Interest earned on business accounts held with Adyen, and the related interest expense, is recognized using the effective interest rate method and presented as net interest income and thus excluded from net finance income.

The "Cash held at central banks" and "Cash held at banks, other than central banks" excluding funds deposited with Adyen, earned interest in the amount of EUR 122,656 and EUR 50,273 (during the six month ended December 31, 2023: EUR 116,912 and EUR 35,787) respectively during the period, which was recognized in finance income. The increase is driven by higher average overnight deposits held at "Cash held at central banks" and "Cash held at banks, other than central banks" compared to 2023, despite the decrease in central bank interest rates in 2024.

Of the "Cash held at banks, other than central banks", EUR 112,638 ( December 31, 2023: EUR 88,860) are restricted and are therefore not available for general use by the Company. The restricted cash mainly relates to deposits required under the US Federal Foreign Branch license, Brazilian acquiring license, as well as deposits held as guarantee for leased offices. The restricted cash is readily convertible and therefore classified as cash and cash equivalents.

<sup>14</sup>Amounts in this paragraph are not rounded to the nearest thousand, unless indicated in EUR.



## 5. Plant and equipment

| Plant and equipment                       | Computer Hardware and Software | Leasehold Improvements | Other         | Total          |
|-------------------------------------------|--------------------------------|------------------------|---------------|----------------|
| <b>H2 2023</b>                            |                                |                        |               |                |
| Cost                                      | 224,695                        | 34,233                 | 5,841         | 264,769        |
| Accumulated depreciation                  | (77,870)                       | (13,545)               | (2,852)       | (94,267)       |
| <b>Balance - July 1, 2023</b>             | <b>146,825</b>                 | <b>20,688</b>          | <b>2,989</b>  | <b>170,502</b> |
| Additions                                 | 9,732                          | 2,186                  | 727           | 12,645         |
| Disposals                                 | (253)                          | (32)                   | (28)          | (313)          |
| Depreciation for the period               | (20,312)                       | (2,959)                | (497)         | (23,768)       |
| Transfer from inventory                   | —                              | —                      | 6,269         | 6,269          |
| Other changes (e.g. exchange differences) | (193)                          | (28)                   | 22            | (199)          |
| <b>Balance - December 31, 2023</b>        | <b>135,799</b>                 | <b>19,855</b>          | <b>9,482</b>  | <b>165,136</b> |
| Cost                                      | 216,513                        | 36,064                 | 12,745        | 265,322        |
| Accumulated depreciation                  | (80,714)                       | (16,209)               | (3,263)       | (100,186)      |
| <b>Balance - December 31, 2023</b>        | <b>135,799</b>                 | <b>19,855</b>          | <b>9,482</b>  | <b>165,136</b> |
| <b>H2 2024</b>                            |                                |                        |               |                |
| Cost                                      | 252,250                        | 39,520                 | 14,484        | 306,254        |
| Accumulated depreciation                  | (102,810)                      | (19,273)               | (4,017)       | (126,100)      |
| <b>Balance - July 1, 2024</b>             | <b>149,440</b>                 | <b>20,247</b>          | <b>10,467</b> | <b>180,154</b> |
| Additions                                 | 32,368                         | 15,124                 | 9,938         | 57,430         |
| Disposals                                 | —                              | —                      | —             | —              |
| Depreciation for the period               | (24,150)                       | (4,127)                | (1,200)       | (29,477)       |
| Other changes (e.g. exchange differences) | 445                            | (37)                   | (574)         | (166)          |
| <b>Balance - December 31, 2024</b>        | <b>158,103</b>                 | <b>31,207</b>          | <b>18,631</b> | <b>207,941</b> |
| Cost                                      | 284,712                        | 54,664                 | 23,852        | 363,228        |
| Accumulated depreciation                  | (126,609)                      | (23,457)               | (5,221)       | (155,287)      |
| <b>Balance - December 31, 2024</b>        | <b>158,103</b>                 | <b>31,207</b>          | <b>18,631</b> | <b>207,941</b> |

Computer Hardware and Software additions during the six months ended December 31, 2024 mainly relate to servers for data centers. Purchases of plant and equipment excluding POS rental terminals amounted to EUR 47,233.

Adyen did not recognize an impairment loss or reverse any impairment loss on plant and equipment during the six months ended December 31, 2024 and 2023.

## 6. Share information

Adyen presents basic and diluted earnings per share (EPS) data for its ordinary shares. The calculation of earnings per share is as follows:

- 1) Basic EPS: dividing the net income attributable to owners of Adyen N.V. by the weighted average number of ordinary shares outstanding during the period. As at December 31, 2024, the tranches 1 and 2 of the warrant are vested and exercised, and reflected in the calculation of ordinary shares.
- 2) Diluted EPS: determined by adjusting the basic EPS for the effects of all dilutive potential ordinary shares, which in the case of Adyen relates to share options and RSUs granted to employees.

| Share information                                                                | H2 2024    | H2 2023    |
|----------------------------------------------------------------------------------|------------|------------|
| Net income attributable to owners of Adyen N.V. (in EUR '000)                    | 515,549    | 416,149    |
| Weighted average number of ordinary shares for the period                        | 31,160,219 | 31,012,122 |
| Dilutive effect of share plans                                                   | 103,764    | 144,868    |
| Weighted average number of ordinary shares for diluted net profit for the period | 31,263,983 | 31,156,990 |
| Net profit per share – basic                                                     | 16.55      | 13.42      |
| Net profit per share – diluted                                                   | 16.49      | 13.36      |

## 7. Events after the balance sheet date

There are no events after the reporting period.

## 8. Other information

The interim condensed consolidated financial statements for the period July 1, 2024 to December 31, 2024 have been prepared in line with the accounting and recognition principles included in the Adyen annual consolidated financial statements of 2023, in accordance with International Financial Reporting Standards and IFRIC interpretations as endorsed by the European Union (EU-IFRS).

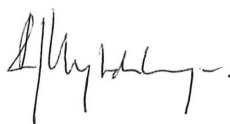
The interim condensed consolidated financial statements are unaudited.

Amsterdam, February 13, 2025



**P.W. van der Does**

Co-founder and Co-CEO



**I.J. Uytdehaage**

Co-CEO



**E.L. Tandowsky**

CFO

## Statement by the Management Board

As is required by section 5.25d of the Dutch Financial Supervision Act (Wet op het financieel toezicht) we state that according to the best of our knowledge:

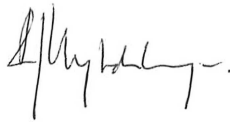
1. The interim condensed consolidated financial statements present a true and fair view of the consolidated assets, liabilities, financial position and the profit or loss of Adyen N.V.; and
2. The interim consolidated financial statements provide a true and fair view of the information required pursuant to article 5.25d paragraph 8 and 9 of the Dutch Financial Supervision Act (Wet op het financieel toezicht).

Amsterdam, February 13, 2025



**P.W. van der Does**

Co-founder and Co-CEO



**I.J. Uytdehaage**

Co-CEO



**E.L. Tandowsky**

CFO