
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 5, 2025

Commission file number 001-16111



GLOBAL PAYMENTS INC.

(Exact name of registrant as specified in charter)

Georgia
(State or other jurisdiction of
incorporation or organization)

58-2567903
(I.R.S. Employer
Identification No.)

3550 Lenox Road, Atlanta, Georgia
(Address of principal executive offices)

30326
(Zip Code)

Registrant's telephone number, including area code: (770) 829-8000

NONE
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act

Title of each class	Trading symbol	Name of exchange on which registered
Common stock, no par value	GPN	New York Stock Exchange
4.875% Senior Notes due 2031	GPN31A	New York Stock Exchange

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 8.01. Other Events

As previously announced, on April 17, 2025, Global Payments Inc., a Georgia corporation (“Global Payments,” “we” or “our”) entered into definitive agreements to acquire 100% of Worldpay Holdco, LLC (“Worldpay”) from Fidelity National Information Services, Inc. (“FIS”) and affiliates of GTCR LLC and divest our Issuer Solutions business to FIS. The proposed acquisition of Worldpay and divestiture of our Issuer Solutions business will occur simultaneously, subject to receipt of required regulatory approvals and other customary closing conditions.

Global Payments is filing: (a) as Exhibit 99.1 to this Current Report on Form 8-K, audited combined financial statements of Worldpay Business (the Merchant Solutions business of FIS) as of December 31, 2023, and for the year then ended; (b) as Exhibit 99.2 to this Current Report on Form 8-K, Worldpay’s audited combined and consolidated financial statements as of December 31, 2024 and for the periods from February 1, 2024 to December 31, 2024 (Successor) and January 1, 2024 to January 31, 2024 (Predecessor); (c) as Exhibit 99.3, Worldpay’s interim unaudited condensed combined and consolidated financial statements as of September 30, 2025 and for the three and nine months ended September 30, 2025 (Successor) and the three and eight months ended September 30, 2024 (Successor) and one month ended January 31, 2024 (Predecessor); and (d) as Exhibit 99.4, unaudited pro forma condensed combined financial information of Global Payments as of and for the nine months ended September 30, 2025 and for the year ended December 31, 2024.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

Exhibit No.	Description
23.1	Consent of KPMG LLP with respect to the combined and consolidated financial statements of Worldpay Holdco, LLC as of December 31, 2024 and for the periods from February 1, 2024 to December 31, 2024 (Successor) and January 1, 2024 to January 31, 2024 (Predecessor).
23.2	Consent of KPMG LLP with respect to the combined financial statements of Worldpay Business (the Merchant Solutions business of Fidelity National Information Services, Inc.) as of December 31, 2023, and for the year then ended.
99.1	Audited combined financial statements of Worldpay Business (the Merchant Solutions business of Fidelity National Information Services, Inc.) as of December 31, 2023, and for the year then ended.
99.2	Audited combined and consolidated financial statements of Worldpay Holdco, LLC as of December 31, 2024, and for the periods from February 1, 2024 to December 31, 2024 (Successor) and January 1, 2024 to January 31, 2024 (Predecessor).
99.3	Interim unaudited condensed combined and consolidated financial statements of Worldpay Holdco, LLC as of September 30, 2025, and for the three and nine months ended September 30, 2025 (Successor) and the three and eight months ended September 30, 2024 (Successor) and one month ended January 31, 2024 (Predecessor).
99.4	Unaudited pro forma condensed combined financial information of Global Payments Inc. as of and for the nine months ended September 30, 2025 and for the year ended December 31, 2024.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

Forward-Looking Statements

Some of the statements we use in this report, and in some of the documents we incorporate by reference in this report, contain forward-looking statements concerning our business operations, economic performance and financial condition, including, but not limited to, statements we make regarding our business strategy and means to implement the strategy; measures of future results of operations, such as revenues, expenses, operating margins, income tax rates and earnings per share; other operating metrics such as shares outstanding and capital expenditures, liquidity, deleveraging plans and capital available for allocation; statements we make regarding guidance and projected financial results for the year 2025; the effects of general economic conditions on our business; statements about the benefits of our acquisitions or dispositions such as our proposed acquisition of Worldpay and divestiture of our Issuer Solutions business, including future financial and operating results and the successful integration of acquisitions; our ability to timely complete the acquisition of Worldpay and divestiture of our Issuer Solutions business, including receiving all required regulatory approvals in connection with the transactions; statements about the completion of anticipated benefits or strategic or operational initiatives; statements regarding our success and timing in developing and introducing new services and expanding our business; and other statements regarding our future financial performance and our plans, objectives, expectations and intentions. You can sometimes identify forward-looking statements by our use of the words "believes," "anticipates," "expects," "intends," "plan," "forecast," "guidance" and similar expressions. For these statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

Although we believe that the plans and expectations reflected in or suggested by our forward-looking statements are reasonable, those statements are based on a number of assumptions, estimates, projections or plans that are inherently subject to significant risks, uncertainties and contingencies, many of which are beyond our control, cannot be foreseen and reflect future business decisions. Accordingly, we cannot guarantee that our plans and expectations will be achieved. Our actual revenues, revenue growth rates and margins, and other results of operations could differ materially from those anticipated in our forward-looking statements as a result of many known and unknown factors, many of which are beyond our ability to predict or control. Important factors that may otherwise cause actual events or results to differ materially from those anticipated by such forward-looking statements or historical performance include, among others, those discussed in "Item 1A - Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2024, as well as in the other information appearing in this report and other filings we make with the SEC, including this Current Report on Form 8-K, which we advise you to review.

These cautionary statements qualify all of our forward-looking statements, and you are cautioned not to place undue reliance on these forward-looking statements. Our forward-looking statements speak only as of the date they are made and should not be relied upon as representing our plans and expectations as of any subsequent date. While we may elect to update or revise forward-looking statements at some time in the future, we specifically disclaim any obligation to publicly release the results of any revisions to our forward-looking statements, except as required by law.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

GLOBAL PAYMENTS INC.

Date: November 5, 2025

By: /s/ Joshua J. Whipple

Joshua J. Whipple

Chief Financial Officer

Consent of Independent Auditors

We consent to the incorporation by reference in the registration statements (No. 333-277289) on Form S-3 and (Nos. 333-286728, 333-270840, 333-232545, 333-177026, 333-169436 and 333-53774) on Form S-8 of Global Payments Inc. of our report dated October 24, 2025, with respect to the combined and consolidated financial statements of Worldpay Holdco, LLC, which report appears in the Form 8-K of Global Payments Inc. dated November 5, 2025.

/s/ KPMG LLP

Cincinnati, Ohio
November 5, 2025

Consent of Independent Auditors

We consent to the incorporation by reference in the registration statements (No. 333-277289) on Form S-3 and (Nos. 333-286728, 333-270840, 333-232545, 333-177026, 333-169436 and 333-53774) on Form S-8 of Global Payments Inc. of our report dated March 29, 2024, with respect to the combined financial statements of the Worldpay Business (the Merchant Solutions business of Fidelity National Information Services, Inc.), which report appears in the Form 8-K of Global Payments Inc. dated November 5, 2025.

/s/ KPMG LLP

Jacksonville, Florida
November 5, 2025

Worldpay Business
Audited Combined Financial Statements
For the year ended December 31, 2023
With Independent Auditors' Report Thereon

Worldpay Business
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Independent Auditors' Report

To those charged with governance
Fidelity National Information Services, Inc.:

Opinion

We have audited the combined financial statements of Worldpay Business (the Merchant Solutions business of Fidelity National Information Services, Inc.) (the Company), which comprise the combined balance sheet as of December 31, 2023, and the related combined statement of loss, comprehensive loss, equity, and cash flows for the year then ended, and the related notes (collectively, combined financial statements).

In our opinion, the combined financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Combined Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of the combined financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the combined financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the combined financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the combined financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

/s/ KPMG LLP

Jacksonville, Florida
March 29, 2024

Worldpay Business
Combined Balance Sheet
December 31, 2023
(In millions)

	2023
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 1,394
Settlement assets	6,727
Trade receivables, net of allowance for credit losses of \$52	1,866
Prepaid expenses and other current assets	167
Due from affiliates	133
Total current assets	10,287
Property and equipment, net	174
Goodwill	14,321
Intangible assets, net	6,127
Software, net	1,110
Other noncurrent assets	581
Total assets	\$ 32,600
LIABILITIES, NONCONTROLLING INTEREST AND EQUITY	
Current liabilities:	
Accounts payable, accrued and other liabilities	\$ 1,083
Settlement payables	7,821
Due to affiliates	42
Total current liabilities	8,946
Deferred income taxes	2,309
Other noncurrent liabilities	498
Total liabilities	11,753
Equity:	
Net parent investment	20,836
Accumulated other comprehensive earnings	9
Total equity of the Worldpay Business	20,845
Noncontrolling interest	2
Total equity	20,847
Total liabilities, noncontrolling interest and equity	\$ 32,600

See accompanying notes, which are an integral part of these Combined Financial Statements.

Worldpay Business
Combined Statement of Loss
Year Ended December 31, 2023
(In millions)

	2023
Revenue	\$ 5,002
Cost of revenue	2,845
Selling, general and administrative expenses	2,262
Asset impairments	6,845
Operating loss	(6,950)
Other income, net	99
Loss before income taxes	(6,851)
Benefit for income taxes	(15)
Net loss	\$ (6,836)
Net earnings attributable to noncontrolling interest	(4)
Net loss attributable to the Worldpay Business	\$ (6,840)

See accompanying notes, which are an integral part of these Combined Financial Statements.

Worldpay Business
Combined Statement of Comprehensive Loss
Year Ended December 31, 2023
(In millions)

	2023
Net loss	\$ (6,836)
Foreign currency translation adjustments, net of tax	489
Comprehensive loss	<u>\$ (6,347)</u>
Net earnings attributable to noncontrolling interest	(4)
Comprehensive loss attributable to the Worldpay Business	<u>\$ (6,351)</u>

See accompanying notes, which are an integral part of these Combined Financial Statements.

Worldpay Business
Combined Statement of Equity
Year Ended December 31, 2023
(In millions)

	Net parent investment	Accumulated other comprehensive earnings (loss)	Noncontrolling interest	Total equity
Balances, December 31, 2022	\$ 29,365	\$ (480)	\$ 4	\$ 28,889
Net earnings (loss)	(6,840)	-	4	(6,836)
Other comprehensive earnings, net of tax	-	489	-	489
Transfers to Parent, net	(1,689)	-	(6)	(1,695)
Balances, December 31, 2023	<u>\$ 20,836</u>	<u>\$ 9</u>	<u>\$ 2</u>	<u>\$ 20,847</u>

See accompanying notes, which are an integral part of these Combined Financial Statements.

Worldpay Business
Combined Statement of Cash Flows
Year Ended December 31, 2023
(In millions)

	2023
Cash flows from operating activities:	
Net loss	\$ (6,836)
Adjustment to reconcile net loss to net cash provided by operating activities:	
Asset impairments	6,845
Loss on sale of businesses, investments, and other	4
Depreciation and amortization	1,983
Stock-based compensation	41
Deferred income taxes	(104)
Net changes in assets and liabilities, net of effects of foreign currency:	
Trade receivables	56
Prepaid expenses and other assets	(177)
Accounts payable, accrued and other liabilities	44
Due to affiliates	(26)
Net cash provided by operating activities	1,830
Cash flows from investing activities:	
Additions to property and equipment	(74)
Additions to software	(290)
Loan receivable from affiliates	(109)
Net cash used in investing activities	(473)
Cash flows from financing activities:	
Settlement activity	153
Borrowings	(34)
Payments on tax receivable agreement	(197)
Other financing activities, net	(6)
Transfers to Parent, net	(1,734)
Net cash used in financing activities:	(1,818)
Effect of foreign currency exchange rate changes on cash	81
Net decrease in cash and cash equivalents	(380)
Cash, cash equivalents and restricted cash, beginning of year	4,368
Cash, cash equivalents and restricted cash, end of year	\$ 3,988
Supplemental cash flow information:	
Cash paid for income taxes	\$ 131

See accompanying notes, which are an integral part of these Combined Financial Statements.

Worldpay Business
NOTES TO COMBINED FINANCIAL STATEMENTS

(1) Background and Nature of Operations

On July 5, 2023, Fidelity National Information Services Inc. ("FIS") signed a definitive agreement to sell a 55% equity interest in the Worldpay Merchant Solutions business ("Merchant" or "Merchant Solutions") to private equity funds managed by GTCR, LLC ("GTCR") in a transaction that valued the business at up to \$18.5 billion, including potential consideration of \$1.0 billion contingent on the returns realized by GTCR exceeding certain thresholds (the "Separation"). On January 31, 2024, FIS completed the previously announced Separation. FIS has retained a non-controlling 45% ownership interest in a new standalone joint venture ("Worldpay").

These combined financial statements reflect the combined historical results of operations, financial position and cash flows of two businesses, Issuer Solutions ("FIS Retained Issuer Business" or "Issuer") and Merchant (collectively, the "Worldpay Business"). For the historical periods presented, Merchant and Issuer are primarily included within FIS legal entities that were contributed to Worldpay in connection with the Separation (collectively the "Transferring Entities" and each a "Transferring Entity"). The Transferring Entities included the net assets and subsequent operations acquired by FIS in the acquisition of Worldpay Inc., which was completed on July 31, 2019 (the "Worldpay Acquisition"), along with legacy FIS merchant businesses within pre-existing legal entities. Issuer was retained by FIS following the completion of the Separation (refer to Note 2 for further detail). These combined financial statements reflect the combined historical results of operations, financial position and cash flows of the Worldpay Business.

Merchant is focused on serving merchants of all sizes globally, enabling them to accept, authorize and settle electronic payment transactions. Merchant includes all aspects of payment processing, including value-added services, such as security, fraud prevention, advanced data analytics, foreign currency management and numerous funding options. Merchant serves clients in over 100 countries. Merchant clients are highly diversified, including global enterprises, national retailers and small- to medium-sized businesses ("SMBs"). Merchant utilizes broad and varied distribution channels, including direct sales forces and multiple referral partner relationships that provide the Worldpay Business with access to new and existing markets.

(2) Basis of Presentation

The accompanying combined financial statements and footnotes have been prepared in connection with the Separation and are derived from FIS' consolidated financial statements and accounting records. The combined financial statements reflect the Worldpay Business' financial position, results of operations and cash flows and were prepared in conformity with United States ("U.S.") generally accepted accounting principles ("GAAP"). The assets, liabilities, revenue and expenses of the Worldpay Business have been reflected in the Worldpay Business' combined financial statements on a historical cost basis, as included in the consolidated financial statements of FIS, using the historical accounting policies applied by FIS. These combined financial statements do not purport to reflect what the Worldpay Business' results of operations, comprehensive income, financial position, equity or cash flows would have been had the Worldpay Business operated as a standalone company during the periods presented.

These combined financial statements were prepared following a legal entity approach, which resulted in the inclusion of the following:

- Certain assets and liabilities, results of operations and cash flows attributable to Merchant that were contributed to Worldpay prior to the consummation of the Separation, and
- The Transferring Entities, which have historically included the results from the sales of products included both in Merchant and the FIS Retained Issuer Business. Each Transferring Entity's historical operations, including its results of operations, assets and liabilities, and cash flows have been fully reflected in these combined financial statements; however, prior to the consummation of the Separation, the FIS Retained Issuer Business was transferred to entities retained by FIS.

The Worldpay Business has historically functioned together with the other businesses controlled by FIS. Accordingly, the Worldpay Business relied on FIS' corporate and other support functions for its business. Therefore, certain corporate and shared costs have been allocated to the Worldpay Business including

- Expenses related to FIS support functions that are provided on a centralized basis within FIS, including expenses for facilities, executive oversight, treasury, finance, legal, human resources, shared services, compliance, procurement, information technology and other corporate functions.

Worldpay Business
NOTES TO COMBINED FINANCIAL STATEMENTS - (continued)

- o These expenses have been allocated to the Worldpay Business based on a specific identification basis or, when specific identification is not practicable, a proportional cost allocation method primarily based on revenue or directly identifiable actual costs, depending on the nature of the services.
- Share-based compensation and other employee-related expenses.

Management believes these cost allocations are a reasonable reflection of the utilization of services provided to, or the benefit derived by, the Worldpay Business during the periods presented, though the allocations may not be indicative of the actual costs that would have been incurred had the Worldpay Business operated as a standalone company. Actual costs that may have been incurred if the Worldpay Business had been a standalone company would depend on a number of factors, including the chosen organizational structure, whether functions were outsourced or performed by the Worldpay Business' employees, and strategic decisions made in areas such as selling and marketing, research and development, information technology and infrastructure.

Following the Separation, certain functions that FIS provided to the Worldpay Business prior to the Separation will be performed using Worldpay's own resources or third-party service providers, other than certain functions that will be provided for a limited time pursuant to the transition services agreement.

The combined balance sheet reflects all of the assets and liabilities that are either specifically identifiable or are directly attributable to the Worldpay Business and its operations, as well as assets and liabilities attributable to the FIS Retained Issuer Business in the Transferring Entities. Certain assets and liabilities attributable to the FIS Retained Issuer Business were transferred to entities retained by FIS prior to the Separation.

Income tax expense and deferred tax balances in the combined financial statements have been calculated on a separate tax return basis. The Worldpay Business' operations are included in the tax returns of FIS and its subsidiaries, including the Transferring Entities and the respective FIS entities of which the Worldpay Business' business was a part. In the future, as a standalone entity, Worldpay will file tax returns on its own behalf, and its deferred taxes and effective income tax rate may differ from those in the historical periods.

FIS generally utilizes a centralized approach to cash management and the financing of its operations. Cash generated by the Worldpay Business is routinely transferred into accounts managed by FIS' centralized treasury function, and cash disbursements for the Worldpay Business' operations are funded as needed by FIS. Cash and cash equivalents of the Transferring Entities are reflected in the Worldpay Business' combined balance sheet. Balances held by the Transferring Entities with FIS for cash transfers and loans are reflected as due from affiliates and due to affiliates. All other cash, cash equivalents, short-term investments and related transfers between FIS and the Worldpay Business are generally held centrally through accounts controlled and maintained by FIS and are not specifically identifiable to the Worldpay Business. Accordingly, such balances have been accounted for through Net parent investment. FIS' third-party debt and related interest expense have not been attributed to the Worldpay Business because the Worldpay Business is not the legal obligor of the debt and the borrowings are not specifically identifiable to the Worldpay Business. However, in connection with the Separation, Worldpay expects to incur indebtedness and such indebtedness would cause Worldpay to record additional interest expense in future periods.

As the separate legal entities that make up the Worldpay Business were not historically held by a single legal entity, Net parent investment is shown in lieu of shareholders' equity in these combined financial statements. Net parent investment represents FIS' interest in the recorded assets of the Worldpay Business and the cumulative investment by FIS in the Worldpay Business through the periods presented, inclusive of operating results.

All intercompany transactions and accounts within the Transferring Entities have been eliminated. For the Transferring Entities, transactions with FIS affiliates are included in the combined statement of loss, and related balances are reflected as Due to affiliates and Due from affiliates. Other balances between the Worldpay Business and FIS are considered to be effectively settled in the combined financial statements at the time the transactions are recorded as they have not been historically settled in cash and were not settled in cash in connection with the Separation. The total net effect of these intercompany transactions is reflected in the combined balance sheet within Net parent investment and in the combined statement of cash flows within financing activities and in the combined statement of equity as Transfers to Parent, net. Refer to Note 14 for further discussion.

Worldpay Business
NOTES TO COMBINED FINANCIAL STATEMENTS - (continued)

As a result of the allocations and carve out methodologies used to prepare these combined financial statements, these results may not be indicative of the Worldpay Business' future performance, and may not reflect the results of operations, financial position, and cash flows had the Worldpay Business been a separate, standalone company during the periods presented.

Amounts in tables in the combined financial statements and the accompanying footnotes may not sum or calculate due to rounding.

(3) Summary of Significant Accounting Policies

The following describes the significant accounting policies of the Worldpay Business used in preparing the accompanying combined financial statements.

(a) Principles of Combination and Management Estimates

The combined financial statements include the Worldpay Business' net assets and results of operations as described above. The Worldpay Business' noncontrolling interests presented in the combined statement of loss include net earnings attributable to noncontrolling interests. Noncontrolling interests are presented as a component of equity in the combined balance sheet. All significant intra-company accounts and transactions within the Worldpay Business have been eliminated. Certain transactions between the Worldpay Business and FIS are included in the combined financial statements.

The preparation of these combined financial statements in conformity with U.S. GAAP and related rules and regulations of the U.S. Securities and Exchange Commission ("SEC") requires the Worldpay Business' management to make estimates, judgments and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the related disclosure of contingent assets and liabilities. These estimates may change as new events occur and additional information is obtained. Future actual results could differ materially from these estimates. To the extent that there are differences between these estimates, judgments and assumptions and actual results, the Worldpay Business' combined financial statements will be affected.

(b) Cash and Cash Equivalents

The Worldpay Business considers all cash on hand, money market funds and other highly liquid investments with original maturities of three months or less to be cash and cash equivalents. Cash on hand includes funds used for settlement activity (see Note 3(e) for further discussion).

The Worldpay Business records restricted cash in captions other than cash and cash equivalents in the combined balance sheet. The reconciliation between cash and cash equivalents in the combined balance sheet and Cash, cash equivalents and restricted cash per the combined statement of cash flows is as follows (in millions):

	December 31, 2023
Cash and cash equivalents on the combined balance sheet	\$ 1,394
Merchant float (in Settlement assets) (see Note 3(e))	2,594
Total Cash, cash equivalents and restricted cash per the combined statement of cash flows	<u>\$ 3,988</u>

(c) Fair Value Measurements

Fair Value Hierarchy

The authoritative accounting literature defines fair value, establishes a framework for measuring fair value, and establishes a fair value hierarchy based on the quality of inputs used to measure fair value.

The fair value hierarchy includes three levels that are based on the priority of the inputs to the valuation technique. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). If the inputs used to measure the fair value fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the asset or liability. The three levels of the fair value hierarchy are described below:

Level 1. Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2. Inputs to the valuation methodology include the following:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from, or corroborated by, observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3. Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

Fair Value of Assets Acquired and Liabilities Assumed in Business Combinations

In a business combination transaction, an acquirer recognizes, separately from Goodwill, the identifiable assets acquired, liabilities assumed, and any noncontrolling interest in the acquiree and generally measures these items at their acquisition date fair values. Goodwill is recorded as the residual amount by which the purchase price exceeds the fair value of the net assets acquired. Fair values are determined using the framework outlined above under *Fair Value Hierarchy* and the methodologies addressed in the individual subheadings. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Worldpay Business reports provisional amounts in the financial statements for the items for which the accounting is incomplete. Adjustments to provisional amounts initially recorded that are identified during the measurement period are recognized in the reporting period in which the adjustment amounts are determined. This includes any effect on earnings of changes in depreciation, amortization, or other income effects as a result of the change to the provisional amounts, calculated as if the accounting had been completed at the acquisition date. During the measurement period, the Worldpay Business recognizes additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date that, if known, would have resulted in the recognition of those assets and liabilities as of that date. The measurement period ends the sooner of one year from the acquisition date or when the Worldpay Business receives the information the Worldpay Business was seeking about facts and circumstances that existed as of the acquisition date or learns that more information is not obtainable. Contingent consideration liabilities or receivables recorded in connection with business acquisitions are also adjusted for changes in fair value until settled.

Fair value of Settlement assets, Settlement payables and Short-term borrowings

The carrying amounts reported in the combined balance sheet for Settlement assets and payables as well as Short-term borrowings approximate their fair values because of their immediate or short-term maturities.

Worldpay Business
NOTES TO COMBINED FINANCIAL STATEMENTS - (continued)

(d) Allowance for Credit Losses

The Worldpay Business monitors trade receivable balances and contract assets as well as other receivables and estimates the allowance for lifetime expected credit losses. Estimates of expected credit losses are based on historical collection experience and other factors, including those related to current market conditions and events, changes in client creditworthiness, client payment terms and collection trends. The allowance for credit losses is separate from the chargeback liability described in Note 12.

(e) Settlement Assets and Payables

The principal components of the Worldpay Business' settlement assets on the combined balance sheet are as follows (in millions):

	December 31, 2023
Settlement assets	
Settlement deposits	\$ 56
Merchant float	2,594
Settlement receivables	4,077
Total Settlement assets	\$ 6,727

Settlement assets and payables represent intermediary balances arising from the settlement process which involves the transferring of funds between card issuers, merchants and various financial institutions ("Sponsoring Members"). Funds are processed under two models, a sponsorship model and a direct member model. The Worldpay Business generally operates under the sponsorship model in the U.S. and under the direct membership model outside the U.S.

Under the sponsorship model, in order for the Worldpay Business to provide electronic payment processing services, Visa, MasterCard and other payment networks require sponsorship by a member clearing bank. The Worldpay Business has an agreement with Sponsoring Members to provide sponsorship services to the Worldpay Business. Under the sponsorship agreements, the Worldpay Business is registered as a Visa Third-Party Agent and a MasterCard Service Provider. The sponsorship services allow the Worldpay Business to route transactions under the Sponsoring Members' membership to clear card transactions through Visa, MasterCard and other networks. Under this model, the standards of the payment networks restrict the Worldpay Business from performing funds settlement and, as such, require that these funds be in the possession of the Sponsoring Member until the merchant is funded. Accordingly, Settlement receivables and settlement payables resulting from the submission of settlement files to the network or cash received from the network in advance of funding the network are the responsibility of the Sponsoring Member and are not recorded on the Worldpay Business' combined balance sheet.

Settlement receivables and settlement payables are recorded under the sponsorship model as a result of intermediary balances due to/from the Sponsoring Member. The Worldpay Business receives funds from certain networks which are owed to the Sponsoring Member for settlement. These funds are recorded in Cash and cash equivalents. In other cases, the Worldpay Business transfers funds to the Sponsoring Member for settlement in advance of receiving funds from the network. These timing differences result in settlement receivables and settlement payables. The amounts are generally collected or paid during the following one to three business days. Additionally, under this model, settlement receivables and settlement payables arise related to interchange expenses, merchant reserves and exception items.

Under the direct membership model, the Worldpay Business is a direct member in Visa, MasterCard and other payment networks as third-party sponsorship to the networks is not required. This results in the Worldpay Business performing settlement between the networks and the merchant and requires adherence to the standards of the payment networks in which the Worldpay Business is a direct member. Merchant float, settlement receivables and settlement payables result when the Worldpay Business submits the merchant file to the network or when funds are received by the Worldpay Business in advance of paying the funds to the merchant. The amounts are generally collected or paid during the following one to three business days. Merchant float represents cash balances the Worldpay Business holds on behalf of merchants when the incoming amount from the card networks precedes when the funding to merchants falls due. Merchant float funds held in segregated accounts in a fiduciary capacity are considered restricted cash (see Note 3(b)).

(f) Goodwill

Goodwill represents the excess of cost over the fair value of identifiable assets acquired and liabilities assumed in business combinations. For purposes of the combined financial statements, goodwill was recorded on the basis of FIS' reporting units prior to the separation of the Worldpay Business from FIS. The goodwill amounts carry with them the results of FIS' impairment tests, akin to a reorganization of reporting units of FIS for which U.S. GAAP does not require retrospective testing of goodwill under the reorganized structure.

Goodwill is not amortized but is assessed by FIS for impairment at FIS' historical Merchant Solutions and Banking Solutions reporting unit level. During the relevant period, the FIS Retained Issuer Business was part of FIS' Banking Solutions reporting unit.

During the relevant period, FIS assessed goodwill for impairment by reporting unit on an annual basis during the fourth quarter or more frequently if circumstances indicated potential impairment. An impairment charge is recognized when and to the extent a reporting unit's carrying amount is determined to exceed its estimated fair value.

FIS had the option to first assess qualitatively whether it was more likely than not that a reporting unit's carrying amount exceeded its estimated fair value. The option of whether to perform the qualitative assessment was made annually and could vary by reporting unit. Events and circumstances that were considered in performing the qualitative assessment included macroeconomic conditions, industry and market conditions, cost factors, overall financial performance, and events affecting the reporting unit or FIS as a whole, including a sustained decrease in stock price. When performing the qualitative assessment, FIS examined the factors that were most likely to affect each reporting unit's fair value. If FIS concluded that it was more likely than not that the reporting unit's fair value was less than its carrying amount (that is, a likelihood of more than 50 percent) as a result of the qualitative assessment, or FIS elected to bypass the qualitative assessment for a reporting unit, then FIS performed a quantitative assessment for that reporting unit.

In applying the quantitative assessment, FIS typically engaged third-party valuation specialists to assist in determining the fair value of a reporting unit based on a weighted average of valuation techniques, consisting of a combination of an income approach and a market approach, which are Level 3-type measurements. The income approach calculates a value based upon the present value of estimated future cash flows, while the market approach uses earnings multiples of similarly situated guideline public companies. If the fair value of the reporting unit determined using the quantitative analysis exceeds the carrying amount of the reporting unit's net assets, goodwill is not impaired.

Both qualitative and quantitative assessments required a significant amount of management judgment involving the use of forecasts, estimates, and assumptions.

Following the Separation, Worldpay will perform future goodwill impairment tests at the level of its own reporting units.

(g) Long-lived assets

Long-lived assets and intangible assets with finite useful lives are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset, which are Level 3-type measurements. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the asset exceeds the fair value of the asset. Impairments for the twelve months ended December 31, 2023, were not material.

(h) Intangible Assets

The Worldpay Business has intangible assets that consist primarily of customer relationships and trademarks (i.e., a collective term for trademarks, trade names, and related intellectual property rights) that are recorded in connection with acquisitions at their fair value based on the results of valuation analyses. Customer relationships and trademarks acquired in business combinations are generally valued using the multi-period excess earnings method and the relief-from-royalty method, which are Level 3-type measurements. Customer relationships are amortized over their estimated useful lives using an accelerated method that takes into consideration expected customer attrition rates up to a 10-year period. Trademarks with finite lives are amortized over periods ranging up to five years. Intangible assets with finite lives are reviewed for impairment following the same approach as long-lived assets.

(i) Software

Software includes software acquired in business combinations, purchased software and capitalized software development costs. Software acquired in business combinations is generally valued using the relief-from-royalty method, a Level 3-type measurement. Purchased software is recorded at cost and amortized using the straight-line method over its *estimated* useful life, and software acquired in business combinations is recorded at its fair value and amortized using straight-line or accelerated methods over its estimated useful life, ranging from three to eight years.

The capitalization of software development costs is based on whether the software is to be sold, leased or otherwise marketed, or if the software is for internal use. After the technological feasibility of the software has been established (for software to be marketed) or at the beginning of application development (for internal-use software), software development costs, which primarily include salaries and related payroll costs and costs of independent contractors incurred during development, are capitalized. Research and development costs incurred prior to the establishment of technological feasibility (for software to be marketed) or prior to application development (for internal-use software) are expensed as incurred. Software development costs are amortized on a solution-by-solution basis commencing on the date of general release (for software to be marketed) or the date placed in service (for internal-use software). Software development costs for software to be marketed are amortized using the greater of (1) the straight-line method over its estimated useful life, which ranges from three to 10 years, or (2) the ratio of current revenue to total anticipated revenue over its useful life.

The Worldpay Business reviews software assets for impairment at each reporting date. For software to be marketed, an impairment charge is recorded to the extent the carrying amount exceeds the net realizable value. Internal-use software is reviewed for impairment following the same approach as long-lived assets. Determining net realizable values and future cash flows involves judgments and the use of estimates and assumptions regarding future economic and market conditions. Adverse changes in these conditions could result in an impairment charge which could be material to the combined financial statements.

See Note 8 for details regarding software asset impairment losses and incremental software amortization expense recognized during 2023.

(j) Property and Equipment

Property and equipment is recorded at cost, less accumulated depreciation and amortization. Depreciation and amortization are computed primarily using the straight-line method based on the estimated useful lives of the related assets as follows: 30 years for buildings and three to seven years for furniture, fixtures and computer equipment. Leasehold improvements are amortized using the straight-line method over the lesser of the initial term of the applicable lease or the estimated useful lives of such assets.

(k) Income Taxes

Income taxes as presented in the combined financial statements of the Worldpay Business allocate current and Deferred income taxes of FIS to the Worldpay Business' standalone financial statements in a manner that is systematic, rational and consistent with the asset and liability method prescribed by ASC Topic 740, *Income Taxes*. Accordingly, the Worldpay Business' income tax provision was prepared following the separate return method. The calculation of the Worldpay Business' income taxes on a separate return basis requires a considerable amount of judgment and use of both estimates and allocations. As a result, the tax treatment of certain items reflected in the combined financial statements of the Worldpay Business may not be reflected in the consolidated financial statements and tax returns of FIS. Therefore, such items as net operating losses, credit carry forwards and valuation allowances may exist in the standalone financial statements that may or may not exist in FIS' consolidated financial statements. As such, the income taxes of the Worldpay Business as presented in the combined financial statements may not be indicative of the income taxes that will be generated in the future.

Certain operations of the Worldpay Business have historically been included in a consolidated return with other FIS entities. Current obligations for taxes in certain jurisdictions, where the Worldpay Business files a consolidated tax return with FIS, are deemed settled with FIS in Net parent investment for purposes of the combined financial statements. Current obligations for taxes in jurisdictions where the Worldpay Business does not file a consolidated tax return with FIS, including certain foreign jurisdictions and certain U.S. states, are recorded as accrued liabilities. The effects of tax adjustments and settlements from taxing authorities are presented in the combined financial statements in the period to which they relate as if the Worldpay Business was a separate filer.

Current tax represents the expected tax payable (or recoverable) on the taxable income for the year using tax rates enacted for the period. Uncertain tax positions that meet the more likely than not recognition threshold are measured to determine the amount of benefit to recognize. An uncertain tax position is measured at the largest amount of benefit that management believes has a greater than 50% likelihood of realization upon settlement. Tax benefits not meeting the realization criteria represent unrecognized tax benefits. The Worldpay Business recognizes interest and penalties related to income tax matters in the income tax provision.

The Worldpay Business recognizes deferred income tax assets and liabilities for temporary differences between the financial reporting basis and the tax basis of the Worldpay Business' assets and liabilities and expected benefits of using net operating loss and credit carryforwards. Deferred income tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The impact on deferred income taxes of changes in tax rates and laws, if any, is reflected in the combined financial statements in the period enacted. A valuation allowance is established for any portion of a deferred income tax asset for which management believes it is more likely than not that the Worldpay Business will not be able to realize the benefits of all or a portion of that deferred income tax asset. Certain of the Worldpay Business' earnings are indefinitely reinvested offshore and could be subject to additional income tax if repatriated. It is not practicable to determine the unrecognized deferred tax liability on a hypothetical distribution of those earnings. For the earnings that are not indefinitely reinvested, a deferred tax liability has been recorded for the estimated taxes associated with the future repatriation of those earnings.

(l) Revenue Recognition

The Worldpay Business generates revenue primarily by processing electronic payment transactions and performing related ancillary services. The Worldpay Business enters into customer contracts that set forth the terms and conditions governing each party's rights and obligations, including the services to be provided, pricing, payment terms and contract duration. At contract inception, the Worldpay Business assesses the services promised in its contracts with customers and identifies a performance obligation for each promise to transfer to the customer a service that is distinct. When multiple performance obligations are identified, the total estimated transaction value is allocated based on relative standalone selling prices. The Worldpay Business recognizes revenue as it satisfies its performance obligation by transferring control of services to a customer. Revenue is measured based on the consideration that the Worldpay Business expects to receive in a contract with a customer.

Worldpay Business
NOTES TO COMBINED FINANCIAL STATEMENTS - (continued)

Technology or service components from third parties are frequently embedded in or combined with the Worldpay Business' applications or service offerings. The Worldpay Business is often responsible for billing the client in these arrangements and transmitting the applicable fees to the third party. The Worldpay Business determines whether it is responsible for providing the service as a principal or for arranging for the service to be provided by the third party as an agent. Judgment is applied to determine whether the Worldpay Business is the principal or the agent by evaluating whether the Worldpay Business has control of the solution or service prior to it being transferred to the customer. The principal versus agent assessment is performed at the performance obligation level. Indicators that the Worldpay Business considers in determining if it has control include whether the Worldpay Business is primarily responsible for fulfilling the promise to provide the specified solution or service to the customer, whether the Worldpay Business has inventory risk and whether the Worldpay Business has discretion in establishing the price the customer ultimately pays for the solution or service. Depending upon the level of the Worldpay Business' contractual responsibilities and obligations for delivering solutions to end customers, the Worldpay Business has arrangements where the Worldpay Business is the principal and recognizes the gross amount billed to the customer and other arrangements where the Worldpay Business is the agent and recognizes the net amount retained. Taxes collected from customers and remitted to governmental authorities are not included in revenue.

The following describes the nature of the Worldpay Business' primary types of revenue and the revenue recognition policies and significant payment terms as they pertain to the types of transactions the Worldpay Business enters into with its customers.

Transaction Processing Revenue

Transaction processing revenue is generated from payment processing and the performance of related ancillary services.

Payment processing revenue is earned from processing credit and debit card transactions, including authorization and settlement, chargeback and retrieval processing, reporting for electronic payment transactions and network fee and interchange management. Payment processing revenue is recurring and is typically volume based depending on the number or dollar value of transactions processed. Contract lengths for processing services typically span one or more years; however, they are often cancelable without a significant penalty. Payment is generally due in arrears on a monthly basis and may include fixed or variable payment amounts depending on the specific payment terms and activity in the period.

The nature of the Worldpay Business' promise to the customer is to stand ready to provide continuous access to the Worldpay Business' processing platforms and perform an unspecified quantity of transaction processing services over the contract term. Accordingly, processing services are generally viewed as a single, stand-ready performance obligation comprised of a series of distinct daily services ("stand-ready series").

Because the number or volume of transactions to be processed is not determinable at contract inception, the Worldpay Business' contracts with its customers contain variable consideration. The Worldpay Business allocates variable consideration to distinct daily services as they are performed to the extent the terms of the variable payment relate specifically to the Worldpay Business' efforts to transfer the distinct service and when such allocation is consistent with the allocation objective.

The Worldpay Business typically satisfies its transaction processing service performance obligations over time as the services are provided. Variable fees related to transaction processing revenue accounted for as a series of distinct days of service generally meet the criteria to allocate to, and recognize on, the day on which the Worldpay Business performs the related services.

Worldpay Business
NOTES TO COMBINED FINANCIAL STATEMENTS - (continued)

As part of its performance obligation, the Worldpay Business collects and remits interchange, network fees, and other third-party fees (collectively, “Passthrough fees”). Interchange fees represent amounts collected from merchants and remitted to card issuers and are based on rates established by the card networks. Network fees are amounts collected from merchants and remitted to card networks for their services. Transaction processing revenue includes these variable Passthrough fees which are allocated to, and recognized on, the day on which the related services are performed. Passthrough fees are billed monthly. Substantially all network and interchange fees are presented on a net basis as the Worldpay Business does not have the ability to direct the use of, and obtain substantially all of the benefits from, the services provided by the third parties before those services are transferred to the merchants. When the Worldpay Business is the merchant of record, controls the services before delivery to the customer and has discretion in setting prices charged to the customer, network and interchange fees are recognized on a gross basis. Other third-party fees may be recorded on either a gross or a net basis depending on whether the Worldpay Business is acting as a principal or an agent.

Ancillary services include foreign currency management, payment card industry regulatory compliance services, payment security (e.g., tokenization, encryption and fraud services), chargeback resolution, and billing statement production (e.g., reporting and analytics). With the exception of chargeback resolution, which is recognized at a point in time, ancillary services are recognized over time as the services are generally performed as described above for payment processing services.

Other Recurring Revenue

Other recurring revenue is comprised primarily of payment terminal lease fees charged in connection with a payment processing contract. Terminal lease consideration is accounted for together with non-lease payment processing consideration as a single non-lease component because the non-lease payment processing component is accounted for under ASC Topic 606, *Revenue from Contracts with Customers* (“ASC 606”), the timing and pattern of recognition of the terminal lease component and the associated non-lease payment processing component are the same, and the terminal lease, if accounted for separately, would be classified as an operating lease.

Other Non-recurring Revenue

Other non-recurring revenue is comprised primarily of early termination fees. Early contract terminations are treated as contract modifications. Early termination fees are added to a contract’s transaction price once it becomes likely that liquidated damages will be charged to a customer, typically upon notification of early termination. Early termination fees are recognized over the remaining period of the related performance obligation(s). Other non-recurring revenue also includes revenue from FIS affiliates, primarily relating to the provision or consumption of professional services, software development, client conversion, implementation and sales support as discussed in Note 14.

(m) Cost of Revenue and Selling, General and Administrative Expenses

Cost of revenue consists of costs directly associated with providing solutions or services to clients and includes payroll, employee benefits and other costs associated with personnel employed in customer service and service delivery roles as well as third-party costs involved in fulfillment of performance obligations for which the Worldpay Business is acting as a principal. Cost of revenue also includes data processing costs, amortization of software, customer relationship and trademark intangible assets, and depreciation on operating assets.

Selling, general and administrative expenses include payroll, employee benefits and other costs associated with personnel employed in sales, marketing, human resources, finance, risk management and other administrative roles, as well as residual commission payments made to independent sales organizations and acquisition, integration, and transformation-related expenses. Selling, general and administrative expenses also include depreciation on non-operating corporate assets as well as advertising and other marketing-related program costs.

Cost of revenue and Selling, general and administrative expenses include cost allocations and cross charges from FIS. See Note 14 for amounts included in the combined statement of loss.

(n) Stock-Based Compensation Plans

Certain of the Worldpay Business' employees have historically participated in FIS share-based compensation plans. FIS accounts for stock-based compensation plans using the fair value method. Thus, compensation cost is measured based on the fair value of the award at the grant date and is recognized over the service period. For FIS' service-based stock awards, FIS recognizes the compensation cost on a straight-line basis over the award's service period, which is generally three years. For FIS' performance-based stock awards with market conditions which typically cliff vest on the third anniversary date of the grant, FIS recognizes the compensation cost on a straight-line basis over the service period when it is probable the outcome of that performance condition will be achieved. FIS adjusts the compensation expense over the service period based upon the expected achievement level of the applicable performance condition. Certain of FIS' stock awards contain only market conditions. In those circumstances, compensation cost is recognized over the service period and is not reversed even if the award does not become exercisable in the event the market condition is not achieved. FIS estimates future forfeitures at the time of grant and revises those estimates in subsequent periods if actual forfeitures differ significantly from those estimates.

Share-based compensation expense has been specifically identified for employees of the Worldpay Business. In addition, an allocation of share-based compensation from corporate employees is included in Selling, general and administrative expenses in the combined statement of loss. See Note 13 for amounts included in the combined statement of loss.

(o) Foreign Currency Translation

The Worldpay Business' functional currency is the U.S. dollar. The functional currency of each of the Worldpay Business' operating subsidiaries is generally the currency of the economic environment in which the subsidiary primarily does business. The Worldpay Business' foreign subsidiaries with non-U.S. dollar functional currencies are translated into U.S. dollars for consolidation purposes using the foreign exchange rates applicable to the dates of the financial statements. Generally, these consist of the exchange rates in effect at the balance sheet date for balance sheet accounts and the average exchange rates in effect during the relevant period for revenue and expense accounts. The adjustments resulting from the translation are included in Accumulated other comprehensive earnings (loss) in the combined statement of equity and combined statement of comprehensive earnings (loss) and are excluded from net loss.

Gains or losses resulting from measuring foreign currency transactions into the respective functional currency are included in Other income (expense), net in the combined statement of loss.

(p) Net Parent Investment

Net parent investment in the combined balance sheet and combined statement of equity represents FIS' historical investment in the Worldpay Business and includes accumulated net earnings (loss) after taxes and the net effect of transactions with and cost allocations from FIS.

(q) Other Comprehensive Earnings (Loss)

Comprehensive earnings (loss) consists of two components, net loss and other comprehensive earnings (loss). Other comprehensive earnings (loss) refers to revenue, expenses, and gains and losses that under U.S. GAAP are recorded as an element of equity but are excluded from net loss. The Worldpay Business' other comprehensive earnings (loss) consists of foreign currency translation adjustments from those subsidiaries where the local currency is the functional currency.

Worldpay Business
NOTES TO COMBINED FINANCIAL STATEMENTS - (continued)

(r) Recent Accounting Guidance Not Yet Adopted

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. The ASU requires that an entity disclose specific categories in the effective tax rate reconciliation as well as provide additional information for reconciling items that meet a quantitative threshold. Further, the ASU requires certain disclosures of state versus federal income tax expense and taxes paid. The amendments in this ASU are required to be adopted for fiscal years beginning after December 31, 2024. Early adoption is permitted for annual financial statements that have not yet been issued. The amendments should be applied on a prospective basis, although retrospective application is permitted. The Worldpay Business is currently evaluating the impact of adoption on the financial disclosures.

In November 2023, the FASB used ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*. The ASU requires that an entity disclose significant segment expenses impacting profit and loss that are regularly provided to the chief operating decision maker. The update is required to be applied retrospectively to prior periods presented, based on the significant segment expense categories identified and disclosed in the period of adoption. The amendments in this ASU are required to be adopted for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. The Worldpay Business is currently evaluating the impact of adoption of the financial disclosures.

(4) Revenue

Disaggregation of Revenue

In the following table, revenue is disaggregated by primary geographical market and type of revenue. The table also includes a reconciliation of the disaggregated revenue with the Worldpay Business' reportable segments.

For the year ended December 31, 2023 (in millions):

	Merchant	Corporate and Other	Total
Primary Geographical Markets:			
North America	\$ 3,397	\$ 171	\$ 3,568
All others	1,424	10	1,434
Total	<u>\$ 4,821</u>	<u>\$ 181</u>	<u>\$ 5,002</u>
Type of Revenue:			
Recurring revenue:			
Transaction processing	\$ 4,726	\$ 162	\$ 4,888
Other recurring	84	—	84
Total recurring	4,810	162	4,972
Other non-recurring fees	11	19	30
Total	<u>\$ 4,821</u>	<u>\$ 181</u>	<u>\$ 5,002</u>

Transaction Price Allocated to the Remaining Performance Obligations

As permitted by ASC Topic 606, *Revenue from Contracts with Customers*, the Worldpay Business has elected to exclude disclosure of the aggregate amount of the transaction price allocated to remaining performance obligations, as its contracts either have an original duration of one year or less or contain variable consideration that is allocated entirely to a distinct day of service under a stand-ready series. The aggregate fixed consideration portion of customer contracts with an initial contract duration of greater than one year is not material.

Worldpay Business
NOTES TO COMBINED FINANCIAL STATEMENTS - (continued)

(5) Property and Equipment

Property and equipment as of December 31, 2023, consist of the following (in millions):

	2023
Land	\$ 6
Buildings	20
Leasehold improvements	23
Computer equipment	381
Furniture, fixtures, and other equipment	10
	440
Accumulated depreciation and amortization	(266)
Total Property and equipment, net	\$ 174

Depreciation and amortization expenses on property and equipment totaled \$55 million, for the year ended December 31, 2023.

(6) Goodwill

Changes in goodwill during the year ended December 31, 2023, are summarized below (in millions):

	Merchant	FIS Retained Issuer Business	Total
Balance, December 31, 2022	\$ 17,460	\$ 3,414	\$ 20,874
Foreign currency adjustments	286	-	286
Asset impairments	(6,839)	-	(6,839)
Balance, December 31, 2023	\$ 10,907	\$ 3,414	\$ 14,321

Merchant

2023 Goodwill impairment testing

As discussed in Note 1, on July 5, 2023, FIS signed a definitive agreement to sell a 55% equity interest in Merchant to GTCR. Accordingly, FIS performed a quantitative goodwill impairment assessment as of September 30, 2023. To estimate the fair value of the reporting unit, FIS used a market approach based on the price at which FIS agreed to sell a majority interest in the Worldpay Merchant Solutions business. Based on this price, inclusive of estimated selling adjustments and fair value of contingent consideration, the estimated fair value of the reporting unit was equal to its carrying value. FIS leveraged the results of this quantitative impairment assessment for purposes of its annual Merchant reporting unit assessment. No triggering events were observed during the fourth quarter of 2023, and as such, no incremental impairment testing was performed.

Previously, events and circumstances during the six months ended June 30, 2023, indicated potential goodwill impairment. As such, during the second quarter, FIS was in negotiations to sell, and expected that it was more likely than not that it would sell, a majority stake in the reporting unit. Accordingly, FIS performed a quantitative goodwill impairment assessment as of June 30, 2023. To estimate the fair value of the reporting unit, FIS used a market approach based on the price at which FIS subsequently agreed to sell a majority interest in the Worldpay Merchant Solutions business as further discussed in Note 1. Based on this price, inclusive of estimated selling adjustments and fair value of contingent consideration, the estimated fair value of the reporting unit was less than its carrying value, and FIS recorded a \$6.8 billion impairment charge in the second quarter of 2023. As a result, the Merchant reporting unit's carrying value as of June 30, 2023, was reduced to equal its fair value.

Worldpay Business
NOTES TO COMBINED FINANCIAL STATEMENTS - (continued)

FIS Retained Issuer Business

For the FIS Retained Issuer Business, which is historically part of FIS' Banking Solutions reporting unit, previous quantitative assessments performed by FIS have historically indicated substantial excess of fair value over carrying amounts. For 2023, FIS performed a qualitative annual assessment of the Banking Solutions reporting unit and concluded that it remained more likely than not that the fair value of the Banking Solutions reporting unit continued to exceed its carrying amount. Given the substantial excess of fair value over carrying amount, FIS believed the likelihood of obtaining materially different results based on a change of assumptions to be low.

(7) Intangible Assets

Intangible assets as of December 31, 2023, consist of the following (in millions):

	Cost	Accumulated Amortization	Net
Customer relationships	\$ 13,484	\$ (7,394)	\$ 6,090
Trademarks and other	440	(403)	37
Total Intangible assets, net	<u>\$ 13,924</u>	<u>\$ (7,797)</u>	<u>\$ 6,127</u>

Amortization expense for intangible assets was \$1,524 million for the year ended December 31, 2023.

Estimated amortization of intangible assets for the next five years is as follows (in millions):

2024	\$ 1,362
2025	1,246
2026	1,138
2027	1,021
2028	900

(8) Software

Software as of December 31, 2023, consists of the following (in millions):

	2023
Software from acquisitions	\$ 1,447
Capitalized software development costs	1,084
Purchased software	3
	<u>2,534</u>
Accumulated amortization	<u>(1,424)</u>
Total Software, net	<u>\$ 1,110</u>

During the year ended December 31, 2023, the Worldpay Business recorded \$6 million of software asset impairments and \$21 million of incremental software amortization expense driven by the Worldpay Business' platform modernization. Platform modernization includes sunseting certain technology platforms, which resulted in shortened estimated useful lives and accelerated amortization methods primarily impacting the associated assets over an approximate three-year period, beginning in the third quarter of 2021.

Amortization expense for software was \$368 million for the year ended December 31, 2023.

Worldpay Business
NOTES TO COMBINED FINANCIAL STATEMENTS - (continued)

(9) Accounts Payable, Accrued and Other Liabilities

Accounts payable, accrued and other liabilities as of December 31, 2023, consists of the following (in millions):

	2023
Trade accounts payable and other accrued liabilities	\$ 746
Salaries and incentives	98
Taxes other than income tax	140
Accrued benefits and payroll taxes	22
Operating lease liabilities	20
Tax Receivable Agreement liability	57
Total Accounts payable, accrued and other liabilities	<u>\$ 1,083</u>

(10) Other Noncurrent Assets and Liabilities

Other noncurrent assets as of December 31, 2023, consist of the following (in millions):

	2023
Operating lease ROU assets	\$ 66
Equity security investments	83
Visa Europe and contingent value rights (“CVR”) related assets	106
Deferred contract costs, net	139
Other	187
Total Other noncurrent assets	<u>\$ 581</u>

Other noncurrent liabilities as of December 31, 2023, consist of the following (in millions):

	2023
Operating lease liabilities	\$ 76
Tax Receivable Agreement liability ⁽¹⁾	12
CVR liability	392
Other	18
Total Other noncurrent liabilities	<u>\$ 498</u>

(1) See Note 12

Visa Europe and Contingent Value Rights

As part of the Worldpay Acquisition, FIS acquired certain assets and liabilities related to the June 2016 Worldpay Group plc (“Legacy Worldpay”) disposal of its ownership interest in Visa Europe to Visa Inc. As part of the disposal, Legacy Worldpay received proceeds from Visa Inc. in the form of cash (“cash consideration”) and convertible preferred stock (“preferred stock”), the value of which may be reduced by losses incurred relating to ongoing interchange-related litigation involving Visa Europe. The preferred stock becomes convertible into Visa Inc. Class A common stock (“common stock”) in stages as determined by Visa Inc. in accordance with the relevant transaction documents pertaining to the aforementioned disposal of the Visa Europe ownership interest. The preferred stock becomes fully convertible no later than 2028 (subject to a holdback to cover any pending claims). Also in connection with the disposal and pursuant to the terms of an amendment executed on September 17, 2020, Legacy Worldpay agreed to pay former Legacy Worldpay owners 90% of the net-of-tax proceeds from the disposal, known as contingent value rights, which is recorded as a liability (“CVR liability”) on the combined balance sheet.

Worldpay Business
NOTES TO COMBINED FINANCIAL STATEMENTS - (continued)

The Worldpay Business has elected the fair value option under ASC Topic 825, *Financial Instruments* (“ASC 825”), for measuring its preferred stock asset and CVR liability. The fair value of the preferred stock was \$106 million at December 31, 2023, recorded in Other noncurrent assets on the combined balance sheet. The fair value of the CVR liability was \$392 million at December 31, 2023, recorded in Other noncurrent liabilities on the combined balance sheet. Pursuant to ASC 825, the Worldpay Business remeasures the fair value of the preferred stock and CVR liability each reporting period. The net increase in fair value was \$1 million for the year ended December 31, 2023. The net changes in fair value are recorded in Other income (expense), net on the combined statement of loss.

The estimated fair value of the preferred stock and related component of the CVR liability are determined using Level 3-type measurements. Significant inputs into the valuation of the preferred stock include the Visa Inc. Class A common stock price per share and the conversion ratio, which are observable, as well as the expected timing of future preferred stock releases for conversion into common stock and an estimate of the potential losses that will result from the ongoing litigation involving Visa Europe, which are unobservable. The estimated fair value of the cash consideration component of the CVR liability is determined using Level 3-type measurements, utilizing a discount rate based on the bond yield for the Worldpay Business’ credit rating and remaining payment term as the significant unobservable input.

Equity Security Investments

The Worldpay Business holds various equity securities without readily determinable fair values that primarily represent strategic investments made by the Worldpay Business as well as investments obtained through acquisitions. Such investments totaled \$83 million at December 31, 2023, and are included within Other noncurrent assets on the combined balance sheet. The Worldpay Business accounts for these investments at cost, less impairment, and adjusts the carrying values for observable price changes from orderly transactions for identical or similar investments of the same issuer. These adjustments are generally considered Level 2-type fair value measurements. The Worldpay Business records gains and losses on these investments, realized and unrealized, as Other income (expense), net on the combined statement of loss. There was no gain or loss related to these investments recorded for the year ended December 31, 2023.

(11) Income Taxes

The tax provisions have been prepared on a separate return basis as if the Worldpay Business had been a separate group of companies under common ownership. The operations have been combined as if the Worldpay Business was filing on a consolidated basis for U.S., state and non-U.S. income tax purposes, where allowable by law.

Income tax benefit attributable to continuing operations for the year ended December 31, 2023, consists of the following (in millions):

	2023
Current provision:	
Federal	\$ 45
State and local	21
Foreign	84
Total current provision	\$ 150
Deferred provision (benefit):	
Federal	\$ (57)
State and local	4
Foreign	(112)
Total deferred provision (benefit)	(165)
Total benefit for income taxes	\$ (15)

The benefit for income taxes is based on pre-tax income from continuing operations, which is as follows for the year ended December 31, 2023 (in millions):

	2023
United States	\$ (4,721)
Foreign	(2,130)
Total	\$ (6,851)

Worldpay Business
NOTES TO COMBINED FINANCIAL STATEMENTS - (continued)

A reconciliation of the federal statutory income tax rate to the Worldpay Business' effective income tax rate for the year ended December 31, 2023, is as follows:

	2023
Federal statutory income tax rate	21.0%
State income taxes	2.2
Federal benefit of state taxes	(0.5)
Foreign rate differential	1.6
Book basis in excess of tax basis for goodwill impairment and disposition	(24.0)
CVR Liability fair value and foreign currency adjustment	(0.1)
Effective income tax rate	<u>0.2%</u>

The significant components of Deferred income tax assets and liabilities as of December 31, 2023, consist of the following (in millions):

	2023
Deferred income tax assets:	
Net operating loss carryforwards	\$ 33
Employee benefit accruals	25
Property and equipment	6
Reserves and accruals	9
Other deferred tax assets	13
Total gross deferred income tax assets	86
Less valuation allowance	(16)
Total deferred income tax assets	70
Deferred income tax liabilities:	
Amortization of goodwill and intangible assets	(2,255)
CVR Liability	(41)
Foreign currency translation adjustment	(1)
Other deferred tax liabilities	(61)
Total deferred income tax liabilities	(2,358)
Net deferred income tax liability	<u>\$ (2,288)</u>

Deferred income tax balances reflect the effects of temporary differences between the carrying amounts of assets and liabilities and their tax bases, as well as from net operating loss and tax credit carryforwards, and are stated at enacted tax rates expected to be in effect when taxes are actually paid or recovered. Deferred income tax assets represent amounts available to reduce income taxes payable on taxable income in future years. The Worldpay Business did not operate as a standalone entity in the past and, accordingly, tax losses, receivables and other Deferred tax assets included in the combined financial statements on a separate return basis may not be available upon separation from FIS.

Deferred income taxes are classified in the combined balance sheet as of December 31, 2023, as follows (in millions):

	2023
Noncurrent deferred income tax assets (included in Other noncurrent assets)	\$ 21
Noncurrent deferred income tax liabilities	(2,309)
Net deferred income tax liability	<u>\$ (2,288)</u>

The Worldpay Business believes that based on its historical pattern of taxable income, projections of future income, tax planning strategies and other relevant evidence, the Worldpay Business will produce sufficient income in the future to realize its Deferred income tax assets (net of valuation allowance). A valuation allowance is established for any portion of a Deferred income tax asset for which the Worldpay Business believes it is more likely than not that it will not be able to realize the benefits of all or a portion of that Deferred income tax asset.

Worldpay Business
NOTES TO COMBINED FINANCIAL STATEMENTS - (continued)

As of December 31, 2023, the Worldpay Business has federal, state and foreign net operating loss carryforwards resulting in deferred tax assets of \$33 million. The Worldpay Business has a valuation allowance related to foreign and federal net operating loss carryforwards in the amounts of \$13 million as of December 31, 2023.

FIS participates in the IRS' Compliance Assurance Process ("CAP"), which is a real-time continuous audit. The IRS has completed its review for years through 2021. Currently, the Worldpay Business believes the ultimate resolution of the IRS examinations will not result in a material adverse effect to the Worldpay Business' financial position or results of operations.

As of December 31, 2023, the Worldpay Business had gross unrecognized tax benefits of \$11 million, of which \$10 million, would favorably impact the Worldpay Business' income tax rate in the event that the unrecognized tax benefits are recognized.

The following table reconciles the gross amounts of unrecognized tax benefits at the beginning and end of the period (in millions):

	Gross Amount
Amount of unrecognized tax benefit as of December 31, 2022	\$ 12
Amount of decreases due to lapse of the applicable statute of limitations	(1)
Amount of decreases due to settlements	-
Increases as a result of tax positions taken in the current period	-
Amount of unrecognized tax benefit as of December 31, 2023	<u>\$ 11</u>

Interest and penalties are recorded as a component of income tax expense in the combined statement of loss and comprehensive earnings (loss).

As of December 31, 2023, certain of the Worldpay Business' earnings are indefinitely reinvested offshore and could be subject to additional income tax if repatriated. It is not practicable to determine the unrecognized deferred tax liability on a hypothetical distribution of those earnings. For the earnings that are not indefinitely reinvested, the Worldpay Business has recorded a deferred tax liability for foreign income and withholding taxes that would apply.

(12) Commitments and Contingencies

The Worldpay Business is party to certain lawsuits in the ordinary course of business. The Worldpay Business does not believe that these proceedings, individually or in the aggregate, will have a material adverse effect on the Worldpay Business' financial position, results of operations or cash flows.

Tax Receivable Agreement

FIS assumed in the Worldpay Acquisition a Tax Receivable Agreement ("TRA") under which FIS agreed to make payments to Fifth Third Bank ("Fifth Third") of 85% of the federal, state, local and foreign income tax benefits realized by FIS as a result of certain tax deductions. In December 2019, FIS entered into a Tax Receivable Purchase Addendum (the "TRA Amendment") that provides written call and put options (collectively "the options") to terminate certain estimated obligations under the TRA in exchange for fixed cash payments.

The remaining TRA obligations not subject to the TRA Amendment are based on the cash savings realized by FIS by comparing the actual income tax liability of FIS to the amount of such taxes FIS would have been required to pay had there been no deductions related to the tax attributes. Under the TRA, in certain specified circumstances, such as certain changes of control, FIS may be required to make payments in excess of such cash savings.

Obligations recorded in the Worldpay Business' combined financial statements pursuant to the TRA are based on estimates of future deductions and future tax rates and, in the case of the obligations subject to the TRA Amendment, reflect management's expectation that the options will be exercised. In January 2023, FIS exercised its final call option pursuant to the TRA Amendment, which results in fixed cash payments to Fifth Third of \$150 million. The timing and/or amount of aggregate payments due under the TRA may vary based on a number of factors, including the exercise of options, the amount and timing of taxable income generated in the future and the tax rate then applicable, the use of loss carryforwards and amortizable basis. Each reporting period, the Worldpay Business evaluates the assumptions underlying the TRA obligations.

Worldpay Business
NOTES TO COMBINED FINANCIAL STATEMENTS - (continued)

The combined balance sheet as of December 31, 2023, includes a total liability of \$69 million, relating to the TRA. The following table summarizes the Worldpay Business' estimated payment obligation timing under the TRA as of December 31, 2023 (in millions):

	Total	Payments Due in		
		2024	2025	2026 and After
Obligations under TRA	\$ 69	\$ 57	\$ 11	\$ 1

Chargeback Liability

Through services offered in Merchant, the Worldpay Business is exposed to potential losses from merchant-related chargebacks. A chargeback occurs when a dispute between a cardholder and a merchant, including a claim for non-delivery of the product or service by the merchant, is not resolved in favor of the merchant and the transaction is charged back to the merchant resulting in a refund of the purchase price to the cardholder. If the Worldpay Business is unable to collect this chargeback amount from the merchant due to closure, bankruptcy or other reasons, the Worldpay Business bears the loss for the refund paid to the cardholder. The risk of chargebacks is typically greater for those merchants that promise future delivery of goods and services rather than delivering goods or rendering services at the time of payment.

Indemnifications and Warranties

The Worldpay Business generally indemnifies its clients, subject to certain limitations and exceptions, against damages and costs resulting from claims of patent, copyright, or trademark infringement associated solely with its customers' use of the Worldpay Business' software applications or services. Historically, the Worldpay Business has not made any material payments under such indemnifications but continues to monitor the conditions that are subject to the indemnifications to identify whether it is probable that a loss has occurred, in which case it would recognize any such losses when they are estimable.

(13) Employee Benefit Plans

401(k) Profit Sharing Plans

The Worldpay Business' U.S. employees are covered by a FIS qualified 401(k) plan. Eligible employees may contribute up to 40% of their eligible compensation, up to the annual amount allowed pursuant to the Internal Revenue Code. FIS generally matches 50% of each dollar of employee contribution up to 6% of the employee's total eligible compensation. The Worldpay Business' non-U.S. employees are also covered by various defined contribution plans of the Worldpay Business and FIS. The Worldpay Business recorded expense of \$34 million, for the year ended December 31, 2023, relating to the participation of the Worldpay Business' employees in the 401(k) plan and the related contribution to non-U.S. defined contribution plans.

Stock Compensation Plans

FIS grants to certain employees equity awards pursuant to shares authorized under the FIS 2022 Omnibus Incentive Plan established in 2022 ("FIS Plan") which superseded and replaced the FIS 2008 Omnibus Incentive Plan. The number of shares available for future grants under the FIS Plan is 24 million as of December 31, 2023.

Stock Options

FIS grants stock options to certain employees, which typically vest annually over three years. All stock options are non-qualified stock options, the stock options granted by FIS expire on the seventh anniversary of the grant date, and the stock options converted through FIS' acquisition of Worldpay expire on the tenth anniversary of the grant date.

Worldpay Business
NOTES TO COMBINED FINANCIAL STATEMENTS - (continued)

The following table summarizes stock option activity for the year ended December 31, 2023, for the Worldpay Business' direct employees with stock options (in millions except for quantity and per share amount):

	Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Balance, December 31, 2022	708,905	\$106.64	4.5	\$1.5
Granted	353,619	78.42		
Exercised	(33,391)	43.71		0.6
Canceled	(7,077)	92.34		
Balance, December 31, 2023	<u>1,022,056</u>	\$96.99	4.7	\$0.4
Options Exercisable at December 31, 2023	<u>372,176</u>	\$108.76	3.4	\$0.4

The intrinsic value of options exercised during the year ended December 31, 2023, was \$1 million. The intrinsic value of the outstanding options and options exercisable is based on a closing stock price as of December 31, 2023, of \$60.07. FIS issues authorized but unissued shares or shares from treasury stock to settle stock options exercised.

The number of options granted for employees directly related to the Worldpay Business for the year ended December 31, 2023, was 0.4 million. The weighted average exercise price was \$78.42 for the year ended December 31, 2023.

The weighted average fair value of options granted during the year ended December 31, 2023, was \$13.25, using the Black-Scholes option pricing model with the assumptions below:

	2023
Risk free interest rate	4.2%
Volatility	37.5%
Dividend yield	3.3%
Weighted average expected life (years)	4.1

FIS estimates future forfeitures at the time of grant and revises those estimates in subsequent periods if actual forfeitures differ significantly from those estimates. FIS bases the risk-free interest rate that is used in the Black-Scholes model on U.S. Treasury securities issued with maturities similar to the expected term of the options. The expected stock volatility factor is determined using historical daily price of the common stock and the impact of any expected trends. The dividend yield assumption is based on the current dividend yield at the grant date or management's forecasted expectations. The expected life assumption is determined by calculating the average term from FIS' historical stock option activity and considering the impact of future trends.

Restricted Stock Units and Performance Stock Units

FIS issues restricted stock units to employees, which typically vest annually over three years. The grant date fair value of the restricted stock units is based on the fair market value of FIS common stock on the grant date. The number of restricted stock units granted to employees that directly relate to the Worldpay Business during the year ended December 31, 2023, was 0.7 million. The weighted average grant date fair value of these awards granted during the year ended December 31, 2023, was \$61.67. The total fair value of restricted stock units that vested was \$8 million in 2023.

FIS grants performance-based stock units that typically cliff vest on the third anniversary date of the grant. The ultimate number of units to be earned depends on the achievement of performance conditions. Some performance-based stock units also include market conditions. The performance conditions are typically based on FIS' annual organic revenue growth and Adjusted EBITDA margin expansion (see Note 16 for a definition of Adjusted EBITDA). The market conditions are based on FIS' total shareholder return ranked against that of other companies that are included in the Standard & Poor's 500 Index. The fair value of each performance-based stock unit with only performance conditions is based on the fair value of FIS' common stock on the grant date.

Worldpay Business
NOTES TO COMBINED FINANCIAL STATEMENTS - (continued)

The fair value of each performance-based stock unit with a market condition is estimated on the date of grant using a Monte Carlo simulation model with the following weighted-average assumptions:

	2023
Risk free interest rate	4.6%
Volatility	37.2%
Dividend yield	3.3%

The number of performance-based stock units granted to employees directly related to the Worldpay Business during the year ended December 31, 2023, was 0.2 million. The weighted average grant date fair value of these awards granted during the year ended December 31, 2023, was \$60.42. No performance-based stock units vested during 2023.

The following table summarizes the restricted stock units and performance stock units activity for employees that directly relate to the Worldpay Business for the year ended December 31, 2023 (in millions except for quantity and per share amount):

	Restricted Stock Units		Performance Stock Units	
	Shares	Weighted Average Fair Value	Shares	Weighted Average Fair Value
Balance December 31, 2022	429,353	\$99.09	839,901	\$96.65
Granted	666,563	\$61.67	152,012	\$60.42
Vested	(139,640)	\$102.40	-	\$ -
Forfeited	(19,716)	\$71.48	(116,684)	\$99.82
Balance December 31, 2023	<u>936,560</u>	<u>\$66.82</u>	<u>875,229</u>	<u>\$66.74</u>

Stock Compensation Cost

Total stock compensation expense recorded for employees directly related to the Worldpay Business was \$30 million in Selling, general and administrative expenses and \$11 million in Cost of revenue in the combined statement of loss for the year ended December 31, 2023. Stock compensation expense recorded related to the grants with performance conditions is based on FIS' expected level of achievement of the financial performance measures during the performance period and is adjusted as appropriate throughout the performance period based on the shares expected to be earned at that time.

As of December 31, 2023, the total unrecognized compensation cost related to non-vested stock awards is \$65 million, which is expected to be recognized in pre-tax income over a weighted average period of 1.4 years.

(14) Related Party Transactions

The Worldpay Business has not historically operated as a standalone business and the combined financial statements are derived from the consolidated financial statements and accounting records of FIS. The following disclosure summarizes activity between the Worldpay Business and FIS, including the affiliates of FIS that were not part of the Separation.

Related Party Transactions

The Worldpay Business has entered into the following transactions with FIS affiliates representing the sharing of resources and cross-charging across the organization, relating to the provision or consumption of professional services, software development, client conversion, implementation and sales support (in millions):

	2023
Revenue from affiliates	\$ 22
Cost of revenue from affiliates	20

Worldpay Business
NOTES TO COMBINED FINANCIAL STATEMENTS - (continued)

The Worldpay Business had the following balances with FIS affiliates (in millions):

	2023
Due from affiliates	\$ 133
Due to affiliates	42

Balances due to or due from FIS affiliates which are not historically cash settled between the Worldpay Business and FIS, including the accumulated net position related to FIS' centralized cash management program, are reflected in Net parent investment on the combined balance sheet. Balances due to or due from FIS affiliates attributable to recurring operational transactions which have been historically cash settled are presented within Due to affiliates and Due from affiliates on the Worldpay Business' combined balance sheet. There was one intercompany loan receivable arrangement for approximately \$109 million entered into during December 2023, which was cash settled in January 2024. The intercompany loan receivable is included within Due from affiliates within the combined balance sheet. The interest income related to the intercompany loan receivable is not material. See Repayments of loan payable to affiliates and Loan receivable from affiliates, respectively, within the combined statement of cash flows.

Net parent investment in the combined balance sheet and Transfers to Parent in the combined statement of equity represent FIS' historical investment in the Worldpay Business and include net earnings (loss) after taxes and the net effect of transactions with and cost allocations from FIS. Such balances are reflected in the combined statement of cash flows based on the cash flows made by FIS on the Worldpay Business' behalf. These cash flows are included within net loss in cash flows from operating activities with the offset reflected in Transfers to Parent, net within cash flows from financing activities.

Cost Allocations from FIS

FIS provides significant corporate, selling, marketing, administrative, and resources to the Worldpay Business. Some of these services will continue to be provided by FIS to the Worldpay Business on a temporary basis after the Separation under a transition services agreement.

The combined financial statements reflect specific identification and allocations of these costs which include acquisition, integration and transformation-related costs. See Note 2 for a discussion of these costs and the methodology used to allocate them.

These allocations are reflected in the combined statement of loss as follows (in millions):

	2023
Cost of revenue	\$ 10
Selling, general and administrative	262
Total	\$ 272

Management believes these cost allocations are a reasonable reflection of the utilization of services provided to, or the benefit derived by, the Worldpay Business during the periods presented. The allocations may not, however, be indicative of the actual expenses that would have been incurred had the Worldpay Business operated as a standalone company. Actual costs that may have been incurred if the Worldpay Business had been a standalone company would depend on a number of factors, including the chosen organizational structure, whether functions were outsourced or performed by the Worldpay Business' employees, and strategic decisions made in areas such as manufacturing, selling and marketing, research and development, information technology and infrastructure.

(15) Concentration of Risk

The Worldpay Business generates a significant amount of revenue from large clients; however, no individual client accounted for 10% or more of total revenue in the year ended December 31, 2023.

Financial instruments that potentially subject the Worldpay Business to concentrations of credit risk consist primarily of cash equivalents and trade receivables. The Worldpay Business places its cash equivalents with high credit-quality financial institutions and, by policy, limits the amount of credit exposure with any one financial institution. Concentrations of credit risk with respect to trade receivables are limited because a large number of geographically diverse clients make up the Worldpay Business' client base, thus spreading the trade receivables credit risk. The Worldpay Business controls credit risk through monitoring procedures.

(16) Segment Information

The Worldpay Business reports its financial performance based on the following segments: Merchant and Corporate and Other. Below is a summary of each segment.

Merchant

The Merchant segment is focused on serving merchants of all sizes globally, enabling them to accept, authorize and settle electronic payment transactions. Merchant includes all aspects of payment processing, including value-added services, such as security, fraud prevention, advanced data analytics, foreign currency management and numerous funding options. Merchant serves clients in over 100 countries. The Worldpay Business' Merchant clients are highly diversified, including global enterprises, national retailers and SMBs. The Merchant segment utilizes broad and varied distribution channels, including direct sales forces and multiple referral partner relationships that provide the Worldpay Business with access to new and existing markets.

Corporate and Other

The Corporate and Other segment consists of the FIS Retained Issuer Business, which does not meet the criteria for separate reporting. The FIS Retained Issuer Business provides card issuer processing, payment network processing, fraud protection and card production to a diverse set of financial institutions including regional banks, community banks, credit unions and regional PIN networks. Following the Separation, the FIS Retained Issuer Business was retained by FIS.

Additionally, the Corporate and Other segment consists of corporate overhead expenses and miscellaneous expenses that are not included in the operating segments. The overhead costs relate to corporate marketing, corporate finance and accounting, human resources, legal, and amortization of acquisition-related intangibles and other costs, such as acquisition, integration and transformation-related expenses, that are not considered when management evaluates revenue-generating segment performance.

In the Corporate and Other segment, the Worldpay Business recorded goodwill impairments of \$6,839 million related to the Merchant segment in 2023.

Adjusted EBITDA

Adjusted EBITDA is a measure of segment profit or loss that is reported to the chief operating decision maker for purposes of making decisions about allocating resources to the segments and assessing their performance. For this reason, Adjusted EBITDA, as it relates to the Worldpay Business' segments, is presented in conformity with ASC Topic 280, *Segment Reporting*. Adjusted EBITDA is defined as net earnings (loss) before, other income (expense), net, income tax provision (benefit), and depreciation and amortization, and excludes certain costs and other transactions that management deems non-operational in nature or that otherwise improve the comparability of operating results across reporting periods by their exclusion. This measure is reported to the chief operating decision maker for purposes of making decisions about allocating resources to the segments and assessing their performance. The items affecting the segment profit measure generally include the purchase price amortization of acquired intangible assets as well as acquisition, integration and certain other costs and asset impairments. These costs and adjustments are recorded in the Corporate and Other segment for the periods discussed below. Adjusted EBITDA for the respective segments excludes the foregoing costs and adjustments.

Worldpay Business
NOTES TO COMBINED FINANCIAL STATEMENTS - (continued)

Summarized financial information for the Worldpay Business' segments is shown in the following tables. The Worldpay Business does not evaluate performance or allocate resources based on segment asset data; therefore, such information is not presented.

As of and for the year ended December 31, 2023 (in millions):

	Merchant	Corporate and Other	Total
Revenue ⁽¹⁾	\$ 4,821	\$ 181	\$ 5,002
Operating Expenses ⁽²⁾	(2,959)	(8,993)	(11,952)
Depreciation and amortization (Including purchase accounting amortization)	387	1,600	1,987
Acquisition, integration and other costs	-	271	271
Asset impairments	-	6,845	6,845
Adjusted EBITDA	<u>\$ 2,249</u>	<u>\$ (96)</u>	<u>\$ 2,153</u>
Adjusted EBITDA			2,153
Depreciation and amortization			(294)
Purchase accounting amortization			(1,693)
Acquisition, integration and other costs			(271)
Asset impairments			(6,845)
Other income (expense), net			99
Benefit for income taxes			15
Net earnings attributable to noncontrolling interest			(4)
Net loss attributable to the Worldpay Business			<u>\$ (6,840)</u>
Capital expenditure	<u>\$ 355</u>	<u>\$ —</u>	<u>\$ 355</u>

(1) Includes Revenue from affiliates of \$22 million for Corporate and Other.

(2) Includes Cost of revenue from affiliates of \$20 million for Corporate and Other.

Clients in the United Kingdom accounted for the majority of the revenue from clients based outside of North America for all periods presented. The Worldpay Business conducts business in over 100 countries. No individual country outside of North America, except for the United Kingdom, accounted for more than 10% of total revenue for the year ended December 31, 2023.

Long-term assets, excluding goodwill and other intangible assets, located outside of the United States totaled \$799 million as of December 31, 2023. These assets are predominantly located in the United Kingdom.

Worldpay Business
NOTES TO COMBINED FINANCIAL STATEMENTS - (continued)

(17) Subsequent Events

The Worldpay Business has evaluated subsequent events from the balance sheet date through March 29, 2024, which is the date these financial statements were available to be issued.

As discussed in Note 1, on January 31, 2024, FIS completed the previously announced Separation. In connection with the Separation, certain Worldpay entities entered into additional agreements with FIS, including:

- Commercial agreements whereby each party would provide (i) referrals in connection with certain products and services provided by the other party, which are generally structured as revenue shares, and (ii) certain commercial services to the other party;
- A transition services agreement whereby FIS will continue to provide services in support of Worldpay and provide support for migration of the services for up to 24 months (subject to a six- month extension). In addition, Worldpay will provide reverse services so that FIS may maintain access to certain resources and services transferred to Worldpay;
- An employee leasing agreement pursuant to which FIS will lease certain employees to Worldpay in the United States, China, Colombia and South Korea for up to five months after the closing and in the Netherlands for up to two months after closing; and
- A data sharing agreement governing the sharing of data, including across the post-closing services agreements.

Worldpay Holdco, LLC
Combined and Consolidated Financial Statements
As of and for the periods from February 1, 2024 to December 31, 2024 (Successor) and January 1, 2024 to January 31, 2024 (Predecessor)
With Independent Auditors' Report Thereon

Worldpay Holdco, LLC
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Worldpay Holdco, LLC
Independent Auditors' Report

To Those Charged With Governance
Worldpay Holdco, LLC:

Opinion

We have audited the combined and consolidated financial statements of Worldpay Holdco, LLC and its subsidiaries (the Company), which comprise the consolidated balance sheet as of December 31, 2024 (Successor), and the related combined and consolidated statements of (loss) income, comprehensive loss, mezzanine equity and shareholders' equity (deficit), and cash flows for the eleven month period ended December 31, 2024 (Successor period), and for the period from January 1, 2024 to January 31, 2024 (Predecessor period), and the related notes to the combined and consolidated financial statements.

In our opinion, the accompanying combined and consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024, and the results of its operations and its cash flows for the Successor and Predecessor periods, in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Combined and Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

New Basis of Accounting

As discussed in Note 1 to the combined and consolidated financial statements, effective January 31, 2024, the Company was acquired in a business combination. As a result of the acquisition, the combined and consolidated financial information for the period after the acquisition is presented on a different cost basis than that for the period before the acquisition and, therefore, is not comparable.

Responsibilities of Management for the Combined and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the combined and consolidated financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined and consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the combined and consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Combined and Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the combined and consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined and consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the combined and consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the combined and consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

/s/ KPMG LLP

Cincinnati, Ohio
October 24, 2025

Worldpay Holdco, LLC
Consolidated Balance Sheet
December 31, 2024
(In millions)

	December 31, 2024
	Successor
Assets	
Current assets:	
Cash and cash equivalents	\$ 2,578.6
Settlement assets	3,417.2
Trade receivables, net	1,857.2
Prepaid expenses and other current assets	273.3
Total current assets	8,126.3
Property and equipment, net	162.8
Goodwill	6,006.4
Intangible assets, net	7,930.7
Software, net	1,373.6
Other noncurrent assets	360.1
Total assets	\$ 23,959.9
Liabilities, Mezzanine Equity, and Shareholders' Deficit	
Current liabilities:	
Accounts payable, accrued and other liabilities	\$ 1,508.9
Settlement payable	4,413.4
Current portion of long-term debt	57.2
Total current liabilities	5,979.5
Long-term liabilities:	
Deferred tax liabilities	544.5
Long-term debt	8,240.8
Other long-term liabilities	535.3
Total liabilities	15,300.1
Mezzanine equity:	
Class A Preferred Units	10,019.3
Shareholders' Deficit:	
Class B and Class E Units	3,445.0
Additional paid-in-capital	—
Retained deficit	(4,708.2)
Accumulated other comprehensive loss	(97.0)
Total Worldpay Holdco, LLC deficit	(1,360.2)
Noncontrolling interest	0.7
Total shareholders' deficit	(1,359.5)
Total liabilities, mezzanine equity and shareholders' deficit	\$ 23,959.9

See accompanying notes, which are an integral part of these Combined and Consolidated Financial Statements.

Worldpay Holdco, LLC
Combined and Consolidated Statements of (Loss) Income
For the periods from February 1, 2024 to December 31, 2024 (Successor) and
January 1, 2024 to January 31, 2024 (Predecessor)
(In millions)

	Eleven Months Ended December 31, 2024	One Month Ended January 31, 2024
	Successor	Predecessor
Revenue	\$ 4,732.2	\$ 399.0
Cost of revenue	2,310.2	197.0
Selling, general and administrative expenses	2,261.7	162.0
Operating income	160.3	40.0
Interest expense, net	(545.2)	—
Other income (expense), net	43.3	(5.0)
(Loss) income before income taxes	(341.6)	35.0
Income tax expense	98.1	6.0
Net (loss) income	(439.7)	29.0
Less: Net income attributable to noncontrolling interest	4.1	—
Net (loss) income attributable to Worldpay Holdco, LLC	\$ (443.8)	\$ 29.0

See accompanying notes, which are an integral part of these Combined and Consolidated Financial Statements.

Worldpay Holdco, LLC
Combined and Consolidated Statements of Comprehensive Loss
For the periods from February 1, 2024 to December 31, 2024 (Successor) and January 1, 2024 to January 31, 2024 (Predecessor)
(In millions)

	Eleven Months Ended December 31, 2024	One Month Ended January 31, 2024
	Successor	Predecessor
Net (loss) income	\$ (439.7)	\$ 29.0
Other comprehensive loss, net of tax:		
Loss on foreign currency translation	(112.3)	(81.0)
Gain on hedging activities and other	15.3	—
Comprehensive loss	(536.7)	(52.0)
Less: Comprehensive income attributable to noncontrolling interests	4.1	—
Comprehensive loss attributable to Worldpay Holdco, LLC	\$ (540.8)	\$ (52.0)

See accompanying notes, which are an integral part of these Combined and Consolidated Financial Statements.

Worldpay Holdco, LLC
Combined and Consolidated Statements of Mezzanine Equity and Shareholders' Equity (Deficit)
For the periods from February 1, 2024 to December 31, 2024 (Successor)
and January 1, 2024 to January 31, 2024 (Predecessor)
(In millions)

Successor	Total Mezzanine	Class B and Class E Units	Additional Paid-in-Capital	Retained Deficit	Accumulated Other Comprehensive Loss	Noncontrolling Interest	Total Shareholders' Equity (Deficit)
Balances, January 31, 2024	\$ 5,980.0	\$ 3,443.6	\$ 42.8	\$ (118.6)	\$ —	\$ 2.1	\$ 3,369.9
Net (loss) income	—	—	—	(443.8)	—	4.1	(439.7)
Stock-based compensation	—	—	38.4	—	—	—	38.4
Foreign currency translation adjustments	—	—	—	—	(112.3)	—	(112.3)
Change in fair value of interest rate swaps, net of tax	—	—	—	—	16.0	—	16.0
Distributions to noncontrolling interest	—	—	—	—	—	(5.5)	(5.5)
Tax distributions to investors	(190.2)	—	—	—	—	—	—
Net proceeds from issuance of units	2.5	1.4	—	—	—	—	1.4
Accretion of Class A units to redemption value	4,227.0	—	(81.2)	(4,145.8)	—	—	(4,227.0)
Other	—	—	—	—	(0.7)	—	(0.7)
Balances, December 31, 2024	<u>\$ 10,019.3</u>	<u>\$ 3,445.0</u>	<u>\$ —</u>	<u>\$ (4,708.2)</u>	<u>\$ (97.0)</u>	<u>\$ 0.7</u>	<u>\$ (1,359.5)</u>

Predecessor	Net Parent Investment	Accumulated Other Comprehensive Loss	Noncontrolling Interest	Total Equity
Balances, December 31, 2023	\$ 20,840.0	\$ 8.0	\$ 2.0	\$ 20,850.0
Net income	29.0	—	—	29.0
Other comprehensive loss, net of tax	—	(81.0)	—	(81.0)
Transfers to Parent, net	(3,639.0)	—	—	(3,639.0)
Balances, January 31, 2024	<u>\$ 17,230.0</u>	<u>\$ (73.0)</u>	<u>\$ 2.0</u>	<u>\$ 17,159.0</u>

See accompanying notes, which are an integral part of these Combined and Consolidated Financial Statements.

Worldpay Holdco, LLC
Combined and Consolidated Statements of Cash Flows
For the Eleven Months ended December 31, 2024 (Successor) and for the period from
January 1, 2024 to January 31, 2024 (Predecessor)
(In millions)

	Eleven Months Ended December 31, 2024	One Month Ended January 31, 2024
	Successor	Predecessor
Cash flows from operating activities		
Net (loss) income	\$ (439.7)	\$ 29.0
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	1,441.0	134.0
Amortization and write-off of deferred financing costs	61.6	—
Stock-based compensation	38.4	5.0
Change in fair value of contingent value rights	(38.1)	—
Deferred taxes	(64.9)	(19.0)
Impact of foreign currency fluctuations	(18.2)	—
Gain on sale of investments and intangible	(15.7)	—
Other	79.6	—
Net change in assets and liabilities:		
Trade receivables	(365.0)	254.0
Prepaid expenses and other assets	(61.4)	(228.0)
Accounts payable, accrued and other liabilities	513.0	(90.0)
Other noncurrent liabilities	(113.0)	—
Net cash provided by operating activities	1,017.6	85.0
Cash flows from investing activities:		
Additions to property and equipment	(36.2)	(12.0)
Additions to software	(375.1)	(27.0)
Proceeds from sale of CVR asset	180.0	—
Sale of investment	37.0	—
Cash paid for Transaction	(31.8)	—
Loan receivable from affiliates	—	109.0
Other investing activities, net	(31.6)	—
Net cash (used in) provided by investing activities	(257.7)	70.0
Cash flows from financing activities:		
Settlement activity	616.6	(442.0)
Repayment of borrowings	—	(8.0)
Payment on tax receivable agreement	—	(57.0)
Payment of tax distributions to investors	(104.3)	—
Principal payments long-term debt	(14.3)	—
Principal payments on finance leases	(42.9)	—
Debt issuance costs	(10.8)	—
Payment to CVR holders	(165.2)	—
Distributions to noncontrolling interest	(5.5)	—
Net proceeds from issuance of units	3.9	—
Borrowings from certain term loan lenders	567.5	—
Repayments of certain term loan lenders	(567.5)	—
Financing transactions with Parent, net	—	289.0
Net cash provided by (used in) financing activities	277.5	(218.0)
Effect of foreign currency exchange rate changes on cash	(100.8)	(24.0)
Net increase (decrease) in cash, cash equivalents, and restricted cash	936.6	(87.0)
Cash, cash equivalents and restricted cash, beginning of period	3,718.5	4,003.0
Cash, cash equivalents and restricted cash, end of period	\$ 4,655.1	\$ 3,916.0

	Eleven Months Ended December 31, 2024 Successor	One Month Ended January 31, 2024 Predecessor
Supplemental cash flow information:		
Cash paid for income taxes, net of refunds	\$ 211.1	\$ 17.0
Cash paid for interest	589.9	—
Capital expenditures in accounts payable	89.0	10.0
Capital expenditures purchased through a financing arrangement	20.1	—
Operating lease assets obtained in exchange for lease liabilities	3.4	0.4

See accompanying notes, which are an integral part of these Combined and Consolidated Financial Statements.

Worldpay Holdco, LLC
Notes to Combined and Consolidated Financial Statements

(1) Background and Nature of Operations

Worldpay Holdco, LLC, a Delaware limited liability company, is a holding company that conducts its operations through its indirect wholly owned subsidiary, Worldpay, LLC, collectively referred to herein as the “Company,” “Worldpay,” “we,” “us,” or “our,” unless the context requires otherwise.

On January 31, 2024, Fidelity National Information Services, Inc. (“FIS”) sold 55% of the ownership interests in Worldpay Holdco, LLC to GTCR W Aggregator LP, a Delaware limited partnership managed by GTCR, LLC herein collectively referred to as (“GTCR”). FIS retained a noncontrolling 45% ownership interest in the Company following this transaction (the “Transaction”). See Note 4 Acquisition for more details.

Worldpay is focused on serving merchants of all sizes globally, enabling them to accept, authorize, and settle electronic payment transactions. The Company includes all aspects of payment processing, including value-added services, such as security, fraud prevention, advanced data analytics, foreign currency management and numerous funding options. Worldpay serves clients in over 100 countries. The Company's clients are highly-diversified, including global enterprises, national retailers, and small- to medium-sized businesses (“SMBs”). The Company utilizes broad and varied distribution channels, including direct sales forces and multiple referral partner relationships that provide Worldpay with access to new and existing markets.

(2) Basis of Presentation, Consolidation and Use of Estimates

These combined and consolidated financial statements reflect the results of the Merchant Business (the “Worldpay Business”) prior to the Transaction, on a historical basis, and of Worldpay Holdco, LLC, and its majority-owned subsidiaries subsequent to the Transaction. See Note 4 Acquisition for more details. Transactions between the Company and its related parties, including FIS and GTCR, are included in these combined and consolidated financial statements; however, material intercompany balances and transactions among the Company and its consolidated affiliates are eliminated in consolidation. Investments in entities that we do not control are accounted for using the cost method; we do not currently hold any investments accounted for under the equity method. These combined and consolidated financial statements and accompanying footnotes have been prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”). All dollar amounts in the text and tables herein, are stated in millions unless otherwise indicated.

Predecessor

The combined financial statements include the predecessor activity on a historical cost basis of accounting that existed prior to the Transaction (see Note 4 Acquisition) for the one month period of January 1, 2024, through January 31, 2024, which is referred to herein as the “Predecessor” period.

The Predecessor combined financial statements reflect the historical results of operations and cash flows of the Worldpay Business. For the Predecessor period presented, the Merchant Business is primarily included within FIS legal entities that were contributed to Worldpay in connection with the Transaction (collectively the “Transferring Entities” and each a “Transferring Entity”). The Transferring Entities included the net assets and subsequent operations acquired by FIS in the acquisition of Worldpay Inc., which was completed on July 31, 2019 (the “Worldpay Acquisition”), along with legacy FIS merchant businesses within pre-existing legal entities.

The Predecessor combined financial statements have been prepared in connection with the Transaction and are derived from FIS’ consolidated financial statements and accounting records. The combined financial statements reflect the Worldpay Business’ results of operations, comprehensive loss, equity, and cash flows. The revenue and expenses of the Worldpay Business have been reflected in the Worldpay Business’ financial statements on a historical cost basis, as included in the consolidated financial statements of FIS, using the historical accounting policies applied by FIS. These combined financial statements do not purport to reflect what the Worldpay Business’ results of operations, comprehensive loss, equity, or cash flows would have been had the Worldpay Business operated as a standalone company during the period presented.

These combined financial statements were prepared following a legal entity approach, which resulted in the inclusion of the following:

- Certain assets and liabilities, results of operations and cash flows attributable to the Merchant Business that were contributed to Worldpay prior to the consummation of the Transaction,
- Each Transferring Entity's historical operations, including its results of operations, and cash flows have been fully reflected in these combined financial statements.
- In January 2024, the Issuer Solutions business, which was previously included in the Transferring Entities, was transferred to FIS and was retained by FIS subsequent to the Transaction. Consequently, the Issuer Business is not included in the combined financial statements and the transfer to FIS is presented through transfers to Parent, net on the combined statement of equity.

The Worldpay Business has historically functioned together with the other businesses controlled by FIS. Accordingly, the Worldpay Business relied on FIS' corporate and other support functions for its business. Therefore, certain corporate and shared costs have been allocated to the Worldpay Business including:

- Expenses related to FIS support functions that are provided on a centralized basis within FIS, including expenses for facilities, executive oversight, treasury, finance, legal, human resources, shared services, compliance, procurement, information technology and other corporate functions.
- These expenses have been allocated to the Worldpay Business based on a specific identification basis or when specific identification is not practicable, a proportional cost allocation method primarily based on revenue or directly identifiable actual costs, depending on the nature of the services.
- Share-based compensation and other employee-related expense.

Management believes these cost allocations are a reasonable reflection of the utilization of services provided to, or the benefit derived by, the Worldpay Business during the period presented, though the allocations may not be indicative of the actual costs that would have been incurred had the Worldpay Business operated as a standalone company. Actual costs that may have been incurred if the Worldpay Business had been a standalone company would depend on a number of factors, including the chosen organizational structure, whether functions were outsourced or performed by the Worldpay Business' employees, and strategic decisions made in areas such as selling and marketing, research and development, information technology and infrastructure.

Following the Transaction, certain functions that FIS provided to the Worldpay Business prior to the Transaction will be performed using Worldpay's own resources or third-party service providers, other than certain functions that will be provided for a limited time pursuant to the transition services agreement (See Note 21 Related Party Transactions).

Income tax expense and deferred tax balances in the combined financial statements have been calculated on a separate tax return basis. The Worldpay Business' operations are included in the tax returns of FIS and its subsidiaries, including the Transferring Entities and the respective FIS entities of which the Worldpay Business' business was a part. In the future, as a standalone entity, Worldpay will file tax returns on its own behalf, and its deferred taxes and effective income tax rate may differ from those in the historical periods.

Prior to the Transaction, FIS generally utilized a centralized approach to cash management and the financing of its operations. Cash generated by the Worldpay Business was routinely transferred into accounts managed by FIS' centralized treasury function, and cash disbursements for the Worldpay Business' operations were funded as needed by FIS. Balances held by the Transferring Entities with FIS for cash transfers and loans are reflected as due from affiliates and due to affiliates. All other cash, cash equivalents, short-term investments and related transfers between FIS and the Worldpay Business are generally held centrally through accounts controlled and maintained by FIS and are not specifically identifiable to the Worldpay Business. Accordingly, such balances have been accounted for through net Parent investment. FIS' third-party debt and related interest expense have not been attributed to the Worldpay Business because the Worldpay Business is not the legal obligor of the debt and the borrowings are not specifically identifiable to the Worldpay Business.

As the separate legal entities that make up the Worldpay Business were not historically held by a single legal entity, net Parent investment is shown in lieu of shareholders' equity in these combined financial statements. Net Parent investment represents FIS' interest in the recorded assets of the Worldpay Business and the cumulative investment by FIS in the Worldpay Business through the periods presented, inclusive of operating results.

All intercompany transactions and accounts within the Transferring Entities have been eliminated. For the Transferring Entities, transactions with FIS affiliates are included in the combined statement of income, and related balances are reflected as due to affiliates and due from affiliates. Other balances between the Worldpay Business and FIS are considered to be effectively settled in the combined financial statements at the time the transactions are recorded as they have not been historically settled in cash and were not settled in cash in connection with the Transaction. The total net effect of these intercompany transactions is reflected in the combined statement of equity in net Parent investment and in the combined statement of cash flows within financing activities and in the combined statement of equity as transfers to Parent, net.

As a result of the allocations and carve out methodologies used to prepare these combined financial statements, these results may not be indicative of the Worldpay Business' future performance, and may not reflect the results of operations, financial position, and cash flows had the Worldpay Business been a separate, standalone company during the period presented.

Successor

The eleven month period of February 1, 2024 to December 31, 2024, is referred to as the "Successor" period. The Successor period reflects the costs and activities as well as the recognition of assets and liabilities at their fair values pursuant to the election of pushdown accounting. The results of operations, financial position, cash flows, and other financial information for the Successor period are not comparable to the Predecessor period.

These consolidated financial statements for the Successor period have been prepared on a standalone basis excluding the results of our controlling entity, GTCR W Aggregator LP, which, following the Transaction, maintains a majority of the ownership interests in the Company. The Company's consolidated financial statements reflect the Transaction that occurred on January 31, 2024, the fair market value of our assets and liabilities for Worldpay Holdco, LLC and consolidated subsidiaries, and goodwill and identified intangible assets recognized at the time of the Transaction. In addition, the Company's consolidated financial statements reflect activity that occurred within GTCR W Aggregator LP subsidiaries prior to January 31, 2024 and were merged into Worldpay Holdco, LLC as part of the Transaction. Prior to the Transaction, the Company was a wholly owned subsidiary of FIS and our results were consolidated within the consolidated financial statements of FIS.

Use of estimates

The preparation of the combined and consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant items subject to such estimates and assumptions include the fair value of customer relationships, acquired software, and trademarks in accordance with purchase price accounting, and the evaluation of potential impairment of intangible assets.

The Company's results of operations and financial condition can also be affected by economic, political, legislative, regulatory, and legal actions. Economic conditions, such as recessionary trends, inflation, interest and monetary exchange rates, and government fiscal policies can have a significant effect on the Company's results of operations and financial condition. While the Company maintains reserves for anticipated liabilities and carries various levels of insurance, the Company could be affected by civil, criminal, regulatory or administrative actions, claims or proceedings.

These estimates and assumptions are based on management's best estimates and judgments. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors deemed appropriate. As facts and circumstances dictate, these estimates and assumptions may be adjusted. Since future events and their effects cannot be determined with precision, actual results could differ significantly from these estimates. Changes in estimates, including those resulting from continuing changes in the economic environment, will be reflected in the combined and consolidated financial statements in the periods the estimates are changed.

(3) Summary of Significant Accounting Policies

The following describes the significant accounting policies of the Company used in preparing the accompanying combined and consolidated financial statements.

(a) Cash and Cash Equivalents

The Company considers all cash on hand, money market funds and other highly liquid investments with original maturities of three months or less to be cash and cash equivalents. Cash on hand includes funds used for settlement activity (see Note 3(c) Settlement Assets for further discussion).

The Company records restricted cash in captions other than cash and cash equivalents in the consolidated balance sheet. The reconciliation between cash and cash equivalents in the consolidated balance sheet and cash, cash equivalents and restricted cash per the consolidated statement of cash flows is as follows (in millions):

	December 31, 2024
	Successor
Cash and cash equivalents on the consolidated balance sheet	\$ 2,578.6
Merchant float (within settlement assets)	2,076.5
Total Cash, cash equivalents and restricted cash per the consolidated statement of cash flows	\$ 4,655.1

(b) Allowance for Credit Losses

The Company monitors trade receivable balances and contract assets as well as other receivables and estimates the allowance for lifetime expected credit losses. Estimates of expected credit losses are based on historical collection experience and other factors, including those related to current market conditions and events, changes in client creditworthiness, client payment terms and collection trends. The allowance for credit losses is separate from the chargeback liability described in Note 18 Commitments and Contingencies.

(c) Settlement Assets

The principal components of the Company's settlement assets on the consolidated balance sheet are as follows (in millions):

	December 31, 2024
	Successor
Settlement assets	
Merchant float	\$ 2,076.5
Settlement receivables	1,340.7
Total Settlement assets	\$ 3,417.2

Settlement assets and payables represent intermediary balances arising from the settlement process which involves the transferring of funds between card issuers, merchants, and various financial institutions ("Sponsoring Members"). Funds are processed under two models, a sponsorship model and a direct member model. The Company generally operates under the sponsorship model in the U.S. and under the direct membership model outside the U.S.

Under the sponsorship model, in order for the Company to provide electronic payment processing services, Visa, Mastercard and other payment networks require sponsorship by a member clearing bank. The Company has an agreement with Sponsoring Members to provide sponsorship services to the Company. Under the sponsorship agreements, the Company is registered as a Visa Third-Party Agent and a Mastercard Service Provider. The sponsorship services allow the Company to route transactions under the Sponsoring Members' membership to clear card transactions through Visa, Mastercard and other networks. Under this model, the standards of the payment networks restrict the Company from performing funds settlement and, as such, require that these funds be in the possession of the Sponsoring Member until the merchant is funded. Accordingly, settlement receivables and settlement payables resulting from the submission of settlement files to the network or cash received from the network in advance of funding the network are the responsibility of the Sponsoring Member and are not recorded on the Company's consolidated balance sheet.

Settlement receivables and settlement payables are recorded under the sponsorship model as a result of intermediary balances due to/from the Sponsoring Member. The Company receives funds from certain networks which are owed to the Sponsoring Member for settlement. These funds are recorded in cash and cash equivalents. In other cases, the Company transfers funds to the Sponsoring Member for settlement in advance of receiving funds from the network. These timing differences result in settlement receivables and settlement payables. The amounts are generally collected or paid during the following one to three business days. Additionally, under this model, settlement receivables and settlement payables arise related to interchange expenses, merchant reserves and exception items.

Under the direct membership model, the Company is a direct member in Visa, Mastercard and other payment networks as a third-party sponsorship to the networks is not required. This results in the Company performing settlement between the networks and the merchant and requires adherence to the standards of the payment networks in which the Company is a direct member. Merchant float, settlement receivables and settlement payables result when the Company submits the merchant file to the network or when funds are received by the Company in advance of paying the funds to the merchant. The amounts are generally collected or paid during the following one to three business days. Merchant float represents cash balances the Company holds on behalf of merchants when the incoming amount from the card networks precedes when the funding to merchants falls due. Merchant float funds held in segregated accounts in a fiduciary capacity are considered restricted cash (see Note 3(a) Cash and Cash Equivalents).

(d) Goodwill

Goodwill represents the excess of cost over the fair value of identifiable assets acquired and liabilities assumed in business combinations.

Goodwill is not amortized but is assessed by the Company for impairment at the Company's reporting unit level. The Company assesses goodwill for impairment by reporting unit on an annual basis during the fourth quarter or more frequently if circumstances indicate potential impairment. An impairment charge is recognized when and to the extent a reporting unit's carrying amount is determined to exceed its estimated fair value.

The Company has the option to first assess qualitatively whether it is more likely than not that a reporting unit's carrying amount exceeded its estimated fair value. The option of whether to perform the qualitative assessment is made annually and could vary by reporting unit. Events and circumstances that are considered in performing the qualitative assessment include macroeconomic conditions, industry and market conditions, cost factors, overall financial performance, and events affecting the reporting unit or the Company as a whole. When performing the qualitative assessment, the Company examines the factors that were most likely to affect each reporting unit's fair value. If the Company concluded that it was more likely than not (that is, a likelihood of more than 50 percent) that the reporting unit's fair value was less than its carrying amount as a result of the qualitative assessment, or the Company elected to bypass the qualitative assessment for a reporting unit, then the Company performs a quantitative assessment for that reporting unit.

When applying the quantitative assessment, the Company typically engages third-party valuation specialists to assist in determining the fair value of a reporting unit based on a weighted average of valuation techniques, consisting of a combination of an income approach and a market approach, which are Level 3-type measurements. The income approach calculates a value based upon the present value of estimated future cash flows, while the market approach uses earnings multiples of similarly situated guideline public companies. If the fair value of the reporting unit determined using the quantitative analysis exceeds the carrying amount of the reporting unit's net assets, goodwill is not impaired.

Both qualitative and quantitative assessments require a significant amount of management judgment involving the use of forecasts, estimates, and assumptions. For the annual goodwill impairment test performed as of October 1, 2024, the Company used a qualitative assessment to determine whether any impairment exists. It was determined that for the period under testing that it is not more likely than not that the fair value of goodwill is less than its carrying amount and, thus, no impairment exists.

During the eleven month Successor period ended December 31, 2024, and the one month Predecessor period ended January 31, 2024, no goodwill impairments were recognized.

(e) Derivatives

The Company accounts for derivatives in accordance with Accounting Standards Codification ("ASC") 815, *Derivatives and Hedging* ("ASC 815"). This guidance establishes accounting and reporting for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities. All derivatives, whether designated in hedging relationships or not, are required to be recorded on the consolidated balance sheet at fair value. If the derivative is designated as a fair value hedge, the changes in the fair value of the derivative and the hedged item will be recognized in earnings. If the derivative is designated as a cash flow hedge, the effective portion of the change in the fair value of the derivative will be recorded in accumulated other comprehensive income (loss) ("AOCI") and will be recognized in the consolidated statement of loss when the hedged item affects earnings. See Note 16 Derivatives for further discussion.

(f) Long-lived assets

Long-lived assets and intangible assets with finite useful lives are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset, which are Level 3-type measurements. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the asset exceeds the fair value of the asset. During the eleven month Successor period ended December 31, 2024, and the one month Predecessor period ended January 31, 2024, no impairments were recognized.

(g) Intangible Assets, net

The Company has intangible assets that consist primarily of customer relationships and trademarks (i.e., a collective term for trademarks, trade names, and related intellectual property rights) that were recorded in connection with the Transaction at their fair value based on the results of valuation analyses. Customer relationships and trademarks acquired in business combinations are generally valued using the multi-period excess earnings method and the relief-from-royalty method, which are Level 3-type measurements. Customer relationships are amortized over their estimated useful lives using either the straight-line method or an accelerated method up to a 12-year period. Trademarks with finite lives are amortized using the straight-line method over five years. Intangible assets with finite lives are reviewed for impairment following the same approach as long-lived assets.

(h) Property and Equipment, net

Property and equipment is recorded at cost, less accumulated depreciation. Depreciation is computed primarily using the straight-line method based on the estimated useful lives of the related assets as follows: 30 years for buildings and three to seven years for furniture, fixtures, and computer equipment. Leasehold improvements are amortized using the straight-line method over the lesser of the initial term of the applicable lease or the estimated useful lives of such assets.

(i) Leases

The Company determines if an arrangement contains a lease at inception based on whether the Company has the right to control the asset during the contract period and other facts and conditions.

The Company leases certain of its property, primarily real estate and equipment, under operating lease agreements. Operating lease right-of-use ("ROU") assets are included in other noncurrent assets on the consolidated balance sheet and represent the Company's right to use an underlying asset for the duration of the lease term. Operating lease liabilities are included in accounts payable, accrued and other liabilities and other long-term liabilities on the consolidated balance sheet and represent the Company's obligation to make lease payments arising from the lease contracts. Both ROU assets and operating lease liabilities are recognized on the commencement date based on the present value of the future minimum lease payments over the lease term.

Operating lease ROU assets also include any prepaid lease payments and exclude lease incentives received. The Company uses an incremental borrowing rate based on information available at commencement date in determining the present value of lease payments. The lease term for accounting purposes may include options to extend or to terminate the lease when it is reasonably certain that the Company will exercise that option. For certain equipment leases, the Company applies a portfolio approach to effectively account for the operating lease ROU assets and liabilities. Lease agreements may include lease and related non-lease components, which are accounted for as a single lease component. Fixed costs included in the measurement of ROU assets are recognized as operating lease cost generally on a straight-line basis over the lease term. Certain leases require the Company to pay taxes, insurance, maintenance, and other operating expenses associated with the leased asset. Such amounts are not included in the measurement of the ROU assets and lease liabilities to the extent they are variable in nature.

(j) Software, net

Software includes software acquired in business combinations, purchased software, and capitalized software development costs. Software acquired in business combinations is generally valued using the relief-from-royalty method, a Level 3-type measurement. Purchased software is recorded at cost and amortized using the straight-line method over its estimated useful life, and software acquired in business combinations is recorded at its fair value and amortized using the straight-line over its estimated useful life of five years.

The Company capitalizes software development costs pursuant to ASC 350-40, *Intangibles—Goodwill and Other—Internal-Use Software* and ASC 985-20, *Software to Be Sold, Leased or Marketed*. The capitalization of software development costs is based on whether the software is for internal use or if the software is to be sold, leased or otherwise marketed. At the beginning of application development (for internal-use software) or after the technological feasibility of the software has been established (for software to be marketed), software development costs, which primarily include salaries and related payroll costs and costs of independent contractors incurred during development, are capitalized. Research and development costs incurred prior to application development (for internal-use software) or prior to the establishment of technological feasibility (for software to be marketed) are expensed as incurred. Software development costs are amortized on a solution-by-solution basis commencing on the date placed in service (for internal-use software) or the date of general release (for software to be marketed). Software development costs for internal-use software are amortized under the straight-line method over its estimated useful life, which ranges from three to 10 years. Software development costs for software to be marketed are amortized using the greater of (1) the straight-line method over its estimated useful life, which ranges from three to 10 years, or (2) the ratio of current revenue to total anticipated revenue over its useful life.

The Company reviews software assets for impairment at each reporting date. Internal-use software is reviewed for impairment following the same approach as long-lived assets. For software to be marketed, an impairment charge is recorded to the extent the carrying amount exceeds the net realizable value. Determining net realizable values and future cash flows involves judgments and the use of estimates and assumptions regarding future economic and market conditions. Adverse changes in these conditions could result in an impairment charge which could be material to the consolidated financial statements.

During the eleven month Successor period ended December 31, 2024, and the one month Predecessor period ended January 31, 2024, no software asset impairments were recognized.

(k) Income Taxes

Income taxes are computed in accordance with ASC 740, *Income Taxes* ("ASC 740"), and reflect the net tax effects of temporary differences between the financial reporting carrying amounts of assets and liabilities and the corresponding income tax amounts. The Company has deferred tax assets and liabilities and maintains valuation allowances where it is more likely than not that all or a portion of deferred tax assets will not be realized. To the extent the Company determines that it will not realize the benefit of some or all of its deferred tax assets, such deferred tax assets will be adjusted through the Company's provision for income taxes in the period in which this determination is made. As of December 31, 2024, the Company has recorded certain valuation allowances against deferred taxes.

The Company is subject to global intangible low-taxed income ("GILTI") related to earnings of foreign subsidiaries. The Company has elected to treat GILTI inclusions as an expense in the year incurred.

The Company's global effective tax rate was (28.7)% for the eleven month Successor period ended December 31, 2024 and the Company's global effective tax rate was 17.1% for the one month Predecessor period ended January 31, 2024. See Note 22 Income Taxes for further information.

(l) Revenue Recognition

The Company generates revenue primarily by processing electronic payment transactions and performing related ancillary services. The Company enters into customer contracts that set forth the terms and conditions governing each party's rights and obligations, including the services to be provided, pricing, payment terms and contract duration. At contract inception, the Company assesses the services promised in its contracts with customers and identifies a performance obligation for each promise to transfer to the customer a service that is distinct. When multiple performance obligations are identified, the total estimated transaction value is allocated based on relative standalone selling prices. The Company recognizes revenue as it satisfies its performance obligation by transferring control of services to a customer. Revenue is measured based on the consideration that the Company expects to receive in a contract with a customer.

Technology or service components from third parties are frequently embedded in or combined with the Company's applications or service offerings. The Company is often responsible for billing the client in these arrangements and transmitting the applicable fees to the third party. The Company determines whether it is responsible for providing the service as a principal or for arranging for the service to be provided by the third party as an agent. Judgment is applied to determine whether the Company is the principal or the agent by evaluating whether the Company has control of the solution or service prior to it being transferred to the customer. The principal versus agent assessment is performed at the performance obligation level. Indicators that the Company considers in determining if it has control include whether the Company is primarily responsible for fulfilling the promise to provide the specified solution or service to the customer, whether the Company has inventory risk and whether the Company has discretion in establishing the price the customer ultimately pays for the solution or service. Depending upon the level of the Company's contractual responsibilities and obligations for delivering solutions to end customers, the Company has arrangements where the Company is the principal and recognizes the gross amount billed to the customer and other arrangements where the Company is the agent and recognizes the net amount retained. Taxes collected from customers and remitted to governmental authorities are not included in revenue.

The following describes the nature of the Company's primary types of revenue and the revenue recognition policies and significant payment terms as they pertain to the types of transactions the Company enters into with its customers.

Transaction Processing Revenue

Transaction processing revenue is generated from payment processing and the performance of related ancillary services.

Payment processing revenue is earned from processing credit and debit card transactions, including authorization and settlement, chargeback and retrieval processing, reporting for electronic payment transactions and network fee and interchange management. Payment processing revenue is recurring and is typically volume based depending on the number or dollar value of transactions processed. Contract lengths for processing services typically span one or more years; however, they are often cancellable without a significant penalty. Payment is generally due in arrears on a monthly basis and may include fixed or variable payment amounts depending on the specific payment terms and activity in the period.

The nature of the Company's promise to the customer is to stand ready to provide continuous access to the Company's processing platforms and perform an unspecified quantity of transaction processing services over the contract term. Accordingly, processing services are generally viewed as a single, stand-ready performance obligation comprised of a series of distinct daily services ("stand-ready series").

Because the number or volume of transactions to be processed is not determinable at contract inception, the Company's contracts with its customers contain variable consideration. The Company allocates variable consideration to distinct daily services as they are performed to the extent the terms of the variable payment relate specifically to the Company's efforts to transfer the distinct service and when such allocation is consistent with the allocation objective.

The Company typically satisfies its transaction processing service performance obligations over time as the services are provided. Variable fees related to transaction processing revenue accounted for as a series of distinct days of service generally meet the criteria to allocate to, and recognize on, the day on which the Company performs the related services.

As part of its performance obligation, the Company collects and remits interchange, network fees, and other third-party fees (collectively, “Passthrough fees”). Interchange fees represent amounts collected from merchants and remitted to card issuers and are based on rates established by the card networks. Network fees are amounts collected from merchants and remitted to card networks for their services. Transaction processing revenue includes these variable Passthrough fees which are allocated to, and recognized on, the day on which the related services are performed. In general, Passthrough fees are billed monthly. Substantially all network and interchange fees are presented on a net basis as the Company does not have the ability to direct the use of, and obtain substantially all of the benefits from, the services provided by the third parties before those services are transferred to the merchants. When the Company is the merchant of record, controls the services before delivery to the customer and has discretion in setting prices charged to the customer, network and interchange fees are recognized on a gross basis. Other third-party fees may be recorded on either a gross or a net basis depending on whether the Company is acting as a principal or an agent.

Ancillary services include foreign currency management, payment card industry regulatory compliance services, payment security (e.g., tokenization, encryption, and fraud services), chargeback resolution, and billing statement production (e.g., reporting and analytics). With the exception of chargeback resolution, which is recognized at a point in time, ancillary services are recognized over time as the services are generally performed as described above for payment processing services.

Other Recurring Revenue

Other recurring revenue primarily comprises of terminal lease fees charged in connection with a payment processing contract. Terminal lease consideration is accounted for together with non-lease payment processing consideration as a single non-lease component because the non-lease payment processing component is accounted for under ASC Topic 606, *Revenue from Contracts with Customers* (“ASC 606”), the timing and pattern of recognition of the terminal lease component and the associated non-lease payment processing component are the same, and the terminal lease, if accounted for separately, would be classified as an operating lease. Additionally, placement fees earned on custodial bank accounts and interest income earned on merchant float (not accounted for under ASC 606) are also recorded within other recurring revenue since these items are considered part of the Company's ongoing central operations.

Other Non-recurring Revenue

Other non-recurring revenue primarily comprises of early termination fees. Early contract terminations are treated as contract modifications. Early termination fees are added to a contract's transaction price once it becomes likely that liquidated damages will be charged to a customer, typically upon notification of early termination. Early termination fees are recognized over the remaining period of the related performance obligation(s). Other non-recurring revenue also includes revenue from FIS affiliates, primarily relating to the provision or consumption of professional services, software development, client conversion, implementation, and sales support as discussed in Note 21 Related Party Transactions.

(m) Cost of Revenue, Selling, General and Administrative Expense, Interest Expense, Net and Other Income (Expense), Net

Cost of revenue consists of costs directly associated with providing solutions or services to clients and includes payroll, employee benefits and other costs associated with personnel employed in customer service and service delivery roles as well as third-party costs involved in fulfillment of performance obligations for which the Company is acting as a principal. Cost of revenue also includes data processing costs, amortization of software, customer relationship and trademark intangible assets, and depreciation on operating assets.

Selling, general and administrative expenses include payroll, employee benefits and other costs associated with personnel employed in sales, marketing, human resources, finance, risk management and other administrative roles, as well as residual commission payments made to referral partners and acquisition, integration, and transformation-related expenses. Selling, general and administrative expenses also include depreciation on non-operating corporate assets as well as advertising and other marketing-related program costs.

Interest expense, net consists primarily of interest on borrowings less interest income earned on the Company's cash and cash equivalents.

Other income (expense), net primarily consists of other income and expense items outside of the Company's normal operations, such as gains (losses) from foreign currency transactions and the Company's investments and expenses associated with repricing of the Company's debt.

(n) Stock-Based Compensation Plans

The Company grants Class C and Class D units to certain employees. Expense is recognized based on the fair value of the awards over the requisite service period.

Prior to the Transaction, certain Worldpay employees held FIS non-qualified stock options ("Options"), restricted stock units ("RSUs") and performance stock units ("PSUs"). As a result of the Transaction, all equity awards held by Worldpay employees were fair valued as of the closing date of the Transaction. The Options remain outstanding and continue to follow the original vesting schedule and remain exercisable in FIS common stock. The RSUs and PSUs converted to cash based awards and follow the original vesting schedule. The Company records forfeitures as they occur.

For the eleven month Successor period ended December 31, 2024, and the one month Predecessor period ended January 31, 2024, the Company recognized \$68.9 million and \$6.0 million, respectively, of stock-based compensation expense associated with the awards within the cost of revenue and selling, general and administrative lines of the Company's combined and consolidated statements of (loss) income.

See Note 20 Stock-Based Compensation and Other Postretirement Benefits for additional information.

(o) Foreign Currency Translation

The Company's functional currency is the U.S. dollar. The functional currency of each of the Company's operating subsidiaries is generally the currency of the economic environment in which the subsidiary primarily does business. The Company's foreign subsidiaries with non-U.S. dollar functional currencies are translated into U.S. dollars for consolidation purposes using the foreign exchange rates applicable to the dates of the combined and consolidated financial statements. Generally, these consist of the exchange rates in effect at the balance sheet date for balance sheet accounts and the average exchange rates in effect during the relevant period for revenue and expense accounts. The adjustments resulting from the translation are included in AOCI in the combined and consolidated statements of mezzanine equity and shareholders' equity and the combined and consolidated statements of comprehensive loss and are excluded from net (loss) income.

Gains or losses resulting from measuring foreign currency transactions into the respective functional currency are included in other income (expense), net in the combined and consolidated statement of loss.

(p) Other Comprehensive Income (Loss)

Comprehensive income (loss) consists of two components, net loss and other comprehensive income (loss). Other comprehensive income (loss) refers to revenue, expenses, and gains and losses that under U.S. GAAP are recorded as an element of equity but are excluded from net loss. The Company's other comprehensive income (loss) consists of foreign currency translation adjustments from those subsidiaries where the local currency is the functional currency as well as unrealized gains (losses) on hedging activities.

(q) Net Parent Investment

In the Predecessor period, net Parent investment in the combined statement of equity represents FIS' historical investment in the Worldpay Business and includes accumulated net earnings (loss) after taxes and the net effect of transactions with and cost allocations from FIS.

(r) New Accounting Pronouncements and Policies

In December 2023, the FASB issued ASU No. 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures." This guidance requires consistent categories and greater disaggregation of information in the rate reconciliation and disclosures of income taxes paid by jurisdiction. This amendment is effective for the Company's fiscal year ending December 31, 2026, but the Company plans to early adopt as of December 31, 2025. The Company is currently assessing the impact of this guidance on our disclosures.

In November 2024, the FASB issued ASU 2024-03, "Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses". The amendments in ASU 2024-03 require entities to disclose specified information about certain costs and expenses. This amendment is effective for the Company's annual reporting period beginning on January 1, 2027, with early adoption permitted. The Company is currently assessing the impact of this guidance on our disclosures.

In September 2025, the FASB issued ASU No. 2025-06, "Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software." The updated guidance requires that an entity capitalize internal-use software costs when both: 1) management has authorized and committed to the funding of the software project, and 2) it is probable that the project will be completed, and the software will be used to perform its intended function. This amendment is effective for the Company's annual reporting period beginning on January 1, 2028, with early adoption permitted. The Company is currently assessing the impact of this guidance on our combined and consolidated financial statements.

No other new accounting pronouncement issued or effective during the fiscal year had, or is expected to have, a material impact on the Company's combined and consolidated financial statements.

(4) Acquisition

GTCR Acquisition

As discussed in Note 1 Background and Nature of Operations, on January 31, 2024, GTCR and FIS consummated the transaction contemplated by the Purchase and Sale Agreement dated July 5, 2023, pursuant to which GTCR acquired from FIS 55% of the limited liability company interests in Worldpay. The Transaction was funded with approximately \$5.7 billion in proceeds from issuance of EUR and USD denominated term loans with varying interest rates, approximately \$2.9 billion in proceeds from the issuance of bonds with varying coupon rates, and approximately \$5.3 billion in equity financing.

The Transaction constitutes a business combination as defined by ASC Topic 805, *Business Combinations* ("ASC 805"). In accordance with ASC 805 and our business combinations accounting policy, we estimated the preliminary fair values of our net tangible and intangible assets acquired and liabilities assumed, and the excess of the consideration transferred over the aggregate of such fair values was recorded as goodwill, none of which is deductible for tax purposes. Goodwill is attributable primarily to the workforce acquired and growth opportunities, none of which qualify to be recognized as separately identifiable intangible assets. The preliminary estimated fair values of the identifiable intangible assets acquired are based on valuations performed by third-party specialists, which utilized various acceptable valuation methodologies and required application of internally-developed assumptions.

The preliminary aggregate purchase consideration under ASC 805 is approximately \$18,080.9 million and includes the preliminary fair value of FIS' noncontrolling interest of approximately \$4,211.2 million, which was determined using a market-based approach. The preliminary aggregate purchase consideration for the Transaction is as follows (in millions):

Debt-financed cash consideration	\$ 8,623.3
Equity-financed cash consideration	5,256.6
Stock based compensation	32.0
Fair value of noncontrolling interest	4,211.2
Consideration attributable to deferred close entity	(42.2)
Total preliminary purchase consideration	<u><u>\$ 18,080.9</u></u>

The following table summarizes the preliminary allocation of aggregate purchase consideration based on the preliminary fair values of the tangible and intangible assets acquired and liabilities assumed (in millions):

	Amounts Recognized as of the Acquisition Date (As Adjusted)
Current assets:	
Cash and cash equivalents	\$ 2,293.2
Settlement assets	2,835.8
Trade receivable	1,600.9
Prepaid expenses and other current assets	355.5
Noncurrent assets:	
Property and equipment	174.5
Software	1,134.4
Intangible assets	9,100.1
Other noncurrent assets	352.3
Current liabilities:	
Accounts payable, accrued and other liabilities	(968.9)
Settlement payable	(3,627.7)
Long-term liabilities:	
Deferred tax liabilities	(636.8)
Other long-term liabilities	(576.0)
Total Net Assets Acquired	\$ 12,037.3
Goodwill	\$ 6,043.6

During the eleven month Successor period ended December 31, 2024, the Company recognized measurement period adjustments of \$33.2 million which were primarily related to changes in the valuation of intangible assets, investments, and deferred taxes.

The purchase consideration preliminarily allocated to settlement assets of \$2,835.8 million includes \$1,733.9 million of merchant float within the consolidated balance sheet. The merchant float balance is classified as cash, cash equivalents, and restricted cash on the combined and consolidated statement of cash flows.

The above fair values of assets acquired and liabilities assumed are preliminary and are based on the information that was available as of the reporting date. The fair values of the assets acquired and liabilities assumed were preliminarily determined using the income and cost approaches. In many cases, the determination of the fair values required estimates about discount rates, future expected cash flows, and other future events that are judgmental and subject to change. The fair value measurements were primarily based on significant inputs that are not observable in the market and thus represent a Level 3 measurement of the fair value hierarchy as defined in ASC 820, *Fair Value Measurement* ("ASC 820"). The Company believes that the information provides a preliminary reasonable basis for estimating the fair values of the acquired assets and assumed liabilities, but the potential for measurement period adjustments exists based on the continuous review of matters related to the Transaction. Key acquired assets and assumed liabilities, which will continue to be finalized, consist of deferred taxes and other liabilities. The Company expects to finalize the purchase price allocation as soon as practicable, but no later than one year from the Transaction date.

The acquired identifiable intangible assets consist of customer relationships, developed technology, and trademarks with weighted average estimated useful lives of 10.1 years, 5.0 years, and 5.0 years, respectively, and as of the Transaction closing date were estimated to have fair values of approximately \$8,800.1 million, \$1,134.4 million, and \$300.0 million, respectively.

As a result of measurement period adjustments associated with the preliminary fair values of the Company's Class A, Class B, and Class E units as of January 31, 2024, the Company adjusted the value assigned to the Class A, Class B, and Class E units by approximately \$32.8 million. There was a corresponding \$32.8 million adjustment made to the Class A unit accretion to redemption value in the eleven month period ended December 31, 2024. These consolidated financial statements reflect these measurement period adjustments on a retrospective basis.

Prior to the Transaction, our employees held 0.7 million RSUs, 0.5 million PSUs, and 0.3 million Options issued under FIS incentive plans. The RSUs and PSUs were converted into restricted cash awards subject to substantially the same terms as were effective prior to the Transaction, other than any performance-based vesting or price protection terms, which ceased to apply. Award vesting will only continue for those former FIS grantees who are employees of Worldpay following the Transaction. The Options were unmodified in the Transaction and therefore remain outstanding as FIS options and an assumed liability of Worldpay. Of the awards' aggregate post-conversion preliminary fair value of \$82.2 million, \$32.0 million was preliminarily accounted for as purchase consideration for the Transaction and \$50.2 million is expected to be accounted for as post-combination stock-based compensation over the awards' respective requisite service periods.

Preliminary acquisition-related costs associated with the Transaction were \$156.6 million of expense during the eleven month Successor period ended December 31, 2024, and were recorded within selling, general and administrative expenses on the combined and consolidated statement of loss.

FIS recorded \$91.0 million of transaction expenses that related to legal, banking, and change in control payments. These expenses were contingent on the Transaction closing and were recognized "on the line" for purposes of these combined and consolidated financial statements. Therefore, these examples are not reflected in the Predecessor or Successor statements of (loss) income and comprehensive loss.

(5) Revenue

Disaggregation of Revenue

In the following table, revenue is disaggregated by primary geographical market and type of revenue.

Revenue for the eleven month Successor period ended December 31, 2024, and the one month Predecessor period ended January 31, 2024 (in millions):

	Eleven Months Ended December 31, 2024	One Month Ended January 31, 2024
	Successor	Predecessor
Primary Geographical Markets:		
North America	\$ 3,296.2	\$ 267.5
All Others	1,436.0	131.5
Total	\$ 4,732.2	\$ 399.0
Types of Revenue:		
Recurring revenue:		
Transaction processing	\$ 4,573.1	\$ 392.0
Other recurring	147.8	7.0
Total recurring	4,720.9	399.0
Other non-recurring fees	11.3	—
Total	\$ 4,732.2	\$ 399.0

Transaction Price Allocated to the Remaining Performance Obligations

As permitted by ASC Topic 606, the Company has elected to exclude disclosure of the aggregate amount of the transaction price allocated to remaining performance obligations, as its contracts either have an original duration of one year or less or contain variable consideration that is allocated entirely to a distinct day of service under a stand-ready series. The aggregate fixed consideration portion of customer contracts with an initial contract duration of greater than one year is not material.

(6) Mezzanine Equity

The Class A units are senior to all of the Company's issued and outstanding equity-classified instruments with respect to the distribution of assets upon liquidation or certain triggering events. The Class A units do not participate in the Company's earnings and are non-voting shares.

The Class A units were recorded outside of stockholders' deficit because they have a redemption feature that is triggered by events that are not solely within the Company's control. The agreement governing the Class A units provides for distributions which results in their cancellation after all unpaid yield has been paid down and all capital has been returned. These distributions are entirely at the discretion of the Company's board of directors, which is majority controlled by the holders of the Class A units. As the Company has no control over the potential distribution, the Class A units are classified as mezzanine equity.

Subsequent adjustments to the Class A units are remeasured to their redemption amount subject to a floor of the initial measurement for the eleven month Successor period ended December 31, 2024, are as follows (in millions, except units):

	Eleven Months Ended December 31, 2024	
	Successor	
	Carrying Amount	Units Outstanding
Issued at Acquisition date	\$ 5,980.0	9,499,692
Subsequent issuances	2.5	3,850
Tax distributions to investors	(190.2)	N/A
Adjustments to maximum redemption value	4,227.0	N/A
Balance at December 31, 2024	\$ 10,019.3	9,503,542

(7) Capital Stock

Under the Company's Second Amended and Restated Limited Liability Company Agreement (the "LLC Agreement"), the Company is authorized to issue unlimited Class A units, unlimited Class B units, unlimited Class C units, unlimited Class D units, 100 Class E-1 units, 100 Class E-2 units and 100 Class E-3 units with no par value per share.

Preferred Stock

The Class A units are redeemable non-convertible preferred equity. The Class A units will accrue a daily yield at a rate of 8% per annum, compounded quarterly. The Class A units will be entitled to receive their unreturned capital contributions plus the accrued and unpaid yield thereon prior and in preference to any distributions (other than tax distributions) to the holders of common equity of the Company.

As of December 31, 2024, there are 9,503,542 Class A units outstanding.

Common Stock

The Class B units represent common equity and provide the unit holder the right to participate in profits, losses and distributions as well as the rights, powers and obligations specified in the LLC Agreement.

The Class C and Class D units are incentive units and represent an interest in future profits of the Company issued to certain employees of the Company for no cost. This interest has dilution protection with respect to additional investments made.

As of December 31, 2024, there are 9,503,542,072 Class B units, 355,939,470, Class C units, and 345,500,248 Class D units outstanding.

As part of its stock compensation plans, the Company has 6,435,780 Class C and 6,435,780 Class D phantom units outstanding as of December 31, 2024, that have the same interest in future profits as Class C and Class D units, respectively.

Other Units

The Class E-1, E-2 and E-3 units will be entitled to up to \$250.0 million, \$250.0 million, and \$500.0 million, respectively, otherwise allocable to GTCR's equity securities in the Company once GTCR receives cumulative cash proceeds that result in GTCR's cumulative investment return on its equity securities in the Company exceeding a 2.0x, 3.0x, and 4.0x multiple of invested capital, respectively, for each Class E series.

As of December 31, 2024, there are 300 Class E units outstanding.

(8) Property and Equipment, net

Property and equipment, net as of December 31, 2024 consists of the following (in millions):

	December 31, 2024
	Successor
Land	\$ 5.0
Buildings and improvements	9.8
Leasehold improvements	18.8
Furniture, fixtures and other equipment	172.6
Construction in progress	6.1
	212.3
Accumulated depreciation	(49.5)
Total Property and equipment, net	\$ 162.8

Depreciation expense on property and equipment totaled \$56.0 million for the eleven month Successor period ended December 31, 2024 and \$5.0 million for the one month Predecessor period ended January 31, 2024.

(9) Leases

The Company's operating lease assets and operating lease liabilities in the consolidated balance sheet as of December 31, 2024 are as follows (in millions):

Leases	Consolidated Balance Sheet Line Item	December 31, 2024
		Successor
Operating lease assets:		
Long-term	Other noncurrent assets	\$ 75.8
Operating lease liabilities:		
Short-term lease liabilities	Accounts payable, accrued and other liabilities	22.6
Long-term lease liabilities	Other long-term liabilities	53.2
	Total operating lease liabilities	\$ 75.8

As of December 31, 2024, the Company did not have any financing leases.

The components of lease costs recognized within the combined and consolidated statement of (loss) income for the eleven month Successor period ended December 31, 2024, and one month Predecessor period ended January 31, 2024, were as follows (in millions):

		Eleven Months Ended December 31, 2024	One Month Ended January 31, 2024
	Combined and Consolidated Statements of (Loss) Income Location	Successor	Predecessor
Lease cost			
Operating lease costs:			
Amortization of ROU asset	Cost of revenue	\$ 10.4	\$ 1.5
Amortization of ROU asset	Selling, general and administrative expenses	19.0	0.6
	Operating lease costs	29.4	2.1
Financing lease costs:			
Amortization of leased asset	Cost of revenue	6.8	—
Interest on lease liabilities	Interest expense, net	2.3	0.2
	Financing lease costs	9.1	0.2
	Total leases costs	\$ 38.5	\$ 2.3

During the eleven month Successor period ended December 31, 2024, and the one month Predecessor period ended January 31, 2024, the Company had \$2.6 million and \$0.2 million of sublease income, respectively, which is recorded within selling, general and administrative expenses on the combined and consolidated statement of (loss) income.

The following table presents the minimum lease payments for the Company's leases for 2025 through 2029 and thereafter, as well as a reconciliation of the minimum lease payments to the total lease liabilities (in millions):

	December 31, 2024
	Successor
	Operating Leases
2025	\$ 23.2
2026	25.0
2027	19.2
2028	10.3
2029	2.3
Thereafter	7.1
Total lease payments	\$ 87.1
Less: Imputed interest	11.3
Lease liabilities	\$ 75.8

As of December 31, 2024, the Company's weighted average remaining lease term and the weighted-average discount rate used to calculate the Company's lease liabilities were as follows:

	December 31, 2024
	Successor
	Operating Leases
Weighted average remaining lease term (years)	\$ 4.1
Weighted-average discount rate	4.5%

The following table provides supplemental cash flow information related to leases for the eleven month Successor period ended December 31, 2024, and the one month Predecessor period ended January 31, 2024 as follows (in millions):

	Eleven Months Ended December 31, 2024	One Month Ended January 31, 2024
	Successor	Predecessor
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 20.3	\$ 3.5
Operating cash flows from finance leases	2.7	—
Financing cash flows from finance leases	42.9	—

(10) Software, net

Software, net, as of December 31, 2024, consist of the following (in millions):

	December 31, 2024
	Successor
Capitalized software development costs	\$ 1,440.1
Purchased software	156.7
	1,596.8
Less accumulated amortization on:	
Capitalized software development costs	(207.4)
Purchased software	(15.8)
	(223.2)
Total software, net	\$ 1,373.6

Amortization expense for software was \$231.8 million for the eleven month Successor period ended December 31, 2024, and \$27.1 million for the one month Predecessor period ended January 31, 2024.

Estimated amortization of software for the next five years and thereafter, is as follows (in millions):

2025	\$ 304.2
2026	310.8
2027	297.2
2028	289.0
2029	80.3
Thereafter	92.1

(11) Goodwill

Changes in goodwill during the eleven month Successor period ended December 31, 2024, are summarized below (in millions):

	Eleven Months Ended December 31, 2024
	Successor
Balance, January 31, 2024	\$ 5,978.6
Acquisition	5.6
Foreign currency adjustments	(42.8)
Additional consideration paid for Transaction	31.8
Measurement period adjustments	33.2
Balance, December 31, 2024	\$ 6,006.4

(12) Intangible Assets, net

Intangible assets, net, as of December 31, 2024, consist of the following (in millions):

	December 31, 2024
	Successor
Customer relationships	\$ 8,757.4
Trade name	298.4
Other	9.5
	9,065.3
Less accumulated amortization on:	
Customer relationships	(1,078.9)
Trade name	(54.7)
Other	(1.0)
	(1,134.6)
Intangible assets, net	\$ 7,930.7

Amortization expense for intangibles was \$1,140.1 million for the eleven month Successor period ended December 31, 2024, and \$99.0 million for the one month Predecessor period ended January 31, 2024.

Estimated amortization of intangible assets for the next five years and thereafter, is as follows (in millions):

2025	\$ 1,146.5
2026	1,056.9
2027	980.8
2028	915.0
2029	806.0
Thereafter	3,025.5

(13) Accounts Payable, Accrued and Other Liabilities

Accounts payable, accrued and other liabilities as of December 31, 2024 consist of the following (in millions):

	December 31, 2024
	Successor
Trade accounts payable and other accrued liabilities	\$ 1,123.2
Salaries and incentives	114.9
Accrued taxes	114.9
Accrued benefits and payroll taxes	34.7
Operating lease liabilities	22.6
Tax receivable agreement liability	12.7
Declared but unpaid tax distributions	85.9
Total Accounts payable, accrued and other liabilities	<u>\$ 1,508.9</u>

(14) Investments*Visa Europe and Contingent Value Rights ("CVR")*

The Company has certain assets and liabilities related to the June 2016 Worldpay Group plc ("Legacy Worldpay") disposal of its ownership interest in Visa Europe to Visa Inc. As part of the disposal, Legacy Worldpay received proceeds from Visa Inc. in the form of cash ("cash consideration") and convertible preferred stock ("preferred stock"), the value of which may be reduced by losses incurred relating to ongoing interchange-related litigation involving Visa Europe. The preferred stock becomes convertible into Visa Inc. Class A common stock ("common stock") in stages as determined by Visa Inc. in accordance with the relevant transaction documents pertaining to the aforementioned disposal of the Visa Europe ownership interest. The preferred stock becomes fully convertible no later than 2028 (subject to a holdback to cover any pending claims). Also in connection with the disposal and pursuant to the terms of an amendment executed on September 17, 2020, Legacy Worldpay agreed to pay former Legacy Worldpay owners 90% of the net-of-tax proceeds from the disposal, known as contingent value rights, which is recorded as a liability ("CVR liability") on the consolidated balance sheet.

The Company has elected the fair value option under ASC Topic 825, *Financial Instruments* ("ASC 825"), for measuring its preferred stock asset and CVR liability. The fair value of the preferred stock was \$68.1 million at December 31, 2024, recorded in other noncurrent assets on the consolidated balance sheet. The fair value of the CVR liability was \$370.1 million at December 31, 2024, recorded in other long-term liabilities on the consolidated balance sheet. Pursuant to ASC 825, the Company remeasures the fair value of the preferred stock and CVR liability each reporting period. The net change in fair value was an increase of \$38.1 million for the eleven month Successor period ended December 31, 2024, and was not material for the one month Predecessor period ended January 31, 2024. The financial impact is recorded in other income (expense), net on the combined and consolidated statement of (loss) income.

During the eleven month Successor period ended December 31, 2024, Visa Inc. released a portion of the aforementioned preferred stock which was then converted to common stock. The Company sold the common stock for \$180.0 million and paid to the former Legacy Worldpay owners 90% of the net-of-tax proceeds and net-of-tax dividends received since the previous conversion, totaling \$124.3 million. The sale of Visa common stock and related payment to the former Legacy Worldpay owners during the eleven month Successor period ended December 31, 2024 were recorded as a reduction of the CVR asset and CVR liability, respectively, as of December 31, 2024, and are reflected within investing activities and financing activities, respectively, on the consolidated statement of cash flows for the eleven month Successor period ended December 31, 2024.

The estimated fair value of the preferred stock and related component of the CVR liability are determined using Level 3-type measurements. Significant inputs into the valuation of the preferred stock include the Visa Inc. Class A common stock price per share and the conversion ratio, which are observable, as well as the expected timing of future preferred stock releases for conversion into common stock and an estimate of the potential losses that will result from the ongoing litigation involving Visa Europe, which are unobservable. The estimated fair value of the cash consideration component of the CVR liability is determined using Level 3-type measurements, utilizing a discount rate based on the bond yield for Worldpay's credit rating and remaining payment term as the significant unobservable input.

Equity Security Investments

The Company holds various equity securities without readily determinable fair values that primarily represent strategic investments made by the Company as well as investments obtained through acquisitions. Such investments totaled \$30.0 million as of December 31, 2024, and are included within other noncurrent assets on the consolidated balance sheet. The Company accounts for these investments at cost, less impairment, and adjusts the carrying values for observable price changes from orderly transactions for identical or similar investments of the same issuer. These adjustments are generally considered Level 2-type fair value measurements. The Company records gains and losses on these investments, realized and unrealized, in other income (expense), net on the combined and consolidated statements of (loss) income. During the eleven month Successor period ended December 31, 2024, the Company recorded a \$15.1 million gain related to the sale of an investment. During the one month Predecessor period ended January 31, 2024, the Company did not recognize any gains or losses related to its equity investments.

(15) Long-term Debt

As of December 31, 2024, the Company's long-term debt consist of the following (in millions):

	December 31, 2024
	Successor
USD Term Loan, maturing in January 2031 ⁽¹⁾	\$ 5,187.0
EUR Term Loan, maturing in January 2031 ⁽²⁾	518.1
USD Secured Notes, maturing in January 2031 ⁽³⁾	2,175.0
GBP Secured Notes, maturing in January 2031 ⁽⁴⁾	752.2
Revolving credit facility, expiring in January 2029 ⁽⁵⁾	—
Settlement line of credit, expiring in January 2025 ⁽⁶⁾	—
Settlement line of credit, expiring in January 2025 ⁽⁷⁾	—
Backstop settlement facility, expired in December 2025 ⁽⁸⁾	—
Less: Current portion of long-term debt	(57.2)
Less: Debt issuance costs and original issue discount	(334.3)
Long-term Debt	\$ 8,240.8

- (1) Interest at a variable base rate (Secured Overnight Financing Rate, "SOFR") plus a spread rate (250 basis points) (total rate of 6.83% at December 31, 2024, and amortizing on a basis of 0.25% per quarter (December 2024 through December 2030) with a balloon payment due at maturity.
- (2) €498.8 million principal outstanding, translated to U.S. dollars at a spot rate of \$1.0387 U.S. dollars per Euro at December 31, 2024. Interest at a variable base rate (EURIBOR) plus a spread rate (275 basis points) (total rate of 5.43% at December 31, 2024) and amortizing on a basis of 0.25% per quarter (December 2024 through December 2030) with a balloon payment due at maturity.
- (3) \$2.175 billion secured notes with interest payable semi-annually at a fixed rate of 7.50% and principal due upon maturity.
- (4) £600.0 million secured notes with interest payable semi-annually at a fixed rate of 8.50% and principal due upon maturity. The spot rate of \$1.2536 U.S. dollars per Pound Sterling at December 31, 2024, was used to translate the Sterling-denominated notes to U.S. dollars.
- (5) Available credit facility of approximately \$1.2 billion borrowing interest at a variable base rate.
- (6) Available settlement line of credit of \$200.0 million borrowing interest at a variable base rate available to facilitate settlement requirements.
- (7) Available settlement line of credit of \$500.0 million borrowing interest at a variable base rate available to facilitate settlement requirements.
- (8) Available backstop settlement facility of \$300.0 million for August 1, 2024 - December 31, 2024, based on a variable interest rate. The Company did not borrow under the backstop facility during the eleven month Successor period ended December 31, 2024 and the facility has expired.

On August 1, 2024, the Company entered into an Amendment No. 1 (the "Amendment") to its Credit Agreement dated January 31, 2024 (the "Credit Agreement"), which provides for a 0.50% reduction in the interest rate applicable to USD term loan borrowings, EUR term loan borrowings, and borrowings under the revolving portion of the Credit Agreement. The Amendment also increased the capacity of the revolving credit facility from \$1 billion to approximately \$1.2 billion. All other terms of the Credit Agreement remained substantially the same. Certain lenders were repaid and replaced with new lenders. The proceeds and repayments of \$567.5 million are presented in the financing activities section in the accompanying consolidated statement of cash flows.

During the eleven month Successor period ended December 31, 2024, there were no borrowings or repayments under the Company's revolving credit facilities.

As a result of GTCR's purchase of Worldpay, the Company capitalized approximately \$388.7 million of deferred financing fees and original issue discount under the effective interest method. As a result of the Amendment, the Company expensed approximately \$18.7 million of unamortized deferred financing fees and original issue discount during the eleven month Successor period ended December 31, 2024, within other income (expense), net on the consolidated statement of loss. In addition, the Company capitalized approximately \$10.8 million of financing fees within long-term debt on the consolidated balance sheet related to the Amendment that will be amortized under the effective interest method.

Guarantees and Security

The Company's debt obligations at December 31, 2024, are unconditionally guaranteed by Boost Newco Guarantor, LLC, ("Guarantor"), a subsidiary of the Company and parent company to Boost NewCo Borrower, LLC ("Borrower"), and certain of Guarantor's existing subsidiaries. The debt and related guarantees are secured on a first-priority basis by a lien on substantially all the tangible and intangible assets of the Company and the aforementioned subsidiaries and personal property of Guarantor and any obligors under the Credit Agreement.

Covenants

There are certain financial and non-financial covenants contained in some of the Company's debt agreements. The financial covenants require maintenance of certain leverage and interest coverage ratios. As of December 31, 2024, the Company was in compliance with these financial covenants.

(16) Derivatives

Risk Management Objective of Using Derivatives

The Company enters into derivative financial instruments to manage differences in the amount, timing, and duration of its known or expected cash payments related to its variable-rate debt. As of December 31, 2024, the Company's derivative instruments for this purpose consist of interest rate swaps that hedge the variable rate debt by effectively converting floating-rate payments to fixed-rate payments.

Accounting for Derivative Instruments

The Company recognizes derivatives in prepaid expenses and other current assets, other noncurrent assets, accounts payable, accrued and other liabilities, and other long-term liabilities in the accompanying consolidated balance sheet at their fair values. See Note 17 Fair Value Measurements for a detailed discussion of the fair value of derivatives. The Company designates its interest rate contracts as cash flow hedges of forecasted interest rate payments related to its variable-rate debt.

The Company formally documents all relationships between hedging instruments and underlying hedged transactions, as well as its risk management objective and strategy for undertaking hedge transactions. This process includes linking all derivatives that are designated as cash flow hedges to forecasted transactions. A formal assessment of hedge effectiveness is performed both at inception of the hedge and on an ongoing basis to determine whether the hedge is highly effective in offsetting changes in cash flows of the underlying hedged item. Hedge effectiveness is assessed using a regression analysis. If it is determined that a derivative ceases to be highly effective during the term of the hedge, the Company will discontinue hedge accounting for such derivative.

The Company's interest rate contracts qualify for hedge accounting under ASC 815. Therefore, the effective portion of changes in fair value were recorded in AOCI and will be reclassified into earnings in the same period during which the hedged transactions affect earnings.

Cash Flow Hedges of Interest Rate Risk

The following table presents the Company's interest rate swaps designated as cash flow hedges entered into to manage fluctuations in interest rates as of December 31, 2024 (in millions):

	Successor	
	Notional Value	Exposure Periods
Interest rate swap	\$ 3,600	March 2024 to March 2026
Interest rate swap	840	March 2024 to March 2027
Total	\$ 4,440	

The Company does not offset derivative positions in the accompanying consolidated financial statements. The table below presents the fair value of the Company's derivative financial instruments designated as cash flow hedges included within the accompanying consolidated balance sheet (in millions):

	Successor	
	Consolidated Balance Sheet Location	December 31, 2024
Interest rate contracts	Prepaid expenses and other current assets	\$ 2.2
Interest rate contracts	Other noncurrent assets	0.1
Interest rate contracts	Accounts payable, accrued and other liabilities	20.9
Interest rate contracts	Other long-term liabilities	9.4

Any ineffectiveness associated with such derivative instruments will be recorded immediately as interest expense in the accompanying consolidated statement of loss. As of December 31, 2024, the Company estimates that \$18.7 million will be reclassified from accumulated other comprehensive loss as an increase to interest expense during the next 12 months.

The table below presents the pre-tax effect of the Company's interest rate contracts on the accompanying consolidated statement of comprehensive loss for the eleven month Successor period ended December 31, 2024, (in millions):

Derivatives in cash flow hedging relationships:	Eleven Months Ended December 31, 2024
	Successor
Amount of gains recognized in OCI (effective portion)	\$ 57.0
Amount of gains reclassified from OCI into earnings (effective portion)	40.9
Amount of gain recognized in earnings ⁽¹⁾	—

⁽¹⁾ Amount represents hedge ineffectiveness.

(17) Fair Value Measurements

Fair Value Hierarchy

The authoritative accounting literature defines fair value, establishes a framework for measuring fair value, and establishes a fair value hierarchy based on the quality of inputs used to measure fair value.

The fair value hierarchy includes three levels that are based on the priority of the inputs to the valuation technique. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). If the inputs used to measure the fair value fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the asset or liability. The three levels of the fair value hierarchy are described below:

Level 1. Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2. Inputs to the valuation methodology include the following:

- (1) Quoted prices for similar assets or liabilities in active markets;
- (2) Quoted prices for identical or similar assets or liabilities in inactive markets;
- (3) Inputs other than quoted prices that are observable for the asset or liability;
- (4) Inputs that are derived principally from, or corroborated by, observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3. Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The following table summarizes assets and liabilities, of the Company, measured at fair value on a recurring basis as of December 31, 2024 (in millions):

	Successor		
	Fair Value Measurements Using		
	Level 1	Level 2	Level 3
Assets:			
Interest rate contracts	\$ —	\$ 2.3	\$ —
Equity security investments	—	30.0	—
CVR	—	—	68.1
Liabilities:			
Interest rate contracts	\$ —	\$ 30.3	\$ —
CVR	—	—	370.1

Interest Rate Contracts

The Company uses interest rate contracts to manage interest rate risk. The fair value of interest rate swaps is determined using the market standard methodology of netting the discounted future fixed cash receipts (or payments) and the discounted expected variable cash payments (or receipts). The variable cash payments (or receipts) are based on the expectation of future interest rates (forward curves) derived from observed market interest rate curves. The fair value of the interest rate swaps is determined using widely accepted valuation techniques including discounted cash flow analysis on the expected future cash flows of each interest rate swap. This analysis reflects the contractual terms of the interest rate swap, including the period to maturity, and uses observable market inputs including interest rate yield curves. In addition, to comply with the provisions of ASC 820, *Fair Value Measurement*, credit valuation adjustments, which consider the impact of any credit enhancements to the contracts, are incorporated in the fair values to account for potential nonperformance risk. In adjusting the fair value of its interest rate contracts for the effect of nonperformance risk, the Company has considered any applicable credit enhancements such as collateral postings, thresholds, mutual puts, and guarantees.

Although the Company determined that the majority of the inputs used to value its interest rate contracts fell within Level 2 of the fair value hierarchy, the credit valuation adjustments associated with its interest rate contracts utilized Level 3 inputs, such as estimates of current credit spreads to evaluate the likelihood of default by itself and its counterparties. However, as of December 31, 2024, the Company assessed the significance of the impact of the credit valuation adjustments on the overall valuation of its interest rate contracts and determined that the credit valuation adjustment was not significant to the overall valuation of its interest rate contracts. As a result, the Company classified its interest rate contract valuations in Level 2 of the fair value hierarchy. See Note 16 Derivatives for further discussion of the Company's interest rate contracts.

The following table summarizes carrying amounts and estimated fair values for the Company's financial instrument liabilities that are not reported at fair value in our consolidated balance sheet as of December 31, 2024 (in millions):

	December 31, 2024	
	Successor	
	Carrying Value	Fair Value
Liabilities:		
Outstanding debt	\$ 8,298.0	\$ 8,811.8

The Company considered that the carrying value of cash and cash equivalents, receivables, settlement assets and payables, accounts payable and accrued expenses approximates fair value (Level 1) given the short-term nature of these items. The fair value of the Company's notes payable was estimated based on rates currently available to the Company for bank loans with similar term maturities and is classified in Level 2 of the fair value hierarchy.

(18) Commitments and Contingencies

The Company is party to certain lawsuits in the ordinary course of business. The Company does not believe that these proceedings, individually or in the aggregate, will have a material adverse effect on the Company's financial position, results of operations or cash flows.

Chargeback Liability

Through services offered, the Company is exposed to potential losses from merchant-related chargebacks. A chargeback occurs when a dispute between a cardholder and a merchant, including a claim for non-delivery of the product or service by the merchant, is not resolved in favor of the merchant and the transaction is charged back to the merchant resulting in a refund of the purchase price to the cardholder. If the Company is unable to collect this chargeback amount from the merchant due to closure, bankruptcy, or other reasons, the Company bears the loss for the refund paid to the cardholder. The risk of chargebacks is typically greater for those merchants that promise future delivery of goods and services rather than delivering goods or rendering services at the time of payment.

Indemnifications and Warranties

The Company generally indemnifies its clients, subject to certain limitations and exceptions, against damages and costs resulting from claims of patent, copyright, or trademark infringement associated solely with its customers' use of the Company's software applications or services. Historically, the Company has not made any material payments under such indemnifications but continues to monitor the conditions that are subject to the indemnifications to identify whether it is probable that a loss has occurred, in which case it would recognize any such losses when they are estimable.

(19) Accumulated Other Comprehensive Loss

The activity of the components of AOCI related to cash flow hedging and other activities for the eleven month Successor period ended December 31, 2024, is presented below (in millions):

Eleven Months Ended December 31, 2024 (Successor)	Total Other Comprehensive Income (Loss)				
	AOCI Beginning Balance	Pretax Activity	Tax Effect	Net Activity	AOCI Ending Balance
Net change in fair value of cash flow hedges recorded in AOCI	\$ —	\$ 57.0	\$ (0.1)	\$ 56.9	\$ 56.9
Net realized gain on cash flow hedges reclassified into earnings	—	(40.9)	—	(40.9)	(40.9)
Foreign currency translation adjustments	—	(112.3)	—	(112.3)	(112.3)
Other	—	(1.0)	0.3	(0.7)	(0.7)
Net Change	\$ —	\$ (97.2)	\$ 0.2	\$ (97.0)	\$ (97.0)

(20) Stock-Based Compensation and Other Postretirement Benefits

FIS Restricted Stock Units and Performance Stock Units

Prior to the Transaction, FIS had issued RSUs and PSUs to employees and outside directors (the "FIS Rollover Awards"). As part of the Transaction closing, unvested FIS Rollover Awards were converted to cash awards. Under the terms of the new cash awards, vesting dates of the cash awards remained substantially consistent with the vesting dates in the original RSU and PSU grants.

The Company accounted for the conversion of the FIS Rollover Awards as a modification, as the classification of the awards was changed from equity to a liability. While no incremental fair value was recognized as a result of the modification, the unvested portion of the FIS Rollover Awards was allocated between the Transaction purchase price and future compensation expense based upon the portion of the requisite service period that occurred prior to the Transaction. Amounts allocated to future service periods are recognized as compensation costs over the remaining requisite service period and are recorded to cost of revenue and general and administrative expense on the consolidated statement of loss.

The Company recognized compensation costs related to these FIS Rollover Awards for the eleven month Successor period ended December 31, 2024, of \$25.0 million. During the eleven month Successor period ended December 31, 2024, the Company made cash payments of \$22.3 million related to the FIS Rollover Awards. At December 31, 2024, the Company maintains a liability for the FIS Rollover Awards of \$31.6 million, which is recorded within accounts payable, accrued and other liabilities and other long-term liabilities.

Unrecognized compensation expense for the FIS Rollover Awards as of December 31, 2024 was \$20.9 million and will be recognized over a weighted-average period of 1.2 years.

In addition, certain employees held Options when the Transaction closed. The Options remain outstanding and continue to follow the original vesting schedule and remain exercisable in FIS common stock and the fair value was allocated to the requisite service period prior to and after the Transaction. Amounts allocated to the service period prior to the Transactions were accounted for as a prepaid as part of purchase accounting. Amounts allocated to future service periods are recognized as compensation costs over the remaining requisite service period and are recorded to cost of revenue and general and administrative expense on the consolidated statement of loss.

Compensation costs related to the Options for the eleven month Successor period ending December 31, 2024, were immaterial to the Company's consolidated financial statements. Unrecognized compensation expense for the Options as of December 31, 2024, was immaterial to the Company's consolidated financial statements.

Class C and Class D Units

The Company grants Class C and Class D units to certain employees that are equity interests in the Company. The Class C units are time-based awards and vest over five years while the Class D units are performance based awards where one-third of the units vest upon the occurrence of GTCR receiving cumulative cash proceeds in excess of 2.2x GTCR's investment and the remaining two-thirds vest on a linear basis when cash proceeds greater than 2.2x but less than 3.2x GTCR's investment are received and are fully vested when cash proceeds greater than 3.2x GTCR's investment are received. In April 2024, the Class D units were modified for substantially all employees to vest on the fifth anniversary of being granted even if the performance condition has not yet occurred.

The fair value of the Class C and Class D units is estimated using a Monte Carlo simulation method. Key inputs and assumptions used to estimate the fair value of the units include the expected time to a liquidity event, the risk-free interest rate over the expected time to a liquidity event, the estimated volatility, and estimated dividend yield. The Company's expected volatility assumption was determined based upon the historical volatility of publicly traded companies similar in nature to the Company. The risk-free interest rate is based on the market yield for a U.S. Treasury security over the expected time to a liquidity event. The assumptions used in the Monte Carlo simulation method are as follows:

Assumption	Grants During the Eleven Months Ended December 31, 2024	
	Successor	
Expected time to liquidity event (in years)	4.8 - 4.9	
Volatility	50% - 55%	
Risk-free rate	3.9% - 4.5%	
Expected dividend yield	— %	

The following table summarizes the Class C, Class D, and phantom unit activity for the eleven month Successor period ended December 31, 2024:

Successor	Class C Units		Class D Units	
	Units	Weighted Average Grant Date Fair Value	Units	Weighted Average Grant Date Fair Value
Outstanding, January 1, 2024	—	\$ —	—	\$ —
Granted	363,330,439	0.40	352,891,217	0.37
Forfeited	(955,189)	0.42	(955,189)	0.42
Outstanding, December 31, 2024	362,375,250	\$ 0.40	351,936,028	\$ 0.37

No Class C or Class D units vested during the eleven month Successor period ended December 31, 2024.

The Company recognized compensation costs related to the Class C and Class D units (including phantom units) of \$25.5 million and \$13.8 million, respectively, during the eleven month Successor period ended December 31, 2024. Unrecognized compensation expense for the Class C and Class D units (including phantom units) as of December 31, 2024 was \$120.1 million and \$68.4 million, respectively, to be recognized over a weighted-average period of 4.1 years for both classes.

There were no tax benefits during the eleven month Successor period ended December 31, 2024, related to the Class C and Class D units (excluding phantom units).

401(k) Profit Sharing Plan and Non-U.S. Defined Contribution Plans

The Company's U.S. employees are covered by a qualified 401(k) plan. Eligible employees may contribute up to 40% of their eligible compensation, up to the annual amount allowed pursuant to the Internal Revenue Code. The Company generally matches 50% of each dollar of employee contribution up to 6% of the employee's total eligible compensation. The Company's non-U.S. employees are also covered by various defined contribution plans. The Company recorded expense of \$34.9 million for the eleven month Successor period ended December 31, 2024 relating to the participation of Worldpay employees in the Company's 401(k) plan and non-U.S. defined contribution plans.

(21) Related Party Transactions

The Company has not historically operated as a standalone business. The following disclosure summarizes activity between the Company, FIS, and GTCR.

Related Party Transactions

Transition Services Agreement

On January 31, 2024, the Company entered into a Transition Service Agreement ("TSA") with FIS where both FIS and the Company are providing services to the other for an initial term of 24 months following the closing date of the Transaction, with a renewal option of an additional six months. The nature of the services include certain functions of the Company's operations such as Cybersecurity, Information Technology, Finance and Corporate Accounting, Risk Management, Human Resources, Marketing, Legal, Facilities, Supply Chain, Regulatory, Privacy and Data Protection and Commercial support.

Commercial Agreement

On January 31, 2024 and during the eleven month Successor period ended December 31, 2024, the Company entered into certain commercial agreements with FIS whereby services can be provided by the Company to FIS and vice-versa. The nature of these services are for, among other things, distribution purposes, vendor and product servicing, data services and referrals.

Master Agreement

Further, on January 30, 2024, the Company entered into a Master Agreement with RealNet Payments, LLC ("RealNet"), a subsidiary of FIS, where RealNet, as the licensed money transmitter, will continue to offer the Funds Disbursement Business after the closing of the Transaction, using the Company's services and resources.

Backstop Settlement Facility

The Company had a backstop settlement facility with FIS allowing for borrowings of \$300.0 million from August 1, 2024 - December 31, 2024, at a variable interest rate. The Company did not borrow under the backstop facility during the eleven month Successor period ended December 31, 2024 and the facility has expired.

The following tables include the portion of the Company's results and balances related to the transactions with related parties for the eleven month Successor period ended December 31, 2024, (in millions):

	Eleven Months Ended December 31, 2024
	Successor
Revenue from affiliates	\$ 1.1
Cost of revenue from affiliates	262.9
Selling, general and administrative from affiliates	181.0
Interest expense, net from affiliates	0.8

The Company had the following balances with FIS and GTCR affiliates at December 31, 2024, (in millions):

	December 31, 2024
	Successor
Due from affiliates	\$ 166.0
Due to affiliates	164.8

Balances due to or due from FIS and GTCR affiliates are attributable to recurring operational transactions that are cash settled and are presented within settlement assets, prepaid expenses and other current assets and accounts payable, accrued and other liabilities on the Company's consolidated balance sheet.

Other

The Company had undrawn letters of credit totaling \$272.8 million as of December 31, 2024 that would be guaranteed by FIS if borrowed upon; however, the Company has the obligation to indemnify FIS against any claims and reimburse FIS for any expenses or amounts paid with respect to FIS' guarantee.

During the eleven month Successor period ended December 31, 2024, the Company entered into promissory notes of approximately \$5.0 million with certain international employees relating to equity award grants.

During the eleven month Successor period ended December 31, 2024, 3.9 million of Class A and Class B units were issued by the Company to GTCR W Aggregator LP, which resulted in a total of \$32.9 million of Class A and Class B units being held by members of Worldpay Holdco, LLC management through GTCR W Aggregator LP.

Cost Allocations from FIS (Predecessor)

FIS provides significant corporate, selling, marketing, administrative, and resource services to the Worldpay Business. Some of these services will continue to be provided by FIS to the Worldpay Business on a temporary basis after the Transaction under a TSA.

The combined financial statements reflect specific identification and allocations of these costs which include acquisition, integration, and transformation-related costs. See Note 2 Basis of Presentation, Consolidation and Use of Estimates for a discussion of these costs and the methodology used to allocate them.

These allocations are reflected in the combined statement of income as follows (in millions):

	One Month Ended January 31, 2024
	Predecessor
Cost of revenue	\$ 3.0
Selling, general, and administrative	15.0

(22) Income Taxes

The Company's provision for income taxes includes U.S. federal, state, and foreign income taxes. Pursuant to the Purchase and Sale Agreement dated as of July 5, 2023, the acquisition of 55% of the outstanding limited liability company interests of Worldpay Holdco, LLC by GTCR W Aggregator LP on January 31, 2024, has been treated as a sale or exchange pursuant to Internal Revenue Code §741 and §1001. Worldpay Holdco, LLC is a multi-member limited liability company taxed as a partnership for U.S. federal income tax purposes. As a result, the U.S. federal taxable income (loss) of Worldpay Holdco, LLC is passed through to the investors and taxed at the investor level. Worldpay Holdco, LLC is taxable at the entity level in certain U.S. state and local jurisdictions. The controlled foreign corporations owned indirectly by Worldpay Holdco, LLC through other U.S. entities are taxable in their respective foreign jurisdictions and the taxes associated with these earnings are included in the consolidated income tax provision of Worldpay Holdco, LLC. The effective tax rate for the eleven month Successor period ended December 31, 2024, was largely driven by tax expense of \$20.1 million related to CVR activity, as well as the impact of the tax rate differential due to the US flow-through structure. Refer to Note 14 Investments for additional detail on the CVR activity, which includes a non-deductible component for the amounts payable to CVR holders.

For the Predecessor period, income taxes as presented in the combined financial statements of the Worldpay Business allocate current and deferred income taxes of FIS to the Worldpay Business' standalone financial statements in a manner that is systematic, rational and consistent with the asset and liability method prescribed by ASC Topic 740, *Income Taxes*. Accordingly, the Worldpay Business' income tax provision was prepared following the separate return method. The calculation of the Worldpay Business' income taxes on a separate return basis requires a considerable amount of judgment and use of both estimates and allocations. As a result, the tax treatment of certain items reflected in the combined financial statements of the Worldpay Business may not be reflected in the consolidated financial statements and tax returns of FIS. Therefore, such items as net operating losses, credit carry forwards and valuation allowances may exist in the standalone financial statements that may or may not exist in FIS' consolidated financial statements. As such, the income taxes of the Worldpay Business as presented in these combined financial statements may not be indicative of the income taxes that will be generated in the future.

The domestic and foreign components of the Company's (loss) income before income taxes for the eleven month Successor period ended December 31, 2024, and the one month Predecessor period ended January 31, 2024, are as follows (in millions):

	Eleven Months Ended December 31, 2024	One Month Ended January 31, 2024
	Successor	Predecessor
U.S.	\$ (703.1)	\$ 31.0
Foreign	361.5	4.0
(Loss) income before income taxes	\$ (341.6)	\$ 35.0

The components of income tax expense (benefit) for the eleven month Successor period ended December 31, 2024, and the one month Predecessor period ended January 31, 2024, are as follows (in millions):

	Eleven Months Ended December 31, 2024	One Month Ended January 31, 2024
	Successor	Predecessor
Current:		
Federal	\$ 1.0	\$ 12.0
State	1.4	2.0
Foreign	160.6	11.0
Total current tax expense	163.0	25.0
Deferred:		
Federal	(0.1)	(5.0)
State	0.1	(1.0)
Foreign	(64.9)	(13.0)
Total deferred tax benefit	(64.9)	(19.0)
Total tax expense	\$ 98.1	\$ 6.0

The following table presents a reconciliation of the U.S. federal statutory tax rate to the Company's effective income tax rate for the eleven month Successor period ended December 31, 2024 (in millions except percentages):

	Eleven Months Ended December 31, 2024	
	Successor	
Tax at 0% U.S. statutory rate	\$ —	— %
Valuation allowances	3.1	(0.9)
International tax rate difference	72.7	(21.3)
Permanent items	20.1	(5.9)
U.S. state & local income taxes & other	2.2	(0.6)
Total	\$ 98.1	(28.7) %

The following table presents a reconciliation of the U.S. federal statutory tax rate to the Company's effective income tax rate for the one month Predecessor period ended January 31, 2024 (in millions except percentages):

	One Month Ended January 31, 2024	
	Predecessor	
Tax at 21% U.S. statutory rate	\$ 7.3	21.0 %
International tax rate difference	(5.0)	(14.3)
Permanent items	2.6	7.4
U.S. state & local income taxes & other	1.1	3.0
Total	\$ 6.0	17.1 %

Deferred income taxes are comprised of the following as of December 31, 2024 (in millions):

	December 31, 2024
	Successor
Deferred tax assets:	
Property and equipment	\$ 11.9
Other receivables	81.9
Net operating loss carryforwards	4.2
Internally developed software	59.5
Other deferred tax assets	81.2
Total deferred tax assets	238.7
Valuation allowance	(11.0)
Net deferred tax assets	227.7
Deferred tax liabilities:	
Long-term investments	(17.0)
Goodwill and intangibles	(638.8)
Other deferred tax liabilities	(103.1)
Total deferred tax liabilities	(758.9)
Net deferred tax liability	\$ (531.2)

As of December 31, 2024, the Company believes that it is more likely than not that the Company will generate sufficient taxable income to realize its deferred tax assets, other than certain foreign tax attributes for which a valuation allowance has been recorded.

The Company asserts that its investment in its foreign subsidiaries is intended to be indefinitely reinvested except for the investment in Worldpay Malta Finance Limited, for which a deferred tax liability has been established for the outside basis difference, and its investment in United Kingdom operations, which may be repatriated in a tax-free manner. Undistributed historical and future earnings of its other foreign subsidiaries are considered to be indefinitely reinvested. Should these earnings be distributed in the future in the form of dividends or otherwise, the Company may be subject to foreign or U.S. taxes. The Company has the ability and intent to limit distributions so as to not make a taxable distribution. It is not practicable to determine the amount of the unrecognized deferred tax liability related to the subsidiaries for which the Company has indefinitely reinvested its earnings.

The Company's tax returns in certain states and foreign jurisdictions for 2018 through 2024, remain subject to examination by taxing authorities. Interest and penalties, to the extent applicable, are recorded as a component of income tax expense in the combined and consolidated statement of loss. The Company has gross net operating losses in the amount of \$12.9 million in foreign jurisdictions which will expire beginning in 2034.

The Company has no unrecognized tax benefits or uncertain tax positions.

The Organization for Economic Cooperation and Development ("OECD") has set forth guidelines for global minimum tax referred to as Pillar Two and/or the GloBE rules. Pillar Two legislation has been adopted in a number of jurisdictions in which the Company operates, with portions of the legislation effective as of January 1, 2024. The Company has evaluated its profile with respect to its GloBE jurisdictional effective tax rate and safe harbor provisions under the Pillar Two Model Rules, and has determined that it does not have a material GloBE tax liability for the Successor and Predecessor periods.

(23) Concentration of Risk

The Company generates a significant amount of revenue from large clients; however, no individual client accounted for 10% or more of total revenue in the eleven month Successor period ended December 31, 2024, and the one month Predecessor period ended January 31, 2024.

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash equivalents and trade receivables. The Company places its cash equivalents with high credit-quality financial institutions and, by policy, limits the amount of credit exposure with any one financial institution. Concentrations of credit risk with respect to trade receivables are limited because a large number of geographically diverse clients make up the Company's client base, thus spreading the trade receivables credit risk. The Company controls credit risk through monitoring procedures.

(24) Subsequent Events

The Company evaluated the consolidated financial statements for subsequent events through the date of issuance on October 24, 2025, and determined that there were no subsequent events that require additional disclosure or adjustments prior to issuance except for the items disclosed.

Settlement Lines of Credit

On January 29, 2025, the Company entered into certain amendments (collectively, the "Settlement Line Amendments") to each of its two Settlement Line Credit Agreements, dated January 31, 2024 (the "Settlement Line Credit Agreements"), which provide for a three-month extension of each of the Company's \$500.0 million and \$200.0 million Settlement Line Credit Agreements, respectively, from January 29, 2025, to April 29, 2025. The Settlement Line Amendments also align the pricing of these settlement lines of credit with the pricing under the Company's amended Credit Agreement. All other material terms of the Settlement Line Credit Agreements remain substantially the same.

On April 29, 2025, the Company entered into certain amendments to each of the Company's \$500.0 million and \$200.0 million Settlement Line Credit Agreements which provide for extensions from April 29, 2025 to April 28, 2026 for the \$500.0 million Settlement Line Credit Agreement and from April 29, 2025 to April 29, 2026 for the \$200.0 million Settlement Line Credit Agreement. All material terms of the Settlement Line Credit Agreements remain substantially the same.

Transaction Purchase Price Allocation

The Company finalized the purchase price allocation for the Transaction as of January 31, 2025. During the three months ended March 31, 2025, the Company recognized measurement period adjustments of \$15.3 million, which were primarily related to settlement assets.

Ravelin Technology Ltd Acquisition

On February 2, 2025, the Company entered in an agreement to purchase 100% of the outstanding equity of Ravelin Technology Ltd for cash consideration of approximately \$151.8 million to enhance the Company's fraud detection capabilities. The acquisition of Ravelin Technology Ltd closed on February 21, 2025.

Term Loan Repricing

On February 3, 2025, the Company entered into an amendment to its Credit Agreement providing for a 0.50% reduction in the interest rate applicable to the USD term loan and a 0.25% reduction in the interest rate applicable to the EUR term loan. In addition, this amendment provides a 0.50% reduction in the interest rate applicable to borrowings under the revolving credit facility.

RealNet

On March 31, 2025, the Company purchased 100% of the outstanding equity of RealNet from FIS. The cash consideration of \$42.2 million was transferred to FIS as part of the Transaction, but the closing was deferred until March 31, 2025.

Acquisition by Global Payments Inc.

On April 17, 2025, the Company entered into definitive agreements to be acquired by Global Payments Inc. for \$24.25 billion with the transaction expected to close in 2026 pending regulatory approvals. Certain commercial agreements with FIS were modified as part of the definitive agreements. Contingent on closing, the Company's TSAs with FIS are extended to June 2027 with certain renewal options. During the three and nine months ended September 30, 2025, Worldpay entered into a commercial agreement with Global Payments Inc.

CVR Conversion and Sale

During the three and nine month periods ended September 30, 2025, Visa Inc. released a portion of the aforementioned preferred stock which was then converted to common stock. The Company sold the common stock for \$46.5 million. Subsequent to September 30, 2025, the Company paid the former Legacy Worldpay owners 90% of the net-of-tax proceeds and net-of-tax dividends received since the previous conversion, totaling \$32.2 million.

Worldpay Holdco, LLC
Condensed Combined and Consolidated Financial Statements (Unaudited)
As of and for the Three and Nine Months Ended September 30, 2025 (Successor) and the Three and Eight Months Ended September 30, 2024 (Successor) and the
One Month Ended January 1, 2024 to January 31, 2024 (Predecessor)
With Independent Auditors' Review Report Thereon

Worldpay Holdco, LLC
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Worldpay Holdco, LLC
Condensed Consolidated Balance Sheets (Unaudited)
(In millions)

	September 30, 2025	December 31, 2024
	Successor	Successor
Assets		
Current assets:		
Cash and cash equivalents	\$ 2,278.3	\$ 2,578.6
Settlement assets	4,179.7	3,417.2
Trade receivables, net	1,847.8	1,857.2
Prepaid expenses and other current assets	277.2	273.3
Total current assets	8,583.0	8,126.3
Property and equipment, net	163.0	162.8
Goodwill	6,291.7	6,006.4
Intangible assets, net	7,249.7	7,930.7
Software, net	1,570.0	1,373.6
Other noncurrent assets	465.1	360.1
Total assets	\$ 24,322.5	\$ 23,959.9
Liabilities, Mezzanine Equity, and Shareholders' Deficit		
Current liabilities:		
Accounts payable, accrued and other liabilities	\$ 1,472.0	\$ 1,508.9
Settlement payable	4,866.2	4,413.4
Current portion of long-term debt	57.7	57.2
Total current liabilities	6,395.9	5,979.5
Long-term liabilities:		
Deferred tax liabilities	546.4	544.5
Long-term debt	8,370.7	8,240.8
Other long-term liabilities	521.6	535.3
Total liabilities	15,834.6	15,300.1
Mezzanine equity:		
Class A Preferred Units	10,386.9	10,019.3
Shareholders' Deficit:		
Class B and Class E Units	3,446.3	3,445.0
Additional paid-in-capital	—	—
Retained deficit	(5,667.4)	(4,708.2)
Accumulated other comprehensive income (loss)	322.1	(97.0)
Total Worldpay Holdco, LLC deficit	(1,899.0)	(1,360.2)
Noncontrolling interest	—	0.7
Total shareholders' deficit	(1,899.0)	(1,359.5)
Total liabilities, mezzanine equity and shareholders' deficit	\$ 24,322.5	\$ 23,959.9

See accompanying notes, which are an integral part of these Condensed Combined and Consolidated Financial Statements.

Worldpay Holdco, LLC
Condensed Combined and Consolidated Statements of (Loss) Income (Unaudited)
(In millions)

	Three Months Ended September 30, 2025	September 30, 2024	Nine Months Ended September 30, 2025	Eight Months Ended September 30, 2024	One Month Ended January 31, 2024
	Successor	Successor	Successor	Successor	Predecessor
Revenue	\$ 1,351.2	\$ 1,248.0	\$ 4,119.0	\$ 3,428.7	\$ 399.0
Cost of revenue	666.2	530.3	2,100.6	1,657.7	197.0
Selling, general and administrative expenses	620.4	565.9	1,861.4	1,625.0	162.0
Operating income	64.6	151.8	157.0	146.0	40.0
Interest expense, net	(147.6)	(145.8)	(437.9)	(409.3)	—
Other income (expense), net	36.2	(105.2)	(65.5)	(63.0)	(5.0)
(Loss) income before income taxes	(46.8)	(99.2)	(346.4)	(326.3)	35.0
Income tax expense	1.9	60.0	58.7	101.9	6.0
Net (loss) income	(48.7)	(159.2)	(405.1)	(428.2)	29.0
Less: Net income attributable to noncontrolling interest	—	1.2	0.3	2.9	—
Net (loss) income attributable to Worldpay Holdco, LLC	\$ (48.7)	\$ (160.4)	\$ (405.4)	\$ (431.1)	\$ 29.0

See accompanying notes, which are an integral part of these Condensed Combined and Consolidated Financial Statements.

Worldpay Holdco, LLC
Condensed Combined and Consolidated Statements of Comprehensive (Loss) Income (Unaudited)
(In millions)

	Three Months Ended	September 30, 2024	September 30, 2024	Nine Months Ended	September 30, 2025	Eight Months Ended	September 30, 2024	One Month Ended	January 31, 2024
	Successor	Successor	Successor	Successor	Successor	Successor	Successor	Predecessor	Predecessor
Net (loss) income	\$ (48.7)	\$ (159.2)	\$ (405.1)	\$ (428.2)	\$ (428.2)	\$ (428.2)	\$ (428.2)	\$ 29.0	\$ 29.0
Other comprehensive income (loss), net of tax:									
(Loss) gain on foreign currency translation	(113.4)	352.4	439.1	293.9	293.9	293.9	293.9	(81.0)	(81.0)
Loss on hedging activities and other	(3.9)	(81.5)	(20.0)	(21.4)	(21.4)	(21.4)	(21.4)	—	—
Comprehensive (loss) income	(166.0)	111.7	14.0	(155.7)	(155.7)	(155.7)	(155.7)	(52.0)	(52.0)
Less: Comprehensive income attributable to noncontrolling interest	—	1.2	0.3	2.9	2.9	2.9	2.9	—	—
Comprehensive (loss) income attributable to Worldpay Holdco, LLC	\$ (166.0)	\$ 110.5	\$ 13.7	\$ (158.6)	\$ (158.6)	\$ (158.6)	\$ (158.6)	\$ (52.0)	\$ (52.0)

See accompanying notes, which are an integral part of these Condensed Combined and Consolidated Financial Statements.

Worldpay Holdco, LLC
Condensed Combined and Consolidated Statements of Mezzanine Equity and Shareholders' (Deficit) Equity (Unaudited)
(In millions)

Successor	Total Mezzanine	Class B and Class E Units	Additional Paid-in-Capital	Retained Deficit	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interest	Total Shareholders' Deficit
Balances, June 30, 2025	\$ 10,277.5	\$ 3,446.3	\$ —	\$ (5,436.1)	\$ 439.4	\$ —	\$ (1,550.4)
Net loss	—	—	—	(48.7)	—	—	(48.7)
Stock-based compensation	—	—	16.0	—	—	—	16.0
Foreign currency translation adjustments	—	—	—	—	(113.4)	—	(113.4)
Change in fair value of interest rate swaps and other, net of tax	—	—	—	—	(3.9)	—	(3.9)
Tax distributions to investors	(89.2)	—	—	—	—	—	—
Accretion of Class A units to redemption value	198.6	—	(16.0)	(182.6)	—	—	(198.6)
Balances, September 30, 2025	<u>\$ 10,386.9</u>	<u>\$ 3,446.3</u>	<u>\$ —</u>	<u>\$ (5,667.4)</u>	<u>\$ 322.1</u>	<u>\$ —</u>	<u>\$ (1,899.0)</u>

Successor	Total Mezzanine	Class B and Class E Units	Additional Paid-in-Capital	Retained Deficit	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interest	Total Shareholders' Deficit
Balances, June 30, 2024	\$ 9,756.9	\$ 3,444.9	\$ —	\$ (4,178.2)	\$ 1.6	\$ 1.1	\$ (730.6)
Net (loss) income	—	—	—	(160.4)	—	1.2	(159.2)
Stock-based compensation	—	—	10.8	—	—	—	10.8
Foreign currency translation adjustments	—	—	—	—	352.4	—	352.4
Change in fair value of interest rate swaps, net of tax	—	—	—	—	(81.5)	—	(81.5)
Distributions to noncontrolling interest	—	—	—	—	—	(1.4)	(1.4)
Tax distributions to investors	(23.0)	—	—	—	—	—	—
Net proceeds from issuance of units	0.2	0.1	—	—	—	—	0.1
Accretion of Class A units to redemption value	190.5	—	(10.8)	(179.7)	—	—	(190.5)
Balances, September 30, 2024	<u>\$ 9,924.6</u>	<u>\$ 3,445.0</u>	<u>\$ —</u>	<u>\$ (4,518.3)</u>	<u>\$ 272.5</u>	<u>\$ 0.9</u>	<u>\$ (799.9)</u>

Successor	Total Mezzanine	Class B and Class E Units	Additional Paid-in-Capital	Retained Deficit	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interest	Total Shareholders' Deficit
Balances, January 1, 2025	\$ 10,019.3	\$ 3,445.0	\$ —	\$ (4,708.2)	\$ (97.0)	\$ 0.7	\$ (1,359.5)
Net (loss) income	—	—	—	(405.4)	—	0.3	(405.1)
Stock-based compensation	—	—	37.0	—	—	—	37.0
Foreign currency translation adjustments	—	—	—	—	439.1	—	439.1
Change in fair value of interest rate swaps and other, net of tax	—	—	—	—	(20.0)	—	(20.0)
Distributions to noncontrolling interest	—	—	—	—	—	(1.0)	(1.0)
Tax distributions to investors	(226.9)	—	—	—	—	—	—
Net proceeds from issuance of units	3.7	1.3	—	—	—	—	1.3
Accretion of Class A units to redemption value	590.8	—	(37.0)	(553.8)	—	—	(590.8)
Balances, September 30, 2025	<u>\$ 10,386.9</u>	<u>\$ 3,446.3</u>	<u>\$ —</u>	<u>\$ (5,667.4)</u>	<u>\$ 322.1</u>	<u>\$ —</u>	<u>\$ (1,899.0)</u>

Successor	Total Mezzanine	Class B and Class E Units	Additional Paid-in-Capital	Retained Deficit	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interest	Total Shareholders' Deficit
Balances, January 31, 2024	\$ 5,980.0	\$ 3,443.6	\$ 42.8	\$ (118.6)	\$ —	\$ 2.1	\$ 3,369.9
Net (loss) income	—	—	—	(431.1)	—	2.9	(428.2)
Stock-based compensation	—	—	19.2	—	—	—	19.2
Foreign currency translation adjustments	—	—	—	—	293.9	—	293.9
Change in fair value of interest rate swaps, net of tax	—	—	—	—	(21.4)	—	(21.4)
Distributions to noncontrolling interest	—	—	—	—	—	(4.1)	(4.1)
Tax distributions to investors	(88.5)	—	—	—	—	—	—
Net proceeds from issuance of units	2.5	1.4	—	—	—	—	1.4
Accretion of Class A units to redemption value	4,030.6	—	(62.0)	(3,968.6)	—	—	(4,030.6)
Balances, September 30, 2024	<u>\$ 9,924.6</u>	<u>\$ 3,445.0</u>	<u>\$ —</u>	<u>\$ (4,518.3)</u>	<u>\$ 272.5</u>	<u>\$ 0.9</u>	<u>\$ (799.9)</u>

Predecessor	Net Parent Investment	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interest	Total Equity
Balances, December 31, 2023	\$ 20,840.0	\$ 8.0	\$ 2.0	\$ 20,850.0
Net income	29.0	—	—	29.0
Other comprehensive loss, net of tax	—	(81.0)	—	(81.0)
Transfers to Parent, net	(3,639.0)	—	—	(3,639.0)
Balances, January 31, 2024	<u>\$ 17,230.0</u>	<u>\$ (73.0)</u>	<u>\$ 2.0</u>	<u>\$ 17,159.0</u>

See accompanying notes, which are an integral part of these Condensed Combined and Consolidated Financial Statements.

Worldpay Holdco, LLC
Condensed Combined and Consolidated Statements of Cash Flows (Unaudited)
(In millions)

	Nine Months Ended September 30, 2025	Eight Months Ended September 30, 2024	One Month Ended January 31, 2024
	Successor	Successor	Predecessor
Cash flows from operating activities			
Net (loss) income	\$ (405.1)	\$ (428.2)	\$ 29.0
Adjustments to reconcile net (loss) income to net cash provided by operating activities:			
Depreciation and amortization	1,211.0	1,033.9	134.0
Amortization and write-off of deferred financing costs	49.1	49.6	—
Stock-based compensation	31.1	19.2	5.0
Change in fair value of contingent value rights	10.3	(28.7)	—
Gain on sale of businesses and noncontrolling interest	(18.1)	—	—
Deferred income taxes	(48.7)	—	(19.0)
Impact of foreign currency fluctuations	62.6	74.1	—
Other	40.4	49.1	—
Net change in assets and liabilities:			
Trade receivables	(9.3)	(265.3)	254.0
Prepaid expenses and other assets	(171.9)	50.5	(228.0)
Accounts payable, accrued and other liabilities	(64.2)	201.0	(90.0)
Other noncurrent liabilities	(45.8)	(96.6)	—
Net cash provided by operating activities	641.4	658.6	85.0
Cash flows from investing activities:			
Additions to property and equipment	(51.7)	(20.4)	(12.0)
Additions to software	(382.5)	(245.3)	(27.0)
Sales of businesses, intangibles and noncontrolling interest	31.8	—	—
Net cash acquired in RealNet acquisition	1,415.8	—	—
Ravelin acquisition, net of cash acquired	(148.5)	—	—
Proceeds from sale of CVR asset	46.5	180.0	—
Loan receivable from affiliates	—	—	109.0
Other investing activities, net	(10.9)	(14.0)	—
Net cash provided by (used in) investing activities	900.5	(99.7)	70.0
Cash flows from financing activities:			
Settlement activity	(928.1)	1,220.6	(442.0)
Payment of tax distributions to investors	(237.0)	(88.5)	—
Repayment of borrowings and other financing obligations	(28.9)	—	(8.0)
Payments on tax receivable agreement	(11.0)	—	(57.0)
Debt issuance costs	(6.9)	(10.8)	—
Payment to CVR holders	—	(155.0)	—
Distributions to noncontrolling interest	(1.0)	(4.1)	—
Net proceeds from issuance of units	5.0	3.9	—
Repurchase of units	(0.1)	—	—
Borrowings from certain term loan lenders	336.4	567.5	—
Repayments of certain term loan lenders	(336.4)	(567.5)	—
Financing transactions with Parent, net	—	—	289.0
Net cash (used in) provided by financing activities	(1,208.0)	966.1	(218.0)
Effect of foreign currency exchange rate changes on cash	254.1	164.7	(24.0)
Net increase (decrease) in cash, cash equivalents, and restricted cash	588.0	1,689.7	(87.0)
Cash, cash equivalents, and restricted cash, beginning of period	4,655.1	3,736.4	4,003.0
Cash, cash equivalents, and restricted cash, end of period	\$ 5,243.1	\$ 5,426.1	\$ 3,916.0

	Nine Months Ended September 30, 2025	Eight Months Ended September 30, 2024	One Month Ended January 31, 2024
	Successor	Successor	Predecessor
Supplemental cash flow information:			
Cash paid for income taxes, net of refunds	\$ 55.6	\$ 181.9	\$ 17.0
Cash paid for interest	501.6	487.4	—
Capital expenditures in accounts payable	113.8	80.4	10.0

See accompanying notes, which are an integral part of these Condensed Combined and Consolidated Financial Statements.

Worldpay Holdco, LLC
Notes to Condensed Combined and Consolidated Financial Statements (Unaudited)

(1) Background and Nature of Operations

Worldpay Holdco, LLC, a Delaware limited liability company, is a holding company that conducts its operations through its indirect wholly owned subsidiary, Worldpay, LLC, collectively referred to herein as the “Company,” “Worldpay,” “we,” “us,” or “our,” unless the context requires otherwise.

On January 31, 2024, Fidelity National Information Services, Inc. (“FIS”) sold 55% of the ownership interests in Worldpay Holdco, LLC to GTCR W Aggregator LP, a Delaware limited partnership managed by GTCR, LLC herein collectively referred to as (“GTCR”). FIS retained a noncontrolling 45% ownership interest in the Company following this transaction (the “Transaction”). See Note 4 Acquisitions for more details.

Worldpay is focused on serving merchants of all sizes globally, enabling them to accept, authorize, and settle electronic payment transactions. The Company includes all aspects of payment processing, including value-added services, such as security, fraud prevention, advanced data analytics, foreign currency management and numerous funding options. Worldpay serves clients in over 100 countries. The Company's clients are highly-diversified, including global enterprises, national retailers, and small- to medium-sized businesses (“SMBs”). The Company utilizes broad and varied distribution channels, including direct sales forces and multiple referral partner relationships that provide Worldpay with access to new and existing markets.

On April 17, 2025, the Company entered into definitive agreements to be acquired by Global Payments Inc. for \$24.25 billion with the transaction expected to close in 2026 pending regulatory approval (the “Global Acquisition”). Certain commercial agreements with FIS were modified as part of the definitive agreements. During the three and nine months ended September 30, 2025, Worldpay entered into a commercial agreement with Global Payments Inc.

(2) Basis of Presentation, Consolidation and Use of Estimates

The accompanying interim unaudited condensed combined and consolidated financial statements of the Company include all of the information and disclosures required by generally accepted accounting principles in the United States of America (“U.S. GAAP”) for interim reporting. These unaudited condensed combined and consolidated financial statements should be read in conjunction with the audited combined and consolidated financial statements and related notes for the eleven month Successor period ended December 31, 2024 and the one month Predecessor period ended January 31, 2024. The unaudited condensed combined and consolidated financial statements for interim periods do not include all disclosures required by U.S. GAAP for annual financial statements and are not necessarily indicative of results for any future interim periods and the full fiscal year ending December 31, 2025. Adjustments (consisting of normal recurring accruals) considered necessary for a fair statement of the unaudited condensed combined and consolidated financial position, results of operations and cash flows at the dates and for the periods presented have been included. All intercompany transactions and balances have been eliminated in consolidation.

These condensed combined and consolidated financial statements reflect the results of the Merchant Business (the “Worldpay Business”) prior to the Transaction, on a historical basis, and of Worldpay Holdco, LLC, and its majority-owned subsidiaries subsequent to the Transaction. See Note 4 Acquisitions for more details. Transactions between the Company and its related parties, including FIS and GTCR, are included in these condensed combined and consolidated financial statements; however, material intercompany balances and transactions among the Company and its consolidated affiliates are eliminated in consolidation. Investments in entities that we do not control are accounted for using the cost method; we do not currently hold any investments accounted for under the equity method. All dollar amounts in the text and tables herein, are stated in millions unless otherwise indicated.

Predecessor

The condensed combined financial statements include the predecessor activity on a historical cost basis of accounting that existed prior to the Transaction (see Note 4 Acquisitions) for the one month period of January 1, 2024, through January 31, 2024, which is referred to herein as the “Predecessor” period.

The Predecessor condensed combined financial statements reflect the historical results of operations and cash flows of the Worldpay Business. For the Predecessor period presented, the Merchant Business is primarily included within FIS legal entities that were contributed to Worldpay in connection with the Transaction (collectively the “Transferring Entities” and each a “Transferring Entity”). The Transferring Entities included the net assets and subsequent operations acquired by FIS in the acquisition of Worldpay Inc., which was completed on July 31, 2019 (the “Worldpay Acquisition”), along with legacy FIS merchant businesses within pre-existing legal entities.

The Predecessor condensed combined financial statements have been prepared in connection with the Transaction and are derived from FIS’ consolidated financial statements and accounting records. The condensed combined financial statements reflect the Worldpay Business’ results of operations, comprehensive loss, equity, and cash flows. The revenue and expenses of the Worldpay Business have been reflected in the Worldpay Business’ financial statements on a historical cost basis, as included in the consolidated financial statements of FIS, using the historical accounting policies applied by FIS. These condensed combined financial statements do not purport to reflect what the Worldpay Business’ results of operations, comprehensive loss, equity, or cash flows would have been had the Worldpay Business operated as a standalone company during the period presented.

These condensed combined financial statements were prepared following a legal entity approach, which resulted in the inclusion of the following:

- Certain assets and liabilities, results of operations and cash flows attributable to the Merchant Business that were contributed to Worldpay prior to the consummation of the Transaction.
- Each Transferring Entity’s historical operations, including its results of operations, and cash flows have been fully reflected in these condensed combined financial statements.
- In January 2024, the Issuer Solutions business, which was previously included in the Transferring Entities, was transferred to FIS and was retained by FIS subsequent to the Transaction. Consequently, the Issuer Business is not included in the condensed combined financial statements and the transfer to FIS is presented through transfers to Parent, net on the condensed combined statement of equity.

The Worldpay Business has historically functioned together with the other businesses controlled by FIS. Accordingly, the Worldpay Business relied on FIS’ corporate and other support functions for its business. Therefore, certain corporate and shared costs have been allocated to the Worldpay Business including:

- Expenses related to FIS support functions that are provided on a centralized basis within FIS, including expenses for facilities, executive oversight, treasury, finance, legal, human resources, shared services, compliance, procurement, information technology and other corporate functions.
- These expenses have been allocated to the Worldpay Business based on a specific identification basis or when specific identification is not practicable, a proportional cost allocation method primarily based on revenue or directly identifiable actual costs, depending on the nature of the services.
- Share-based compensation and other employee-related expense.

Management believes these cost allocations are a reasonable reflection of the utilization of services provided to, or the benefit derived by, the Worldpay Business during the period presented, though the allocations may not be indicative of the actual costs that would have been incurred had the Worldpay Business operated as a standalone company. Actual costs that may have been incurred if the Worldpay Business had been a standalone company would depend on a number of factors, including the chosen organizational structure, whether functions were outsourced or performed by the Worldpay Business’ employees, and strategic decisions made in areas such as selling and marketing, research and development, information technology and infrastructure.

Following the Transaction, certain functions that FIS provided to the Worldpay Business prior to the Transaction will be performed using Worldpay’s own resources or third-party service providers, other than certain functions that will be provided for a limited time pursuant to the transition services agreement (See Note 17 Related Party Transactions).

Income tax expense and deferred tax balances in the condensed combined financial statements have been calculated on a separate tax return basis. The Worldpay Business’ operations are included in the tax returns of FIS and its subsidiaries, including the Transferring Entities and the respective FIS entities of which the Worldpay Business’ business was a part. In the future, as a standalone entity, Worldpay will file tax returns on its own behalf, and its deferred taxes and effective income tax rate may differ from those in the historical periods.

Prior to the Transaction, FIS generally utilized a centralized approach to cash management and the financing of its operations. Cash generated by the Worldpay Business was routinely transferred into accounts managed by FIS' centralized treasury function, and cash disbursements for the Worldpay Business' operations were funded as needed by FIS. Balances held by the Transferring Entities with FIS for cash transfers and loans are reflected as due from affiliates and due to affiliates. All other cash, cash equivalents, short-term investments and related transfers between FIS and the Worldpay Business are generally held centrally through accounts controlled and maintained by FIS and are not specifically identifiable to the Worldpay Business. Accordingly, such balances have been accounted for through net Parent investment. FIS' third-party debt and related interest expense have not been attributed to the Worldpay Business because the Worldpay Business is not the legal obligor of the debt and the borrowings are not specifically identifiable to the Worldpay Business.

As the separate legal entities that make up the Worldpay Business were not historically held by a single legal entity, net Parent investment is shown in lieu of shareholders' equity in these condensed combined financial statements. Net Parent investment represents FIS' interest in the recorded assets of the Worldpay Business and the cumulative investment by FIS in the Worldpay Business through the periods presented, inclusive of operating results.

All intercompany transactions and accounts within the Transferring Entities have been eliminated. For the Transferring Entities, transactions with FIS affiliates are included in the condensed combined statement of income, and related balances are reflected as due to affiliates and due from affiliates. Other balances between the Worldpay Business and FIS are considered to be effectively settled in the condensed combined financial statements at the time the transactions are recorded as they have not been historically settled in cash and were not settled in cash in connection with the Transaction. The total net effect of these intercompany transactions is reflected in the condensed combined statement of equity in net Parent investment and in the condensed combined statement of cash flows within financing activities and in the condensed combined statement of equity as transfers to Parent, net.

As a result of the allocations and carve out methodologies used to prepare these condensed combined financial statements, these results may not be indicative of the Worldpay Business' future performance, and may not reflect the results of operations, financial position, and cash flows had the Worldpay Business been a separate, standalone company during the period presented.

Successor

The three and nine month periods ended September 30, 2025, and the three and eight month periods ended September 30, 2024, are referred to as the "Successor" periods. The Successor periods reflect the costs and activities as well as the recognition of assets and liabilities at their fair values pursuant to the election of pushdown accounting. The results of operations, financial position, cash flows, and other financial information for the Successor periods are not comparable to the Predecessor period.

These condensed consolidated financial statements for the Successor periods have been prepared on a standalone basis excluding the results of our controlling entity, GTCR W Aggregator LP, which, following the Transaction, maintains a majority of the ownership interests in the Company. The Company's condensed consolidated financial statements reflect the Transaction that occurred on January 31, 2024, the fair market value of our assets and liabilities for Worldpay Holdco, LLC and consolidated subsidiaries, and goodwill and identified intangible assets recognized at the time of the Transaction. In addition, the Company's condensed consolidated financial statements reflect activity that occurred within GTCR W Aggregator LP subsidiaries prior to January 31, 2024 and were merged into Worldpay Holdco, LLC as part of the Transaction. Prior to the Transaction, the Company was a wholly owned subsidiary of FIS and our results were consolidated within the consolidated financial statements of FIS.

Use of estimates

The preparation of the condensed combined and consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant items subject to such estimates and assumptions include the fair value of customer relationships, acquired software, and trademarks in accordance with purchase price accounting, and the evaluation of potential impairment of intangible assets.

The Company's results of operations and financial condition can also be affected by economic, political, legislative, regulatory, and legal actions. Economic conditions, such as recessionary trends, inflation, interest and monetary exchange rates, and government fiscal policies can have a significant effect on the Company's results of operations and financial condition. While the Company maintains reserves for anticipated liabilities and carries various levels of insurance, the Company could be affected by civil, criminal, regulatory or administrative actions, claims or proceedings.

These estimates and assumptions are based on management's best estimates and judgments. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors deemed appropriate. As facts and circumstances dictate, these estimates and assumptions may be adjusted. Since future events and their effects cannot be determined with precision, actual results could differ significantly from these estimates. Changes in estimates, including those resulting from continuing changes in the economic environment, will be reflected in the condensed combined and consolidated financial statements in the periods the estimates are changed.

(3) Summary of Significant Accounting Policies

The following describes the significant accounting policies of the Company used in preparing the accompanying condensed combined and consolidated financial statements.

(a) Cash and Cash Equivalents

The Company considers all cash on hand, money market funds and other highly liquid investments with original maturities of three months or less to be cash and cash equivalents. Cash on hand includes funds used for settlement activity (see Note 3(b) Settlement Assets for further discussion).

The Company records restricted cash in captions other than cash and cash equivalents in the condensed consolidated balance sheets. The reconciliation between cash and cash equivalents in the condensed consolidated balance sheets and cash, cash equivalents and restricted cash per the condensed consolidated statements of cash flows is as follows (in millions):

	September 30, 2025	September 30, 2024
	Successor	Successor
Cash and cash equivalents on the condensed consolidated balance sheets	\$ 2,278.3	\$ 2,403.6
Merchant float (within settlement assets)	2,964.8	3,022.5
Total Cash, cash equivalents and restricted cash per the condensed consolidated statements of cash flows	\$ 5,243.1	\$ 5,426.1

(b) Settlement Assets

The principal components of the Company's settlement assets on the condensed consolidated balance sheets are as follows (in millions):

	September 30, 2025	December 31, 2024
	Successor	Successor
Settlement assets		
Merchant float	\$ 2,964.8	\$ 2,076.5
Settlement receivables	1,214.9	1,340.7
Total Settlement assets	\$ 4,179.7	\$ 3,417.2

(c) Goodwill

During the Successor periods ended September 30, 2025 and 2024, and the Predecessor period ended January 31, 2024, no goodwill impairments were recognized.

(d) Long-lived assets

During the Successor periods ended September 30, 2025 and 2024, and the Predecessor period ended January 31, 2024, no long-lived asset impairments were recognized.

(e) Intangible Assets, net

The Company has intangible assets that consist primarily of customer relationships and trademarks (i.e., a collective term for trademarks, trade names, and related intellectual property rights) that were recorded in connection with the Transaction and other acquisitions at their fair value based on the results of valuation analyses. Customer relationships and trademarks acquired in business combinations are generally valued using the multi-period excess earnings method and the relief-from-royalty method, which are Level 3-type measurements. Customer relationships are amortized over their estimated useful lives using either the straight-line method or an accelerated method up to a 12-year period. Trademarks with finite lives are amortized using the straight-line method up to five years. Intangible assets with finite lives are reviewed for impairment following the same approach as long-lived assets.

(f) Software, net

During the Successor periods ended September 30, 2025 and 2024, and the Predecessor period ended January 31, 2024, no software asset impairments were recognized.

(g) Income Taxes

The Company's global effective tax rate was (4.1)% and (60.5)% for the three month Successor periods ended September 30, 2025 and 2024, respectively, (16.9)% and (31.2)% for the nine and eight month Successor periods ended September 30, 2025 and 2024, respectively, and 17.1% for the Predecessor period ended January 31, 2024.

(h) Stock-Based Compensation Plans

For the three month Successor periods ended September 30, 2025 and 2024, the Company recognized \$15.4 million and \$19.7 million, respectively, of stock-based compensation expense associated with the awards within the cost of revenue and selling, general and administrative lines of the Company's condensed combined and consolidated statements of (loss) income. For the nine and eight month Successor periods ended September 30, 2025 and 2024, and the one month Predecessor period ended January 31, 2024, the Company recognized \$49.2 million, \$40.9 million, and \$6.0 million, respectively, of stock-based compensation expense.

(i) Net Parent Investment

In the Predecessor period, net Parent investment in the condensed combined statement of equity represents FIS' historical investment in the Worldpay Business and includes accumulated net earnings (loss) after taxes and the net effect of transactions with and cost allocations from FIS.

(j) New Accounting Pronouncements and Policies

In December 2023, the FASB issued ASU No. 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures." This guidance requires consistent categories and greater disaggregation of information in the rate reconciliation and disclosures of income taxes paid by jurisdiction. This amendment is effective for the Company's fiscal year ending December 31, 2026, but the Company plans to adopt as of December 31, 2025. The Company is currently assessing the impact of this guidance on our disclosures.

In November 2024, the FASB issued ASU 2024-03, "Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses." The amendments in ASU 2024-03 require entities to disclose specified information about certain costs and expenses. This amendment is effective for the Company's annual reporting period beginning on January 1, 2027, with early adoption permitted. The Company is currently assessing the impact of this guidance on our disclosures.

In September 2025, the FASB issued ASU No. 2025-06, “Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software.” The updated guidance requires that an entity capitalize internal-use software costs when both: 1) management has authorized and committed to the funding of the software project, and 2) it is probable that the project will be completed, and the software will be used to perform its intended function. This amendment is effective for the Company's annual reporting period beginning on January 1, 2028, with early adoption permitted. The Company is currently assessing the impact of this guidance on our condensed combined and consolidated financial statements.

No other new accounting pronouncement issued or effective during the period had, or is expected to have, a material impact on the Company's condensed combined and consolidated financial statements.

(4) Acquisitions

GTCR Acquisition

As discussed in Note 1 Background and Nature of Operations, on January 31, 2024, GTCR and FIS consummated the transaction contemplated by the Purchase and Sale Agreement dated July 5, 2023, pursuant to which GTCR acquired from FIS 55% of the limited liability company interests in Worldpay. The Transaction was funded with approximately \$5.7 billion in proceeds from the issuance of EUR and USD denominated term loans with varying interest rates, approximately \$2.9 billion in proceeds from the issuance of bonds with varying coupon rates, and approximately \$5.3 billion in equity financing.

The Transaction constitutes a business combination as defined by ASC Topic 805, *Business Combinations* ("ASC 805"). In accordance with ASC 805 and our business combinations accounting policy, we estimated the fair values of our net tangible and intangible assets acquired and liabilities assumed, and the excess of the consideration transferred over the aggregate of such fair values was recorded as goodwill, none of which is deductible for tax purposes. Goodwill is attributable primarily to the workforce acquired and growth opportunities, none of which qualify to be recognized as separately identifiable intangible assets. The estimated fair values of the identifiable intangible assets acquired are based on valuations performed by third-party specialists, which utilized various acceptable valuation methodologies and required application of internally-developed assumptions.

The aggregate purchase consideration under ASC 805 is approximately \$18,080.9 million and includes the fair value of FIS' noncontrolling interest of approximately \$4,211.2 million, which was determined using a market-based approach. The aggregate purchase consideration for the Transaction is as follows (in millions):

Debt-financed cash consideration	\$ 8,623.3
Equity-financed cash consideration	5,256.6
Stock based compensation	32.0
Fair value of noncontrolling interest	4,211.2
Consideration attributable to deferred close entity	(42.2)
Total purchase consideration	<u>\$ 18,080.9</u>

The following table summarizes the allocation of aggregate purchase consideration based on the fair values of the tangible and intangible assets acquired and liabilities assumed (in millions):

	Amounts Recognized as of the Acquisition Date (As Adjusted)
Current assets:	
Cash and cash equivalents	\$ 2,293.2
Settlement assets	2,822.8
Trade receivable	1,600.9
Prepaid expenses and other current assets	355.1
Noncurrent assets:	
Property and equipment	174.5
Software	1,134.4
Intangible assets	9,100.1
Other noncurrent assets	352.3
Current liabilities:	
Accounts payable, accrued and other liabilities	(972.4)
Settlement payable	(3,627.7)
Long-term liabilities:	
Deferred tax liabilities	(636.7)
Other long-term liabilities	(574.5)
Total Net Assets Acquired	\$ 12,022.0
Goodwill	\$ 6,058.9

During the three and nine month Successor periods ended September 30, 2025 the Company recognized measurement period adjustments of \$— million and \$15.3 million, respectively, which were primarily related to settlement assets. During the three and eight month Successor periods ended September 30, 2024, the Company recognized measurement period adjustments of \$710.8 million and \$20.3 million, respectively, which were primarily related to changes in the valuation of intangible assets and deferred tax assets.

The purchase consideration allocated to settlement assets of \$2,822.8 million includes \$1,733.9 million of merchant float within the condensed consolidated balance sheets. The merchant float balance is classified as cash, cash equivalents, and restricted cash on the condensed consolidated statements of cash flows.

The above fair values of assets acquired and liabilities assumed are based on the information that was available as of the reporting date. The fair values of the assets acquired and liabilities assumed were determined using the income and cost approaches. In many cases, the determination of the fair values required estimates about discount rates, future expected cash flows, and other future events that are judgmental and subject to change. The fair value measurements were primarily based on significant inputs that are not observable in the market and thus represent a Level 3 measurement of the fair value hierarchy as defined in ASC 820, *Fair Value Measurement* (“ASC 820”). The Company believes that the information provides a reasonable basis for estimating the fair values of the acquired assets and assumed liabilities. The Company finalized the purchase price allocation as of January 31, 2025.

The acquired identifiable intangible assets consist of customer relationships, developed technology, and trademarks with weighted average estimated useful lives of 10.1 years, 5.0 years, and 5.0 years, respectively, and as of the Transaction closing date were estimated to have fair values of approximately \$8,800.1 million, \$1,134.4 million, and \$300.0 million, respectively.

Prior to the Transaction, our employees held 0.7 million RSUs, 0.5 million PSUs, and 0.3 million Options issued under FIS incentive plans. The RSUs and PSUs were converted into restricted cash awards subject to substantially the same terms as were effective prior to the Transaction, other than any performance-based vesting or price protection terms, which ceased to apply. Award vesting will only continue for those former FIS grantees who are employees of Worldpay following the Transaction. The Options were unmodified in the Transaction and therefore remain outstanding as FIS options and an assumed liability of Worldpay. Of the awards’ aggregate post-conversion fair value of \$82.2 million, \$32.0 million was accounted for as purchase consideration for the Transaction and \$50.2 million is expected to be accounted for as post-combination stock-based compensation over the awards’ respective requisite service periods.

Acquisition-related costs associated with the Transaction were a credit of \$1.0 million during the three month Successor period ended September 30, 2024, and \$156.6 million of expense during the eight month Successor period ended September 30, 2024, and were recorded within selling, general and administrative expenses on the condensed consolidated statements of (loss) income. There were no acquisition costs associated with the Transaction during the three and nine month Successor periods ended September 30, 2025.

FIS recorded \$91.0 million of transaction expenses that related to legal, banking, and change in control payments. These expenses were contingent on the Transaction closing and were recognized "on the line" for purposes of these condensed combined and consolidated financial statements. Therefore, these expenses are not reflected in the Predecessor or Successor statements of (loss) income and comprehensive (loss) income.

Ravelin

On February 21, 2025, the Company purchased 100% of the outstanding equity of Ravelin Technology Ltd for cash consideration of \$151.8 million to enhance the Company's fraud detection capabilities (the "Ravelin Acquisition").

The Ravelin Acquisition constitutes a business combination as defined by ASC 805. In accordance with ASC 805 and our business combinations accounting policy, we estimated the fair values of our net tangible and intangible assets acquired and liabilities assumed, and the excess of the consideration transferred over the aggregate of such fair values was recorded as goodwill, none of which is deductible for tax purposes. Goodwill is attributable primarily to the workforce acquired and growth opportunities, none of which qualify to be recognized as separately identifiable intangible assets. The estimated fair values of the identifiable intangible assets acquired are based on valuations performed by third-party specialists, which utilized various acceptable valuation methodologies and required application of internally-developed assumptions.

The following table summarizes the preliminary allocation of aggregate purchase consideration based on the preliminary fair values of the tangible and intangible assets acquired and liabilities assumed (in millions):

	Amounts Recognized as of the Acquisition Date (As Adjusted)
Current assets:	
Cash and cash equivalents	\$ 3.3
Trade receivable	4.2
Prepaid expenses and other current assets	5.6
Noncurrent assets:	
Property and equipment	0.1
Software	29.9
Intangible assets	20.0
Other noncurrent assets	1.6
Current liabilities:	
Accounts payable, accrued and other liabilities	(11.2)
Long-term liabilities:	
Deferred tax liabilities	(8.7)
Other long-term liabilities	(1.6)
Total Net Assets Acquired	\$ 43.2
Goodwill	\$ 108.6

During the three and nine month Successor periods ended September 30, 2025, the Company recognized measurement period adjustments of a decrease of \$0.6 million and an increase of \$8.7 million, respectively, which were primarily related to deferred tax liabilities and intangible assets.

The above fair values of assets acquired and liabilities assumed are preliminary and are based on the information that was available as of the reporting date. The fair values of the assets acquired and liabilities assumed were preliminarily determined using the income and cost approaches. In many cases, the determination of the fair values required estimates about discount rates, future expected cash flows, and other future events that are judgmental and subject to change. The fair value measurements were primarily based on significant inputs that are not observable in the market and thus represent a Level 3 measurement of the fair value hierarchy as defined in ASC 820. The Company believes that the information provides a preliminary reasonable basis for estimating the fair values of the acquired assets and assumed liabilities, but the potential for measurement period adjustments exists based on the continuous review of matters related to the acquisition, which may occur up to one year from the acquisition date. The Company expects to finalize the purchase price allocation as soon as practicable, but no later than one year from the acquisition date.

The preliminary acquired identifiable intangible assets of Ravelin consist of customer relationships, developed technology, and trade name with weighted average estimated useful lives of 8.0 years, 3.0 years, and 3.0 years, respectively, and as of the Ravelin Acquisition closing date were estimated to have fair values of approximately \$19.4 million, \$29.9 million, and \$0.6 million, respectively.

Preliminary acquisition-related costs associated with the Ravelin Acquisition were \$— million and \$4.5 million, respectively, of expense during the three and nine month Successor periods ended September 30, 2025, and were recorded within selling, general and administrative expenses on the condensed consolidated statements of (loss) income. Additionally, the Company recognized \$1.8 million of preliminary acquisition-related costs associated with the Ravelin Acquisition in the eleven month Successor period ended December 31, 2024.

RealNet

On March 31, 2025, the Company purchased 100% of the outstanding equity of RealNet Payments, LLC ("RealNet") from FIS. The cash consideration of \$42.2 million was transferred to FIS as part of the Transaction, but the closing was deferred until March 31, 2025. Substantially all of the acquired assets and assumed liabilities were cash and cash equivalents of \$40.1 million, settlement assets of \$1,375.7 million, and settlement liabilities of \$1,375.7 million. The Company recognized \$4.4 million of goodwill for RealNet. The Company expects to finalize the purchase price allocation as soon as practicable, but no later than one year from the acquisition date.

During the three and nine month Successor periods ended September 30, 2025, the Company recognized measurement period adjustments of an increase of \$0.7 million and an increase of \$0.4 million, respectively, which were primarily related to accounts payable, accrued and other liabilities.

(5) Revenue

Disaggregation of Revenue

In the following table, revenue is disaggregated by primary geographical market and type of revenue.

Revenue for the three month Successor periods ended September 30, 2025 and 2024, the nine and eight month Successor periods ended September 30, 2025 and 2024, and the one month Predecessor period ended January 31, 2024, are as follows (in millions):

	Three Months Ended September 30, 2025	Three Months Ended September 30, 2024
	Successor	Successor
Primary Geographical Markets:		
North America	\$ 892.2	\$ 848.9
All Others	459.0	399.1
Total	\$ 1,351.2	\$ 1,248.0
Types of Revenue:		
Recurring revenue:		
Transaction processing	\$ 1,293.2	\$ 1,206.6
Other recurring	51.7	39.0
Total recurring	1,344.9	1,245.6
Other non-recurring fees	6.3	2.4
Total	\$ 1,351.2	\$ 1,248.0

	Nine Months Ended September 30, 2025	Eight Months Ended September 30, 2024	One Month Ended January 31, 2024
	Successor	Successor	Predecessor
Primary Geographical Markets:			
North America	\$ 2,828.1	\$ 2,391.2	\$ 267.5
All Others	1,290.9	1,037.5	131.5
Total	\$ 4,119.0	\$ 3,428.7	\$ 399.0
Types of Revenue:			
Recurring revenue:			
Transaction processing	\$ 3,950.1	\$ 3,316.6	\$ 392.0
Other recurring	150.9	103.6	7.0
Total recurring	4,101.0	3,420.2	399.0
Other non-recurring fees	18.0	8.5	—
Total	\$ 4,119.0	\$ 3,428.7	\$ 399.0

(6) Mezzanine Equity

Subsequent adjustments to the Class A units are remeasured to their redemption amount subject to a floor of the initial measurement for the three month Successor periods ended September 30, 2025 and 2024, and the nine and eight month Successor periods ended September 30, 2025 and 2024, respectively, are as follows (in millions, except units):

	Three Months Ended September 30, 2025	
	Successor	
	Carrying Amount	Units Outstanding
Balance at June 30, 2025	\$ 10,277.5	9,507,189
Tax distributions to investors	(89.2)	N/A
Adjustments to maximum redemption value	198.6	N/A
Balance at September 30, 2025	\$ 10,386.9	9,507,189

	Three Months Ended September 30, 2024	
	Successor	
	Carrying Amount	Units Outstanding
Balance at June 30, 2024	\$ 9,756.9	9,503,242
Issuances	0.2	300
Tax distributions to investors	(23.0)	N/A
Adjustments to maximum redemption value	190.5	N/A
Balance at September 30, 2024	\$ 9,924.6	9,503,542

	Nine Months Ended September 30, 2025	
	Successor	
	Carrying Amount	Units Outstanding
Balance as of January 1, 2025	\$ 10,019.3	9,503,542
Issuances	3.7	3,647
Tax distributions to investors	(226.9)	N/A
Adjustments to maximum redemption value	590.8	N/A
Balance at September 30, 2025	\$ 10,386.9	9,507,189

	Eight Months Ended September 30, 2024	
	Successor	
	Carrying Amount	Units Outstanding
Balance as of January 31, 2024	\$ 5,980.0	9,499,692
Issuances	2.5	3,850
Tax distributions to investors	(88.5)	N/A
Adjustments to maximum redemption value	4,030.6	N/A
Balance at September 30, 2024	\$ 9,924.6	9,503,542

(7) Capital Stock

Under the Company's Second Amended and Restated Limited Liability Company Agreement (the "LLC Agreement"), the Company is authorized to issue unlimited Class A preferred stock units, unlimited Class B units, unlimited Class C units, unlimited Class D units, 100 Class E-1 units, 100 Class E-2 units and 100 Class E-3 units with no par value per share.

Classes of Units

As of September 30, 2025, there are 9,507,189 Class A units, 9,506,959,210 Class B units, 353,971,237 Class C units and 343,394,778 Class D units outstanding. As of December 31, 2024, there were 9,503,542 Class A units, 9,503,542,072 Class B units, 355,939,470 Class C units and 345,500,248 Class D units outstanding.

As part of its stock compensation plans, the Company has 7,401,408 Class C phantom units and 7,401,408 Class D phantom units outstanding as of September 30, 2025 that have the same interest in future profits as Class C and Class D units, respectively. As of December 31, 2024, there were 6,435,780 Class C phantom units and 6,435,780 Class D phantom units outstanding.

As of September 30, 2025 and December 31, 2024, there are 300 Class E units outstanding.

(8) Software, net

Software, net, as of September 30, 2025 and December 31, 2024, consist of the following (in millions):

	September 30, 2025	December 31, 2024
	Successor	Successor
Capitalized software development costs	\$ 1,835.7	\$ 1,440.1
Purchased software	219.0	156.7
	2,054.7	1,596.8
Less accumulated amortization on:		
Capitalized software development costs	(429.5)	(207.4)
Purchased software	(55.2)	(15.8)
	(484.7)	(223.2)
Total software, net	\$ 1,570.0	\$ 1,373.6

Amortization expense for software was \$92.6 million and \$61.9 million, respectively, for the three month Successor periods ended September 30, 2025 and 2024, and was \$259.2 million and \$159.6 million, respectively, for the nine and eight month Successor periods ended September 30, 2025 and 2024, and \$27.1 million for the one month Predecessor period ended January 31, 2024.

(9) Goodwill

Changes in goodwill during the nine month Successor period ended September 30, 2025, are summarized below (in millions):

	Nine Months Ended September 30, 2025
	Successor
Balance, January 1, 2025	\$ 6,006.4
Ravelin acquisition	108.6
RealNet acquisition	4.4
Foreign currency adjustments	156.1
Measurement period adjustments	16.2
Balance, September 30, 2025	\$ 6,291.7

(10) Intangible Assets, net

Intangible assets, net, as of September 30, 2025 and December 31, 2024, consist of the following (in millions):

	September 30, 2025	December 31, 2024
	Successor	Successor
Customer relationships	\$ 8,976.8	\$ 8,757.4
Trade name	306.4	298.4
Other	10.0	9.5
	9,293.2	9,065.3
Less accumulated amortization on:		
Customer relationships	(1,937.6)	(1,078.9)
Trade name	(102.0)	(54.7)
Other	(3.9)	(1.0)
	(2,043.5)	(1,134.6)
Intangible assets, net	\$ 7,249.7	\$ 7,930.7

Amortization expense for intangibles was \$291.8 million and \$236.8 million, respectively, for the three month Successor periods ended September 30, 2025 and 2024, \$876.0 million and \$827.3 million, respectively, for the nine and eight month Successor periods ended September 30, 2025 and 2024, and \$99.0 million for the Predecessor period ended January 31, 2024.

(11) Accounts Payable, Accrued and Other Liabilities

Accounts payable, accrued and other liabilities as of September 30, 2025 and December 31, 2024 consist of the following (in millions):

	September 30, 2025	December 31, 2024
	Successor	Successor
Trade accounts payable and other accrued liabilities	\$ 1,041.2	\$ 1,123.2
Accrued taxes	161.9	114.9
Salaries and incentives	120.6	114.9
Accrued benefits and payroll taxes	44.7	34.7
Declared but unpaid tax distributions	75.7	85.9
Operating lease liabilities	27.9	22.6
Tax receivable agreement liability	—	12.7
Total Accounts payable, accrued and other liabilities	\$ 1,472.0	\$ 1,508.9

(12) Investments*Visa Europe and Contingent Value Rights ("CVR")*

The Company has certain assets and liabilities related to the June 2016 Worldpay Group plc ("Legacy Worldpay") disposal of its ownership interest in Visa Europe to Visa Inc. As part of the disposal, Legacy Worldpay received proceeds from Visa Inc. in the form of cash ("cash consideration") and convertible preferred stock ("preferred stock"), the value of which may be reduced by losses incurred relating to ongoing interchange-related litigation involving Visa Europe. The preferred stock becomes convertible into Visa Inc. Class A common stock ("common stock") in stages as determined by Visa Inc. in accordance with the relevant transaction documents pertaining to the aforementioned disposal of the Visa Europe ownership interest. The preferred stock becomes fully convertible no later than 2028 (subject to a holdback to cover any pending claims). Also in connection with the disposal and pursuant to the terms of an amendment executed on September 17, 2020, Legacy Worldpay agreed to pay former Legacy Worldpay owners 90% of the net-of-tax proceeds from the disposal, known as contingent value rights, which is recorded as a liability ("CVR liability") on the condensed consolidated balance sheet.

The Company has elected the fair value option under ASC Topic 825, *Financial Instruments* (“ASC 825”), for measuring its preferred stock asset and CVR liability. The fair value of the preferred stock was \$48.3 million and \$68.1 million at September 30, 2025 and December 31, 2024, respectively, recorded in other noncurrent assets on the condensed consolidated balance sheets. The fair value of the CVR liability was \$375.9 million and \$370.1 million at September 30, 2025 and December 31, 2024, respectively, recorded in other long-term liabilities on the condensed consolidated balance sheets. Pursuant to ASC 825, the Company remeasures the fair value of the preferred stock and CVR liability each reporting period. The net change in fair value was \$— million and a decrease of \$12.7 million for the three months ended September 30, 2025 and 2024, respectively. The net change in fair value was a decrease of \$10.3 million and an increase of \$28.7 million for the nine and eight months ended September 30, 2025 and 2024, respectively, and was not material for the one month Predecessor period ended January 31, 2024. The financial impact is recorded in other income (expense), net on the condensed combined and consolidated statements of (loss) income.

During the three and nine month periods ended September 30, 2025, Visa Inc. released a portion of the aforementioned preferred stock which was then converted to common stock. The Company sold the common stock for \$46.5 million. Subsequent to September 30, 2025, the Company paid the former Legacy Worldpay owners 90% of the net-of-tax proceeds and net-of-tax dividends received since the previous conversion, totaling \$32.2 million. The sale of Visa common stock was recorded as a reduction of the CVR asset and CVR liability as of September 30, 2025, and is reflected within investing activities on the consolidated statement of cash flows for the nine months ended September 30, 2025.

During the three and eight month periods ended September 30, 2024, Visa Inc. released a portion of the aforementioned preferred stock which was then converted to common stock. The Company sold the common stock for \$180.0 million and paid to the former Legacy Worldpay owners 90% of the net-of-tax proceeds and net-of-tax dividends received since the previous conversion, totaling \$124.3 million. The sale of Visa common stock and related payment to the former Legacy Worldpay owners during the three months ended September 30, 2024 was recorded as a reduction of the CVR asset and CVR liability, respectively, as of September 30, 2024, and was reflected within investing activities and financing activities, respectively, on the consolidated statement of cash flows for the eight months ended September 30, 2024.

The estimated fair value of the preferred stock and related component of the CVR liability are determined using Level 3-type measurements. Significant inputs into the valuation of the preferred stock include the Visa Inc. Class A common stock price per share and the conversion ratio, which are observable, as well as the expected timing of future preferred stock releases for conversion into common stock and an estimate of the potential losses that will result from the ongoing litigation involving Visa Europe, which are unobservable. The estimated fair value of the cash consideration component of the CVR liability is determined using Level 3-type measurements, utilizing a discount rate based on the bond yield for Worldpay's credit rating and remaining payment term as the significant unobservable input.

(13) Long-term Debt

As of September 30, 2025 and December 31, 2024, the Company's long-term debt consists of the following (in millions):

	September 30, 2025	December 31, 2024
	Successor	Successor
USD Term Loan, maturing in January 2031 ⁽¹⁾	\$ 5,161.1	\$ 5,187.0
EUR Term Loan, maturing in January 2031 ⁽²⁾	582.4	518.1
USD Secured Notes, maturing in January 2031 ⁽³⁾	2,175.0	2,175.0
GBP Secured Notes, maturing in January 2031 ⁽⁴⁾	806.5	752.2
Revolving credit facility, expiring in January 2029 ⁽⁵⁾	—	—
Settlement line of credit, expiring in April 2026 ⁽⁶⁾	—	—
Settlement line of credit, expiring in April 2026 ⁽⁷⁾	—	—
Backstop settlement facility, expired in December 2024 ⁽⁸⁾	—	—
Less: Current portion of long-term debt	(57.7)	(57.2)
Less: Debt issuance costs and original issue discount	(296.6)	(334.3)
Long-term Debt	\$ 8,370.7	\$ 8,240.8

- (1) Interest at a variable base rate (Secured Overnight Financing Rate, "SOFR") plus a spread rate (200 basis points) (total rate of 6.00% at September 30, 2025, and amortizing on a basis of 0.25% per quarter (June 2025 through December 2030) with a balloon payment due at maturity.
- (2) €496.3 million principal outstanding at September 30, 2025, translated to U.S. dollars at a spot rate of \$1.1737 U.S. dollars per Euro at September 30, 2025. Interest at a variable base rate (EURIBOR) plus a spread rate (225 basis points) (total rate of 4.25% at September 30, 2025) and amortizing on a basis of 0.25% per quarter (June 2025 through December 2030) with a balloon payment due at maturity.
- (3) \$2,175.0 million secured notes with interest payable semi-annually at a fixed rate of 7.50% and principal due upon maturity.
- (4) £600.0 million secured notes with interest payable semi-annually at a fixed rate of 8.50% and principal due upon maturity. The spot rate of \$1.3442 U.S. dollars per Pound Sterling at September 30, 2025, was used to translate the Sterling-denominated notes to U.S. dollars.
- (5) Available credit facility of approximately \$1,196.8 million borrowing interest at a variable base rate.
- (6) Available settlement line of credit of \$200.0 million borrowing interest at a variable base rate available to facilitate settlement requirements.
- (7) Available settlement line of credit of \$500.0 million borrowing interest at a variable base rate available to facilitate settlement requirements.
- (8) Available backstop settlement facility of \$300.0 million for August 1, 2024 - December 31, 2024, based on a variable interest rate. The Company did not borrow under the backstop facility during the eleven month Successor period ended December 31, 2024 and the facility has expired.

On April 29, 2025, the Company entered into certain amendments to each of the Company's \$500.0 million and \$200.0 million Settlement Line Credit Agreements which provide for extensions from April 29, 2025 to April 28, 2026 for the \$500.0 million Settlement Line Credit Agreement and from April 29, 2025 to April 29, 2026 for the \$200.0 million Settlement Line Credit Agreement. All material terms of the Settlement Line Credit Agreements remain substantially the same.

On February 3, 2025, the Company entered into an Amendment No. 2 (the "Amendment No. 2") to its original Credit Agreement dated January 31, 2024 (the "Credit Agreement") and subsequently amended on August 1, 2024, which provides for a 0.50% reduction in the interest rate applicable to the USD term loan and a 0.25% reduction in the interest rate applicable to the EUR term loan. In addition, this Amendment No. 2 provides a 0.50% reduction in the interest rate applicable to borrowings under the revolving credit facility. All other terms of the Credit Agreement remained substantially the same. Certain lenders were repaid and replaced with new lenders. The proceeds and repayments of \$336.4 million are presented in the financing activities section in the accompanying condensed consolidated statements of cash flows.

As a result of the Amendment No. 2, the Company expensed approximately \$— million and \$12.4 million, respectively, of unamortized deferred financing fees and original issue discount during the three and nine month Successor periods ended September 30, 2025, within other income (expense), net on the condensed consolidated statements of (loss) income. In addition, the Company capitalized approximately \$6.9 million of financing fees within long-term debt on the condensed consolidated balance sheets related to the Amendment No. 2 that will be amortized under the effective interest method.

On August 1, 2024, the Company entered into an Amendment No. 1 (the "Amendment No. 1") to its Credit Agreement, which provided for a 0.50% reduction in the interest rate applicable to USD term loan borrowings, EUR term loan borrowings, and borrowings under the revolving portion of the Credit Agreement. The Amendment No.1 also increased the capacity of the revolving credit facility from \$1.0 billion to approximately \$1.2 billion. All other terms of the Credit Agreement remained substantially the same. Certain lenders were repaid and replaced with new lenders. The proceeds and repayments of \$567.5 million were presented in the financing activities section in the accompanying condensed combined and consolidated statement of cash flows.

As a result of the Amendment No. 1, the Company expensed approximately \$18.7 million of unamortized deferred financing fees and original issue discount during the three and eight month periods ended September 30, 2024 within other income (expense), net on the condensed combined and consolidated statement of (loss) income. In addition, the Company capitalized approximately \$10.8 million of financing fees within long-term debt on the consolidated balance sheet related to the Amendment No.1 that were amortized under the effective interest method.

As of September 30, 2025 and December 31, 2024, there were no borrowings under the Company's revolving credit facilities.

Guarantees and Security

The Company's debt obligations at September 30, 2025 and December 31, 2024, are unconditionally guaranteed by Boost Newco Guarantor, LLC, ("Guarantor"), a subsidiary of the Company and parent company to Boost Newco Borrower, LLC ("Borrower"), and certain of Guarantor's existing subsidiaries. The debt and related guarantees are secured on a first-priority basis by a lien on substantially all the tangible and intangible assets of the Company and the aforementioned subsidiaries and personal property of Guarantor and any obligors under the Credit Agreement.

Covenants

There are certain financial and non-financial covenants contained in some of the Company's debt agreements. The financial covenants require maintenance of certain leverage and interest coverage ratios. As of September 30, 2025, the Company was in compliance with these financial covenants.

(14) Derivatives

Cash Flow Hedges of Interest Rate Risk

The following table presents the Company's interest rate swaps designated as cash flow hedges entered into to manage fluctuations in interest rates as of September 30, 2025 and December 31, 2024 (in millions):

	Successor	
	Notional Value	Exposure Periods
Interest rate swap	\$ 3,600	March 2024 to March 2026
Interest rate swap	840	March 2024 to March 2027
Total	\$ 4,440	

The Company does not offset derivative positions in the accompanying condensed consolidated financial statements. The table below presents the fair value of the Company's derivative financial instruments designated as cash flow hedges included within the accompanying condensed consolidated balance sheets (in millions):

	Condensed Consolidated Balance Sheet Location	Successor	
		September 30, 2025	December 31, 2024
Interest rate contracts	Prepaid expenses and other current assets	\$ —	\$ 2.2
Interest rate contracts	Other noncurrent assets	—	0.1
Interest rate contracts	Accounts payable, accrued and other liabilities	20.4	20.9
Interest rate contracts	Other long-term liabilities	4.7	9.4

As of September 30, 2025, the Company estimates that \$20.4 million will be reclassified from accumulated other comprehensive loss as an increase to interest expense during the next 12 months as the hedged forecasted transactions occur. Any ineffectiveness associated with such derivative instruments will be recorded immediately as interest expense in the accompanying condensed consolidated statements of (loss) income.

The tables below present the pre-tax effect of the Company's interest rate contracts on the accompanying condensed consolidated statements of comprehensive (loss) income for the three month Successor periods ended September 30, 2025 and 2024, and the nine and eight month Successor periods ended September 30, 2025 and 2024 (in millions):

	Three Months Ended September 30, 2025	Three Months Ended September 30, 2024
	Successor	Successor
Derivatives in cash flow hedging relationships:		
Amount of gains (losses) recognized in OCI (effective portion)	\$ 0.8	\$ (65.1)
Amount of gains reclassified from OCI into earnings (effective portion)	4.7	16.5
Amount of gain recognized in earnings ⁽¹⁾	—	—

	Nine Months Ended September 30, 2025	Eight Months Ended September 30, 2024
	Successor	Successor
Derivatives in cash flow hedging relationships:		
Amount of (losses) gains recognized in OCI (effective portion)	\$ (5.5)	\$ 11.2
Amount of gains reclassified from OCI into earnings (effective portion)	14.6	32.5
Amount of gain recognized in earnings ⁽¹⁾	—	—

⁽¹⁾ Amount represents hedge ineffectiveness.

(15) Fair Value Measurements

The following tables summarize assets and liabilities of the Company, measured at fair value on a recurring basis as of September 30, 2025 and December 31, 2024 (in millions):

	September 30, 2025		
	Successor		
	Fair Value Measurements Using		
	Level 1	Level 2	Level 3
Assets:			
Equity security investments	\$ —	\$ 30.0	\$ —
CVR	—	—	48.3
Liabilities:			
Interest rate contracts	\$ —	\$ 25.1	\$ —
CVR	—	—	375.9

	December 31, 2024		
	Successor		
	Fair Value Measurements Using		
	Level 1	Level 2	Level 3
Assets:			
Interest rate contracts	\$ —	\$ 2.3	\$ —
Equity security investments	—	30.0	—
CVR	—	—	68.1
Liabilities:			
Interest rate contracts	\$ —	\$ 30.3	\$ —
CVR	—	—	370.1

The following table summarizes carrying amounts and estimated fair values for the Company's financial instrument liabilities that are not reported at fair value in our condensed consolidated balance sheets as of September 30, 2025 and December 31, 2024 (in millions):

	September 30, 2025		December 31, 2024	
	Successor		Successor	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Liabilities:				
Outstanding debt	\$ 8,428.4	\$ 8,934.9	\$ 8,298.0	\$ 8,811.8

The Company considered that the carrying value of cash and cash equivalents, receivables, settlement assets and payables, accounts payable and accrued expenses approximates fair value (Level 1) given the short-term nature of these items. The fair value of the Company's notes payable was estimated based on rates currently available to the Company for bank loans with similar term maturities and is classified in Level 2 of the fair value hierarchy.

(16) Accumulated Other Comprehensive Income (Loss)

The activity of the components of AOCI related to cash flow hedging and other activities for the three month Successor periods ended September 30, 2025 and 2024, and the nine and eight month Successor periods ended September 30, 2025 and 2024, is presented below (in millions):

Three Months Ended September 30, 2025 (Successor)	Total Other Comprehensive Income (Loss)				
	AOCI Beginning Balance	Pretax Activity	Tax Effect	Net Activity	AOCI Ending Balance
Net change in fair value of cash flow hedges recorded in AOCI	\$ 50.6	\$ 0.8	\$ —	\$ 0.8	\$ 51.4
Net realized gain on cash flow hedges reclassified into earnings	(50.8)	(4.7)	—	(4.7)	(55.5)
Foreign currency translation adjustments	440.2	(113.4)	—	(113.4)	326.8
Other	(0.6)	—	—	—	(0.6)
Net Change	<u>\$ 439.4</u>	<u>\$ (117.3)</u>	<u>\$ —</u>	<u>\$ (117.3)</u>	<u>\$ 322.1</u>

Three Months Ended September 30, 2024 (Successor)	Total Other Comprehensive Income (Loss)				
	AOCI Beginning Balance	Pretax Activity	Tax Effect	Net Activity	AOCI Ending Balance
Net change in fair value of cash flow hedges recorded in AOCI	\$ 76.1	\$ (65.1)	\$ 0.1	\$ (65.0)	\$ 11.1
Net realized gain on cash flow hedges reclassified into earnings	(16.0)	(16.5)	—	(16.5)	(32.5)
Foreign currency translation adjustments	(58.5)	352.4	—	352.4	293.9
Net Change	<u>\$ 1.6</u>	<u>\$ 270.8</u>	<u>\$ 0.1</u>	<u>\$ 270.9</u>	<u>\$ 272.5</u>

Nine Months Ended September 30, 2025 (Successor)	Total Other Comprehensive Income (Loss)				
	AOCI Beginning Balance	Pretax Activity	Tax Effect	Net Activity	AOCI Ending Balance
Net change in fair value of cash flow hedges recorded in AOCI	\$ 56.9	\$ (5.5)	\$ —	\$ (5.5)	\$ 51.4
Net realized gain on cash flow hedges reclassified into earnings	(40.9)	(14.6)	—	(14.6)	(55.5)
Foreign currency translation adjustments	(112.3)	439.1	—	439.1	326.8
Other	(0.7)	0.1	—	0.1	(0.6)
Net Change	<u>\$ (97.0)</u>	<u>\$ 419.1</u>	<u>\$ —</u>	<u>\$ 419.1</u>	<u>\$ 322.1</u>

Eight Months Ended September 30, 2024 (Successor)	Total Other Comprehensive Income (Loss)				
	AOCI Beginning Balance	Pretax Activity	Tax Effect	Net Activity	AOCI Ending Balance
Net change in fair value of cash flow hedges recorded in AOCI	\$ —	\$ 11.2	\$ (0.1)	\$ 11.1	\$ 11.1
Net realized gain on cash flow hedges reclassified into earnings	—	(32.5)	—	(32.5)	(32.5)
Foreign currency translation adjustments	—	293.9	—	293.9	293.9
Net Change	<u>\$ —</u>	<u>\$ 272.6</u>	<u>\$ (0.1)</u>	<u>\$ 272.5</u>	<u>\$ 272.5</u>

(17) Related Party Transactions

The Company has not historically operated as a standalone business. The following summarizes activity between the Company, FIS, and GTCR.

Related Party Transactions

Transition Services Agreement

On January 31, 2024, the Company entered into a Transition Service Agreement ("TSA") with FIS where both FIS and the Company are providing services to the other for an initial term of 24 months following the closing date of the Transaction, with three six month renewal options. The nature of the services include certain functions of the Company's operations such as Cybersecurity, Information Technology, Finance and Corporate Accounting, Risk Management, Human Resources, Marketing, Legal, Facilities, Supply Chain, Regulatory, Privacy and Data Protection and Commercial support.

Contingent on closing the Global Acquisition (as discussed in Note 1 Background and Nature of Operations), the Company's TSAs with FIS are extended to June 2027 with certain renewal options.

Commercial Agreement

On January 31, 2024 and during the nine and eight month Successor periods ended September 30, 2025 and 2024, the Company entered into certain commercial agreements with FIS whereby services can be provided by the Company to FIS and vice-versa. The nature of these services are for, among other things, distribution purposes, vendor and product servicing, data services and referrals.

Master Agreement

Further, on January 30, 2024, the Company entered into a Master Agreement with RealNet, a former subsidiary of FIS, where RealNet, as the licensed money transmitter, would continue to offer the Funds Disbursement Business after the closing of the Transaction, using the Company's services and resources. As disclosed in Note 4 Acquisitions, the Company purchased RealNet from FIS on March 31, 2025 for \$42.2 million.

The following tables include the portion of the Company's results and balances related to the transactions with related parties for the three month Successor periods ended September 30, 2025 and 2024, and the nine and eight month Successor periods ended September 30, 2025 and 2024 (in millions):

	Three Months Ended September 30, 2025	Three Months Ended September 30, 2024	Nine Months Ended September 30, 2025	Eight Months Ended September 30, 2024
	Successor	Successor	Successor	Successor
Revenue from affiliates	\$ (9.2)	\$ (2.5)	\$ (10.1)	\$ 0.5
Cost of revenue from affiliates	25.1	32.2	87.1	223.8
Selling, general and administrative from affiliates	31.5	25.2	74.5	157.8
Interest expense (income), net from affiliates	—	0.2	(0.3)	0.6
Other income ⁽¹⁾	0.1	—	11.7	—

- (1) During the nine month Successor period ended September 30, 2025, the Company sold a business to FIS, which resulted in an \$11.4 million gain.

The Company had the following balances with FIS and GTCR affiliates at September 30, 2025 and December 31, 2024, (in millions):

	September 30, 2025	December 31, 2024
	Successor	Successor
Due from affiliates	\$ 21.5	\$ 166.0
Due to affiliates	105.9	164.8

Balances due to or due from FIS and GTCR affiliates are attributable to recurring operational transactions that are cash settled and are presented within settlement assets, prepaid expenses and other current assets and accounts payable, accrued and other liabilities on the Company's condensed consolidated balance sheets.

Other

The Company had undrawn letters of credit totaling \$293.4 million and \$272.8 million as of September 30, 2025 and December 31, 2024, respectively, that would be guaranteed by FIS if borrowed upon; however, the Company has the obligation to indemnify FIS against any claims and reimburse FIS for any expenses or amounts paid with respect to FIS' guarantee.

As of September 30, 2025 and December 31, 2024, the Company held promissory notes of approximately \$0.3 million and \$5.0 million, respectively, with certain international employees relating to equity award grants.

As of September 30, 2025 and December 31, 2024, respectively, \$37.8 million and \$32.9 million of Class A and Class B units were held by members of Worldpay Holdco, LLC management through GTCR W Aggregator LP.

Cost Allocations from FIS (Predecessor)

FIS provides significant corporate, selling, marketing, administrative, and resource services to the Worldpay Business. Some of these services will continue to be provided by FIS to the Worldpay Business on a temporary basis after the Transaction under a TSA.

The condensed combined financial statements reflect specific identification and allocations of these costs which include acquisition, integration, and transformation-related costs. See Note 2 Basis of Presentation, Consolidation and Use of Estimates for a discussion of these costs and the methodology used to allocate them.

These allocations are reflected in the condensed combined statement of income as follows (in millions):

	One Month Ended January 31, 2024 Predecessor
Cost of revenue	\$ 3.0
Selling, general, and administrative	15.0

(18) Concentration of Risk

The Company generates a significant amount of revenue from large clients; however, no individual client accounted for 10% or more of total revenue in the three month Successor periods ended September 30, 2025 and 2024, the nine and eight month Successor periods ended September 30, 2025 and 2024, and the one month Predecessor period ended January 31, 2024.

(19) Subsequent Events

The Company evaluated the condensed combined and consolidated financial statements for subsequent events through the date of issuance on October 24, 2025, and determined that there were no subsequent events that require additional disclosure or adjustments prior to issuance.

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

Introduction

On April 17, 2025, Global Payments Inc. and its consolidated subsidiaries ("Global Payments," the "Company," "we," "our" or "us") entered into definitive agreements to acquire 100% of Worldpay Holdco, LLC ("Worldpay") (the "Acquisition" or the "Acquisition Transaction") from Fidelity National Information Services, Inc. ("FIS") and affiliates of GTCR LLC ("GTCR") and divest our Issuer Solutions business to FIS. Consideration expected to be paid to GTCR for their ownership interest in Worldpay consists of (1) approximately \$6.1 billion in cash and (2) 43.3 million shares of Global Payments common stock. Consideration expected to be received by Global Payments for the divestiture of our Issuer Solutions business consists of (1) approximately \$7.5 billion, in cash and (2) FIS' ownership interest in Worldpay. The proposed Acquisition of Worldpay and divestiture of our Issuer Solutions business will occur simultaneously, and the transactions are expected to close in the first quarter of 2026, subject to receipt of regulatory approvals and other customary closing conditions. The date on which the Acquisition Transaction occurs is the acquisition date for accounting purposes (the "Acquisition Date").

In contemplation of the Acquisition, Global Payments intends to issue \$6.2 billion of notes (i) to fund cash payments in connection with the Acquisition, (ii) to repay certain outstanding indebtedness of Worldpay in connection with the Acquisition, (iii) to pay transaction costs related to the Acquisition and (iv) for general corporate purposes (the "Financing Transaction").

The following tables present unaudited pro forma condensed combined financial information about Global Payments consolidated balance sheet and statements of income, which we refer to as the unaudited pro forma financial statements, giving effect to the Acquisition and the related Financing Transaction. The unaudited pro forma condensed combined statements of income for the year ended December 31, 2024, and for the nine months ended September 30, 2025, combine the historical consolidated statements of income of Global Payments and Worldpay, giving effect to the Acquisition Transaction and the Financing Transaction as if they had been completed on January 1, 2024. The accompanying unaudited pro forma condensed combined balance sheet as of September 30, 2025, combines the historical consolidated balance sheets of Global Payments and Worldpay, giving effect to the transactions as if they had been completed on September 30, 2025.

The unaudited pro forma financial statements and related notes were prepared using the acquisition method of accounting with Global Payments as the acquirer of Worldpay. In the unaudited pro forma financial statements and related notes, the assets to be acquired and liabilities to be assumed of Worldpay have been measured based upon their estimated fair values, unless otherwise noted, as of September 30, 2025. The unaudited pro forma financial statements contained herein do not reflect the costs of any integration activities or benefits that may result from the realization of future revenue enhancements or cost savings from operating efficiencies, or any other synergies that may result from the Acquisition. Management anticipates that certain material charges will be incurred subsequent to the Acquisition for items such as operations and technology integration and severance. However, since the timing and effect are not specifically determinable at this time, no amounts are included in the unaudited pro forma financial statements for such items.

The unaudited pro forma financial statements and related notes are being provided for illustrative purposes only and do not purport to represent what Global Payments' actual results of operations or financial position would have been had the Acquisition Transaction and the Financing Transaction been completed on the dates indicated, nor are they necessarily indicative of Global Payments' results of operations or financial position for any future period.

Global Payments has prepared a preliminary estimate of fair value for intangible assets and certain financial assets and financial liabilities of Worldpay. Other Worldpay assets and liabilities are presented at their respective historical carrying amounts. A final determination of the fair value of Worldpay's assets and liabilities will be based on Worldpay's actual assets and liabilities as of the Acquisition Date and, therefore, cannot be made prior to the completion of the Acquisition. Differences in the fair values of the Worldpay assets and liabilities as of the Acquisition Date as compared with the information shown in the unaudited pro forma financial statements could be material and may change the amount of the reported assets and liabilities and affect Global Payments' statements of income in the future.

In addition, the fair value of the consideration to be paid by Global Payments in shares of Global Payments' common stock upon the completion of the Acquisition will be based on the closing price of Global Payments' common stock as of the Acquisition Date. The actual value of the consideration may differ from the amount reflected in the unaudited pro forma financial statements, and the difference may be material.

Further, Global Payments has not identified all adjustments necessary to conform Worldpay's accounting policies and financial statement presentation to Global Payments' policies and presentation. Upon completion of the Acquisition, or as more information becomes available, Global Payments will perform a more detailed review of Worldpay's accounting policies and financial statement presentation. Differences identified in that review could have a material effect on Global Payments' financial information.

As a result of the foregoing, the pro forma adjustments are preliminary and are subject to change as additional information becomes available and as additional analysis is performed. The preliminary pro forma adjustments have been made solely for the purpose of providing the unaudited pro forma financial statements.

The unaudited pro forma financial statements and related notes are based on and should be read in conjunction with:

- (i) The historical audited consolidated financial statements of Global Payments and the related notes included in Global Payments' Annual Report on Form 10-K for the year ended December 31, 2024, as recast in the Current Report on Form 8-K filed on November 4, 2025;
- (ii) The historical unaudited consolidated financial statements of Global Payments included in Global Payments' Quarterly Report on Form 10-Q for the nine months ended September 30, 2025;
- (iii) The historical audited combined and consolidated financial statements of Worldpay and the related notes for the periods from February 1, 2024 to December 31, 2024 (Successor) and January 1, 2024 to January 31, 2024 (Predecessor), included in Exhibit 99.2 in this Current Report on Form 8-K; and
- (iv) The historical unaudited condensed and consolidated financial statements of Worldpay and the related notes for the nine months ended September 30, 2025 included in Exhibit 99.3 in this Current Report on Form 8-K.

GLOBAL PAYMENTS INC.
UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET
September 30, 2025
(in thousands)

	Historical							
	Global Payments	Worldpay	Acquisition Transaction Adjustments	Note 3	Financing Transaction Adjustments	Note 5	Pro Forma Condensed Combined	
ASSETS								
Current assets:								
Cash and cash equivalents	\$ 2,603,047	\$ 2,278,343	\$ 1,597,533	(a)	\$ (2,285,574)	(a)	\$ 4,193,349	
Accounts receivable, net	878,198	1,847,872	(34,730)	(b)	—		1,589,239	
			(1,102,101)	(m)	—			
Settlement processing assets	2,128,927	4,179,705	1,102,101	(m)	—		7,410,733	
Prepaid expenses and other current assets	411,895	277,102	5,073	(b)	(12,478)	(e)	699,799	
			15,275	(h)	2,932	(e)		
Current assets of discontinued operations	1,184,860	—	(1,184,860)	(j)	—		—	
Total current assets	7,206,927	8,583,022	398,291		(2,295,120)		13,893,120	
Property and equipment, net	1,440,437	162,999	(23,837)	(b)	—		1,743,366	
			163,767	(l)	—			
Software, Net		1,569,956	(1,569,956)	(l)	—		—	
Notes receivable	804,351	—	—		—		804,351	
Goodwill	16,725,085	6,291,710	4,990,095	(d)	—		28,006,890	
Other intangible assets, net	4,286,117	7,249,707	7,750,293	(c)	—		19,286,117	
Deferred income taxes	96,046	—	—		—		96,046	
Other noncurrent assets	1,894,772	465,094	(48,300)	(e)	—		2,155,922	
			(155,644)	(f)	—			
Noncurrent assets of discontinued operations	15,508,684	—	(15,508,684)	(i)	—		—	
Total assets	\$ 47,962,419	\$ 24,322,488	\$ (4,003,975)		\$ (2,295,120)		\$ 65,985,812	
LIABILITIES AND EQUITY								
Current liabilities:								
Settlement lines of credit	\$ 973,247	\$ —	\$ —		\$ —		\$ 973,247	
Current portion of long-term debt	1,903,388	57,724	—	(g)	(57,724)	(b)	1,903,388	
Accounts payable and accrued liabilities	2,452,553	1,472,015	(34,730)	(b)	—		3,954,838	
			65,000	(h)				
Settlement processing obligations	2,266,673	4,866,181	—		—		7,132,854	
Current liabilities of discontinued operations	837,144	—	(837,144)	(j)	—		—	
Total current liabilities	8,433,005	6,395,920	(806,874)		(57,724)		13,964,327	
Long-term debt	13,322,847	8,370,722	421,240	(g)	(2,227,850)	(b)	19,886,959	
Deferred income taxes	1,690,428	546,387	1,669,349	(i)	—		3,906,164	
Other noncurrent liabilities	555,865	521,553	(32,603)	(e)	—		1,044,815	
Noncurrent liabilities of discontinued operations	462,437	—	(462,437)	(j)	—		—	
Total liabilities	24,464,582	15,834,582	788,675		(2,285,574)		38,802,265	

GLOBAL PAYMENTS INC.
UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET
September 30, 2025
(in thousands)

Redeemable noncontrolling interests	181,240	—	—	—	181,240
Mezzanine equity	—	10,386,900	(10,386,900)	(k)	—
Equity:					
Shareholders' equity:					
Preferred stock	—	—	—	—	—
Common stock	—	3,446,287	(3,446,287)	(k)	—
Paid-in capital	17,032,946	—	3,594,709	(k)	20,627,655
Retained earnings	5,777,855	(5,667,344)	(18,765)	(b)	(9,546)
			(49,725)	(h)	(e)
			5,836,381	(k)	5,868,856
Accumulated other comprehensive (loss) gain	(142,713)	322,063	(322,063)	(k)	—
Total shareholders' equity	22,668,088	(1,898,994)	5,594,250	(9,546)	(142,713)
Nonredeemable noncontrolling interest	648,509	—	—	—	26,353,798
Total equity	23,316,597	(1,898,994)	5,594,250	(9,546)	648,509
Total Liabilities, redeemable noncontrolling interests and Equity	\$ 47,962,419	\$ 24,322,488	\$ (4,003,975)	\$ (2,295,120)	\$ 65,985,812

GLOBAL PAYMENTS INC.
UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF INCOME
Nine Months Ended September 30, 2025
(in thousands, except share and per share data)

	Historical						
	Global Payments	Worldpay	Acquisition Transaction Adjustments	Note 4	Financing Transaction Adjustments	Note 5	Pro Forma Condensed Combined
Revenues	\$ 5,773,071	\$ 4,118,960	\$ (75,288)	(a)	\$ —		\$ 9,816,743
Operating expenses:							
Cost of service	1,544,335	2,100,529	(50,759)	(a)	—		3,742,996
			148,577	(b)	—		
			(5,052)	(d)	—		
			5,366	(h)	—		
Selling, general and administrative	2,991,571	1,861,406	(26,536)	(d)	—		4,821,075
			(5,366)	(h)	—		
Gain on business dispositions	(348,151)	—	—		—		(348,151)
	4,187,755	3,961,935	66,230		—		8,215,920
Operating income	1,585,316	157,025	(141,518)		—		1,600,823
Interest and other income	95,026	(65,467)	101,280	(h)	(22,392)	(c)	108,447
Interest and other expense	(444,173)	(437,900)	(8,825)	(c)	207,353	(d)	(784,825)
			(101,280)	(h)			
	(349,147)	(503,367)	(8,825)		184,961		(676,378)
Income (loss) from continuing operations before income taxes and equity in income of equity method investments	1,236,169	(346,342)	(150,343)		184,961		924,445
Income tax expense	362,572	58,713	(35,331)	(e)	43,466	(f)	245,114
			(184,306)	(f)	—		
Income (loss) from continuing operations before equity in income of equity method investments	873,597	(405,055)	69,294		141,495		679,331
Equity in income of equity method investments, net of tax	55,084	—	—		—		55,084
Income (loss) from continuing operations	928,681	(405,055)	69,294		141,495		734,415
Income from continuing operations attributable to noncontrolling interest	(33,911)	(295)	—		—		(34,206)
Income from continuing operations attributable to controlling shareholders	\$ 894,770	\$ (405,350)	\$ 69,294		\$ 141,495		\$ 700,209
Earnings per share attributable to Global Payments:							
Basic	\$ 3.68						\$ 2.44
Diluted	\$ 3.67						\$ 2.44
Weighted-average number of shares outstanding:							
Basic	243,302		43,268	(i)			286,570
Diluted	243,612		43,268	(i)			286,880

GLOBAL PAYMENTS INC.
UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF INCOME
Year Ended December 31, 2024
(in thousands, except share and per share data)

	Historical			Acquisition Transaction Adjustments	Note 4	Financing Transactions Adjustments	Note 5	Pro Forma Condensed Combined
	Global Payments	Worldpay Predecessor	Worldpay Successor					
Revenues	\$ 7,688,703	\$ 399,000	\$ 4,732,184	\$ (60,958)	(a)	\$ —		\$ 12,758,929
Operating expenses:								
Cost of service	2,008,126	197,000	2,310,184	(60,958)	(a)	—		4,756,538
				299,301	(b)	—		
				(1,897)	(d)	—		
				4,782	(h)	—		
Selling, general and administrative	3,948,516	162,000	2,261,747	(11,153)	(d)	—		6,421,328
				65,000	(g)	—		
				(4,782)	(h)	—		
Gain on business dispositions	(273,134)	—	—	—		—		(273,134)
	5,683,508	359,000	4,571,931	290,293		—		10,904,732
Operating income	2,005,195	40,000	160,253	(351,251)		—		1,854,197
Interest and other income	158,674	(5,000)	43,310	126,140	(h)	(29,855)	(c)	293,269
Interest and other expense	(600,973)	—	(545,161)	(46,608)	(c)	300,072	(d)	(1,018,810)
				(126,140)	(h)	—		
	(442,299)	(5,000)	(501,851)	(46,608)		270,217		(725,541)
Income (loss) from continuing operations before income taxes and equity in income of equity method investments	1,562,896	35,000	(341,598)	(397,859)		270,217		1,128,656
Income tax expense	239,069	6,000	98,078	(93,497)	(e)	63,501	(f)	134,751
				(178,400)	(f)	—		
Income (loss) from continuing operations before equity in income of equity method investments	1,323,827	29,000	(439,676)	(125,962)		206,716		993,905
Equity in income of equity method investments, net of tax	70,180	—	—	—		—		70,180
Income (loss) from continuing operations	1,394,007	29,000	(439,676)	(125,962)		206,716		1,064,085
Income from continuing operations attributable to noncontrolling interest	(70,296)	—	(4,149)	—		—		(74,445)
Income from continuing operations attributable to controlling shareholders	\$ 1,323,711	\$ 29,000	\$ (443,825)	\$ (125,962)		\$ 206,716		\$ 989,640
Earnings per share attributable to Global Payments:								
Basic	\$ 5.21							\$ 3.33
Diluted	\$ 5.19							\$ 3.32
Weighted-average number of shares outstanding:								
Basic	254,291			43,268	(i)			297,559
Diluted	254,845			43,268	(i)			298,113

NOTES TO UNAUDITED PRO FORMA FINANCIAL STATEMENTS

NOTE 1—BASIS OF PRESENTATION

The unaudited pro forma financial statements and related notes present the pro forma condensed combined financial position and results of operations of Global Payments and Worldpay. The unaudited pro forma financial statements and related notes are prepared in accordance with Article 11 of Regulation S-X as promulgated by the U.S. Securities and Exchange Commission (the “SEC”), as amended by the final rule, Release No. 33-10786 “Amendments to Financial Disclosures about Acquired and Disposed Businesses.”

The historical financial information of Global Payments as of and for the nine months ended September 30, 2025, was derived from the unaudited consolidated financial statements presented in its Quarterly Report on Form 10-Q for the period ended September 30, 2025. The historical financial information of Worldpay as of and for the nine months ended September 30, 2025, was derived from the unaudited condensed and consolidated financial statements of Worldpay for the period ended September 30, 2025. The historical financial information of Global Payments for the year ended December 31, 2024, was derived from the audited consolidated financial statements presented in its Annual Report on Form 10-K for the year ended December 31, 2024 as recast in the Current Report on Form 8-K filed with the SEC on November 4, 2025. The historical financial information of Worldpay for the year ended December 31, 2024, was derived from the audited combined and consolidated financial statements for the periods from February 1, 2024 to December 31, 2024 (Successor) and January 1, 2024 to January 31, 2024 (Predecessor).

The unaudited pro forma financial statements reflect certain reclassifications to align the historical financial statement presentation of Global Payments and Worldpay. Global Payments has not yet identified all adjustments necessary to conform Worldpay’s accounting policies and financial statement presentation to Global Payments’ policies and presentation. Upon consummation of the Acquisition or as more information becomes available, Global Payments will perform a detailed review of Worldpay’s accounting policies and financial statement presentation. Differences identified in that review could have a material effect on Global Payments’ financial information.

The unaudited pro forma financial statements also reflect adjustments as of and for the nine months ended September 30, 2025, and for the year ended December 31, 2024, to eliminate the effect of transactions associated with certain preexisting commercial relationships between Global Payments and Worldpay.

The unaudited pro forma financial statements were prepared using the acquisition method of accounting, with Global Payments as the acquirer of Worldpay. In the unaudited pro forma condensed combined balance sheet, the assets to be acquired and liabilities to be assumed of Worldpay have been measured based upon their preliminary estimated fair values, unless otherwise noted, as of September 30, 2025. Definitive fair values will be determined and finalized for assets to be acquired and liabilities to be assumed based on certain valuations and other studies that will be performed by Global Payments. Accordingly, the fair value adjustments determined using the acquisition method of accounting reflected in the unaudited pro forma financial statements are preliminary and are subject to revision based on a final determination of fair value within the measurement period of up to twelve months subsequent to the Acquisition Date.

The pro forma adjustments are based on preliminary estimates and assumptions that are subject to change. The unaudited pro forma financial statements are presented solely for informational purposes and are not necessarily indicative of the combined results of operations or financial position that might have been achieved for the periods or dates indicated, nor are they necessarily indicative of Global Payments’ results of operations or financial position for any future period. The unaudited pro forma financial statements do not reflect the costs of any integration activities or benefits that may result from realization of future revenue enhancements or cost savings from operating efficiencies, or any other synergies that may result from the Acquisition. Management anticipates that certain material charges will be incurred subsequent to the Acquisition for items such as operations and technology integration and severance.

NOTE 2 – PRELIMINARY ACQUISITION CONSIDERATION AND VALUATIONS

Preliminary estimated Acquisition consideration

The following table summarizes the preliminary estimated Acquisition consideration (*in thousands, except share and per share data*):

	Amount
<i>Preliminary estimated consideration to be transferred to GTCR:</i>	
Number of shares of Global Payments to be issued in the Acquisition	43,268,041
Price per share of Global Payments common stock as of September 30, 2025	\$ 83.08
Estimated fair value of common stock to be issued (i)	3,594,709
Estimated cash to be transferred to GTCR	6,119,103
	<u>9,713,812</u>
<i>Preliminary estimated consideration to be transferred to FIS:</i>	
Estimated fair value of the Issuer Solutions business to be transferred to FIS (ii)	15,563,000
Estimated cash to be received from FIS, including reimbursement of cash in business to be transferred	(7,716,636)
	<u>7,846,364</u>
Preliminary estimated fair value of Acquisition consideration to be transferred	\$ <u>17,560,176</u>

- (i) The estimated fair value of the common stock to be issued and the resulting goodwill presented herein may differ from the actual amounts to be determined at the Acquisition Date. The actual fair value of the common stock to be issued as consideration will be measured on the Acquisition Date. A hypothetical 10% change in the market price of Global Payments' common would affect the value of the common stock to be issued as consideration with a corresponding change to goodwill, as illustrated in the table below (*in thousands, except per share data*):

	Share Price	Preliminary Estimated Stock Consideration	Estimated Goodwill
As presented in the pro forma adjustments	\$ 83.08	\$ 3,594,709	\$ 11,281,805
10% increase in common stock price	91.39	3,954,266	11,641,362
10% decrease in common stock price	74.77	3,235,151	10,922,248

- (ii) The preliminary estimated consideration to be transferred to FIS is the estimated fair value of the Issuer Solutions business to be transferred less the estimated amount of cash to be received. Estimated fair value of the Issuer Solutions business to be transferred to FIS as of September 30, 2025 is based on a weighted average of valuations prepared under the income and market approaches. The fair value represents management's best estimate of the consideration to be transferred to FIS and remains subject to final determination as of the Acquisition Date.

Preliminary Valuation

The assets to be acquired and the liabilities to be assumed were measured at fair value except for certain exceptions to the recognition and measurement principle of the acquisition method of accounting, such as contract assets and liabilities, income taxes, employee benefits and contingencies. Global Payments has prepared preliminary estimates of fair value of identified intangible assets and certain financial assets and financial liabilities, as described below. Global Payments has not yet been able to complete an analysis of leases to determine any above or below market leases. The analysis will be completed as of the Acquisition Date. The fair value assessments are preliminary and are based upon available information and certain assumptions, which Global Payments believes are reasonable under the circumstances. Actual results may differ materially from the assumptions within the unaudited pro forma financial statements.

The preliminary estimated amounts of assets to be acquired and liabilities to be assumed as if the Acquisition had been consummated on September 30, 2025, and a reconciliation to the preliminary estimated fair value of total Acquisition consideration are as follows (*in thousands*):

	Amount
Cash and cash equivalents	\$ 2,278,343
Accounts receivable	745,771
Settlement processing assets	5,281,806
Prepaid expenses and other current assets	271,373
Other intangible assets (i)	15,000,000
Property and equipment	297,766
Other noncurrent assets	261,150
Accounts payable and accrued liabilities	(1,437,285)
Settlement processing obligations	(4,866,181)
Debt	(8,849,686)
Deferred income taxes	(2,215,736)
Other noncurrent liabilities	(488,950)
Total identifiable net assets	6,278,371
Goodwill	11,281,805
Preliminary estimated fair value of Acquisition consideration to be transferred	\$ 17,560,176

(i) Preliminary identifiable intangible assets in the unaudited pro forma financial statements consist of the following (*dollars in thousands*):

		Preliminary Fair Value	Estimated Useful Life
Customer-related intangible assets	\$	13,450,000	10
Acquired technologies		1,250,000	5
Trademarks and trade names		300,000	5
Total identifiable intangible assets	\$	<u>15,000,000</u>	

The preliminary estimated fair values of these intangible assets were determined primarily using the income approach, which requires a forecast of expected future cash flows, and the relief-from-royalty approach. Because certain information necessary to complete a detailed valuation analysis of Worldpay's intangible assets was not available as of the date of this filing, Global Payments made certain preliminary assumptions for purposes of these unaudited pro forma financial statements that are subject to revision as additional information becomes available.

NOTE 3 – ACQUISITION TRANSACTION ADJUSTMENTS TO THE UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET

The following pro forma adjustments have been reflected in the Acquisition Transaction Adjustments column in the accompanying unaudited pro forma condensed combined balance sheet as of September 30, 2025. All adjustments were based on preliminary assumptions and estimated fair values, which are subject to change.

- This pro forma adjustment of \$1,597.5 million represents the estimated net cash consideration to be received in connection with the Acquisition. The pro forma adjustment is the net of \$7,716.6 million to be received from FIS related to the sale of our Issuer Solutions business and \$6,119.1 million to be paid to GTCR.
- This pro forma adjustment eliminates the effects of transactions associated with certain preexisting commercial relationships between Global Payments and Worldpay.
- This pro forma adjustment reflects the preliminary estimated fair values of identifiable intangible assets to be acquired by Global Payments as of September 30, 2025, as if the Acquisition had been consummated on that date, as well as the elimination of the carrying amount of Worldpay historical intangible assets (*in thousands*):

		Amount
Preliminary estimated fair value of acquired intangible assets	\$	15,000,000
Less: Carrying amount of Worldpay's historical intangible assets		(7,249,707)
Pro forma adjustment to other intangible assets	\$	<u>7,750,293</u>

- This pro forma adjustment reflects goodwill as of September 30, 2025, as if the Acquisition had been consummated on that date and the elimination of the carrying amount of Worldpay's historical goodwill (*in thousands*):

		Amount
Goodwill	\$	11,281,805
Less: Carrying amount of Worldpay's goodwill		(6,291,710)
Pro forma adjustment to goodwill	\$	<u>4,990,095</u>

- e. This pro forma adjustment eliminates the carrying amount of Worldpay's Visa Inc. ("Visa") preferred shares asset and the associated liability. Global Payments assigned the preferred shares asset a fair value of zero based on transfer restrictions, Visa's ability to adjust the conversion rate and the estimation uncertainty associated with those factors.
- f. This pro forma adjustment eliminates the carrying amount of Worldpay's contract cost assets as if the Acquisition had been consummated on September 30, 2025. Contract cost assets do not qualify for recognition as an asset by the acquirer in a business combination.
- g. This pro forma adjustment reflects Worldpay's historical long-term debt at its preliminary estimated fair value of \$8,849.7 million as of September 30, 2025. After the Acquisition is consummated, the debt is expected to be extinguished as part of the Financing Transaction that is further described in Note 5.
- h. This pro forma adjustment reflects \$65.0 million of Global Payments transaction costs expected to be incurred after September 30, 2025, as a liability, the tax effect of \$15.3 million as an increase to prepaid expenses and other current assets and the net amount of \$49.7 million as a reduction to retained earnings.
- i. This pro forma adjustment reflects deferred income tax liabilities related to fair value adjustments for assets to be acquired and liabilities to be assumed utilizing an estimated blended federal and state income tax rate of 25.0%.
- j. As discussed in Note 2, our Issuer Solutions business will be transferred to FIS as part of the purchase consideration in the Acquisition Transaction; therefore, this pro forma adjustment eliminates the net assets of our Issuer Solutions business as of September 30, 2025, as if the Acquisition had been consummated on that date.
- k. This pro forma adjustment to Shareholders' equity consists of the following (*in thousands*):

	Mezzanine Equity	Common Stock	Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive (Loss) Gain
Elimination of Worldpay's historical equity	\$ (10,386,900)	\$ (3,446,287)	\$ —	\$ 5,667,344	\$ (322,063)
Issuance of shares of Global Payments common stock	—	—	3,594,709	—	—
Transfer of our Issuer Solutions business to FIS	—	—	—	15,563,000	—
Elimination of carrying amount of Issuer Solutions	—	—	—	(15,393,963)	—
	<u>\$ (10,386,900)</u>	<u>\$ (3,446,287)</u>	<u>\$ 3,594,709</u>	<u>\$ 5,836,381</u>	<u>\$ (322,063)</u>

- l. This pro forma adjustment of \$1,570.0 million includes the following: the elimination of \$1,406.2 million, the carrying amount of Worldpay's internally developed software, the fair value of which is included in the acquired technology intangible asset described in Note 3(c); and the reclassification of \$163.8 million of Worldpay computer software to property and equipment to conform with Global Payments' presentation.
- m. This pro forma adjustment conforms Worldpay's historical presentation of certain settlement processing assets to the presentation of Global Payments.

NOTE 4 – ACQUISITION TRANSACTION ADJUSTMENTS TO THE UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENTS OF INCOME

The following pro forma adjustments have been reflected in the Acquisition Transaction Adjustments columns to give effect to the Acquisition Transaction as if it had been completed on January 1, 2024, in the accompanying unaudited pro forma condensed combined statements of income for the nine months ended September 30, 2025, and the year ended December 31, 2024:

- a. This pro forma adjustment eliminates the effects of transactions associated with certain preexisting commercial relationships between Global Payments and Worldpay.
- b. This pro forma adjustment reflects the amortization of the intangible assets to be acquired and the elimination of the Worldpay historical amortization expense. Although Global Payments uses an accelerated method of amortization for most customer-related intangible assets, for the purpose of these unaudited pro forma financial statements, all acquired intangible assets were amortized using the straight-line method of amortization. Actual amortization expense may be different based on the final fair value determinations.

The following table summarizes the components of the pro forma adjustment for amortization expense as if the Acquisition had been consummated on January 1, 2024 (in thousands):

	Nine Months Ended September 30, 2025	Year Ended December 31, 2024
Estimated amortization expense	\$ 1,241,250	\$ 1,655,000
Elimination of Worldpay's historical amortization expense	(1,092,673)	(1,355,699)
Pro forma adjustment to amortization expense	<u>\$ 148,577</u>	<u>\$ 299,301</u>

A change of 10% in the estimated fair values of identifiable intangible assets would change amortization expense by approximately \$165.5 million in the first year following the completed Acquisition.

- c. This pro forma adjustment eliminates the effect of Worldpay's historical Visa preferred shares fair value movement.
- d. This pro forma adjustment eliminates Worldpay's historical contract cost asset amortization expense. See Note 3(f) for further details.
- e. This pro forma adjustment reflects the income tax effect of the pro forma adjustments in the Acquisition Transaction Adjustments column of the unaudited condensed combined pro forma statements of income utilizing an estimated blended federal and state income tax rate of 23.5%. The effective tax rate of Global Payments after the Acquisition Date could be significantly different. Because the tax rates used for the unaudited pro forma financial statements are estimated, the blended rate will likely vary from the actual effective rate in periods after completion of the Acquisition. This determination is preliminary and subject to change based upon the final determination of the fair value of the acquired assets and assumed liabilities.
- f. Worldpay has historically been treated as a partnership for U.S. federal income tax purposes. As such, Worldpay's taxable income or loss was not subject to U.S. federal income tax at the entity level but instead was passed through to its members and taxed at the investor level. Accordingly, no provision for U.S. federal income taxes was reflected in Worldpay's historical financial results, except for income taxes incurred by certain state and foreign subsidiaries that are subject to taxation in their respective jurisdictions. Worldpay's historical loss before income taxes has been tax effected for pro forma purposes using the U.S. blended rate of 25.0%.
- g. This pro forma adjustment reflects the remaining amount of Global Payments' transaction costs expected to be incurred after September 30, 2025.

- h. This pro forma adjustment reflects the reclassification of amortization of acquired intangible assets of \$5.4 million for the nine months ended September 30, 2025 and \$4.8 million for the year ended December 31, 2024 in the Worldpay historical statements of income from selling, general and administrative expense to cost of service within operating expenses to conform to the presentation of Global Payments. This proforma adjustment also reflects the reclassification of interest expense of \$101.3 million for the nine months ended September 30, 2025 and \$126.1 million for the year ended December 31, 2024 in the Worldpay historical statements of income from interest expense, net to interest and other expense to conform to the presentation of Global Payments.
- i. This pro forma adjustment reflects the number of shares of Global Payments to be issued in the Acquisition outlined in Note 2.

NOTE 5 – FINANCING TRANSACTION ADJUSTMENTS TO THE UNAUDITED PRO FORMA FINANCIAL STATEMENTS

In connection with the Acquisition, Global Payments expects to execute the Financing Transaction. We intend to use the net proceeds from this offering (i) to fund cash payments in connection with the Acquisition, (ii) to repay certain outstanding indebtedness of Worldpay in connection with the Acquisition, (iii) to pay transaction costs related to the Acquisition and (iv) for general corporate purposes.

To refinance the existing Worldpay indebtedness and fund costs related to the transactions, we expect to utilize the following sources of funds: \$6,164.1 million of expected net proceeds from the new Global Payments notes offering, \$400.0 million from Global Payments' existing revolving credit facility, \$1,597.5 million of net cash received from the Acquisition, and \$752.6 million of available cash.

- a. This pro forma adjustment reflects cash and cash equivalents related to the Financing Transaction (*in thousands*):

	Amount	
Proceeds from the new Global Payments notes offering	\$	6,200,000
Proceeds from Global Payments' existing revolving credit facility		400,000
Debt issuance costs related to the new Global Payments notes offering		(35,888)
Cash used in the settlement of Worldpay's indebtedness		(8,849,686)
Net pro forma Financing Transaction Adjustment	\$	<u>(2,285,574)</u>

- b. This pro forma adjustment reflects the effect of the Financing Transaction. The current portion of long-term debt and long-term debt have been adjusted for the following (*in thousands*):

	Current portion of long-term debt	Long-term debt	Total
New Global Payments notes offering	\$ —	\$ 6,200,000	\$ 6,200,000
Draw on Global Payments' existing revolving credit facility	—	400,000	400,000
Debt issuance costs related to new Global Payments notes offering	—	(35,888)	(35,888)
Carrying amount of Worldpay's indebtedness	(57,724)	(8,791,962)	(8,849,686)
Net pro forma Financing Transaction Adjustment	<u>\$ (57,724)</u>	<u>\$ (2,227,850)</u>	<u>\$ (2,285,574)</u>

- c. This pro forma adjustment reflects the elimination of interest income generated by the cash used in the settlement of Worldpay's indebtedness.
- d. On April 17, 2025, in connection with our entry into the definitive agreement to acquire Worldpay, we obtained committed bridge financing. The bridge financing will be replaced by the Financing Transaction, therefore the unamortized bridge financing fees are assumed to be written off as of January 1, 2024, in the unaudited condensed combined pro forma statements of income. This pro forma adjustment reflects the effect to interest and other expense from the new Global Payments notes offering, the amortization of issuance costs related to the Financing Transaction and the elimination of the historical Worldpay debt amortization and interest (*in thousands*):

	Nine Months Ended September 30, 2025	Year Ended December 31, 2024
Interest expense on new Global Payments' debt and incremental borrowing on revolving credit facility, and amortization expense of the related debt issuance costs (i)	\$ (253,612)	\$ (338,150)
Unamortized bridge financing fees	—	(12,478)
Elimination of Worldpay's historical interest expense and amortization expense associated with the settlement of Worldpay's indebtedness	460,966	650,700
Pro forma adjustment to interest and other expense	\$ <u>207,354</u>	\$ <u>300,072</u>

- (i) Interest expense on the new Global Payments notes offering and the incremental amount drawn on its existing revolving credit facility, and the amortization of the related debt issuance costs, as shown in the table above, were determined based on what Global Payments believes to be the most likely terms under which it would close such debt arrangements and on the prevailing interest rates in October 2025. An increase or decrease of 12.5 basis points per year (or 1/8% variance) in the assumed interest rates would increase or decrease interest expense by \$6.7 million in the first year following the consummation of the Acquisition.
- e. This pro forma adjustment reflects the charge of \$12.5 million related to the unamortized bridge financing fees in prepaid expenses and other current assets, the tax effect of \$2.9 million in the same line item, and the net effect of \$9.6 million in retained earnings.
- f. This pro forma adjustment reflects the income tax effect of the pro forma adjustments in the Financing Transaction Adjustments column of the unaudited condensed combined pro forma statements of income utilizing an estimated income tax rate of 23.5%.