

wirecard

Investor Presentation

H1 2019 results, 7 August 2019



Highlights



€77.3 bn

Transaction volume H1 2019



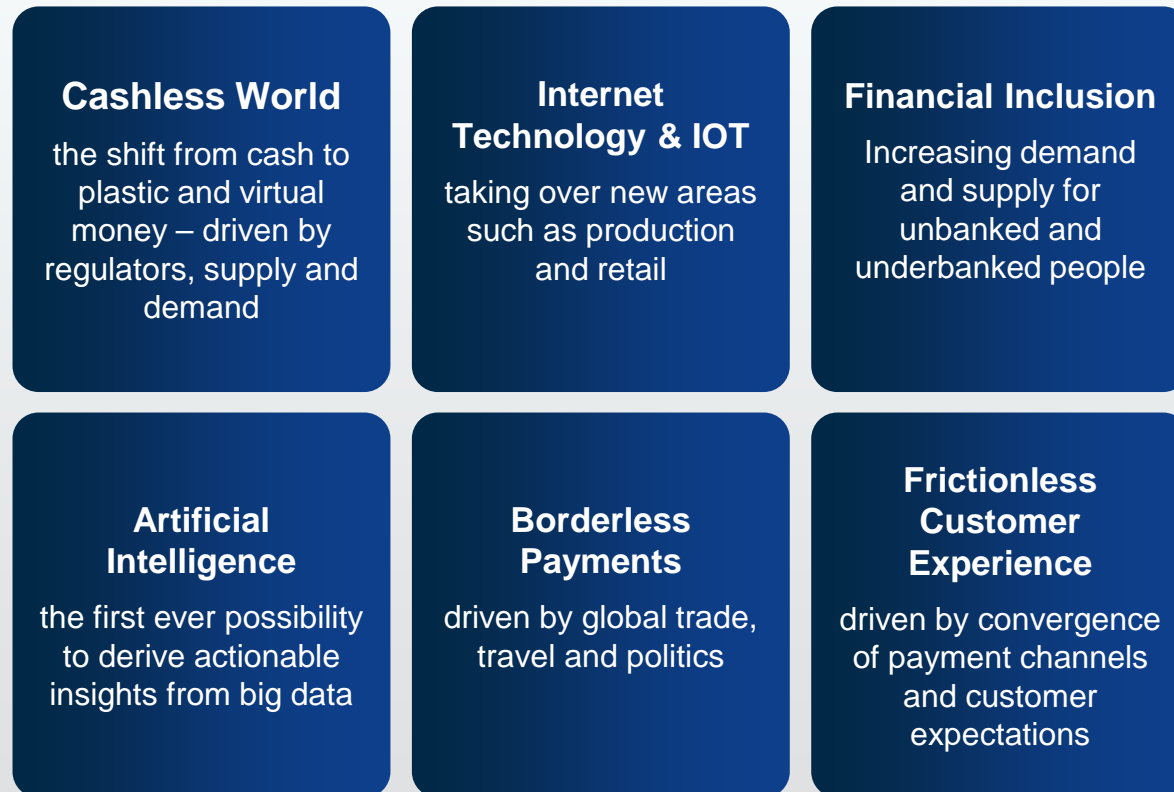
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Merchants

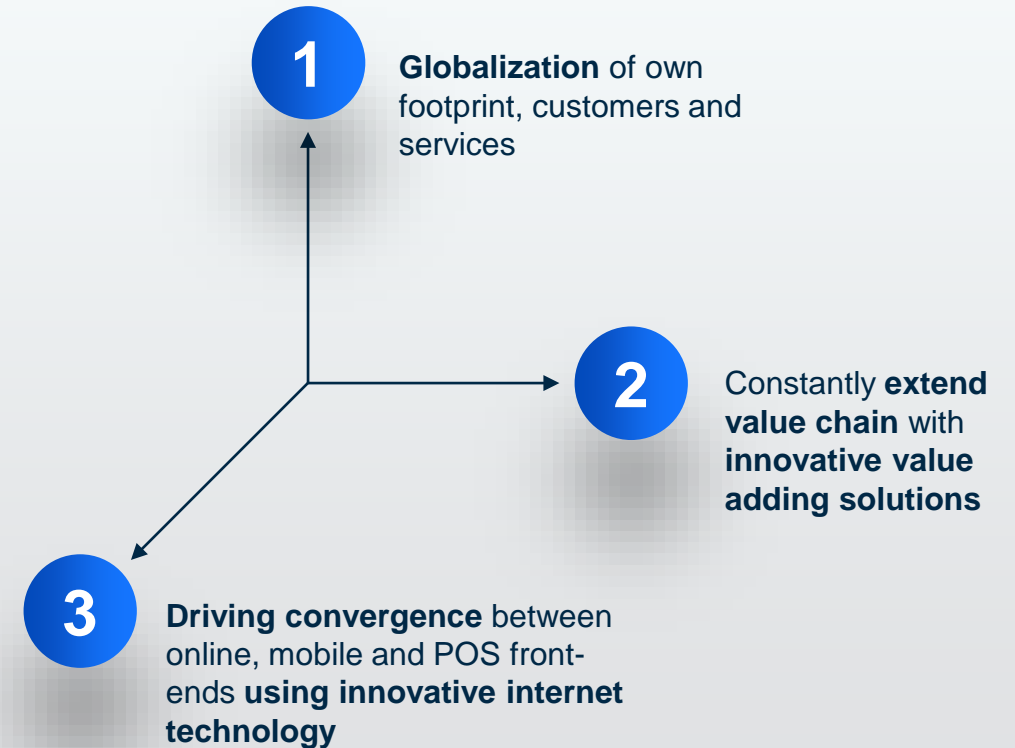
Wirecard is one of the fastest growing financial commerce platforms that offers merchants and consumers a continuously expanding payment access system over an integrated B2B2C approach.

Global Megatrends Driving Wirecard's Strategy

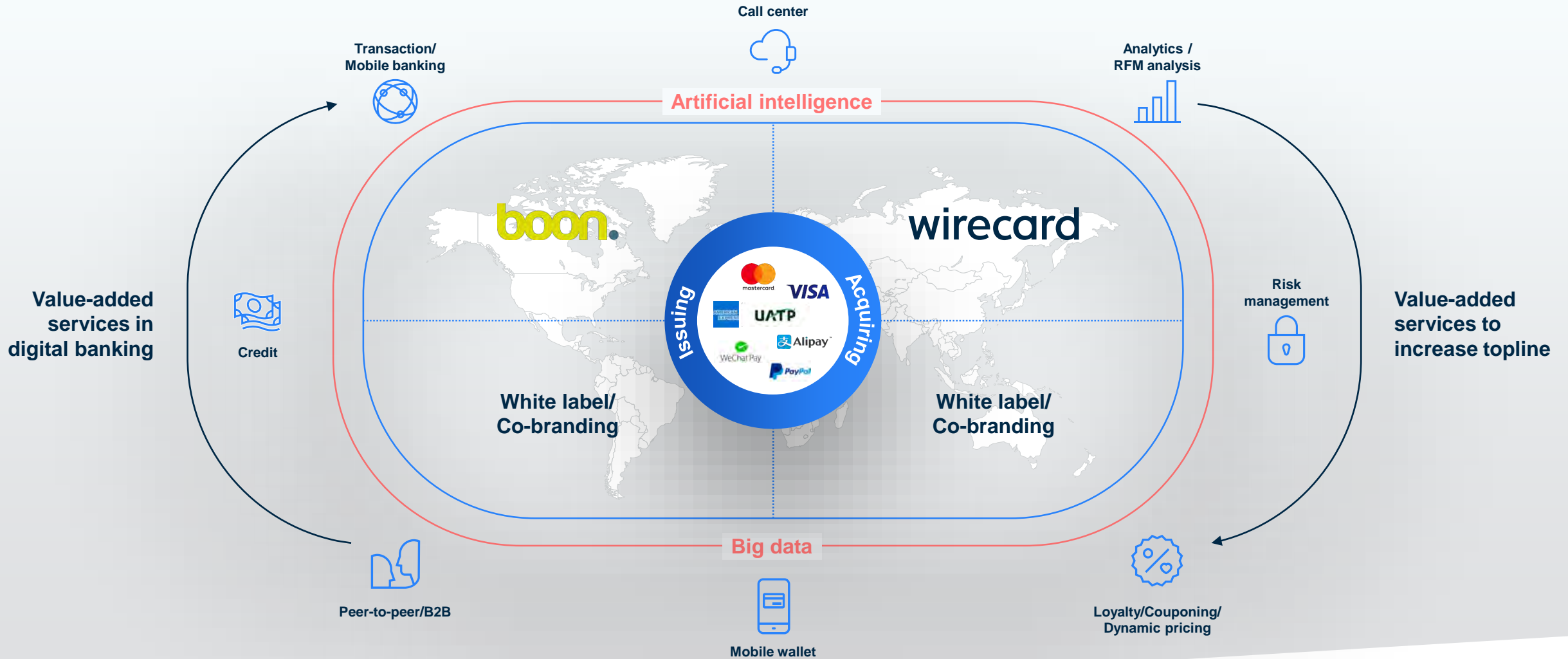
6 Global payment megatrends...



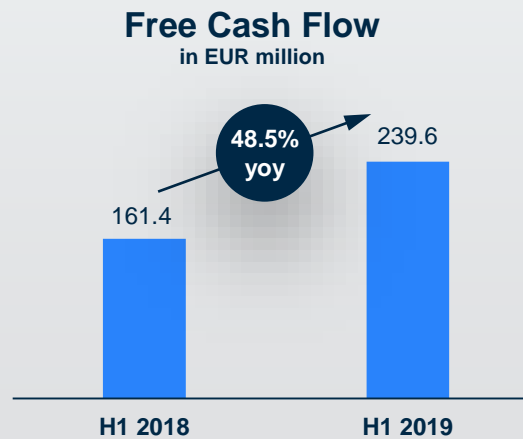
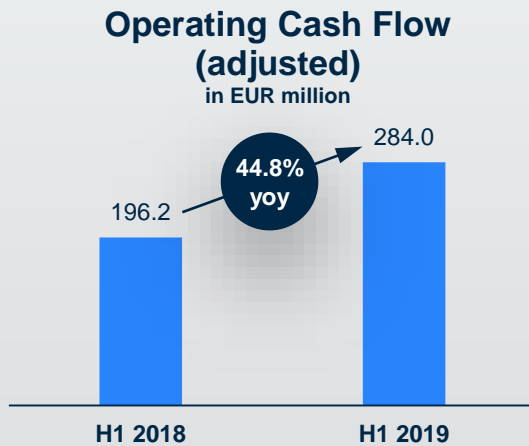
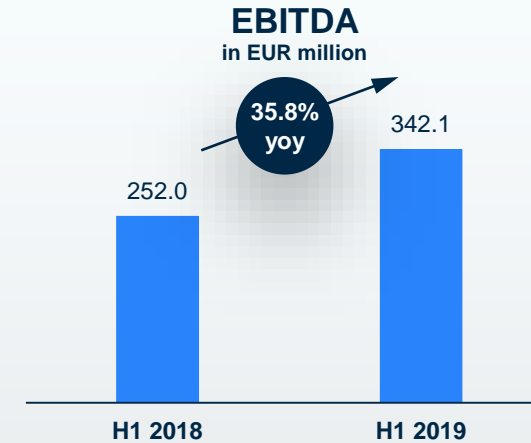
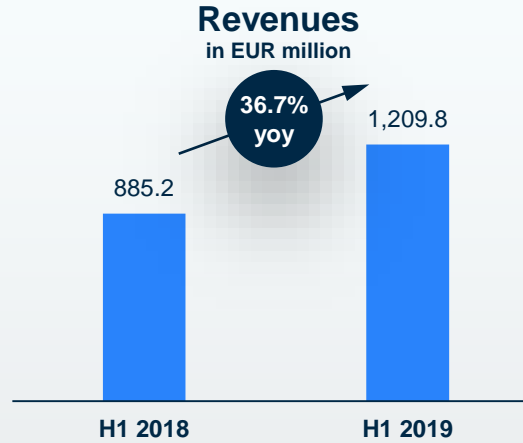
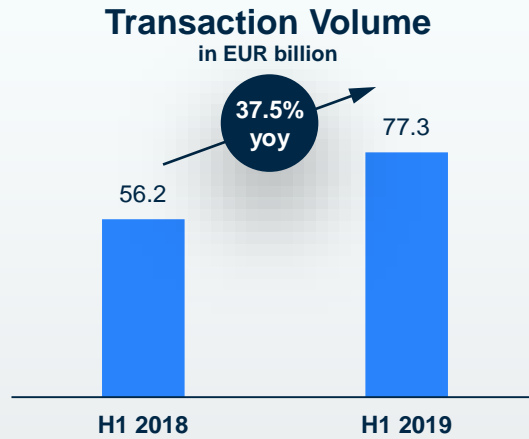
...driving our strategy



Financial Platform



Key Figures

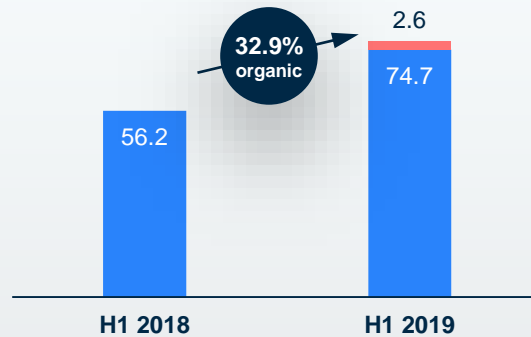


**EBITDA guidance of
EUR 765 – 815 m
for FY 2019**

Some of the amounts disclosed for 2018 differ from the figures in the Interim Report as of 30 June 2018 due to adjustments made in accordance with IAS 8.

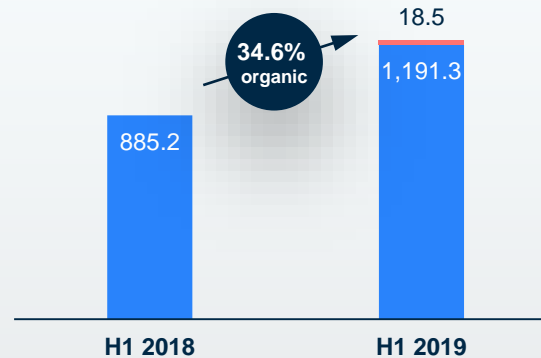
Organic and M&A Related Growth

Transaction Volume
in EUR billion



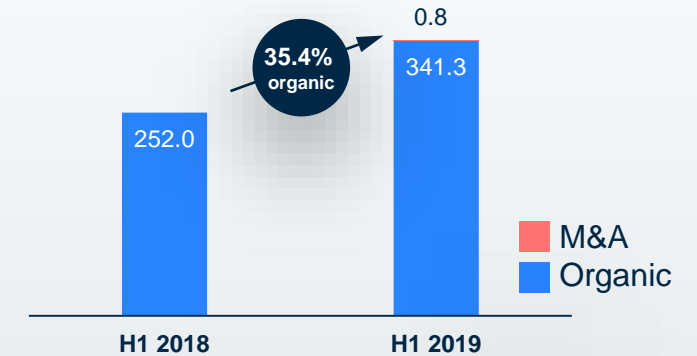
- Total transaction volume is up **EUR 21.1 bn**, representing **37.5%** of growth yoy
- Strong organic growth of **32.9%** yoy, up **EUR 18.5 bn**
- Total M&A added **EUR 2.6 bn** – merchant acquiring services of Citigroup in APAC added EUR 2.6 bn (India, Australia & New Zealand)

Revenue
in EUR million



- Total revenue is up **EUR 324.6 m**, representing **36.7%** of growth yoy
- Strong organic growth of **34.6%** yoy, up **EUR 306.1 m**
- Total M&A added **EUR 18.5 m** – merchant acquiring services of Citigroup in APAC added EUR 18.5 m (India, Australia & New Zealand)

EBITDA
in EUR million



- Total EBITDA is up **EUR 90.1 m**, representing **35.8%** of growth yoy
- Strong organic growth of **35.4%** yoy, up **EUR 89.3 m**
- Total M&A added **EUR 0.8 m** – merchant acquiring services of Citigroup in APAC added EUR 0.8 m (India, Australia & New Zealand)

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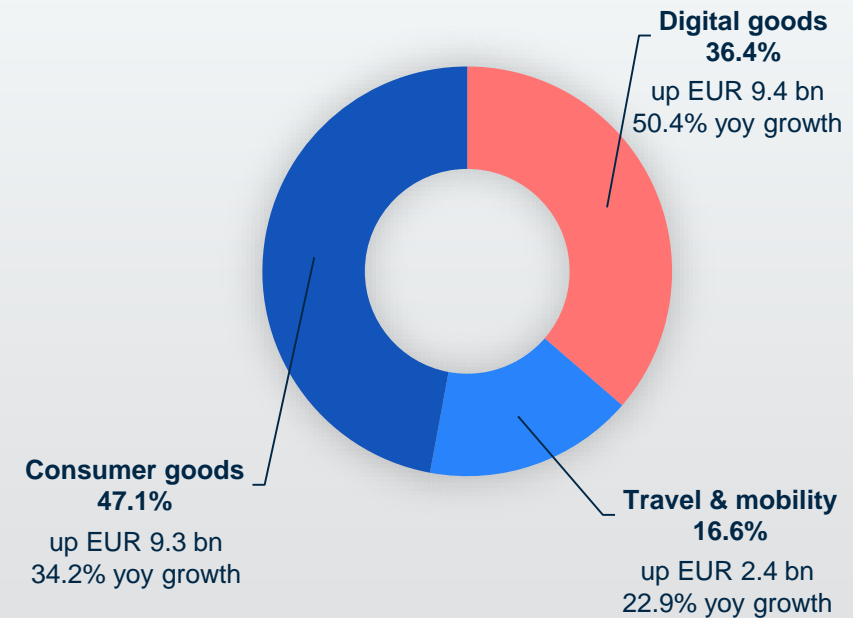
Merchant View

Transaction volume¹ by geographies² and industry H1 2019

Transaction volume by geographies



Transaction volume industry allocation

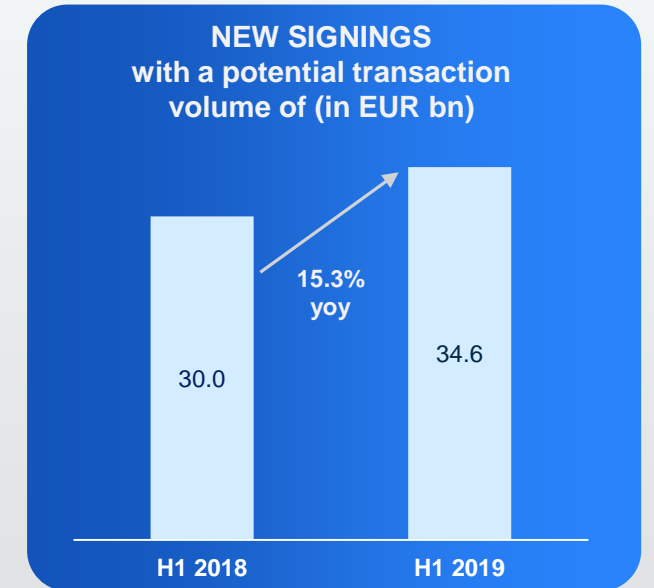


¹ Transaction volume: mainly acceptance and issuing means of payment along with associated value added services

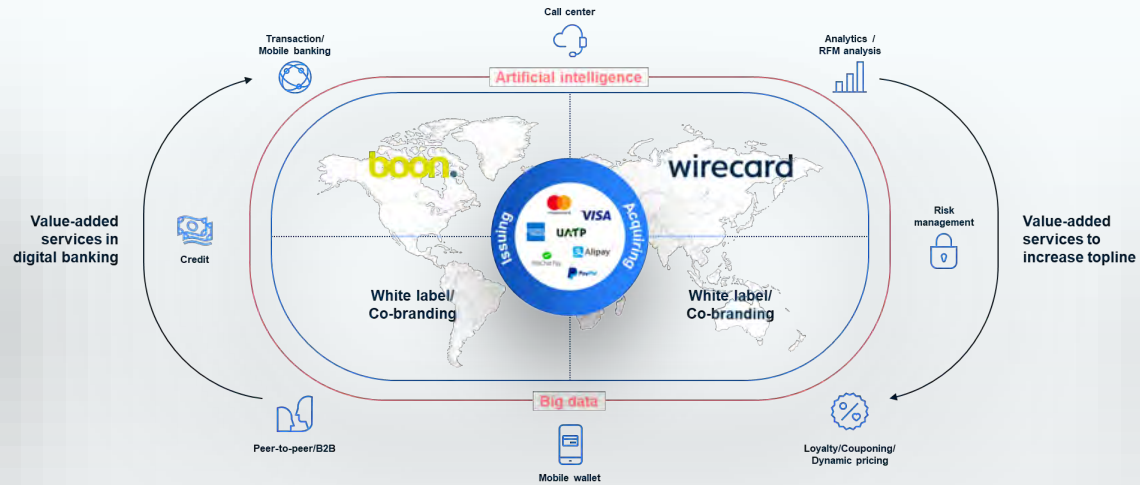
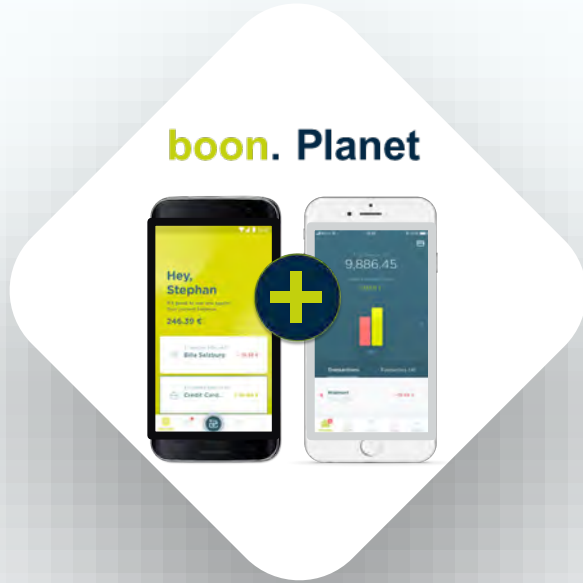
² Geographic view: based on merchant location

Customer Gains and Partnerships

Examples of customer gains, business extensions and new partners



Product Innovations



B2C: Boon Planet

Complete banking and payment ecosystem

- Digital credit card and bank account via a single app
- Pilot stage entered, complete launch in October 2019
- To be expanded to include value added features such as mobile infrastructure and loyalty functions

B2B: Next Generation Financial Commerce Platform

Online business account with payment acceptance for merchants

- Instant payout
- Immediate availability of credit via bank transfer or debit card
- Additional liquidity at any time via credit line linked to payment volume

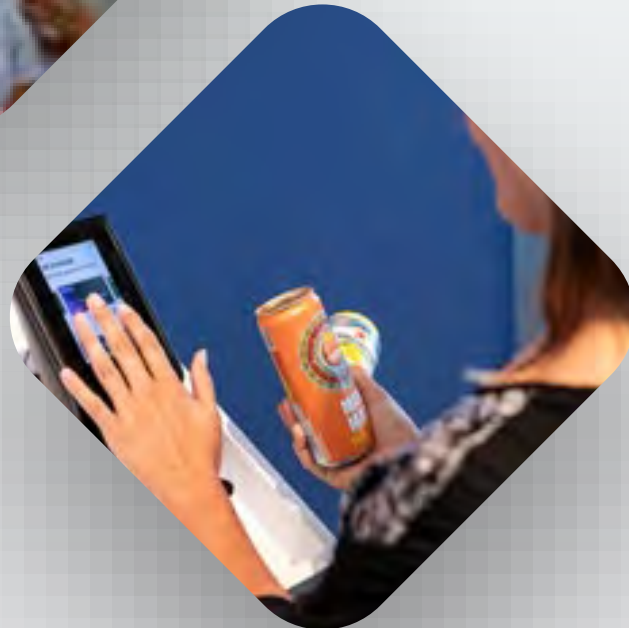
Product Innovations



Smart Mirror

The Wirecard Smart Mirror uses RFID technology and a touch screen integrated in the mirror to improve the shopping experience of customers at retail stores.

Key feature: easy checkout with own device and getting access to a wide range of information directly through the mirror.



Biometric Terminal

Payment, loyalty and access with a wave of your palm

Biometrics can be utilized to reduce friction and increase security. A one-time registration of a single encrypted biometric key connects users to:

- access control systems
- payment options
- loyalty programs
- ticket redemption
- time and attendance systems via one network

Overview: Value Added Services Digital Lending



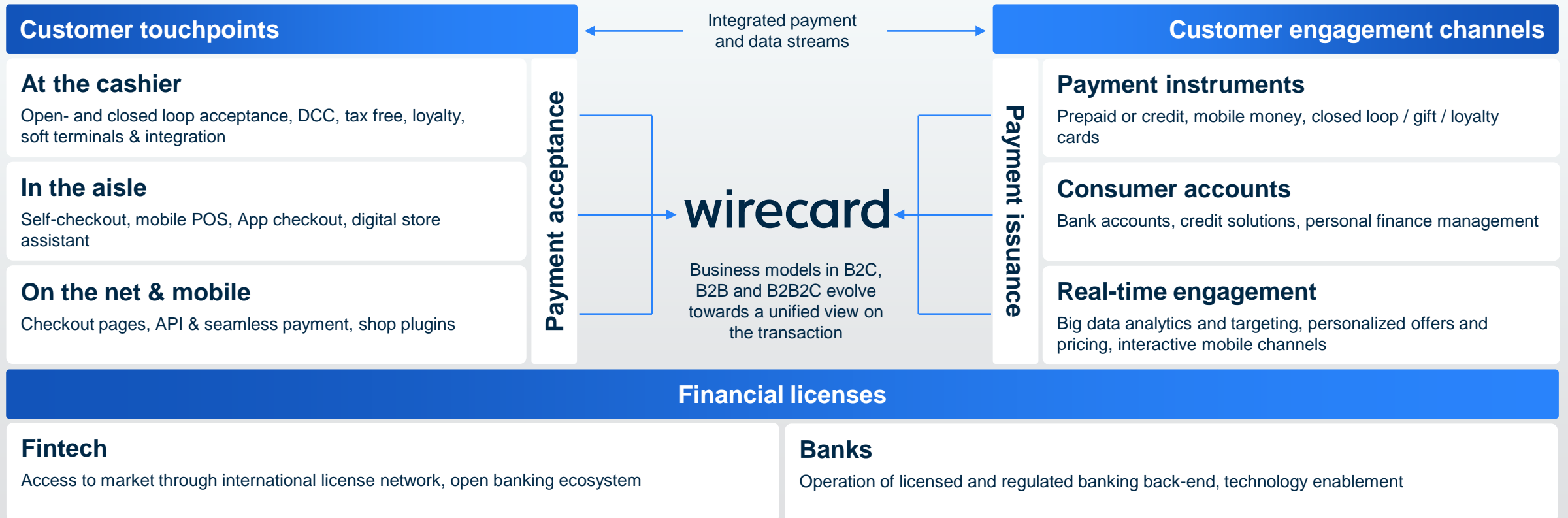
Different Lending Products

	Fintech Loan	Digital Credit	Merchant Cash Advance
Description	<ul style="list-style-type: none"> Support Fintechs with liquidity for their own products Offered as service in addition to WD platform, banking license, etc. 	<ul style="list-style-type: none"> Access to liquidity for merchants Customized credit based on historical and future expected transactions, as well as other scoring models 	<ul style="list-style-type: none"> Early settlement to the merchant to improve liquidity Scoring based on historic transactions and other scoring models
Volumes			
as of 31 March 2019	EUR 330m		~EUR 400m
as of 30 June 2019	EUR 335m		~EUR 370m

Outlook

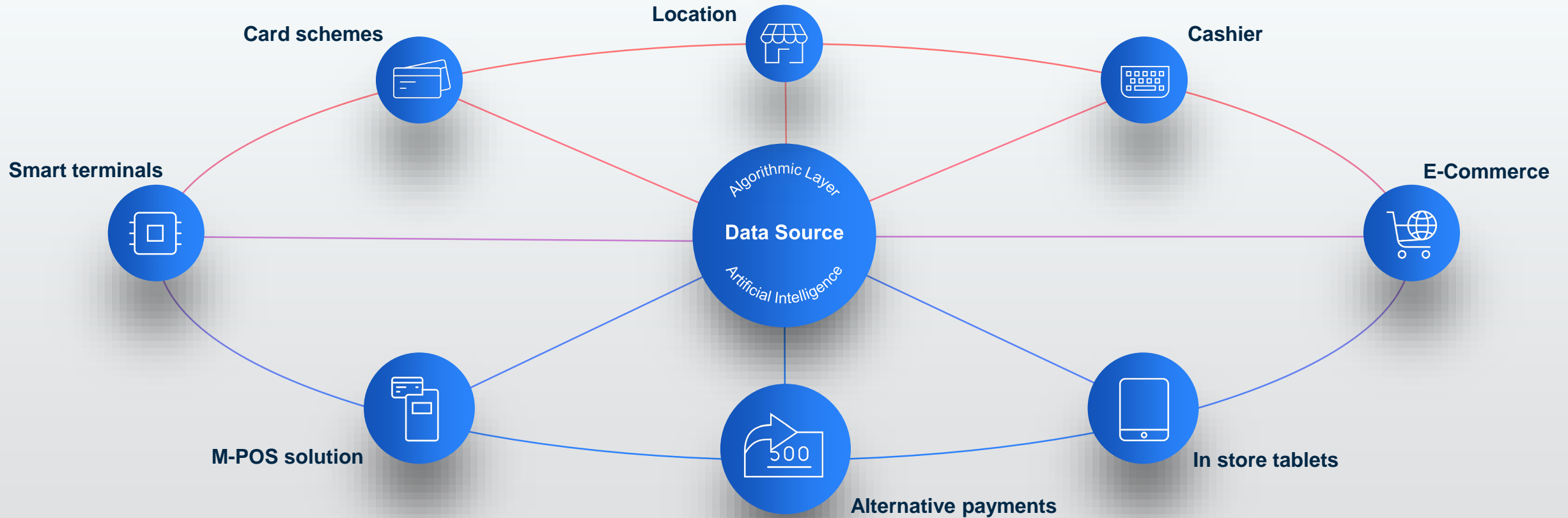
Generating New Business Models...

... by combining digital acquiring, issuing and financial services



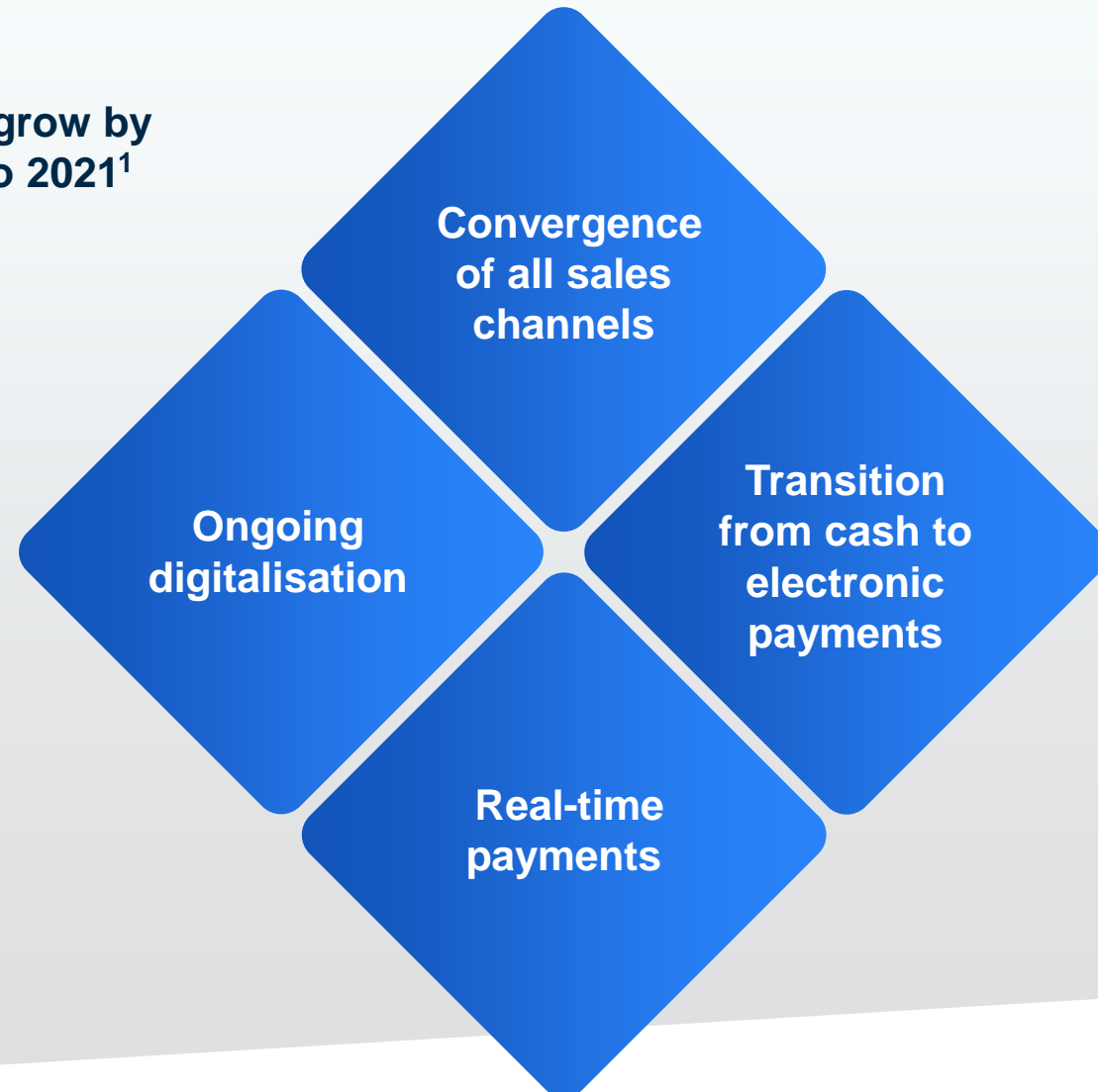
Data Driven Services

Wirecard's omnichannel offering to further increase conversion rates



Market Environment

Cashless payments expected to grow by around 14 percent per year up to 2021¹



¹ Capgemini: World Payments Report 2018

Company Guidance

Guidance is based on

- Increase in cashless payments globally
- Growth of the global e-commerce market and continuing trend towards digitalisation
- Increase of processed transaction volume with existing and new clients
- Economies of scale
- Contribution from recent acquisitions

**EBITDA guidance of
EUR 765 – 815 m
for FY 2019**

Our Visionary Playing Field



80–85% cash transactions worldwide ...



... whereas only 15–20% of all transactions are electronic ...

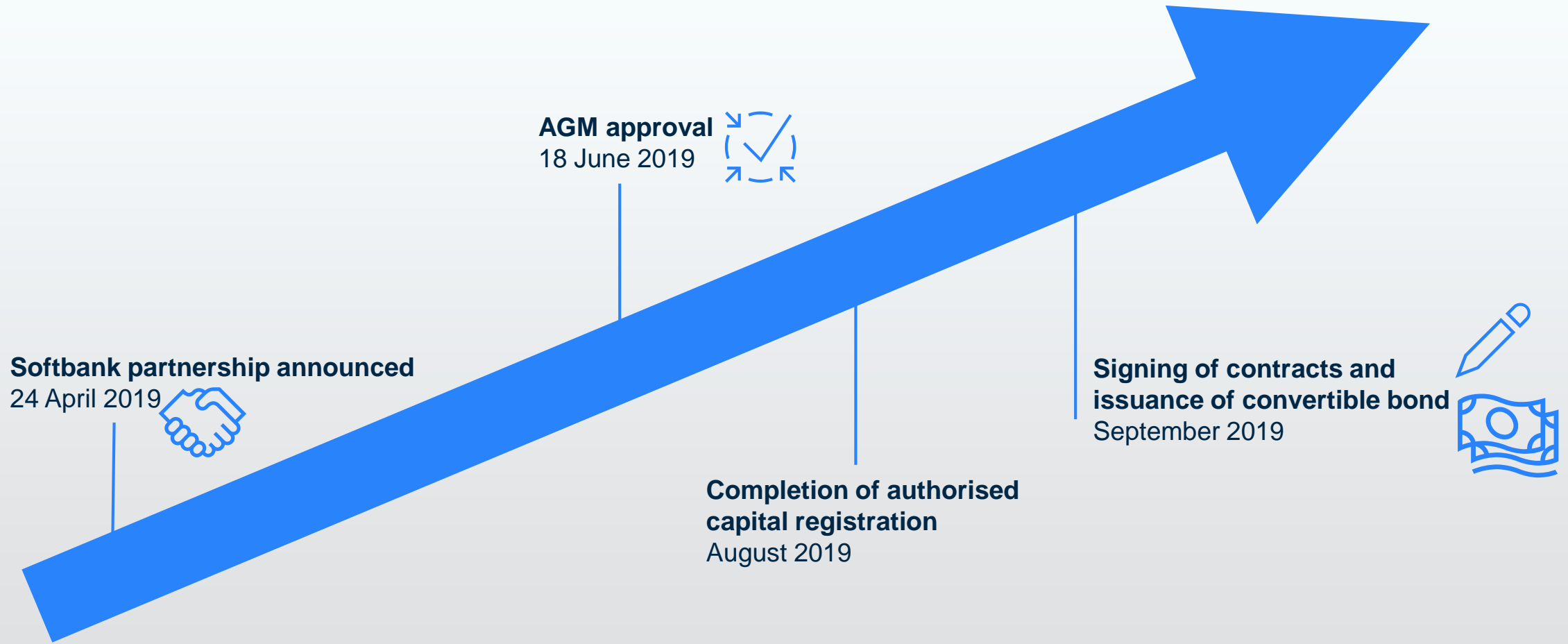


... with only 8–10% of all electronic transactions being fully digitized.

Enormous market potential for Wirecard

	Transaction volume	Revenues	EBITDA (margin)	FCF conversion
Vision 2020 old	> EUR 215bn	> EUR 3bn	30–35%	> 65%
Vision 2020 new	> EUR 230bn	> EUR 3.2bn	30–35%	> 65%
Vision 2025	> EUR 710bn	> EUR 10bn	> EUR 3.3bn	> 65%

SoftBank Timeline



Financial Data

Governance adjusted structure for sustainable growth in place



Financial Data

Financial highlights

in EUR million	H1 2019	H1 2018	Change
Revenues	1,209.8	885.2	36.7%
EBITDA	342.1	252.0	35.8%
EBIT adjusted*	294.8	219.5	34.3%
EBIT	277.1	200.1	38.5%
Income tax expenses	30.2	31.1	-2.9%
Earnings after taxes	237.5	157.6	50.7%
Earnings per share (basic and diluted) in EUR	1.92	1.27	51.2%
Cash flow from operating activities (adjusted)**	284.0	196.2	44.8%
Total equity***	2,145.1	1,922.7	11.6%
Total equity and liabilities***	6,697.6	5,854.9	14.4%
Employees as of 30 June 2019 and 30 June 2018	5,743	5,064	13.4%
thereof full-time employees	5,420	4,741	14.3%
thereof part-time employees	323	323	0.0%

* Adjusted for amortisation (M&A related)

** Consolidated cash flow from operating activities (adjusted)

*** 2018 figures as of 12/31/2018

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Financial Data

Consolidated income statement

in EUR million	H1 2019	in % of revenues*	H1 2018	in % of revenues*
Revenues	1,209.8		885.2	
Own work capitalised	22.2		20.7	
Cost of materials	652.3	53.9%	474.0	53.6%
Gross profit	579.7	47.9%	431.9	48.8%
Personnel expenses	140.7	11.6%	112.0	12.7%
Other operating expenses	100.5	8.3%	68.1	7.7%
Impairment losses of financial assets	1.6	0.1%	4.3	0.5%
Other operating income	5.3	0.4%	4.8	0.5%
Share of profit or loss from associates (at equity)	-0.2	0.0%	-0.4	0.0%
EBITDA	342.1	28.3%	252.0	28.5%
Amortisation and depreciation	65.0	5.4%	51.9	5.9%
EBIT	277.1	22.9%	200.1	22.6%
Financial result	-9.4		-11.4	
Earnings before taxes	267.7		188.7	
Income tax expenses	30.2	11.3%	31.1	16.5%
Earnings after taxes	237.5	19.6%	157.6	17.8%
EBITDA	342.1	28.3%	252.0	28.5%
Amortisation and depreciation (M&A adjusted)	47.2	3.9%	32.5	3.7%
EBIT adjusted**	294.8	24.4%	219.5	24.8%
Amortisation and depreciation (M&A related)	17.7	1.5%	19.4	2.2%
EBIT	277.1	22.9%	200.1	22.6%

* Taxes on income and profit with regards to Earnings before Taxes (EBT)

** Adjusted by amortisation (M&A related)

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Financial Data

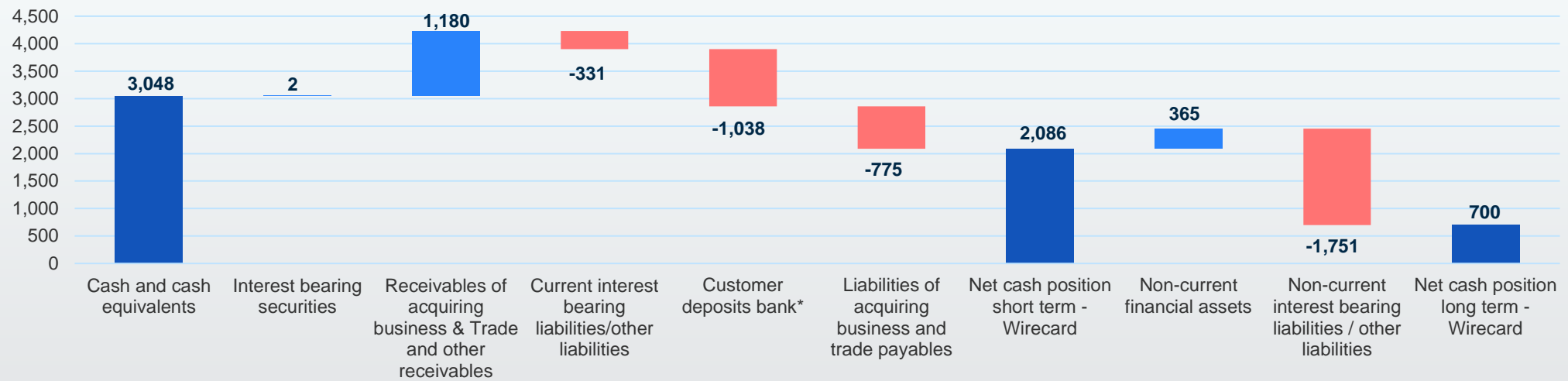
Balance sheet

Assets in EUR million	30 June 2019	31 Dec 2018
Goodwill	713.5	705.9
Customer relationships	438.4	452.1
Internally-generated assets	146.7	138.2
Other intangible assets	114.6	113.3
Property, plant and equipment	109.8	81.5
Investments (equity method)	13.9	14.0
Fin. and other assets	372.7	413.6
Deferred tax assets	13.1	10.8
Total non-current assets	1,922.7	1,929.4
Inventories and work in progress	7.6	10.6
Receivables of acquiring business	786.5	684.9
Trade and other receivables	393.3	357.4
Tax credits	24.0	13.1
Interest bearing securities	515.8	139.6
Cash and cash equivalents	3,047.7	2,719.8
Total current assets	4,774.9	3,925.5
Total assets	6,697.6	5,854.9

Equity and liabilities in EUR million	30 June 2019	31 Dec 2018
Total equity	2,145.1	1,922.7
Non-current interest-bearing liabilities	1,594.6	1,348.7
Other non-current liabilities	156.3	163.8
Deferred tax liabilities	79.0	80.1
Total non-current liabilities	1,830.0	1,592.6
Liabilities of the acquiring business	708.9	651.9
Trade payables	65.9	63.4
Interest bearing liabilities	123.0	117.4
Other provisions	27.9	18.5
Other liabilities	207.5	186.6
Customer deposits bank	1,559.1	1,263.0
Tax provisions	30.1	38.9
Total current liabilities	2,722.5	2,339.6
Total liabilities	4,552.5	3,932.2
Total equity and liabilities	6,697.6	5,854.9

Financial Data

Net cash bridge H1 2019 (in EUR million)



* Customer deposits bank break down in EUR million 30 June 2019

Customer deposits - balance sheet amount	1,559
thereof in long-term interest bearing securities	-5
thereof in interest bearing securities and fixed-term deposits	-516
Customer deposits relevant for net cash calculation	1,038

Financial Data

Cash flow and income tax analysis

in EUR million (except where stated)	H1 2019	H1 2018	Change
Cash flow from operating activities (adjusted)*	284.0	196.2	44.8%
Operative capex	-44.5	-34.8	27.8%
Free cash flow	239.6	161.4	48.5%
Earnings after taxes	237.5	157.6	50.7%
Cash conversion in %	100.9	102.4	

* Consolidated cash flow from operating activities (adjusted)

in EUR million	H1 2019	in % of EBT	H1 2018	in % of EBT
Earnings before taxes	267.7		188.7	
Income tax expenses	-30.2	11.3%	-31.1	16.5%
thereof deferred tax expenses/income	0.0	0.0%	-12.4	6.6%
thereof effective tax expenses	-30.2	11.3%	-18.7	9.9%
Net cash outflow arising from income tax	-42.5		-34.5	
thereof income tax	-42.5		-34.5	
thereof capital gain tax on dividends	0.0		0.0	

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