

wirecard

# Investor Presentation

Q1 2019 results, 8 May 2019

# Highlights



**€ 36.7 bn**

Transaction volume Q1 2019



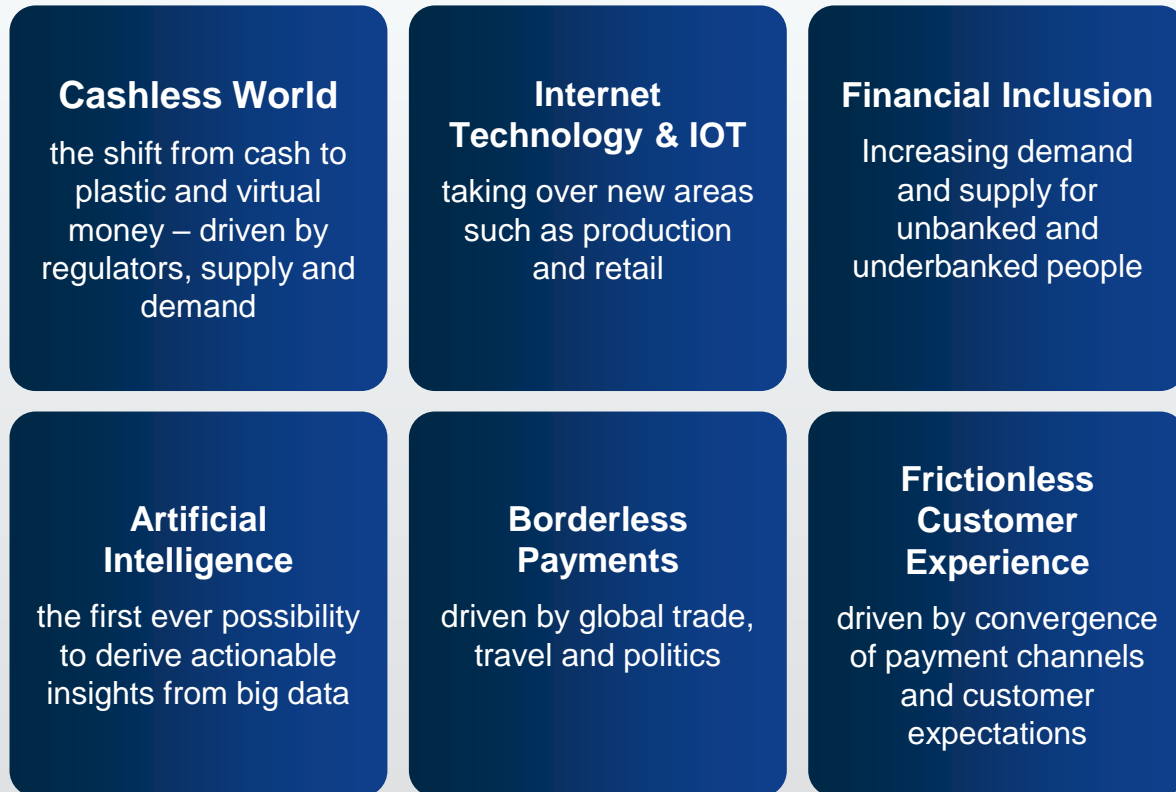
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Merchants

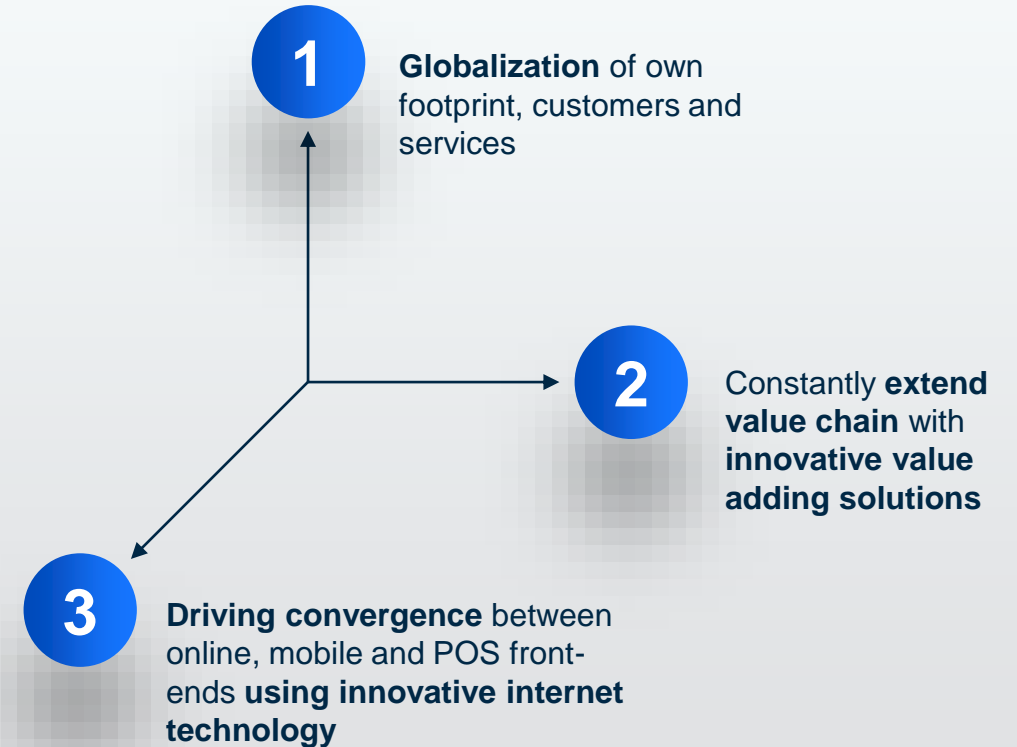
Wirecard is one of the fastest growing financial commerce platforms that offers merchants and consumers a continuously expanding payment access system over an integrated B2B2C approach.

# Global Megatrends Driving Wirecard's Strategy

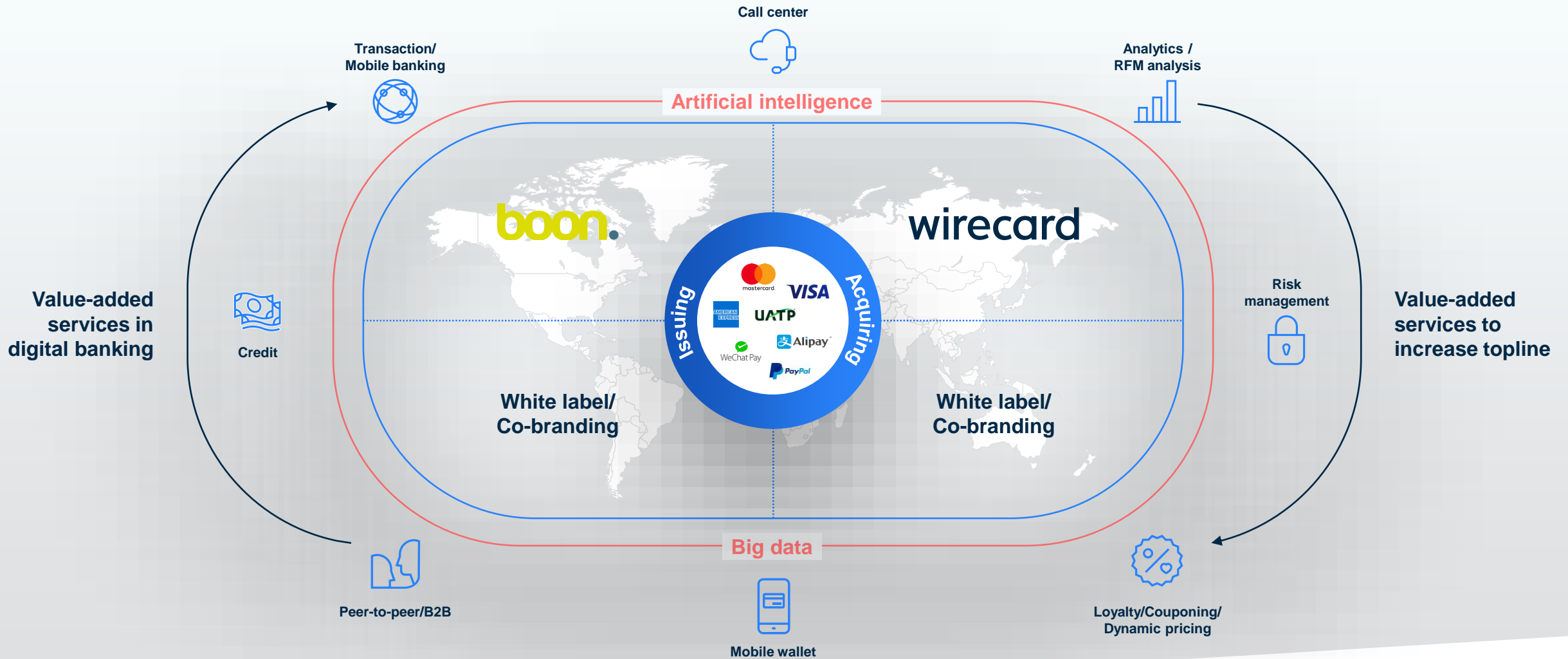
## 6 Global payment megatrends...



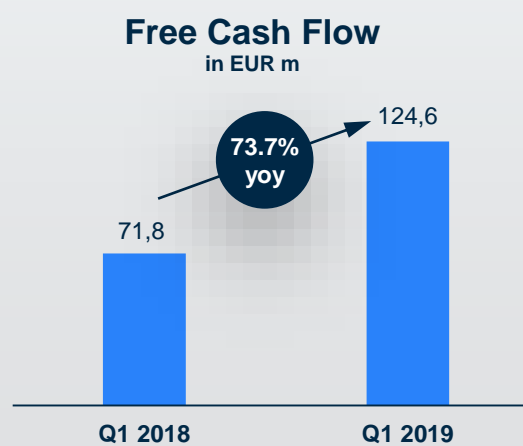
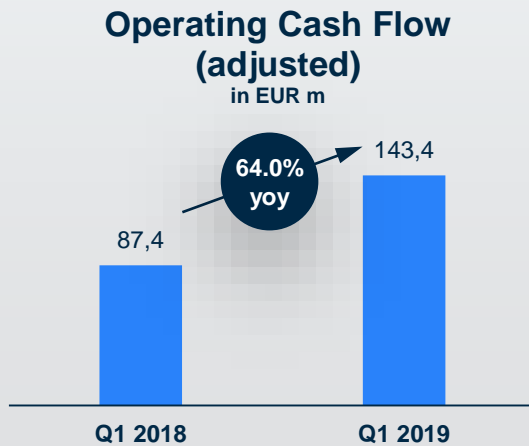
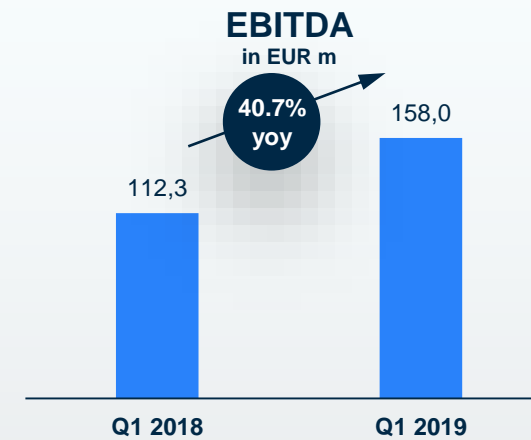
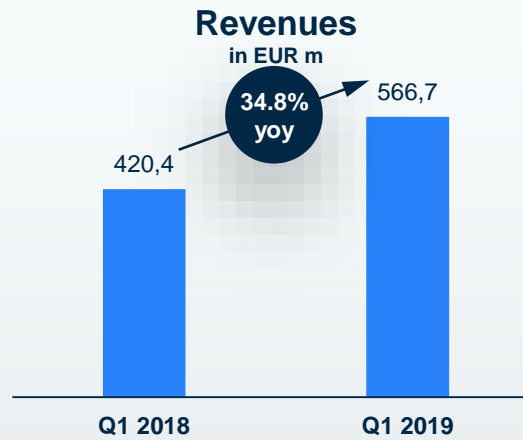
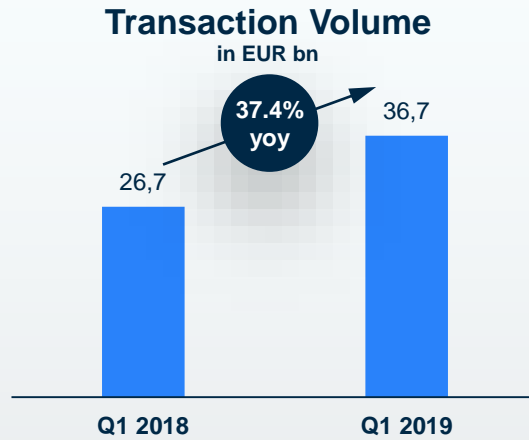
## ...driving our strategy



# Financial platform



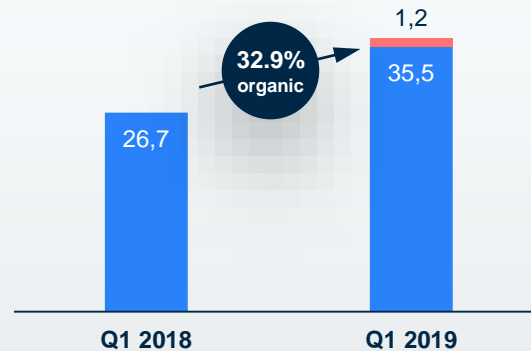
# Key Figures



**EBITDA guidance of EUR 760 – 810 m for FY 2019**

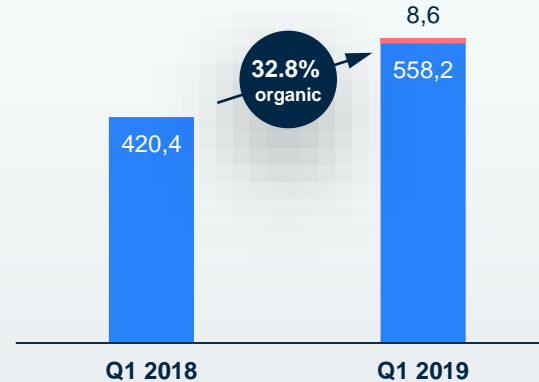
# Organic and M&A Related Growth

**Transaction Volume**  
in EUR bn



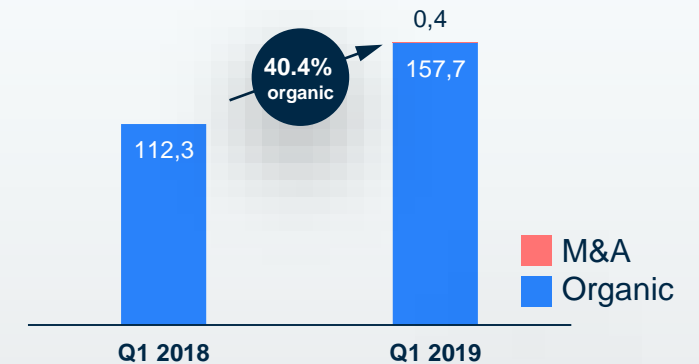
- Total transaction volume is up **EUR 10.0 bn**, representing **37.4%** of growth yoy
- Strong organic growth of **32.9%** yoy, up **EUR 8.8 bn**
- Total M&A added **EUR 1.2 bn** – merchant acquiring services of Citigroup in APAC added EUR 1.2 bn (India, Australia & New Zealand)

**Revenue**  
in EUR m



- Total revenue is up **EUR 146.3 m**, representing **34.8%** of growth yoy
- Strong organic growth of **32.8%** yoy, up **EUR 137.7 m**
- Total M&A added **EUR 8.6 m** – merchant acquiring services of Citigroup in APAC added EUR 8.6 m (India, Australia & New Zealand)

**EBITDA**  
in EUR m



- Total EBITDA is up **EUR 45.7 m**, representing **40.7%** of growth yoy
- Strong organic growth of **40.4%** yoy, up **EUR 45.4 m**
- Total M&A added **EUR 0.4 m** – merchant acquiring services of Citigroup in APAC added EUR 0.4 m (India, Australia & New Zealand)

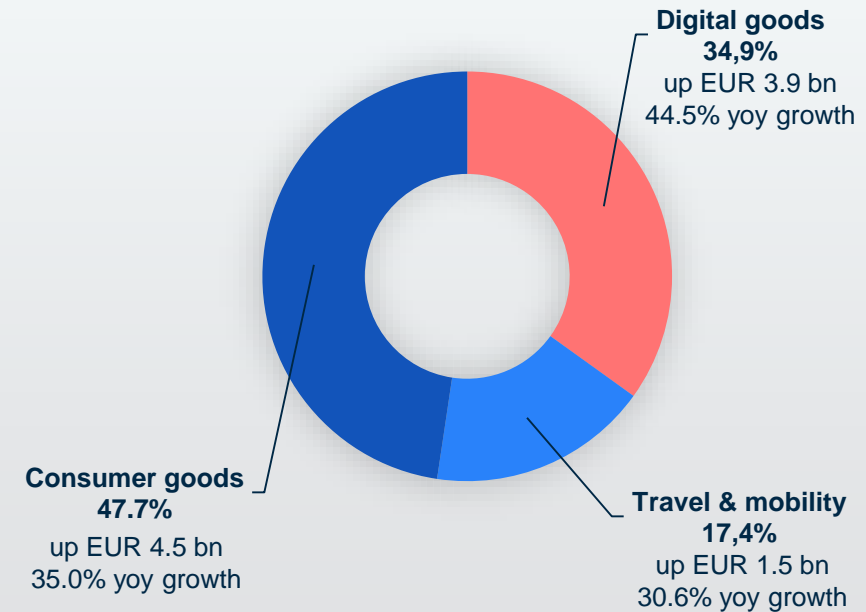
# Merchant View

## Transaction volume<sup>1</sup> by geographies<sup>2</sup> and industry Q1 2019

Transaction volume by geographies



Transaction volume industry allocation



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

<sup>2</sup> Geographic view is based on merchant location

# Customer Gains and Partnerships

Examples of customer gains, business extensions and new partners

Ctrip, Qixxit, Ringana, Swatch, United Money, P.F.C., BASF, Stockmann, Oney, Sony, Segmüller, Tirol Werbung, Twisto, Beşiktaş JK, Tallink Grupp, MBILLS, ANA Group, Elush Retail Group, Al Ansari Exchange, O2, RBL Bank, Feinkost Käfer, TON (Telegram Open Network) Labs



# Softbank Partnership

SoftBank



## SoftBank to invest ~EUR 900m in Wirecard<sup>[1]</sup>

- Via convertible bond at EUR 130 (currently ~5.6% of common stock), under exclusive subscription rights
- Term of 5 years



## Strategic partnership on digital payment solutions

- MoU signed on strategic partnership for digital payment solutions
- Support for Wirecard in geographic expansion into Eastern Asia



## Digital financing, data analytics and artificial intelligence

- Collaboration opportunities with SoftBank Group's portfolio in digital financing, analytics and AI
- Joint exploration and investment in innovative financing- and new lending business models



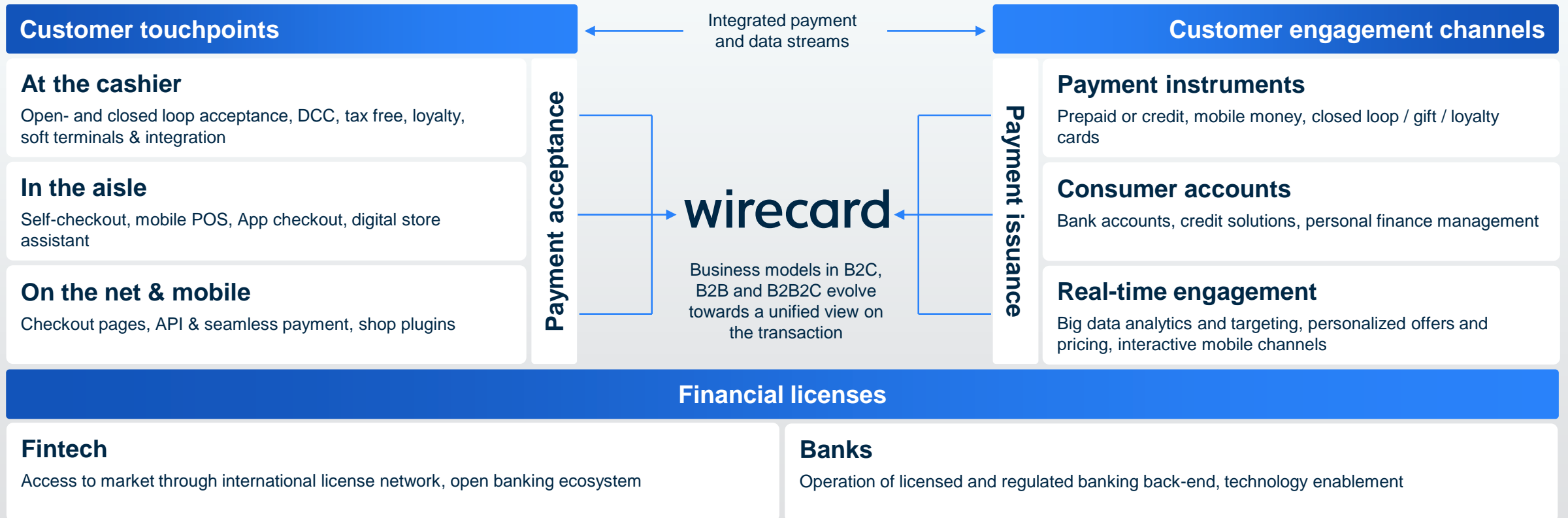
## Use of additional liquidity

- Share buyback
- Investment in innovative services in the area of digital credits and analytics

# Outlook

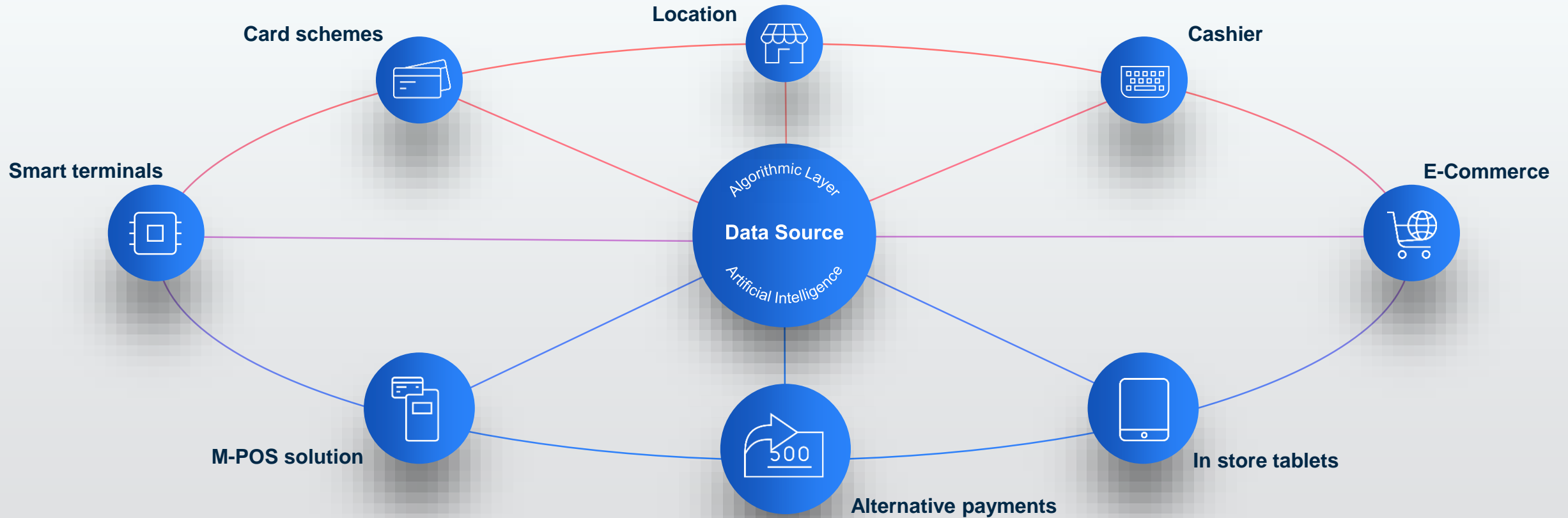
# Generating New Business Models...

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



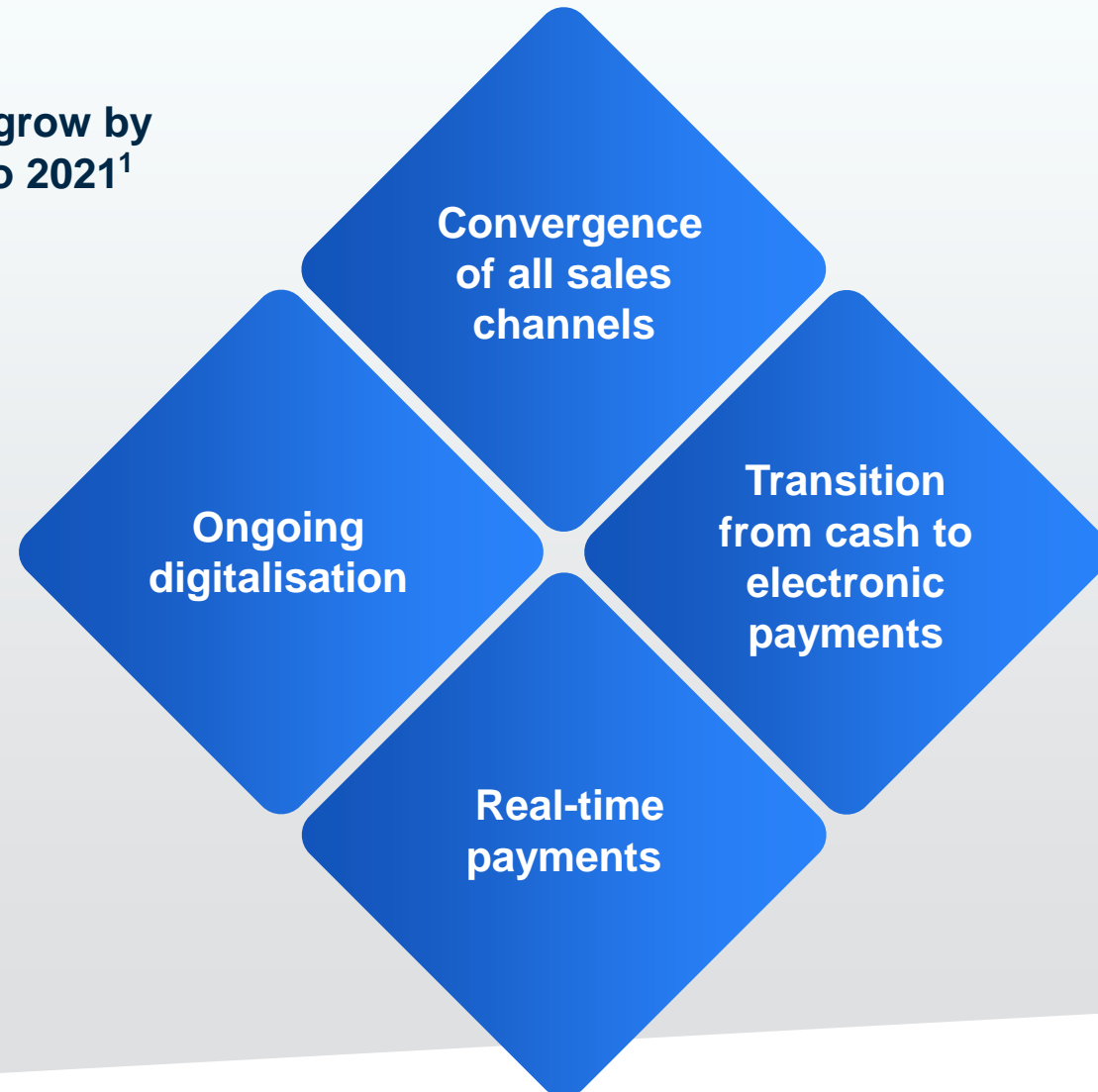
# Data Driven Services

Wirecard's omnichannel offering to further increase conversion rates



# Market Environment

Cashless payments expected to grow by around 14 percent per year up to 2021<sup>1</sup>



<sup>1</sup> 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 raised  
from EUR 740 – 800 m to  
EUR 760 – 810 m  
for FY 2019**

# Wirecard's 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
<b>Vision 2020</b>	> EUR 215bn	> EUR 3bn	30–35%	> 65%
<b>Vision 2025</b>	> EUR 710bn	> EUR 10bn	> EUR 3.3bn	> 65%

# Financial Data



# Financial Data

## Financial highlights

in EUR m	Q1 2019	Q1 2018	Change
Revenues	566.7	420.4	34.8%
EBITDA	158.0	112.3	40.7%
EBIT adjusted*	134.8	97.8	37.9%
EBIT	126.5	88.4	43.0%
Income tax expenses	18.2	12.2	49.0%
Earnings after taxes	106.3	70.8	50.0%
Earnings per share (basic and diluted) in EUR	0.86	0.57	50.9%
Cash flow from operating activities (adjusted)**	143.4	87.4	64.0%
Total equity***	2,047.8	1,922.7	6.5%
Total equity and liabilities***	6,489.7	5,854.9	10.8%
Employees as of 3/31/2019 and 3/31/2018	5,502	4,913	12.0%
thereof full-time employees	5,171	4,567	13.2%
thereof part-time employees	331	346	-4.3%

\* Adjusted for amortisation (M&A related)

\*\* Consolidated cash flow from operating activities (adjusted)

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

# Financial Data

## Consolidated income statement

in EUR m	Q1 2019	in % of revenues*	Q1 2018	in % of revenues*
<b>Revenues</b>	<b>566.7</b>		<b>420.4</b>	
Own work capitalised	9.8		8.7	
Cost of materials	301.1	53.1%	230.0	54.7%
<b>Gross profit</b>	<b>275.4</b>	<b>48.6%</b>	<b>199.1</b>	<b>47.4%</b>
Personnel expenses	76.9	13.6%	52.5	12.5%
Other operating expenses	43.6	7.7%	33.4	8.0%
Impairment losses of financial assets	1.5	0.3%	3.5	0.8%
Other operating income	4.6	0.8%	3.1	0.7%
Share of profit or loss from associates (at equity)	-0.1	0.0%	-0.5	-0.1%
<b>EBITDA</b>	<b>158.0</b>	<b>27.9%</b>	<b>112.3</b>	<b>26.7%</b>
Amortisation and depreciation	31.6	5.6%	23.9	5.7%
<b>EBIT</b>	<b>126.5</b>	<b>22.3%</b>	<b>88.4</b>	<b>21.0%</b>
Financial result	-2.0		-5.4	
<b>Earnings before taxes</b>	<b>124.5</b>		<b>83.1</b>	
Income tax expenses	18.2	14.6%	12.2	14.7%
<b>Earnings after taxes</b>	<b>106.3</b>	<b>18.7%</b>	<b>70.8</b>	<b>16.8%</b>
<b>EBITDA</b>	<b>158.0</b>	<b>27.9%</b>	<b>112.3</b>	<b>26.7%</b>
Amortisation and depreciation (M&A adjusted)	23.2	4.1%	14.5	3.5%
<b>EBIT adjusted**</b>	<b>134.8</b>	<b>23.8%</b>	<b>97.8</b>	<b>23.3%</b>
Amortisation and depreciation (M&A-related)	8.4	1.5%	9.3	2.2%
<b>EBIT</b>	<b>126.5</b>	<b>22.3%</b>	<b>88.4</b>	<b>21.0%</b>

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

\*\* Adjusted by amortisation (M&A related)

# Financial Data

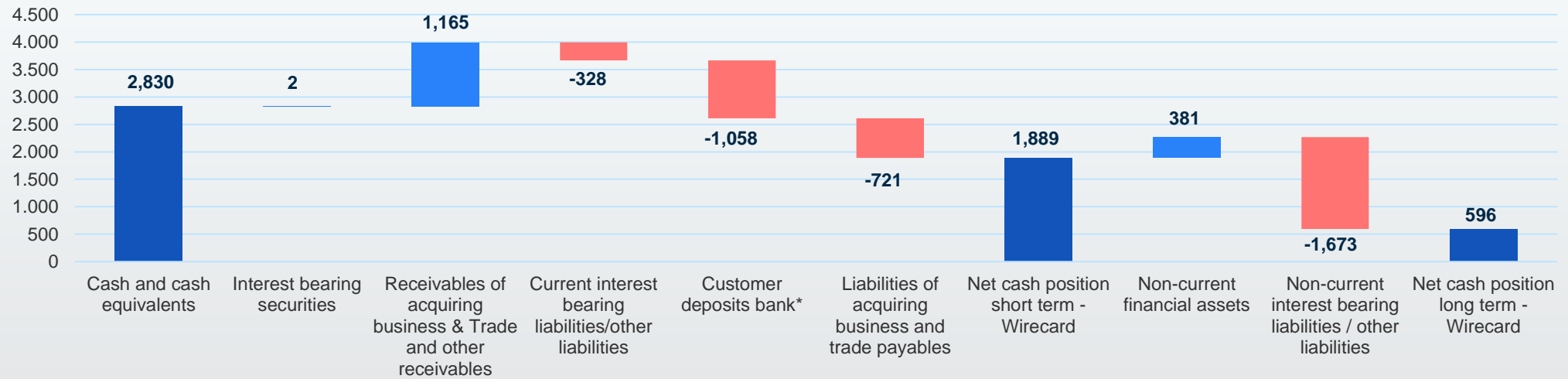
## Balance sheet

Assets in EUR m	3/31/2019	12/31/2018
Goodwill	719.7	705.9
Customer relationships	449.2	452.1
Internally-generated assets	143.5	138.2
Other intangible assets	110.2	113.3
Property, plant and equipment	113.2	81.5
Investments (equity method)	14.0	14.0
Fin. and other assets	401.9	413.6
Deferred tax assets	12.1	10.8
<b>Total non-current assets</b>	<b>1,963.8</b>	<b>1,929.4</b>
Inventories and work in progress	8.1	10.6
Receivables of acquiring business	807.6	684.9
Trade and other receivables	357.1	357.4
Tax credits	17.3	13.1
Interest bearing securities	506.3	139.6
Cash and cash equivalents	2,829.6	2,719.8
<b>Total current assets</b>	<b>4,525.9</b>	<b>3,925.5</b>
<b>Total assets</b>	<b>6,489.7</b>	<b>5,854.9</b>

Equity and liabilities in EUR m	3/31/2019	12/31/2018
<b>Total equity</b>	<b>2,047.8</b>	<b>1,922.7</b>
Non-current interest-bearing liabilities	1,498.7	1,348.7
Other non-current liabilities	174.6	163.8
Deferred tax liabilities	80.5	80.1
<b>Total non-current liabilities</b>	<b>1,753.8</b>	<b>1,592.6</b>
Liabilities of the acquiring business	652.8	651.9
Trade payables	68.7	63.4
Interest bearing liabilities	112.3	117.4
Other provisions	19.2	18.5
Other liabilities	216.2	186.6
Customer deposits bank	1,582.9	1,263.0
Tax provisions	36.1	38.9
<b>Total current liabilities</b>	<b>2,688.1</b>	<b>2,339.6</b>
<b>Total liabilities</b>	<b>4,441.9</b>	<b>3,932.2</b>
<b>Total equity and liabilities</b>	<b>6,489.7</b>	<b>5,854.9</b>

# Financial Data

## Net cash bridge Q1 2019 (in EUR m)



### \* Customer deposits bank break down in EUR m 3/31/2019

Customer deposits - balance sheet amount	1,583
thereof in long-term interest bearing securities	-19
thereof in interest bearing securities and fixed-term deposits	-506
<b>Customer deposits relevant for net cash calculation</b>	<b>1,058</b>

# Financial Data

## Cash flow and income tax analysis

in EUR m (except where stated)	Q1 2019	Q1 2018	Change
Cash flow from operating activities (adjusted)*	143.4	87.4	64.0%
Operative capex	-18.8	-15.7	19.6%
<b>Free cash flow</b>	<b>124.6</b>	<b>71.8</b>	<b>73.7%</b>
Earnings after taxes	106.3	70.8	50.0%
<b>Cash conversion in %</b>	<b>117.3</b>	<b>101.3</b>	

\* Consolidated cash flow from operating activities (adjusted)

in EUR m	Q1 2019	in % of EBT	Q1 2018	in % of EBT
<b>Earnings before taxes</b>	<b>124.5</b>		<b>83.1</b>	
<b>Income tax expenses</b>	<b>-18.2</b>	<b>14.6%</b>	<b>-12.2</b>	<b>14.7%</b>
thereof deferred tax expenses/income	-2.0	1.6%	1.6	-2.0%
thereof effective tax expenses	-16.2	13.0%	-13.9	16.7%
<b>Net cash outflow arising from income tax</b>	<b>-21.4</b>		<b>-13.2</b>	
thereof income tax	-21.4		-13.2	
thereof capital gain tax on dividends	0.0		0.0	

# Investor Relations

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