Wirecard is one of the fastest growing financial commerce platforms that offers merchants and consumers a continuously expanding payment ecosystem over an integrated B2B2C approach.
Global Megatrends driving Wirecard´s growth

6 global payment megatrends...

- **CASHLESS WORLD**: The shift from cash to plastic and virtual money – driven by regulators, supply and demand.
- **INTERNET TECHNOLOGY & IOT**: Taking over new areas such as production and retail.
- **FINANCIAL INCLUSION**: Increasing demand and supply for unbanked and underbanked people.
- **ARTIFICIAL INTELLIGENCE**: The first ever possibility to derive actionable insights from big data.
- **BORDERLESS PAYMENTS**: Driven by global trade, travel and politics.
- **FRICIONLESS CUSTOMER EXPERIENCE**: Driven by convergence of payment channels and customer expectations.

...driving our strategy

1. **Globalization** of own footprint, customers and services.
2. Constantly extend value chain with innovative value adding solutions.
3. Driving convergence between online, mobile and POS front-ends using innovative internet technology.
Wirecard’s USP’s

**VALUE CHAIN**
Strong value chain with end-to-end fully digitised acquiring and issuing leading to gross margin advantages

**DATA DRIVEN VALUE ADDED SERVICES**
Increasing conversion through digitised data layer that connects data sources via dynamic algorithms (AI and self learning algorithms)

**GLOBAL REACH**
Most advanced in rolling out Wirecard’s platform and innovations on a global scale
Wirecard’s end-to-end financial commerce platform

Fully digitised global acquiring and issuing
Transformation towards seamless digital omnichannel

New retail ecosystem

Customer at the center of the experience

- POS to e-POS transformation
- Voice commerce as an additional channel
- One digital stack provides the infrastructure
Customer experience is everything

Cross-selling
"You are near the FASHION STORE and the battery is running low. If you recharge at the store, you will get a 15% discount from the electricity supplier."

"Welcome back Julia. We noticed you visited us online."

Upselling or dynamic pricing
In case you want to buy the large bag, we offer instant credits or payment in installments.

Insurances
"We noticed that you bought an expensive handbag. Would you like to insure it against theft?"

Store assistant
- Mrs. Julia Smith (47 yrs)
- Married, 2 kids, drives sports car
- Searched for "Small handbag in green" in web shop

Tracking / customer identification
For improved risk management, consumer profiling and reduced chargeback risks

DCC – Dynamic currency conversion
Payment in home currency

Tax free
Integrated in payment flow

Instant merchant settlement
Funds are available instantly for working capital optimization

Self-checkout
Saves cashier personnel

Closed loop systems
"Pay with your boon app to get a 2% discount."

Closed loop systems
"Pay with your boon app to get a 2% discount."

"Welcome back Julia. We noticed you visited us online."
### Increasing performance for merchants and partners

**Value added services**

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<th>SERVICES AND SOLUTIONS</th>
<th>POTENTIAL</th>
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<td>Data analytics: churn prevention + customer targeting</td>
<td>+ 5 to 10% in sales</td>
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<tr>
<td>Risk and fraud</td>
<td>- 5 to 20% chargeback risk</td>
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<tr>
<td>Dynamic pricing (web &amp; store)</td>
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- Mobile insurance
- Increased customer convenience
- Instore assistant
- Digital voucher, digital gift card
- Merchant credits
- Digital consumer credits (online + offline)
- Dynamic pricing (web & store)
- Risk and fraud
- Data analytics: churn prevention + customer targeting

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**POTENTIAL**

- + 5 to 10% in sales
- - 5 to 20% chargeback risk
- Sales growth of 2 to 5% and increases of 5 to 10% in margins
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- 2 to 5% increase in top line
- 5 to 15% additional conversion potential by bridging online-/offline gaps
- Increased customer convenience
Commerce enabling platform

MERCHANT → CLASSIC PAYMENT SERVICES → COMMERCE ENABLING PLATFORM → PARTNER

CONSUMER → COMMERCE ENABLING PLATFORM → PARTNER

Integration in commerce enabling platform

VALUE vs. t
Wirecard’s visionary playing field

80-85% cash transactions worldwide

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

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

LEAVING AN ENORMOUS MARKET POTENTIAL FOR WIRECARD
Extension of our value chain

Vision 2025
Transition to commerce enabling platform
Global rollout of boon.
Payment as an entry point for a data and financial services centric ecosystem, by strong extension of:
• Digital analytics
• Digital financial services (such as credit, working capital optimization etc.)
• Dynamic loyalty & couponing
• Digital insurance

Status quo
Strong e-commerce offering
Driving convergence & connected commerce
Transforming cash into electronic payments
Value added services in the area of risk, analytics, currency conversion, virtual accounts, peer-to-peer

>30% value added

- Digital payment processing/ acquiring & issuing
- Digital value added services
Our vision in financial terms

**2020**

- Transaction Volume: > EUR 215 BN
- Revenue: > EUR 3 BN
- EBITDA/-Margin: 30 – 35%
- FCF Conversion: > 65%

**2025**

- Transaction Volume: > EUR 710 BN
- Revenue: > EUR 10 BN
- EBITDA/-Margin: > EUR 3.3 BN
- FCF Conversion: > 65%