



STAY IN THE FLOW OF YOUR SUCCESS - SYNCHRONISE YOUR BUSINESS WITH WIRECARD

Annual Report Magazine 2015

KEY FIGURES

771,340
in kEUR
+28.3%

1.16
in EUR
+30.3%

172,844
in kEUR
+30.1%

227,315
in kEUR
+31.4%

+38.2%
in kEUR

199,080

STAY IN THE FLOW OF SUCCESS - SYNCHRONISE YOUR BUSINESS WITH WIRECARD

Annual Report Magazine 2015

« In the digital age, an evolution affecting the significance and structure of trade is taking place: information chains and business processes are accelerating rapidly. Only those who can count upon their partners to reliably perform certain tasks can remain competitive. »



EDITORIAL 06 →

OMNICHANNEL 10 →



OMNICHANNEL SOLUTIONS:
THE KEY TO SUCCESSFUL E-COMMERCE
Understanding and responding to shifts in the e-commerce landscape is a critical retail success factor today. As a global technology company, Wirecard is the ideal partner for this challenge.



CONTENT

P. 06
EDITORIAL

Revenue-driver for the point-of-sale
Wirecard also provides high street retailers with solutions allowing them to benefit from buyer data in order to offer customers tailored products, services and value added services.

P. 10
SECURE _____ Omnichannel
| Checkout Portal | B2B Solutions | Omnichannel Sales
P.16 P.20 P.26

P. 30
SIMPLE _____ Mobile Payment
| Boon | Orange Cash
P.32 P.42

P. 48
TRANSPARENT _____ Value Added Services
| Connected POS | Bijlipay | Alipay
P.52 P.59 P.60

P. 62
FAST _____ Financial Technology
| Funding Circle | Number26 | Holvi
P.68 P.72 P.74

P. 76
IMPRINT
QUICK TO REGISTER,
EASY TO USE
Wirecard has developed NFC and HCE-based mobile solutions that conveniently facilitate global payments.

The customer's perspective
Fintechs provide quick and simple financial services. With Wirecard as a partner, even small businesses are able to genuinely compete with established companies.



FINANCIAL TECHNOLOGY 62 →

« *In the digital age, an evolution affecting the significance and structure of trade is taking place: information chains and business processes are accelerating rapidly. Only those who can count upon their partners to reliably perform certain tasks can remain competitive.* »



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MOBILE PAYMENT 30 →

VALUE ADDED SERVICES 48 →

FINANCIAL TECHNOLOGY 62 →



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Wirecard also provides high street retailers with solutions allowing them to benefit from buyer data in order to offer customers tailored products, services and value added services.



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Fintechs provide quick and simple financial services. With Wirecard as a partner, even small businesses are able to genuinely compete with established companies.

Dear Readers,

In the digital age, an evolution affecting the significance and structure of trade is taking place: information chains and business processes are accelerating rapidly. For us, being a dependable partner to our customers is a priority. As a technology company, we take on the processes that help our clients to operate successfully in the market, because only those who can count upon their partners to reliably perform certain tasks can remain competitive.

**AUTOMATION
ENSURES
HIGHER
STANDARDS**

Consumer expectations are putting pressure on companies to radically assess their business processes and modernise accordingly in nearly every industry. An intuitive user interface, 24/7 availability, real-time order fulfilment, personalised communication, consistent worldwide service and competence – this is the world to which consumers are becoming more and more accustomed.

Customers' expectations are high, particularly when it comes to payment procedures. One of the most frequent reasons for which online purchases are broken off is the absence of the customer's preferred payment method. By offering payment via invoice, direct debit, credit card and other payment methods, the number of abandoned purchases can be considerably reduced.

When choosing the most suitable payment methods, it is essential that customers can actually use them, both instantly and impulsively. The payment must also be cost-effective and secure from the customer's point of



«DIGITISATION RAISES CUSTOMER EXPECTATIONS.»»



view. Merchants can take advantage of our notable expertise and experience in this area.

**DIGITISATION
RAISES
CUSTOMER
EXPECTATIONS**

Digitisation is dramatically altering the relationship between consumers and merchants. Although consumers obviously still want to spend their holiday in the real world, not the virtual one, they do want to remain much more flexible nowadays. Thanks to the internet, they can react more spontaneously than ever before. Nevertheless, merchants retain a great deal of leeway, since they are able to take on a wider range of tasks. Thanks to digitisation, for instance via social media, they can establish a much more direct relationship with their customers.

«Although consumers obviously still want to spend their holiday in the real world, not the virtual one, they do want to remain much more flexible nowadays.»

While this affects online shopping in particular, customers also want the possibility of being served in a physical store with a pleasant atmosphere. Ultimately, only those merchants who intelligently link e-commerce with stationary retail stores can fulfil these expectations. The customer of today wants to be able to find their retailer of choice everywhere and at all times, whether at home, on the high street or on the move. This means that even merchants with just a physical store should build an online presence and take advantage of the opportunities offered by the internet. Equally, online merchants have

«Even merchants with just a physical store should build an online presence and take advantage of the opportunities offered by the internet. Equally, online merchants have long been expanding into the physical retail world.»



long been expanding into the physical retail world. Digitisation will lead above all to new service offerings in physical stores. Customer loyalty programmes of all sorts are easy to integrate, thereby enhancing the customer's shopping experience and helping merchants to reach their customers on an ongoing basis. Multi-channel retailers (those who sell via multiple channels) can expect to see an increase in their online sales.

Wirecard offers a combination of technology and financial services that is unique on the market. This allows us to cover the entire value chain of electronic payments. We are agile and develop time-saving innovative solutions both for and in collaboration with merchants which allow them to meet increased customer expectations and continue to maintain their market share.

Dr. Markus Braun,
CEO Wirecard AG



OMNICHANNEL

SECURE AND AVAILABLE EVERYWHERE

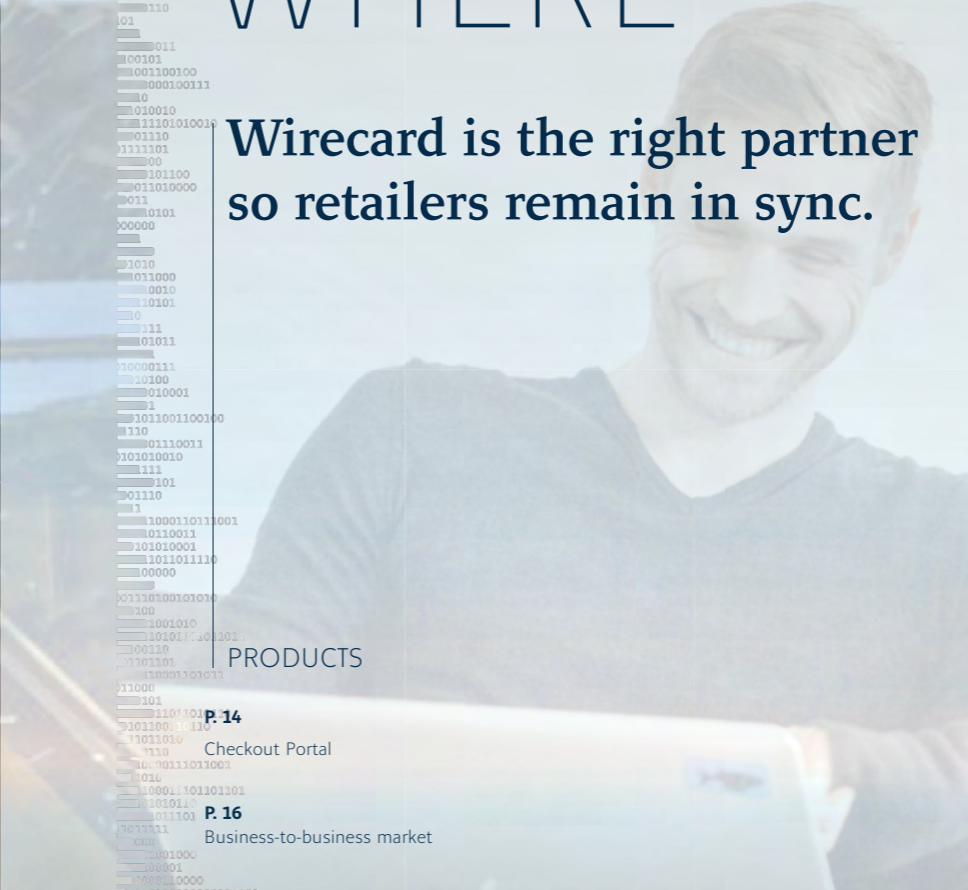
« The surge of smartphones means that travellers can receive communications and real-time information from their travel agent, airline or even services that they have pre-booked at their destination. »

Jörg Möller
Executive Vice President Sales Travel

Wirecard is the right partner so retailers remain in sync.

PRODUCTS

- P. 14 Checkout Portal
- P. 16 Business-to-business market
- P. 20 Omnichannel retail





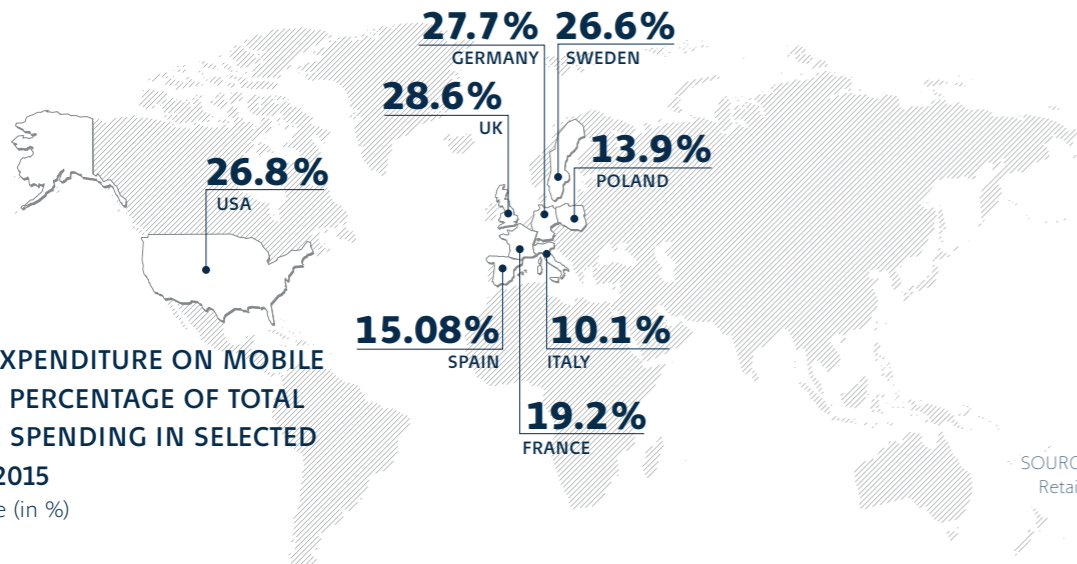
The surge of smartphones means that travellers can receive communications and real-time information from their travel agent, airline or even services that they have pre-booked at their destination.



Jörg Möller
Executive Vice President Sales Travel



A few days ago, there was a loud crack, and Stefan's car suddenly sat lower to the ground. Stefan has been interested in cars since he can remember. Usually, he repairs them himself and no longer buys spare parts from a garage. Stefan often takes advantage of the multitude of opportunities presented by e-commerce platforms to acquire the things he needs at a favourable price, without sacrificing on quality. Advancing digitisation has dramatically altered consumers' information behaviour, while hyper-individualisation has given rise to many business models – primarily in the West – that are based on meeting out-of-the-ordinary customer requirements.



CONSUMER EXPENDITURE ON MOBILE DEVICES AS A PERCENTAGE OF TOTAL E-COMMERCE SPENDING IN SELECTED MARKETS IN 2015
Total mobile share (in %)

Stefan needs a spring for the front left wheel of his car. At home, he researches the shops that supply this product for his brand of car. He gets additional advice from a friend who is a mechanic. On the way to work, he orders the spring on his smartphone. The package is delivered the next day.



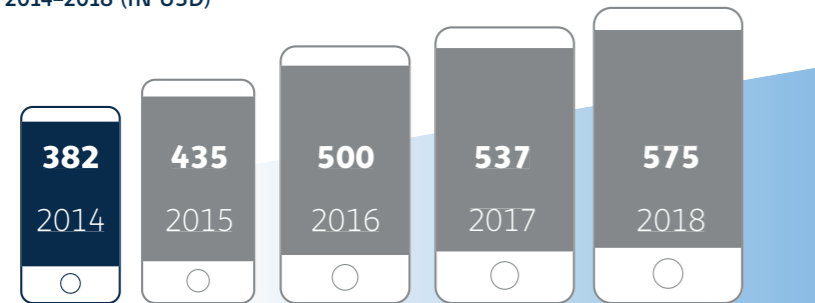
Consumers of today shop when they want and do so across different channels.

Omnichannel solutions: the key to successful e-commerce

These days, once consumers have chosen a product, they want to have it as soon as possible: regardless of whether they purchased it in a shop, on their home computer or on the way to work using a smartphone.

Understanding and responding to shifts in the e-commerce landscape is a critical retail success factor today. As a global technology company, Wirecard is an innovator and pioneer in this field of business. With solutions for every aspect of e-commerce, from online payment acceptance and fraud prevention to value added services, Wirecard is ideally placed to meet merchants' every e-commerce need.

**SPENDING ON MOBILE DEVICES PER CONSUMER
2014-2018 (IN USD)**



□ FORECAST; SOURCE: Goldman Sachs



mobile. This means that high street retailers should have both a physical store and an online presence to benefit from potential internet sales. At the same time, online merchants have long been crowding into the physical retail world. Digitisation will primarily lead to new service offerings in physical stores. Customer loyalty programmes are easy to integrate, enhance the customer's shopping experience and help merchants to reach their customers on an ongoing basis. Omnichannel retailers, that is those who sell via multiple channels, expect to see an increase in their online sales.

Digitisation has shifted the retail landscape. Merchants who are simultaneously able to manage both a physical and online presence are dominating the market. Wirecard is a true partner to these merchants. We offer our customers innovative solutions, so that they can meet increasingly complex requirements in addition to securing and increasing their sales.



Internet technology is the best globally available technology for secure information transmission and processing. Customers can now respond while on the move more than ever before. Most people have long taken online shopping as a given. This applies to everyday products, and it applies not only to consumers in countries with complex technological infrastructure, but also to those in emerging markets.

In the past, sales channels were still clearly delineated. Companies offered their products either in a local shop or in their own online shop. Customers had to choose one channel or the other in order to get the desired product. With the advent of e-commerce, it became possible to link the online and offline worlds. Today, internet-based technologies and mobile devices like smartphones or tablets are changing the parameters of retail once again – for shopping and, above all, for payment. Mobile commerce enables situational consumption: customers shop spontaneously, as and when it occurs to them or an interesting opportunity presents itself. Even payment takes place on all channels: online, mobile and at the point-of-sale. Such flexible or even impulse-driven decision-making by consumers requires new levels of versatility and complementary service offerings from merchants.

Sales channels are merging, creating a more adaptable omnichannel retail. Modern consumers want to be able to access their retailer of choice any time, anywhere: at home, in a shop or via

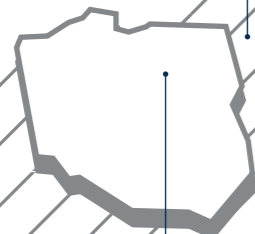
Today, online sales in Europe are growing faster on mobile devices than any other channel, and smartphone and tablet screens are already the first point of contact for the majority of e-commerce consumers. Leading e-commerce retailers realised this long ago and developed mobile strategies and apps to reach on-the-go consumers.

While modern shopping journeys often take consumers to a merchant's physical store, its website and its mobile app, most retailers still struggle to track data across all channels. This, however, is a key requirement for omnichannel retail. As a leading global technology company in the field of electronic payment, Wirecard is the right partner for all merchants, whether they operate regionally or globally. With our solutions, retailers can serve consumers quickly and wherever they happen to be.

Stefan's car is running again. He recently ordered his summer tyres on the internet.

AVERAGE YEARLY GROWTH IN ONLINE SALES IN EASTERN EUROPE SINCE 2010

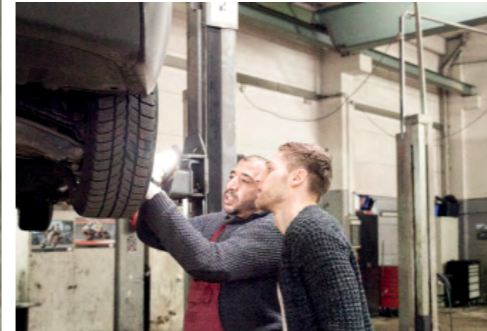
35%



EXPERTS ARE PREDICTING AN ANNUAL GROWTH RATE OF

25%

IN THE POLISH MARKET



PRODUCT CHECKOUT PORTAL

CHECKOUT PORTAL EXPANDING IN EASTERN EUROPE

Wirecard Checkout Portal is a fully automated solution that enables small and medium businesses and marketplaces to easily offer online payments. The Portal supports up to 20 proven international payment solutions, numerous currencies and also incorporates risk management modules and banking services.

Wirecard Checkout Portal is expanding into Eastern Europe, where online sales have been growing by an average of 35% year on year since 2010. The product launch in Poland was the first step. To this end, Wirecard was able to involve Verseo.pl, a Google-certified Premier SME Partner. Experts predict an annual growth rate of 25% in the Polish market. As Wirecard's first partner in Eastern Europe, Verseo.pl, the Polish Google AdWords Premier SME Partner, will take over the targeted planning and management of online ad campaigns for e-commerce merchants wishing to conduct individual payment processing and risk management with Wirecard Checkout Portal. In this way, online retailers using Wirecard Checkout Portal can significantly improve their brand awareness.

www.checkout-portal.com

Stefan will order a new spring for his car on the internet. Small and medium-sized enterprises (SMEs) in particular can establish a client base quickly and easily through online shops.

DAILY MONITORING

Merchants want payment security, safe buyer identification, valid age verification and 100% protection of their transaction data. Wirecard's risk analysts make sure this security is guaranteed. They check every transaction to spot fraud patterns and, in order to prevent fraud, they create and implement individual standards for each merchant account.

Risk analysts are an important link between merchants and Wirecard. In the process, their close cooperation with merchants and collaboration with Wirecard Bank (fraud investigations), as well as with individual analysts from particular sales segments, is crucial. Of course, also required is employee education and training by merchants and the support of enhancements in the fraud prevention solutions on offer.

Due to personal collaboration with internal departments and merchants from varying industries of different sizes and with special requirements, we are able to draw upon a greater wealth of experience than could any individual merchant.



MELANIE HILLEN
HEAD OF MERCHANT SUPPORT



As a department within merchant support, the risk analyst team ensures that customer satisfaction is a top priority. We achieve this in the area of fraud recognition and prevention through active, real-time monitoring of operations, collaboration with affiliated merchants and development of effective rules to automatically recognise fraud patterns.

Fraud patterns vary according to segment. When looked at individually, many indicators do not give an immediately clear picture of any fraudulent transactions or behaviour, if at all. The best rate of recognition arises from an overall view of the specific segment and merchant-aligned consumer behaviour. Thanks to daily monitoring, Wirecard is able to respond in real time to fraudsters' continuously changing online behaviour. Wirecard offers the most diverse risk services to all merchants, which can even be managed by the merchants themselves through the available interface. Even the basic rules set out by Wirecard, which exceed the market standard, generally provide sufficient protection for merchants and consumers. With risk and fraud prevention services and close collaboration between merchants and Wirecard's risk analysts, fraud cases can be significantly reduced in a short period of time.

ALL FUNCTIONS ON A SINGLE PLATFORM

LINDA FRÜH
HEAD OF PLATFORM DEVELOPMENT & INNOVATIONS



Wirecard actively supports companies operating in all sectors in the sale of goods and services across channels with its established standard products as well as tailored payment and industry-specific solutions.

Merchants can select various integration options through the multi-functional Wirecard platform. The Wirecard Gateway interface supports the processing of both e-commerce payments and in-app payments based on iOS and Android, as well as payments at the point-of-sale, payment via mobile POS and call centres and mail order/telephone order (MOTO) transactions.

In the course of processing the transaction, Wirecard Gateway performs dynamic routing and forwards transactions to the affiliated acquirer or provider of each respective payment method in order to authorise and execute payment. Wirecard provides its customers with a variety of domestic and international payment methods, allowing online merchants to benefit from a payment mix optimised for their market and target group.

The transaction processing is enhanced through integrated, customer-specific risk and fraud prevention solutions from Wirecard, which significantly help to minimise the risk of payment default and increase the rate of conversion during checkout processes. The decision algorithm is continuously adjusted with the aim of proactively counteracting new fraud patterns.

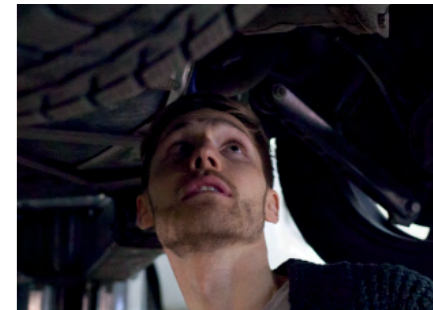
As a final addition to round out its payment processing portfolio, Wirecard offers its customers extensive reporting processes and analytical tools as well as various value added services, such as loyalty and voucher programmes. The range of functions in the Wirecard PSP platform is to be continually expanded with innovative products and services for electronic payment processing.

PRODUCT B2B SOLUTIONS

OPPORTUNITIES IN THE BUSINESS-TO-BUSINESS MARKET (B2B)

Wirecard has launched single-use virtual cards for China's growing domestic and cross-border B2B payments market. The card solution, an extension of Wirecard's Supplier and Commission Payments platform, enables organisations to make secure B2B payments online in Chinese Renminbi.

As the accounting department only transfers the required credit to the single-use card on a specified day, organisations don't have to worry about the details of a payment card with a high credit limit getting into the wrong hands. China is expected to emerge as the world's largest B2B e-commerce market by 2020, meaning that the ability to quickly establish ourselves in this fast-growing market gives us a significant advantage.



CHINA

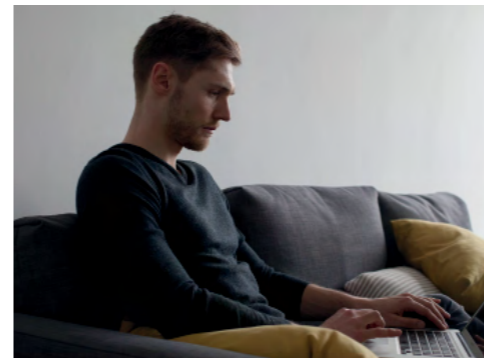
2020
EXPECTED TO BE
THE BIGGEST B2B
E-COMMERCE MARKET

Online shopping is now a matter of course for consumers in most countries around the world. Wirecard offers secure B2B solutions to merchants and distributors globally.

Payment method is decisive success factor:

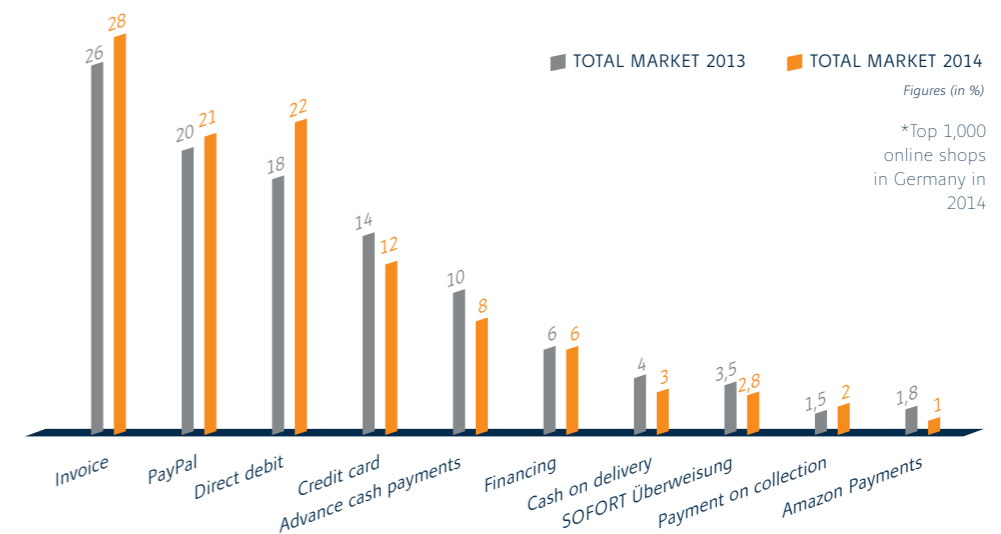
How having the right *payment mix* can increase your conversion rate

The absence of an acceptable payment method is reason enough for more than half of German internet shoppers to abandon an online purchase, according to a study on e-commerce payment conducted by the ECC Köln research institute last year. The study found that self-determination, reliability and security play an important part in payment transactions.

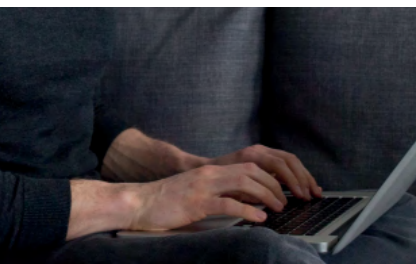


This is why understanding and accepting a customer's preferred payment method in each market is a crucial success factor for e-commerce companies. As a powerful payment service provider (PSP) which offers banking and risk management solutions in addition to payment processing all from a single source, Wirecard can help in this process. After all, the payment methods most sought after by customers often entail the highest risk for online merchants. While British consumers tend to prefer credit cards, the most popular online payment methods for German shoppers are purchase on invoice (28%) and direct debit (22%), according to a 2015 study on online

SALES TRENDS BY PAYMENT TYPE 2013-2014*



SOURCE: EHI-STUDIE, ONLINE-PAYMENT 2015 (EHI RETAIL INSTITUTE)



payment carried out by the EHI Retail Institute. Purchase on account is entirely advantageous for consumers. For merchants, however, this payment method mostly leads to increased costs resulting from auditing processes, returns and payment disruptions or even defaults. Nonetheless, shop owners benefit enormously from the positive effect on their online store's conversion rate. If it's not possible to avoid charging fees for certain payment methods, customers are most likely to be persuaded by transparent and plausible explanations.



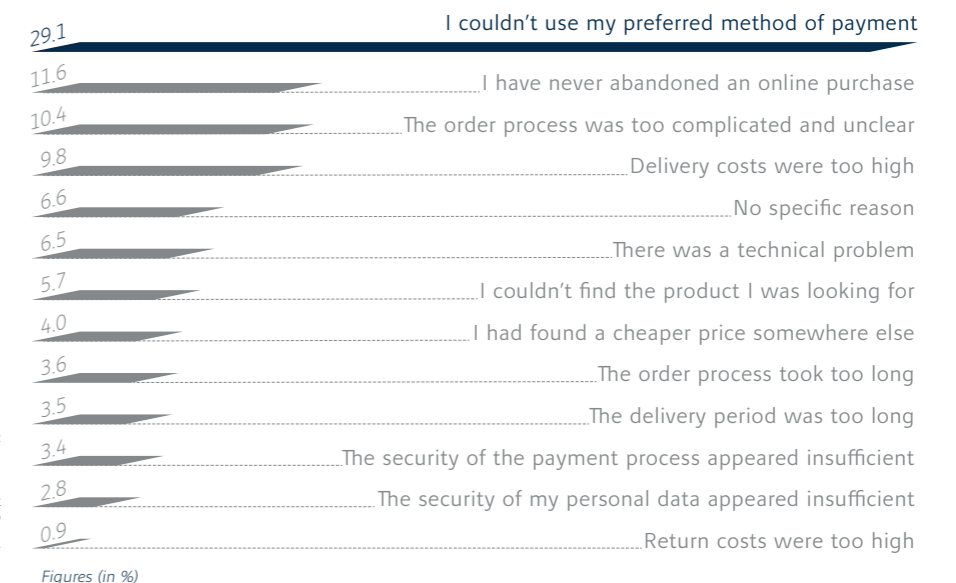
The online behaviour of consumers is marked by constant change due to the rise of various devices. Currently, the growth of responsive web design illustrates that customers want to use the same familiar payment methods anytime, anywhere, across all devices. This means that a customer-oriented payment mix remains a basic success factor in purchase decisions, which must be taken into account in order for online merchants to operate successfully in the market.

Avoid abandoned purchases: potential shoppers are often converted into buyers when retailers offer their preferred payment method.



FAILING TO OFFER A CERTAIN PAYMENT TYPE IS THE MOST COMMON CAUSE OF ABANDONED PURCHASES

Consumer reasons for abandoning their last internet purchase



SOURCE:
 Respondents German internet users in total
 Fittkau & Maaß: W3B-Report
 „Kaufentscheidung im Internet“
 (Purchasing decision on the internet), 2014.
 © 2014 Fittkau & Maaß Consulting



PRODUCT CONNECTED POS

OMNICHANNEL SALES FOR LOCAL MERCHANTS

As of January 2016, retailers associated with the global marketplace, SugarTrends.com, can connect their existing point-of-sale infrastructure to Wirecard's smart ConnectedPOS platform. ConnectedPOS helps retailers gather and analyse a variety of customer data linked to the point-of-sale, including transactions, loyalty programmes and social media apps. When a customer makes an in-store payment at a SugarTrends.com retailer, ConnectedPOS will also provide a coupon which can be redeemed at the retailer's online shop.

This not only strengthens the customer relationship at the point-of-sale, but also offers retailers an opportunity to integrate their data and better understand their customers.



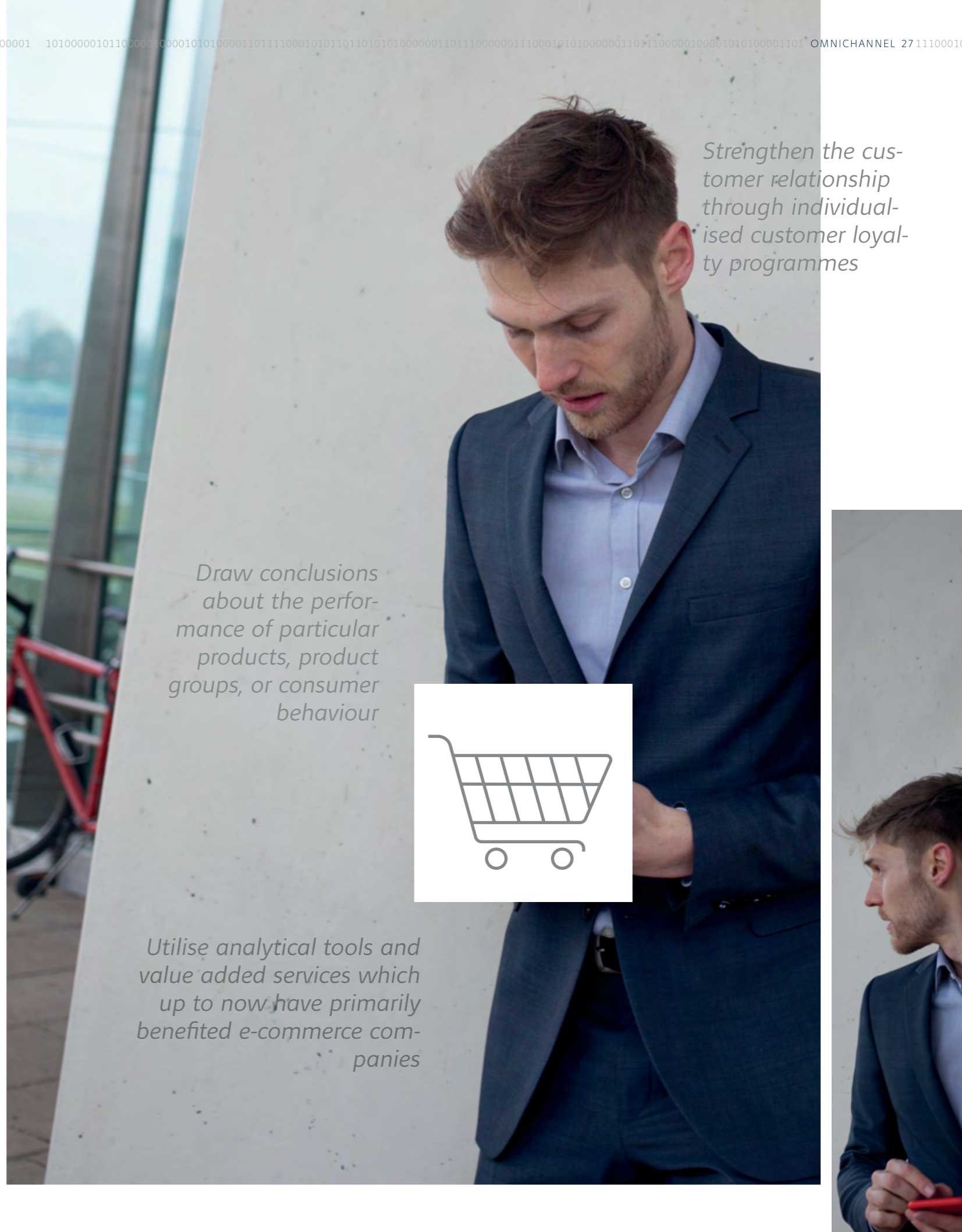
Omnichannel solutions from Wirecard provide a link between physical stores and online retail: the customer shops in store and receives a coupon for the same merchant's online shop, which is then redeemed mobile.

Strengthen the customer relationship through individualised customer loyalty programmes

Draw conclusions about the performance of particular products, product groups, or consumer behaviour



Utilise analytical tools and value added services which up to now have primarily benefited e-commerce companies



JÖRG MÖLLER
EXECUTIVE VICE PRESIDENT SALES TRAVEL



VALUE ADDED FOR TOURISM

Mobile payment systems have the ability to change the tourism industry. However, success is not only based on the payment process itself but also significantly associated with the combination of service offerings, payment functionality and usability. For instance, the travel business has already adapted hotel reservation systems, online portals and taxi services to take this development into account.

While the period of time before a holiday (including the selection and booking process) was previously in focus, the spotlight has now shifted to the timeframe of the holiday itself. The surge of smartphones means that travellers can receive communications and real-time information from their travel agent, airline or even services they have pre-booked at their destination.

Mobile payment systems already combine a range of services: alongside actual payment transactions, this may include gift voucher acceptance or ticket issuing. They offer access to transportation options such as rental cars or trains, as well as customer loyalty programmes. Smartphones are not the only medium

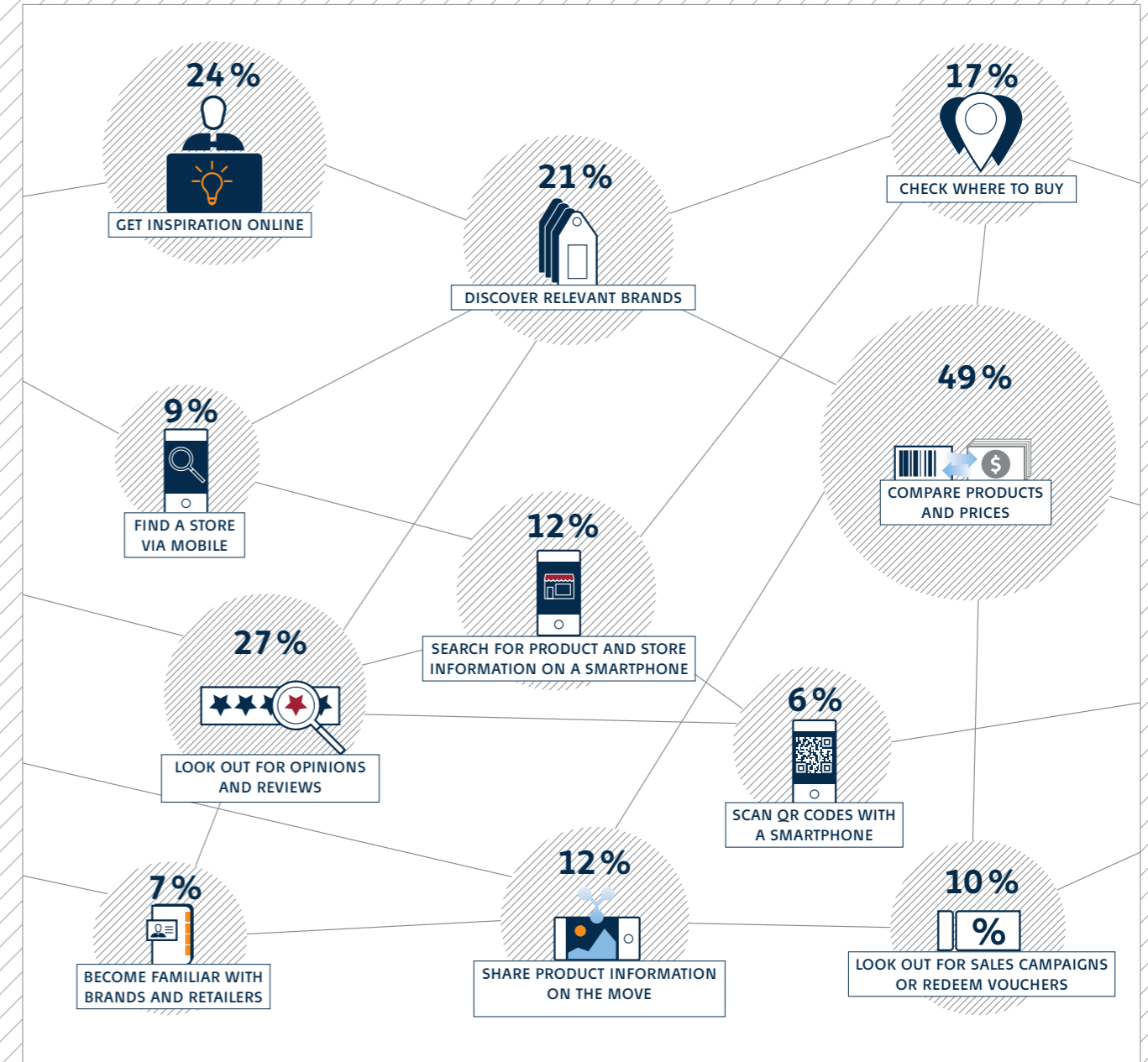
for mobile payment systems: wristbands, watches and even rings can also be used to take advantage of this opportunity.

Technology today enables tourism experts to accompany their customers throughout their holiday, and to make them offers that are tailored to their personal preferences and destination in real time. On a rainy day, for instance, they could offer tickets to a museum or organise a taxi to arrive at a suggested restaurant at a certain time. If an emergency were to arise, more active assistance could be offered such as providing cash in case of theft or paying for medical care directly.

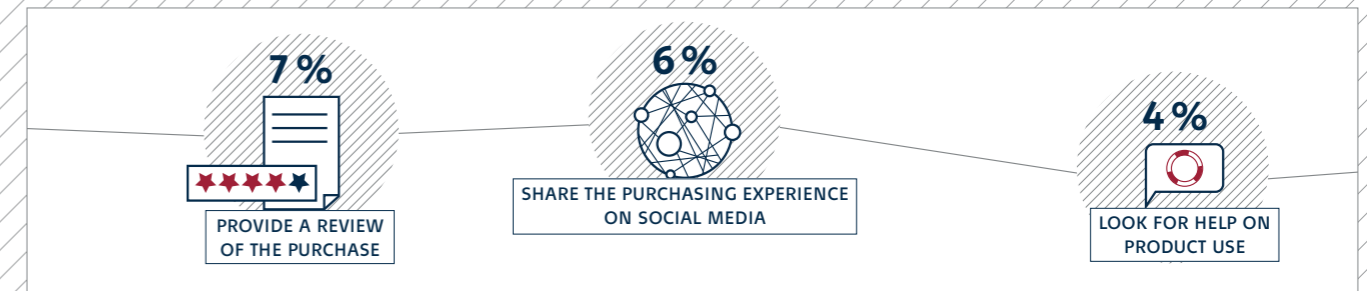
It will be interesting to see who takes on the role of "guide" for holidaymakers: this could be the tour operator that was used to book the holiday, or a local, incoming travel agency which can use its inside knowledge to tailor offers to the individual customer. The market is only now beginning to develop and thanks to its mobile payment solutions, Wirecard is perfectly positioned to take advantage of this.

THE DIGITISATION OF CONSUMERS' PURCHASE BEHAVIOUR

PRE-PURCHASE ACTIVITIES



POST-PURCHASE ACTIVITIES





MOBILE PAYMENT

boon is characterised by its unique and intuitive user experience and simple registration process.

SIMPLE AND CONVENIENT

Solutions from Wirecard for contactless smartphone payments.

PRODUCTS

- P. 32 boon
- P. 42 Orange Cash



« *boon is characterised by its unique and intuitive user experience and simple registration process.* »

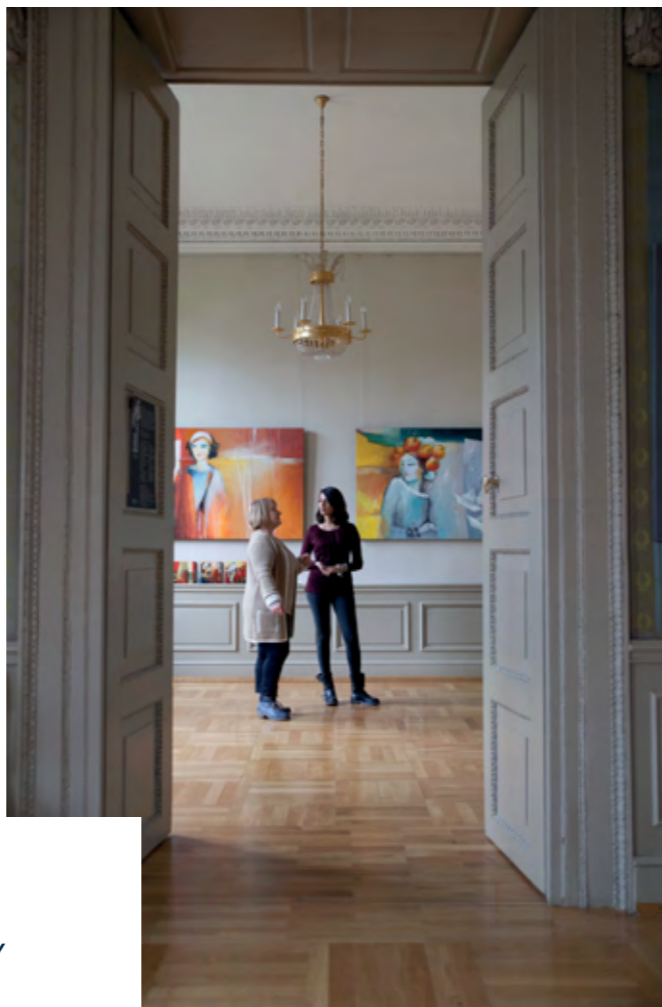
Georg von Waldenfels
Executive Vice President Consumer Solutions



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The art student used boon to pay for entry to the gallery. Wirecard solutions help consumers and merchants to concentrate on their actual work.



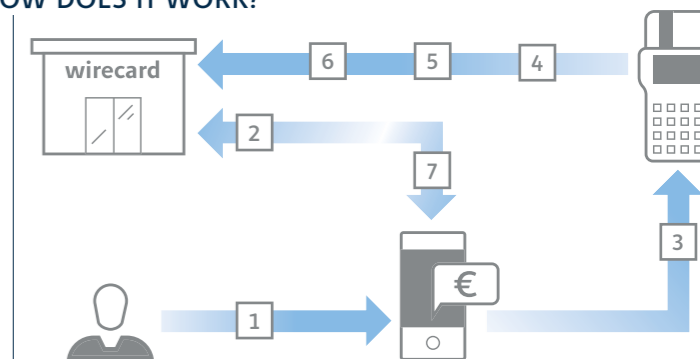
PRODUCT BOON

EASILY REACH COUNTLESS CUSTOMERS WITH HCE



Wirecard has introduced an especially easy and secure method of contactless payment in the form of HCE (Host Card Emulation) technology. It's a purely software-based solution that doesn't require a special SIM card or security module to be built into the phone. As a result, it's ideally suited to companies that want to reach a wide range of customers regardless of their mobile provider or device. With the help of a smartphone app, a virtual prepaid card is created which users can use to pay at contactless point-of-sale terminals and using chip card devices. They simply have to hold their smartphone next to the device. It's convenient, time-saving and above all secure: all data required for the transaction is kept not on the smartphone, but rather stored on a secure server. During payment, only what is known as a token, a sort of digital key, is transmitted. This does not even require an internet connection. A further advantage: HCE meets the EMV standard and is fully compliant with PCI. That means merchants can continue to use their existing POS technical infrastructure without having to dig deep for an expensive retrofitting.

HOW DOES IT WORK?



- 1 The user downloads the HCE app onto a smartphone and opens a prepaid account through the HCE mobile app.
2 Wirecard generates the card data and transaction tokens, which can only be used with a particular smartphone and app, and sends it to the user's device for secure storage.
3 In order to pay, the user simply holds the smartphone next to the terminal.
4 The terminal processes the transaction like a normal EMV transaction.
5 The token is verified.
6 Wirecard authorises the payment.
7 The HCE app is regularly supplied with new tokens.





LARGE REACH OF PAYMENT APPS

HCE is available for the Android operating system, which commands a market share of around 71% in Great Britain, Germany, France, Spain, Italy and China. Android is also enjoying a surge in popularity in the USA. Their market share currently stands at around 59% (as of December 2015). According to Google, the mobile operating system Android 4.4 ("KitKat" or higher), a requirement for HCE, is already installed on more than two-thirds of all Android devices (as of February 2016). The reach of payment apps worldwide is correspondingly large: manufacturers sold around 1.4 billion smartphones in 2015 alone.

boon. is based on a virtual prepaid MasterCard and is an accepted payment method at any contactless point-of-sale terminal worldwide. User navigation is kept deliberately clear and simple.



Wirecard's mobile payment solutions ensure that consumers always have access to funds and that merchants retain flexibility work.

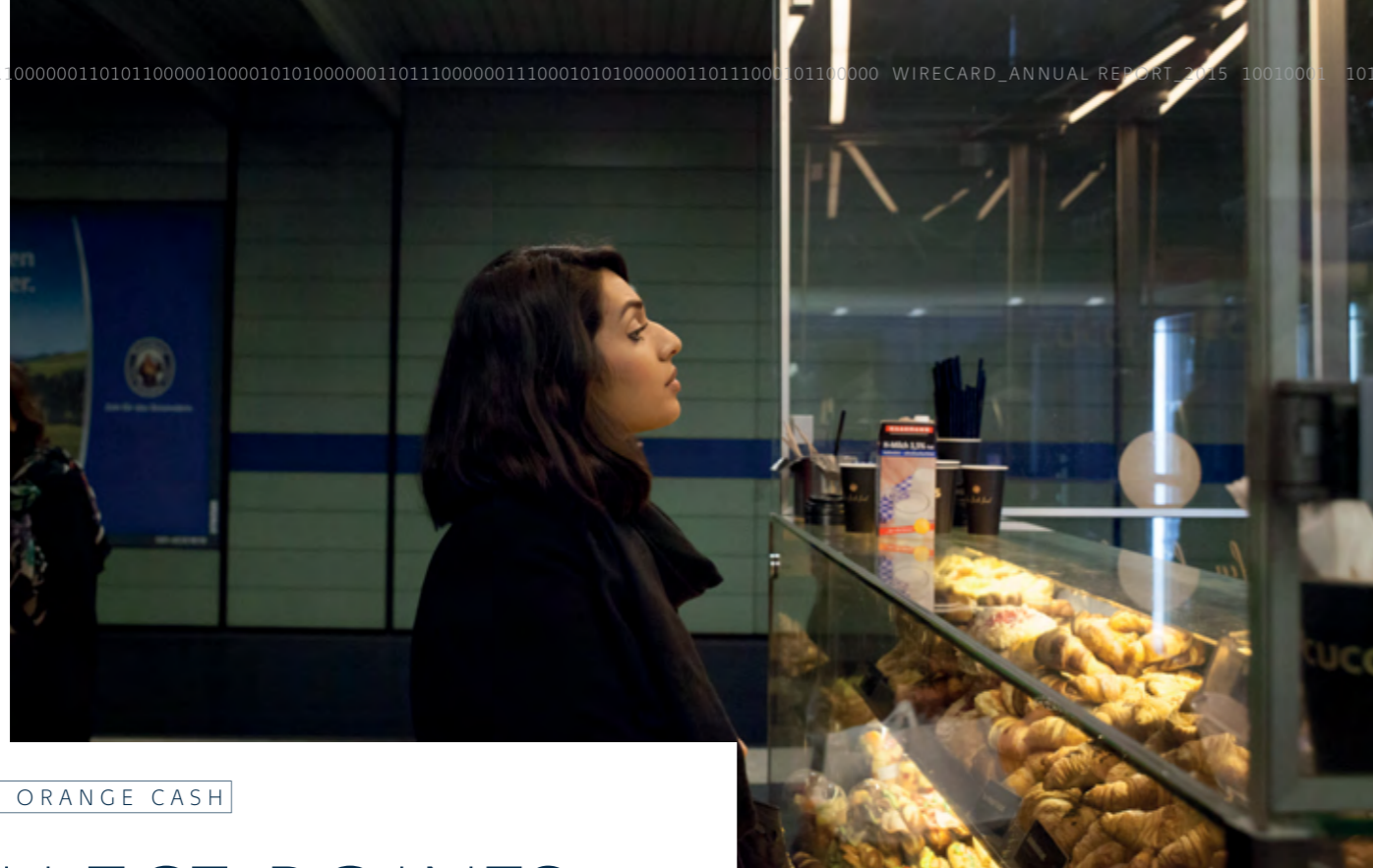


payment



A ticket for public transport, museum entry fee, or a coffee from a kiosk or in a café: with mobile solutions from Wirecard, Ria can quickly and easily pay everywhere.

By 2018, half of all consumers in markets such as North America, Japan and parts of Western Europe will make contactless payments with a smartphone or wearable, market research company Gartner has predicted. According to business consultant Arthur D. Little, the transaction volume of mobile payments will nearly triple to USD 800 billion by 2017. Wirecard identified this trend very early on and offers all necessary services along the entire value chain: from the provision of accounts and cards including the necessary e-money and issuing licences for MasterCard and Visa, to integrated value added services and the technical infrastructure.



PRODUCT ORANGE CASH

COLLECT POINTS WITH ORANGE CASH

Together with the mobile provider Orange, Wirecard has developed the mobile payment solution Orange Cash. The virtual wallet uses an NFC SIM card to securely store the digital Visa card. It was gradually introduced in France in 2014 followed by a nationwide rollout in Spain and France in 2015. The Wirecard Group is responsible for the design, implementation and development of all technical and financial processes. In addition to security, a high level of usability was also a central focus of the development.

Orange customers can not only use the flexible payment application to make contactless payments at NFC-enabled terminals worldwide, by topping up their card ahead of time, but can also use it pay online. To this end, a one-time credit card is generated in the app in real time, which customers can use to purchase from an online store of their choosing for 24 hours.

With this mobile wallet, customers can also lend money, take advantage of peer-to-peer functions, or split a bill with anyone who uses Orange Cash.

Wirecard has developed a mobile wallet for Orange, with which merchants benefit from sales-boosting customer loyalty programmes and gain customers at various contact points.

Orange Cash users also benefit from additional offerings that are especially tailored to their needs: thanks to modern couponing & loyalty systems from Wirecard, merchants can also create individual buying incentives before, during or even after a purchase with highly diverse promotional methods such as gift vouchers, discounts, loyalty points or cashback deals. It is even possible to direct attention toward special offers or discount campaigns via the Orange Cash app, which provides another incentive for customers to enter the shop.

Supplemented by BLE (Bluetooth Low Energy) technology, it is possible to supply customers on the shop floor with relevant product information, advise them regarding offers and individually guide them through the store via signals from what are known as beacons. The added value services offered by Wirecard not only make their sales-driving presence felt at the POS, they also have a long-term influence on customer loyalty.



2.8

million acceptance points throughout Europe



ORANGE CASH: an example of the integration of a customer loyalty programme into a mobile app

In the area of coupons and loyalty, we offer what are known as card-linked offers through our innovative customer loyalty system. This Software-as-a-Service (SaaS) platform allows merchants and programme managers to manage their campaigns and configure customer loyalty programmes themselves, both quickly and easily. They have the choice between pre-defined or individual campaign formats of any scale, as well as three flexible premium concepts. The programmes run automatically in real time based on transactions that customers carry out with their registered cards. As a so-called "single-tap" loyalty experience, the programmes are fully integrated into the payment process and combine with Wirecard's issued cards, POS terminals and other payment acquiring solutions to create an extra value added service. In addition to supporting the programmes, the online platform also offers access to customer data, in compliance with data privacy regulations, and insightful statistics on current campaigns at any time. With the help of practical analytics tools, future actions can be optimised and defined with even greater precision.



PRODUCT CARD-LINKED OFFERS

SIMPLE AND SEAMLESS CUSTOMER LOYALTY OFFERS



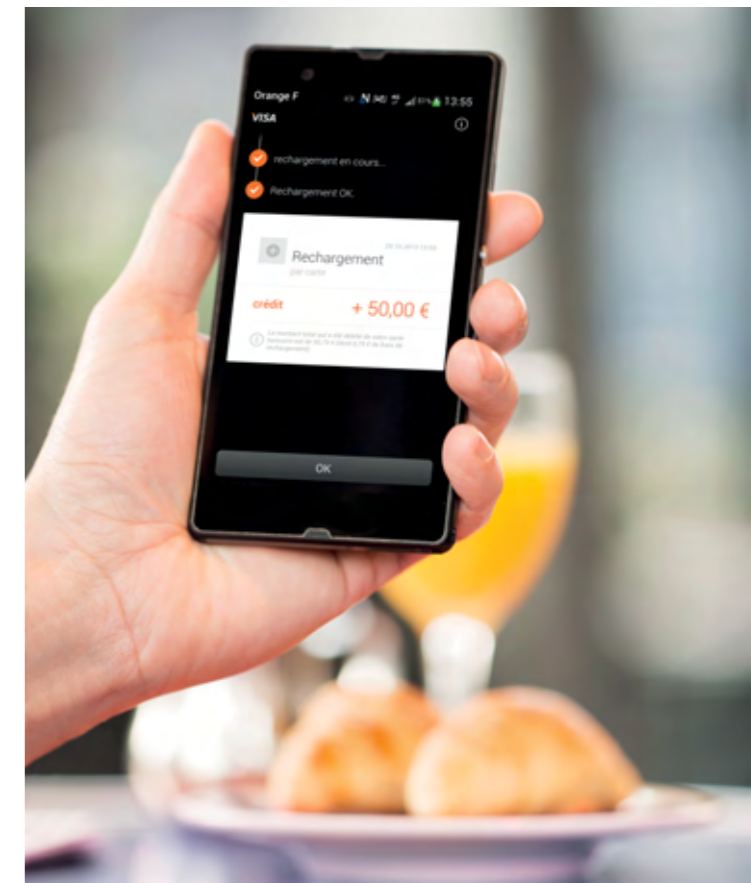
Loyalty management is essential to a company's success.

The Orange Cash mobile wallet is one example of the seamless integration of a customer loyalty programme through card-linked offers. The mobile provider's payment app enables individual merchants, trade groups and Orange as the programme manager to position loyalty campaigns in an area designated especially for that purpose. The offers are displayed according to a real-time analysis of the Orange customer's transactions. Users can filter the offers according to merchant category, time frame and location and view offers in their immediate vicinity using the "Around Me" function. By clicking on the campaign they receive a detailed description including terms and conditions. The card-linked offers platform supports all common formats for displaying gift vouchers or coupons, including QR codes, barcodes, graphics and much more.

With card-linked offers, customer loyalty programmes as well as merchant-specific white label applications can be integrated into, and serve as useful additions within pre-existing customer apps. It is therefore the ideal solution for programme managers who want to offer customers true added value beyond payment functionality, and for merchants who want to incentivise customers to use mobile services and improve the shopping experience. And of course, end users benefit too by saving cash and enjoying attractive benefits.

FLEXIBLE AND INDIVIDUAL CUSTOMER LOYALTY PROGRAMMES

The cost of gaining a new customer is five times higher than the cost of retaining an existing customer. According to the management consulting firm Bain & Company, a 5% improvement in customer loyalty can increase a company's profitability by 75%. After all, the conversion rate is up to six times higher for existing customers than for first-time shoppers (Adobe Digital Index Report 2012). Each time a customer returns their spend is likely to increase upon that of their previous visit. That's why customer loyalty programmes are essential to the success of a company. They are a powerful instrument to set a brand apart from the competition, gain new customers, increase customers' rate of return and length of stay, sustainably strengthen loyalty to the brand and devise more targeted marketing activities.



SMARTPHONE AS SALES DRIVER



Mobile payment is the new driver at the point-of-sale. This is the result of a 2015 study on omnichannel trends conducted by eMarketer. The results show that 33% of respondents use their smartphone to look up gift vouchers for the store in which they are currently shopping. A total of 32% searched for a coupon for a product or brand they wanted to buy. A further 14% of respondents indicated that they then wished to pay by smartphone.



Ria frequents this café. A notification pops up on her smartphone: she gets a muffin today – on the house. With card-linked offers, Wirecard has developed a platform offering merchants a great deal of leeway to conduct their own customer loyalty schemes.



GEORG VON WALDENFELS
EXECUTIVE VICE PRESIDENT CONSUMER SOLUTIONS



TRUE CONSUMER PRODUCTS

boon is one of the first payment products worldwide to be offered exclusively as a digital solution. boon is characterised by its unique and intuitive user experience and simple registration process. In future, users will be provided with new and innovative features that offer real, situational added value not only to consumers, but above all to retailers as well. From the outset, various partner sales concepts were developed to work with boon, such as white label solutions.

The consumer solutions department develops true consumer products and consists of experts who bring to the table many years of experience in creating digital products for end users as well as developing new business models. On account of Wirecard's considerable expertise, these models are very easy to scale globally.



Developing a cluster of solutions that, on the one hand, guarantees the highest level of security during payment and, on the other, introduces new product dimensions, creates a win-win for merchants and end users.



Jörn Leogrande
Executive Vice President Mobile Services



Lin regularly travels to Europe. Unlike most of her fellow tourists, Germany is also – in a sense – home. Her husband Markus, with whom she lives in Shanghai, is German. They both benefit from the favourable price gap and shop on a different scale in Munich or Berlin than they do in Hong Kong or Macau. According to Fung Business Intelligence Centre, a market research institute based in Hong Kong, the average Chinese tourist spends over USD 2,500 at retailers during a trip to Europe, which is around twice the amount they spend in Hong Kong.

Lin and Markus only buy special products that they can't find in China. The payment process is also familiar to them, as they have the Alipay app on their smartphone. Alipay offers Chinese users a proven and trusted point-of-sale payment method in Europe – without the hassle and fees associated with currency conversion. In turn, European merchants can tap into some of the billion-dollar potential of the Chinese tourism market by offering Alipay.



WHETHER IT IS FOR JEWELLERY, CLOCKS, CLOTHING OR LUXURY FOOD: TOURISTS FROM CHINA ENJOY SHOPPING FOR EXPENSIVE GOODS WHEN THEY TRAVEL TO EUROPE.

They trust that the goods are authentic and they have the money to pay for them. Chinese tourists' buying power has increased rapidly in recent years. Today, more billionaires live in China than anywhere else. Even if most Chinese tourists do not fall under this category, they still have enough financial leeway to purchase luxury items from Paris, London or Berlin.

Revenue-driver for the point-of-sale

The solution is based on the ConnectedPOS platform, which means merchants do not have to make any changes to their existing till system to process Alipay payments. They can simply integrate the software or hardware directly into their POS system or install it externally between the POS system and receipt printer. If a customer wants to make a purchase with Alipay Wallet, the app generates a barcode for the merchant to scan, initiating the seamless payment process. By expanding Alipay acceptance to Europe, Wirecard is targeting the growth market of Chinese tourism and business travel. Last year, over 100 million Chinese outbound travellers spent approximately USD 229 billion abroad. This figure should climb to USD 422 billion by 2020, according to ForwardKeys, a tourism market research company.

Lin and Markus would like to go to a concert in the evening. The Alipay app is also helpful when it comes to going out. Alongside convenient payment options, it offers added benefits such as access to event information. Lin and Markus' tickets for the concert are delivered straight to their smartphone via the app.

The small device between the till and the terminal has a big effect: With the POS Connector, a component of the Connected POS platform, merchants can offer added value to their customers directly at the point-of-sale.



PRODUCT CONNECTED POS

VALUE ADDED FOR MERCHANTS AND CONSUMERS



MOBILE CUSTOMER LOYALTY CARDS

In a recent study of mobile and online customer loyalty programmes, Juniper Research found that the number of mobile or app-based customer loyalty cards will grow from 1.4 billion in 2015 to 3 billion by 2020 (as at 2016).



3 billion smartphone app-based customer loyalty cards by 2020

While internet retailers have long used digital customer data to directly address online shoppers and encourage them to make new purchases, physical stores haven't yet fully tapped into the potential of this data. Many retailers don't analyse existing customer data effectively and cannot use it to identify and contact the most profitable customers. Only a few have access to all the relevant data to be able to serve customers satisfactorily. And it's not yet typical for retailers to draw on an individual customer's purchase history in order to further engage with them. In addition, nearly two-thirds of retailers neglect to send tailored messages and recommendations to customers across all channels.

If physical retailers want to compete with online shops, they will also have to utilise buyer data in order to offer customers tailored products, services and value added services. For instance, when merchants are dealing with a surplus of goods, they can reach their customers more easily by sending personalised product recommendations tailored to their particular needs. In this regard, physical retail has an advantage thanks to its personal

customer contact. With the ConnectedPOS platform developed by Wirecard, all usable data from till systems, transactions, customer loyalty programmes, beacon platforms, or social media applications can be collected at the point-of-sale, evaluated in a great variety of ways, and true added value achieved. The POS Connector, a hardware device connected between the till and receipt printer, makes this possible. Thanks to its multiple interfaces, even older till systems can be upgraded without having to change existing POS components. Equipped with LAN, WiFi, LTE, USB and BLE access points, the POS Connector acts as a communication hub, integrating data sources, hardware and third-party applications into the POS system.

With ConnectedPOS, analytical tools and value added services, which have primarily benefited e-commerce companies up until now, are available for physical stores. Merchants have real-time access to sales, location, product and customer data which enables them to draw conclusions about individual products, product groups or consumer behaviour. For instance, they can extrapolate from the data which products are frequently purchased

together. When customers purchase one of those products, their receipt is then printed with a QR code or coupon for a corresponding product. Alternatively, merchants can present customers with tailored offers based on their purchase history, creating an incentive for future visits. Throughout the process, ConnectedPOS supports them with established recommendations for action.

In addition, sales-boosting value-added services such as mobile wallets and customer loyalty programmes – with help from Wirecard’s flexible and simple card-linked



With ConnectedPOS, analytical tools and value added services, which have primarily benefited e-commerce companies up until now, are available for physical stores.



offers platform, for instance – or apps from third parties can be integrated seamlessly. This means that retailers are able to make the online shopping experience more personal and powerful. Moreover, personalised communication with customers across all channels strengthens the relationship so that they feel treated as individuals and enjoy coming back.

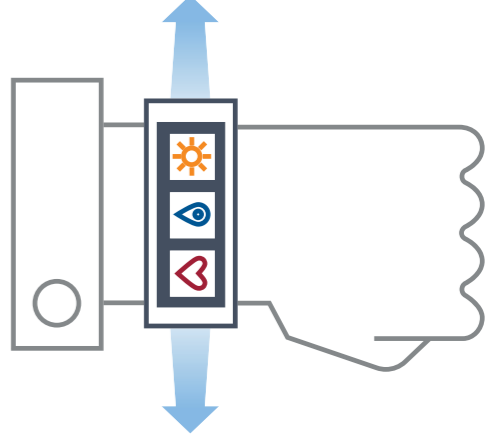


Lin and Markus pay with Alipay. Connected POS means that merchants can not only facilitate familiar payment via QR code, but also generate vouchers relevant to their current situation: for example, this might be a gift voucher for a product that complements the item just purchased.

10STAMPS BY WIRECARD

Wirecard offers a loyalty stamp card for smartphone and tablet users to reward customer loyalty. With 10stamps by Wirecard, merchants can configure their own digital stamp card via an internet portal and distribute it to customers. Customers only need the associated app in order to benefit from the virtual card. They can then save multiple stamp cards, which can be issued by different companies, in the app.

- › Make a contactless payment
- › Collect loyalty points
- › Redeem vouchers
- › Buy tickets



- › Navigation with the help of in-store Beacons
- › Sales campaigns
- › Digital loyalty cards
- › Push notifications



Lucrative investment in India

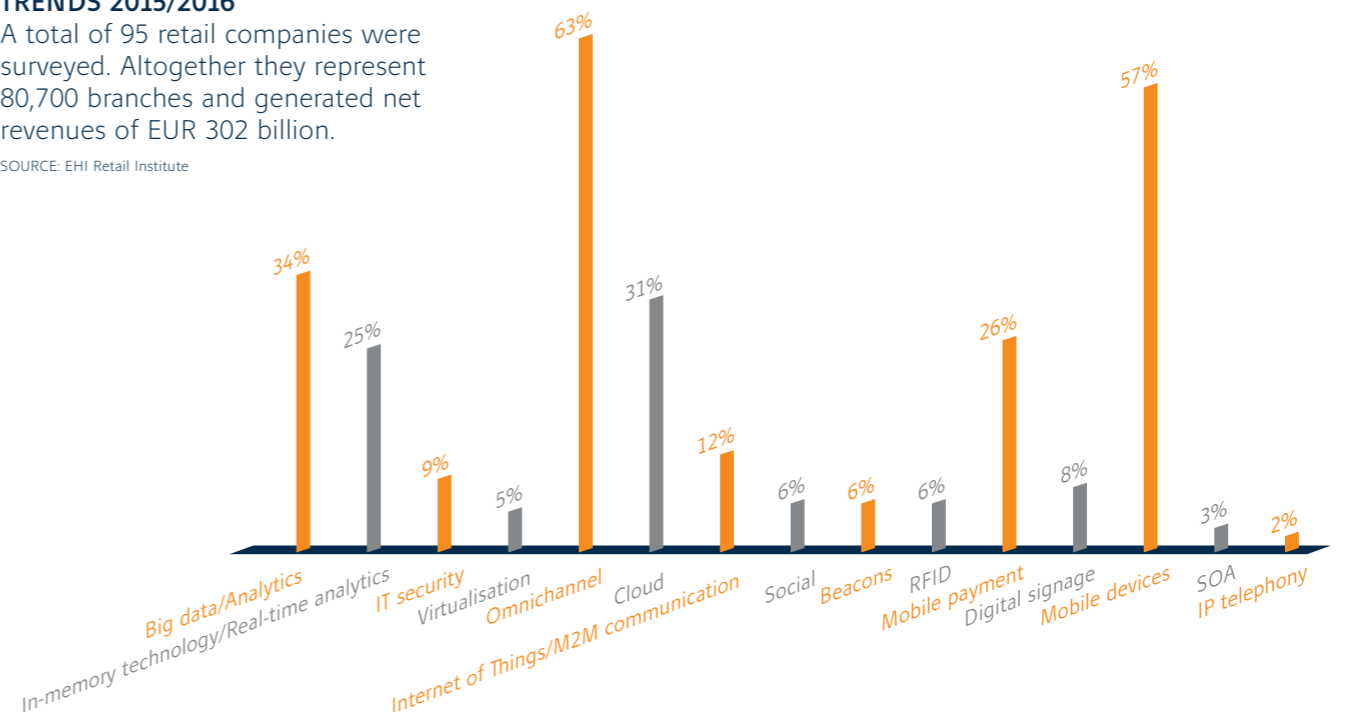
Understanding the potential of emerging markets is a core part of Wirecard's international growth strategy. That's why Wirecard often acquires or forms partnerships with local companies that have intimate knowledge of their region's economic trends and consumer behaviour. As a result, Wirecard can position itself in these locations as an early innovator and technical enabler. India is one of those markets today.

Several factors converge to indicate that the time is now right to disrupt the dominance of cash payments in India. Card transactions have been growing steadily over the past five years, and the debit card base has recently increased by more than 40%. At the same time, India has emerged as one of the biggest smartphone markets in world, with more than 900 million mobile subscribers. Consumers' increasing familiarity with both electronic payments and mobile technology has created an opportunity to introduce mobile point-of-sale technology in India.

TECHNOLOGICAL RETAIL TRENDS 2015/2016

A total of 95 retail companies were surveyed. Altogether they represent 80,700 branches and generated net revenues of EUR 302 billion.

SOURCE: EHI Retail Institute



In the previous financial year, Wirecard acquired the payment business of the Great Indian (GI) Retail Group. The acquisition also includes shares of companies providing payment services in India, the Philippines, Indonesia and Malaysia under the brands “iCASHCARD”, “Smartshop”, “StarGlobal”, and “Commerce Payment”, as well as other brands within the segment. In addition, Wirecard has become a 60% shareholder in GI Technology Private Limited (GIT), a licenced Prepaid Payment Instrument (PPI) issuer in India. The acquisition ensures Wirecard a stake in one of the fastest growing licenced PPI issuers in India, as well as a Full Fledged Money Changers (FFMC) licence to carry out multi-currency transactions.



Issued by GI Technology, the semi-closed-loop e-wallet “iCASHCARD” is India’s leading payment solution for domestic remittance using Immediate Payment Service (IMPS). iCASHCARD is one of the most popular semi-closed-loop payment instruments offered by Indian Railways’ website, IRCTC, which is one of the biggest e-commerce websites in the Asia Pacific region. In addition to its core market in India, GI Retail has successfully expanded into several Southeast Asian markets.



Lin uses her smartphone to place an order in a restaurant. The beacon locates the customer and identifies the table and the order.

**GROWING
MIDDLE CLASS
PRESENTS NEW
RETAIL OPPORTUNITIES**

By 2022, India is expected to surpass China as the world’s most populous country. Not only that, but in five years’ time, the average age of India’s population will be around 29 years, among the lowest in the world. This group is already making its presence known at the check-out. Young consumers, who are more likely to embrace payment features like contactless and mobile transactions, already make up 34% of urban consumers. They are becoming wealthier too. As India’s overall GDP continues its high single-digit growth each quarter, the country’s per capita GDP is also on the rise. McKinsey predicts that incomes will nearly triple over the next two decades, giving rise to a new middle class of over 500 million people. By 2025, India will be the world’s fifth-largest consumer market. This massive demographic shift will impact every aspect of life in India, including not only how people pay for goods, but also how many people make purchases. Innovative payment solutions that are quick and easy to implement will be crucial in this new era, in order to redress the lack of existing retail structure and meet the needs of India’s young, affluent and mobile consumers.



**LEAPFROGGING
OLD SYSTEMS**

Bijlipay is a white-label solution for mobile point-of-sale (mPOS) payments from Wirecard and Chennai-based partner, Skilworth Technologies Private Limited. Bijlipay, a card acceptance system, involves a mobile app, which merchants use as a till system on their smartphones, and a chip card reader device, which is connected to the app via Bluetooth. Because traditional POS systems are not all that common in India, many merchants are extremely receptive to the security and transparency benefits that Bijlipay offers. Moreover, they are used to leapfrogging older technologies to adopt more recent innovations, as often happens in emerging markets. To name just one example: wireless internet usage bypassed fixed-line usage in India in 2012. As one of the first certified mPOS solutions on the market, Bijlipay – and Wirecard – are benefitting from this well-timed rollout.



FINTECH

FAST – WITH NO BUREAU- CRACY

**Wirecard –
a strong partner
for fintechs.**

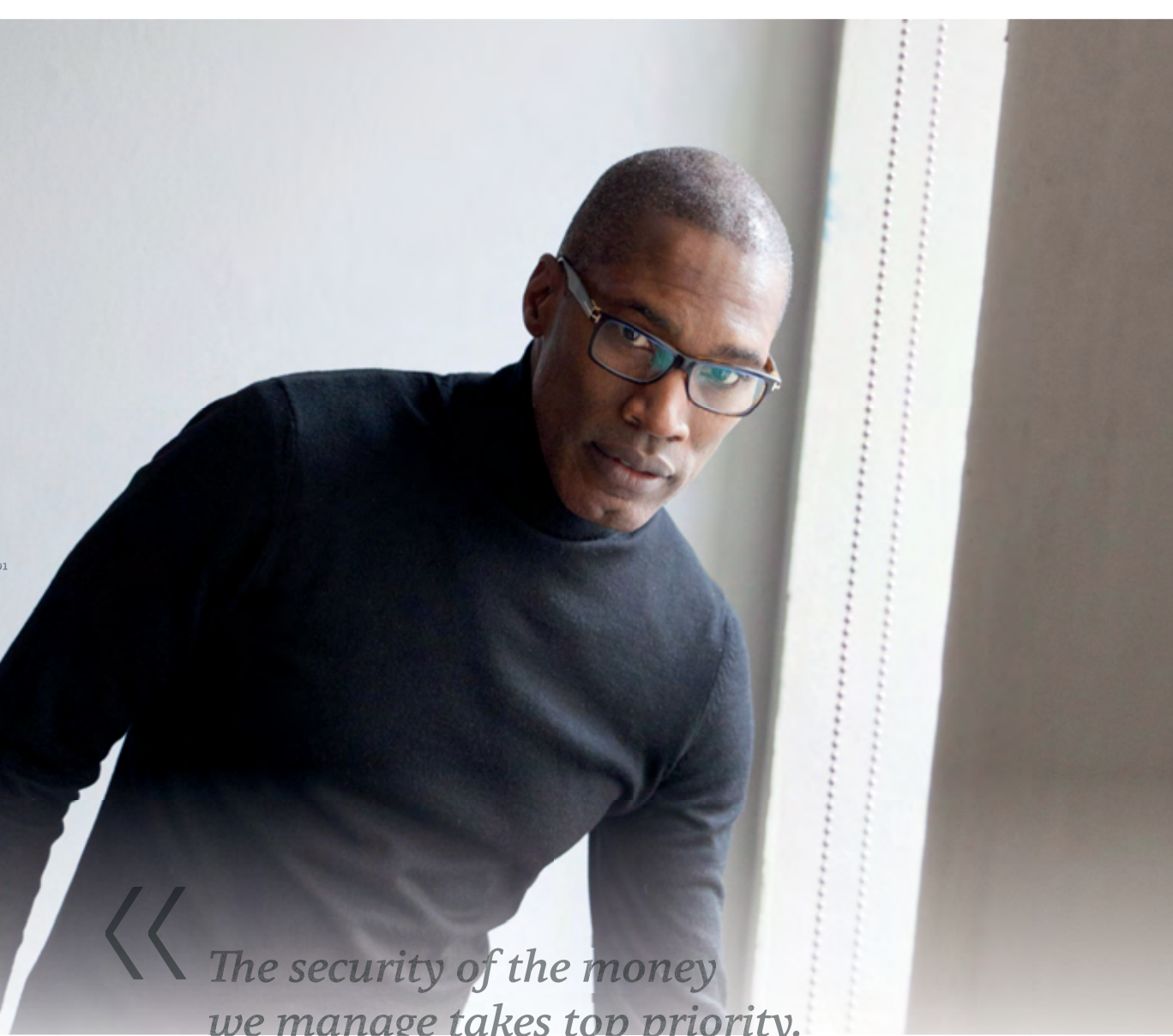
« *The security of the money
we manage takes top priority.
We look for superior credit-
worthiness when selecting our
banking partners.* »

PARTNERS

- P. 68
Funding Circle
- P. 72
Number26
- P. 74
Holvi

Thorsten Holten
Executive Vice President Treasury

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*The security of the money
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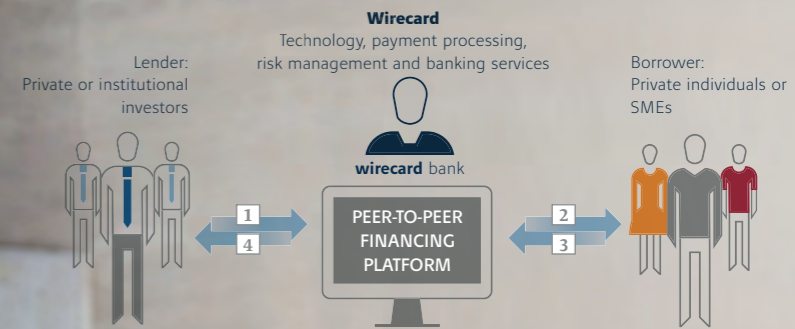
Thorsten Holten
Executive Vice President Treasury

Morgan has long been interested in the topic of energy, in particular how we can reduce our consumption as much as possible. The idea of founding a company to help people take charge of their own energy supply came to him during his studies in the USA. It is only recently however that he decided to finally take the idea seriously. In order to gain more financial flexibility, he took out a loan, which he received without any red tape over the internet.

Lenders and borrowers meet on equal footing

Whether you are looking for an investor or looking to lend money, you can now do so quite easily over the internet. The concept of peer to peer, which means "like to like" or "friend to friend", is extremely simple: lenders and borrowers are directly connected via an internet platform. In this way, each side through which the borrower receives a highly promising deal. Loans that are provided from a larger group of private and institutional investors can then be distributed among companies and private individuals. Creditors receive repayments at individually agreed intervals, as well as interest payments based on the potential risk.

Essential to the process is of course the borrower's credit rating. Information such as unsettled debts, residential environment and demographic aspects such as age, name and gender may all feature in an initial credit rating decision. The interest rate corresponds to the risk of payment default. P2P providers accurately differentiate and categorise borrowers into sub-groups, each of which pays a different interest rate. This assessment is carried out by the provider themselves.



A platform connects borrowers and investors

WIRECARD COLLABORATES WITH FINTECHS

Financing platform (Wirecard provides technology and payment processing, risk management and banking services):

- 1 Collection of loan financing
- 2 Disbursement of loan to the borrower
- 3 Collection of repayment sum
- 4 Disbursement of repayment sum to the lender

Even though P2P loans currently make up only a small portion of the private and commercial lending market, they are strengthening the trend towards an economic system that operates outside of conventional banks. The technical opportunities of the internet make it possible to achieve a high degree of transparency compared to other forms of investment.

Morgan's business idea bridges a gap. Thanks to his advice, many households have reduced their energy consumption by up to 30%. The volume of orders is so high that Morgan is now looking for partners, and has nearly repaid the loan.



Global investment in fintech companies exceeded USD

100

billion in the first three quarters of 2015 alone

WIRECARD ENABLES FINTECH SOLUTIONS

Fintech, an abbreviation of the phrase financial technology, is the use of internet-based technologies to deliver faster, uncomplicated financial services in comparison with those which have until now been conventionally available. Fintechs exploit the growing prevalence of mobile devices and the world's nearly universal internet availability. By entering into partnership with Wirecard, even small businesses are able increase their competitiveness with established companies or carve out a niche in the market.

The latest financial products allow consumers to open an account in less than eight minutes or easily pay bills via smartphone. They have long been able to transfer money by sending an SMS, but now even withdrawing or depositing funds is possible on a smartphone. Sleek fintech solutions enable peer-to-peer lending, mortgage lending, cross-border money transfers and stock trading. Solutions are almost always optimised for mobile devices.

The total number of fintech deals increased from 933 in 2014 to 1,162 in 2015. The number of megadeals (an investment of more than USD 50 million) in the fintech sector also reached a new high of 63 in 2015, compared with 40 megadeals in 2014.

SOURCE: KPMG AND CB INSIGHTS

Today, more than 1.8 billion people worldwide are already using mobile banking. This reflects the broader digital shift underway in every aspect of society. Global consulting company Accenture predicts that around 30% of all banking business will be conducted through fintech firms by 2020.



Banks and financial institutions are heavily regulated to protect consumers' investments, while many fintech firms are not. Even when it comes to providing secure payment processing or regulatory and legal compliance, fintechs may not have the expertise to do so. Wirecard Bank operates under the oversight of the German Federal Financial Supervisory Authority (BaFin) and has all the necessary licences to carry out card issuing and acquiring processes. Furthermore, as a technology company, Wirecard provides fintechs with easy access to software technologies and bank solutions, risk management support, card issuing and mobile payment processing, as well as the implementation of value-added services such as bonus programmes.

Wirecard, as one of the world's leading technology companies in the electronic payments sector and with its own bank within the Group, is an appropriate partner for fintechs. Its extensive knowledge combined with the innovative capability and speed of fintech companies make possible the exact kind of financial products that today's users demand.





PARTNER FUNDING CIRCLE

Morgan obtained a loan with relative ease through an internet platform. In doing so, he was able to realise his dream of starting his own business. It's going so well that he is now looking for a business partner.

PLATFORM TO PROVIDE LOANS TO MEDIUM-SIZED COMPANIES



One of the more successful fintech companies is the British start-up Funding Circle. The marketplace for small business loans has acted as a broker for loans with an overall value of over USD 1.5 billion, by connecting thousands of small businesses directly to a wide range of investors, including more than 40,000 individual people, various financial organisations and even the British government. As a result, many small businesses now have access to affordable loans without the hassle of bureaucracy, while investors benefit from manageable risk and reliable returns.

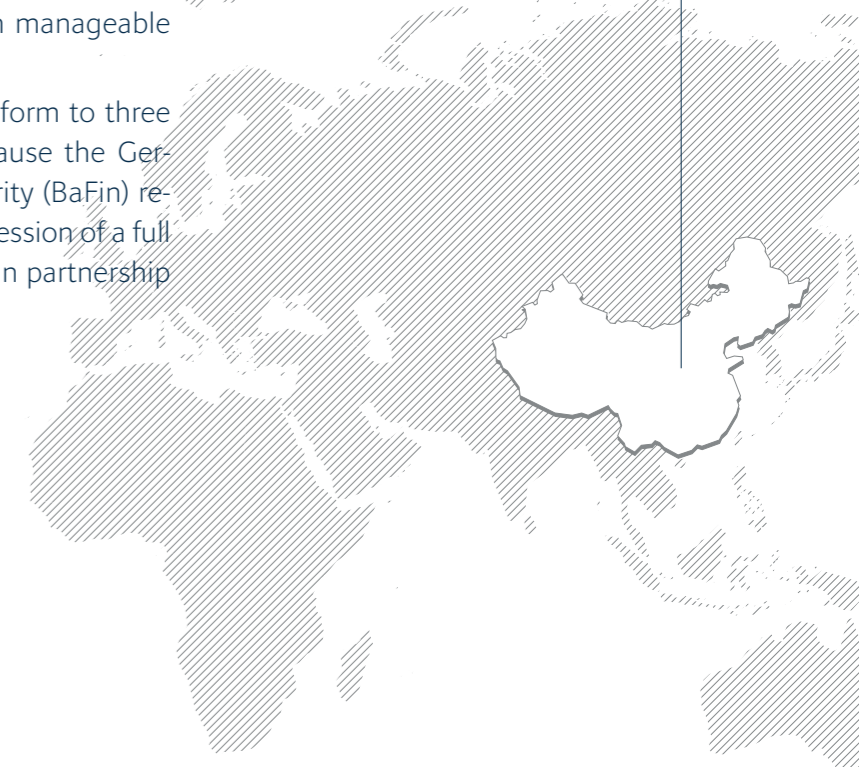
In 2015, Funding Circle expanded its platform to three more countries, including Germany. Because the German Federal Financial Supervisory Authority (BaFin) requires all commercial lenders to be in possession of a full banking licence, Funding Circle operates in partnership with Wirecard Bank.

In China, loans via the internet have long been a welcome alternative and are considered one of the latest trends. Around

2,000 platforms

exist to bring lenders and borrowers together.

The fast growing market offers financing opportunities to a population that does not fully have access to bank branches.



The customer's perspective

Fintech products are also a question of lifestyle. Online shopping is a given for most consumers today. Making cashless payments, and mobile payments with a smartphone, was the logical next step. Fintechs are now developing innovative banking products which build on this. Many people carry their smartphone with them constantly, and therefore always have access to their data via the cloud, no matter where they are.

Consumer behaviour in the banking sector is on the brink of huge change. Nearly half of bank customers already conduct financial transactions online, or plan to do so in the near future. Online banking users check their account balance on average five to six times per week – not from their computer, but

rather via smartphone. Smartphones are becoming an increasingly important tool with which users can carry out their daily banking activities.

Fintechs will not completely replace banks. However, they are creating new standards as they approach banking from the customer's perspective. They are much more innovative than conventional banks with regard to technology, due to the mere fact that they are smaller and can make decisions much faster.

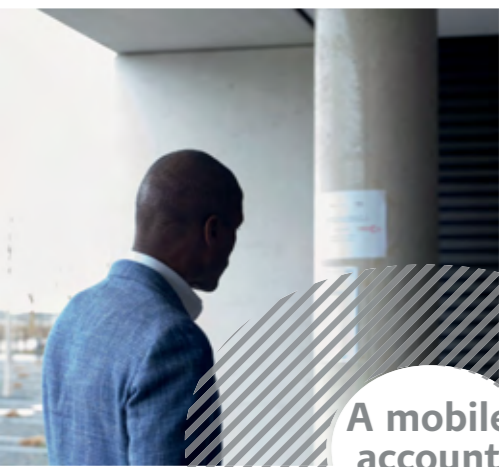


Taking out a loan through a fintech platform will become increasingly common. According to Statista, the "consumer lending platforms" segment will total 45.2 million users by 2020.



PARTNER NUMBER26

A CURRENT ACCOUNT AVAILABLE EXCLUSIVELY ON SMARTPHONES AND ONLINE



A mobile account in

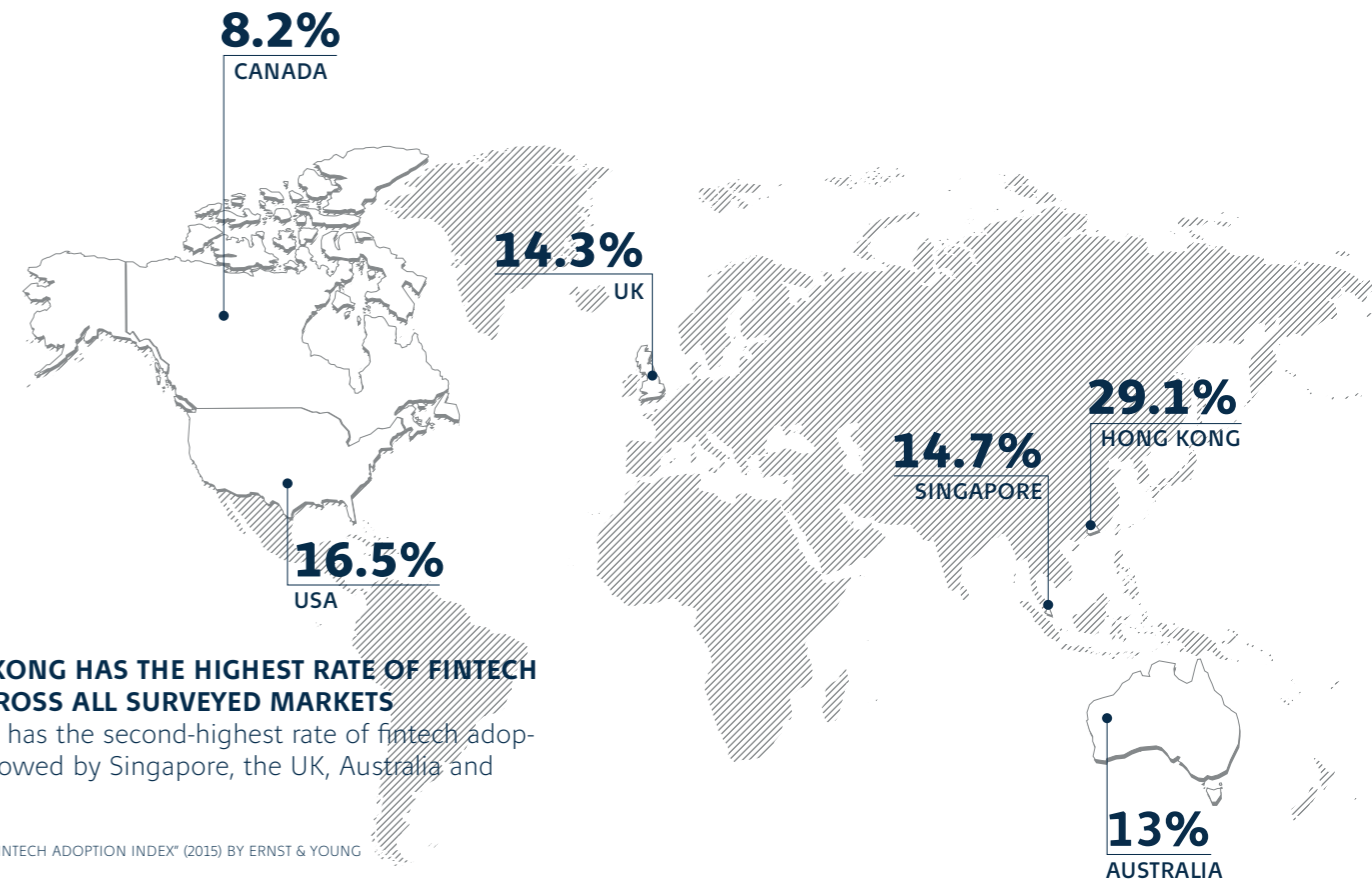
minutes

The Berlin-based start-up Number26 offers a free current account that can be opened online in a matter of minutes. In addition, customers receive a free MasterCard that is linked to their account. This account can be managed in real-time at no added cost.

As a Wirecard partner, Number26 can provide their customers with all the advantages of a traditional bank account, including deposit insurance, secure transfers, free cash withdrawals and online payments. For instance, users can approve transfers with their own special code, instead of a random transaction authentication number (TAN). Lost cards can be temporarily blocked with just one click in the app, and unblocked later if found. This combination of robust functionality and simple usability is what sets apart Number26 apart from its competitors.

The mobile app was introduced in Germany and Austria in January of last year. In July, Number26 launched an English language version in different European countries. Recently, the start-up established a cooperative agreement with barzahlen.de allowing users to withdraw from and deposit into their mobile account at more than 3,000 supermarkets and shops in Germany.

To take advantage of this function, known as Cash26, users simply need their smartphone. They select their withdrawal amount in the app. After entering their PIN, they receive a barcode, which they simply show and scan at the checkout. The desired amount is synchronised with the account and the merchant can dispense the money. Users can withdraw up to EUR 300 and deposit up to EUR 1,000.



HONG KONG HAS THE HIGHEST RATE OF FINTECH USE ACROSS ALL SURVEYED MARKETS

The USA has the second-highest rate of fintech adoption, followed by Singapore, the UK, Australia and Canada.

SOURCE: "EY FINTECH ADOPTION INDEX" (2015) BY ERNST & YOUNG

PARTNER HOLVI

ONLINE BANKING FOR SMALL AND MEDIUM-SIZED BUSINESSES



Like Morgan, other people are also using ever more fintech products. According to a survey in the EY Fintech Adoption Index, 15.5% of respondents had used at least two fintech products in the previous six months. The fintech adoption rate could double within the year.

Finnish start-up Holvi is an end-to-end banking solution for entrepreneurs and freelancers, the smallest of small businesses who are also the least well-served by traditional banks. Holvi allows users to open a current account and online store, accept payments, as well as conduct invoicing and financial reporting – all in one beautifully-designed package.

Furthermore, through its partnership with Wirecard Bank, the Finnish fintech start-up is able to provide customers with their own International Bank Account Number (IBAN). This means small business users can also receive cross-border payments, giving them greater scope to market internationally. Building on this feature, Holvi plans to extend its online banking platform to SMEs in 19 European countries.

THORSTEN HOLTEN
EXECUTIVE VICE PRESIDENT TREASURY

SAME-DAY CREDIT POSSIBLE



The security of the money we manage takes top priority. We look for superior creditworthiness when selecting our banking partners. Because we hold the majority of liquid funds in trust for our clients, we never invest in any speculative schemes, instead accepting potentially inferior returns in favour of better security. We take care to pursue a simple and transparent investment strategy.



SCP (SUPPLIER AND COMMISSION PAYMENTS) is an automated solution for global payments to companies that receive payments through their credit card acceptance agreement. Virtual prepaid cards are available in 27 currencies. Entries and settlements can be automatically integrated into the customer's ERP system.

We offer our customers 23 different settlement currencies, meaning we are well-positioned to meet currency requirements of our customers. In order that our merchants do not have to manage an unnecessary number of currency flows, our foreign exchange is available for currency conversions at the daily market rate. To achieve this, we draw on a wide range of partners to achieve the best price for our customers at all times. With us, when a transaction is made in USD, the payment is effected in USD. Thanks to our global network of partner banks, we are able to process transactions quickly and securely. Same-day credit is also possible, depending on the recipient's country and time zone. Our Supplier and Commission Payments (SCP) transactions offer the quickest payments available to you.

As a fully-licensed German bank, we have direct access to the national payment system. We are also directly connected within the SEPA region. For international payments, we use our partner banks.

By using different transaction platforms, we can ensure that a system is always available to process transactions.

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