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Wirecard AG: Statement of the Management Board about the current situation of the Company

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The Management Board of Wirecard assesses on the basis of further examination that there is a prevailing likelihood that the bank trust account balances in the amount of 1.9 billion EUR do not exist. The company previously assumed that these trust accounts have been established for the benefit of the company in connection with the so called Third Party Acquiring business and has reported them as an asset in its financial accounts. The foregoing also causes the company to question the previous assumptions regarding the reliability of the trustee relationships.

The Management Board further assesses that previous descriptions of the so called Third Party Acquiring business by the company are not correct. The Company continues to examine, whether, in which manner and to what extent such business has actually been conducted for the benefit of the company.

Wirecard withdraws the assessment of (i) the preliminary results of the financial year 2019 (revenue and earnings before interest, taxes, depreciation and amortization (EBITDA)) of 14 February 2020 (last confirmed on 18 June 2020), (ii) the preliminary results of the first quarter of 2020 (revenue and EBITDA) of 14 May 2020, (iii) the EBITDA prognosis for the financial year 2020 of 6 November 2019 (last confirmed on 14 May 2020) and (iv) the Vision 2025 prognosis for the financial year 2025 on transaction volume, revenue and EBITDA of 8 October 2019. Potential effects on the annual financial accounts of previous years cannot be excluded.

Wirecard continues to be in constructive discussions with its lending banks with regard to the continuation of credit lines and the further business relationship, including the continuation of the current drawing coming due at the end of June. Together with the renowned and internationally active investment bank Houlihan Lokey, Wirecard is assessing options for a sustainable financing strategy for the company.

In addition, the Company is examining a broad range of possible further measures to ensure continuation of its business operations, including cost reductions as well as restructuring, disposal or termination of business units and products segments.

For the avoidance of misunderstandings, the company wishes to inform that its IT systems continue to work without limitations.

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