

WIRECARD BRAZIL S.A.

CNPJ NO. (Entered in the National Record of Legal Entities) under no.)  
08.718.431/0001-08

Financial Statements – Fiscal Years ended on December 3, 2018 and 2017 (in  
thousands of reais).

Management's Report:

To: Shareholders

We hereby submit Wirecard Brazil S.A. ("Wirecard") Management Reports and Financial Statements for the fiscal years ended on 12/31/2018 and 12/31/2017, in addition to the Independent Auditors' Report. Management Statement: In the year 2018, Wirecard performed transactions in the amount of BRL 2.64 billion (BRL 1.96 billion in 2017), an increase of BRL 681MM (35% in 2018), corresponding to 23MM transactions (18.7MM in 2017). The average amount of each transaction (average ticket), as of December 2018 was BRL 110.78 (BRL 103.06 in 2017). There was a 7.5% growth. The Net Operational Income of BRL 50,074 thousand in 2018, as compared to BRL 42,485 thousand in 2017, showed a 17.86% growth. Relationship with Independent Auditors: In accordance with Instruction CVM no. 381/03, during the year 2018 the Society hired BDO RCS Auditores Independentes S.A. (independent auditors). Wirecard's policy whereby it hires the services of independent auditors ensures there is no conflict of interests, loss of independence or objectivity. Therefore it adopts the internationally accepted principles, as follows: a) the auditor must not audit his or her own work; b) the auditor must not hold a managerial position at his client's firm, and c) the auditor must not promote his or her client's interests. Management's Statement: The Management hereby states it has discussed, reviewed and approved the Independent Auditor' Report and the Accounting Statements for the fiscal year ended as of December 31, 2019, shown below.

The Management.

('000s)	Notes	2018	2017
<b>Balance Sheet</b>			
Current Assets		273,394	186,482
Cash and cash equivalents	4	7,713	6,182
Accounts receivable	5	264,082	178,848
Advances to suppliers and employees		1,155	790
Recoverable tax		425	654
Other credits		19	8
Non-Current Assets		33,522	20,306
Deposits in court	11	171	155
Related Parties		3,711	
Short-term investments		440	440
Deferred taxes	18	1,956	1,560
Fixed assets	6	3,350	3,490
Intangible assets	7	23,894	14,661
Total Assets		306,916	206,788
Current Liabilities		272,805	176,944
Social obligations	8	7,489	5,289
Tax liabilities	9	900	883
Client liabilities	10	260,738	165,576
Supplier and service provider [payables]		2,805	2,815
Other accounts payable		873	2,381
Non-Current Liabilities		3,344	1,152
Provisions for lawsuits	11	1,512	834
Related Parties		1,832	318
Net Equity	12	30,767	28,742
Share capital		25,060	25,060
Capital reserves		355	355
Retained earnings		5,352	3,327
Total Liabilities + Equity		306,916	206,838

('000s)	Notes	2018	2017
<b>Income Statement</b>			
Revenue	13	50,074	42,485
Cost of services rendered	14 -	37,677 -	30,554
Gross Profit		12,397	11,931
General and administrative expenses	15 -	32,951 -	26,045
Other (expenses) and income	16 -	696	2,180
Operating Income before financing		- 21,250 -	11,934
Net Financial Income	17	25,519	19,342
Total Income before Taxes		4,269	7,408
Taxes and social contribution		- 1,537 -	1,934
Net Profit within the Fiscal Year		2,732	5,474
<b>Statement of Comprehensive Income</b>			
Net profit within the fiscal year		2,018	2,017
Comprehensive profit within the fiscal year		2,018	2,017

('000s)	Social Capital	Capital Reserve	Accumulated Profit/Loss	Total
<b>Statement of Changes in Net Equity</b>				
Balances as of 12/31/2016	8,280	355	-2147	6,488
Capital increase	16780			16,780
Profit for the fiscal year			5474	5,474
Balances as of 12/31/2017	25,060	355	3,327	28,742
IFRS 9 Initial Adoption			-707	-707
Balances as of 01/01/2018	25,060	355	2,620	28,035
Profit for the fiscal year			2,732	2,732
Balances as of 31/12/2018	25,060	355	5,352	30,767

('000s)	2018	2017
<b>Statement of Cash Flow</b>		
Operational activity cash flow		
Net Profit within the Fiscal Year	2,732	5,474
Adjustments made to reconcile profit to operational activities cashflow:	7,052	6,945
Depreciation and amortization	3,441	2,969
Provisions for lawsuits	678	523
Provision for losses	- 707	- 652
fixed and intangible asset write-offs	1,304	191
Deferred income tax and social contribution	- 396	- 1,560
Increase and decrease in assets and liabilities		
Decrease in accounts receivable	- 85,234	- 43,100
Decrease in advances to suppliers	- 365	- 490
Increase/(decrease) in recoverable tax	229	288
Decrease in other credits	- 11	- 6
Decrease in court deposits	- 16	- 56
Decrease in accounts receivable from related parties	- 3,711	
Increase in social obligations	2,200	2,996
Increase in tax obligations	17	422
Increase in obligations with clients	95,212	18,483
Increase/(decrease) in suppliers, materials and services	- 10	1,247
Increase/(decrease) in other accounts payable	- 1,508	2,332
Increase in related parties	1,514	
Net cash originating from operational activities	8,317	- 18,460
Acquisition of fixed and intangible assets	- 13,838	- 10,785
Cash flow from investing activities	- 13,838	- 10,785
Increase in paid-up capital		16,780
Net cash employed in financing activities		16,780
Net cash and cash equivalents increase/(decrease)	1,531	- 5,520
Cash and cash equivalents at the beginning of the period	6,182	11,702
Cash and cash equivalents at the end of the period	7,713	6,182
Net cash and cash equivalents increase/(decrease)	1,531	- 5,520