

September 09, 2019

Dear Sir,

We are following up on our letter of 23 August 2019. In that letter, we asked about loans to partners rather than directly to merchants and noted the conflicts/risks which such payments create. Advice from our counsel regarding the general obligations of a supervisory board include:

“If the supervisory board dismisses serious and plausible allegations simply for the fact that they have been provided anonymously, this could create personal liability on their part to the extent that that the company suffers damages caused by such non-action by the supervisory board. In this regard please note the following:

- *The key duty of the supervisory board is to control the executive board. This duty includes a duty to obtain the necessary information in relation to the company to fulfil that function. The more critical the overall situation of the company is, or in case of specific plausible indications of fraud, the diligence level of these duties is increased. The primary source of information for the supervisory board is the executive board. If the executive board cannot or does not answer the questions of the supervisory board, the supervisory board can also contact employees of the company directly. If the supervisory board has not sufficient personal expertise in order to properly assess a serious allegation, it is required to obtain external assistance from experts, provided that the allegations are plausible and serious.*
- *Should the supervisory board as a whole or by majority resolution refuse to take any action in case of serious and plausible allegations of fraud, this would not exonerate the supervisory board members as individuals. They would still have to investigate further, always provided that the allegations are plausible and serious and have not been convincingly explained and resolved by the executive board.”*

Given the public distribution of our work, we continue to receive relevant information from knowledgeable contacts around the world regarding the activities of Wirecard.

Following up then on our previous question, can the Supervisory Board confirm the business purpose of the €115M loan made to oCap Management Pte, formerly Senjo Trading, in Singapore in 4Q2018? As you will no doubt be aware, Senjo has been mentioned in numerous press articles, including one where it is named as one of the key partners of Wirecard who contribute substantially to Wirecard's earnings yet also had substantial accounts receivable balances at Wirecard.

oCap transformed their website in November 2018 to advertise, for the first time, MCA as a product offering – coinciding with Wirecard's management board's disclosure of the MCA product on the 3Q2018 earnings conference call. oCap claims to have originated \$100M of MCA lending in 2017. This seems unlikely, as oCap had assets of only \$25M in 4Q2017 and all revenues reported in their audited accounts came from “Ship management services” with zero revenues from “interest income”. For all of 2018, oCap produced \$6M in total revenue. We do not understand how it is then that oCap could be a responsible partner/counterparty for over €100M of loans.

The Supervisory Board must be aware that Carlos Haeuser, formerly CEO of Wirecard Turkey and Wirecard Technologies GmbH, married to Wirecard EVP of Digital Sales Brigitte Haeuser-Axtner, became

the CEO of oCap in February 2018 (whilst still listed as a director of both of those Wirecard companies). This looks to make oCap a related party to Wirecard by any reasonable definition. Did the Supervisory Board approve this substantial loan to a related party with negligible revenues from financial services/payments and previously reported delinquent receivables? If any of the funds loaned to oCap returned to Wirecard to pay down receivables, that is the definition of "round-trip" transactions and could constitute accounting fraud.

This is critical, even more so now as Wirecard is in the process of attempting to raise capital from public investors. Allowing this capital raise to happen with knowledge of probable fraudulent transactions has substantial risks for the Supervisory Board. Citing advice from counsel, *"this could also result in criminal liability of the supervisory board members ("investment fraud") if the sold securities or investments would then suffer material losses/default as a consequence of the misstatement or fraud"*.

The Supervisory Board should demand that the capital raise be halted so as to properly investigate the MCA (and Digital credit) and the issues we have highlighted. This is imperative, as we have shown you that management statements to investors (and likely to you) are questionable and very likely false. Please distribute this correspondence with the Supervisory Board members, as time is of the essence.

We await your confirmation of receipt and reply to our questions,

MCA