

Payten

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SOUTH EASTERN EUROPE

Financial Results for 2019 And Business Update

February 25th, 2020

Warsaw

Q4 2019 results

Q4'19: Highlights

- Very good quarter for Banking due to maintained high interest in Mobile and Security&Compliance solutions
- Very good performance of eCommerce continued, including 3D Secure software
- Acquisition of Monri as an important element of independent POS business line deployment
- Strong quarter for Dedicated solutions (previously System Integration)

Q4 2019 ASEE Best Deals.

Banking Business Unit

- **DE** for Sparkasse Bank d.d.
- **DO** for a bank in Serbia
- **GDPR** for SBERBANK a.d. Banja Luka
- **IFRS 9** for SBERBANK a.d. Banja Luka + Sberbank BH d.d. Sarajevo
- **FIPO** back-office treasury solution for international bank in Romania
- **Ab-Solut – ANAF and FATCA/CRS Reporting Modules** for a bank in Romania

Dedicated solutions

- **Live & SxS** for a utility company in Serbia
- **Live** new functionalities for an insurance company in Croatia
- **FinanceFlex** for a consumer finance company in Turkey
- Dedicated solution for **Central Population Register** in Serbia
- Dedicated register solution of health institutions managed by the **Agency for business register**
- 8 Dynatrace 3P solution deals in Turkey

Q4 2019 Payten Best Deals.

E-Commerce

- **Trides2 ACS and Trides2 3DSS** to existing Trides1 ACS and Trides1 3DSS clients
 - a bank in Croatia and to a payment institution in Morocco
- **TriDES2 ACS SaaS** to a Slovenian fintech service
- **MSU** for a leading electronic security solutions provider for homes and institutions with alarm systems
- **MSU** for a leading home appliances manufacturer

ATM and POS Related Services

- **ATM delivery and Services to Banca Intesa**
 - Banca Intesa continue to expand ATM network with Payten in Q4 as a part of 3-year project to renew 200 ATMs and to introduce new services like Cash Deposit, Bill payment etc.
- **ATM delivery and Services to NLB Banka**
 - Payten signed partnership with NLB Group to renew and extend ATM network for 6 banks: NLB in Slovenia, NLB in Serbia, NLB Tutunska in Macedonia, NLB in Bosnia, NLB Pristina and NLB Montenegro.

4Q'19: Strong results confirm continuation of growth

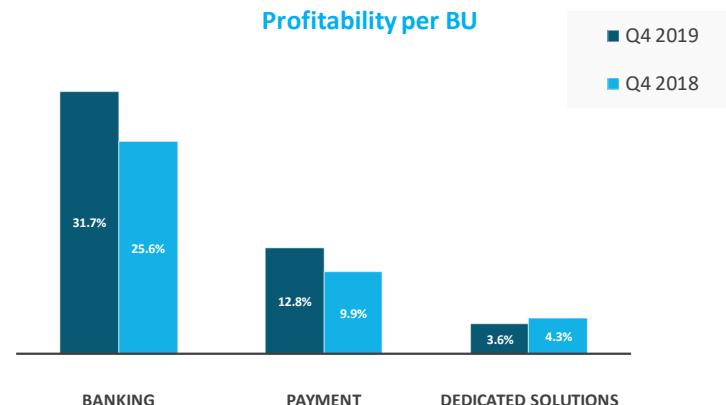
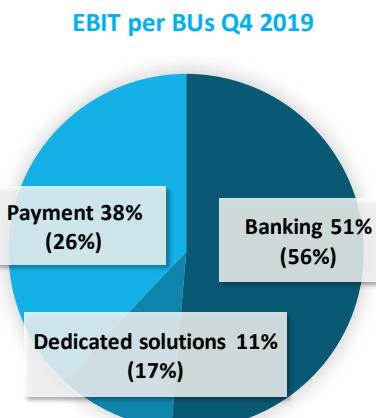
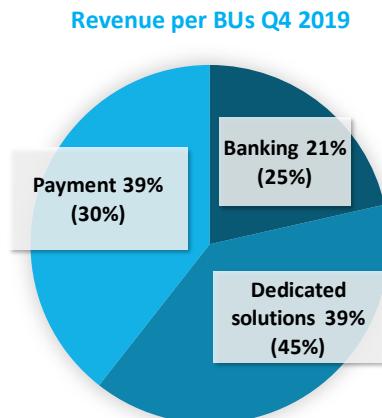
	mEUR			mPLN		
	Q4 2019	Q4 2018	% Diff	Q4 2019	Q4 2018	% Diff
Revenue	64.3	51.6	+25%	275.6	221.5	+24%
EBITDA	12.5	8.5	+46%	53.6	36.7	+46%
EBIT	8.5	5.8	+47%	36.5	24.8	+47%
NPAT	6.9	4.7	+47%	29.5	20.1	+47%
<i>EBITDA %</i>	<i>19.5%</i>	<i>16.6%</i>				
<i>EBIT %</i>	<i>13.3%</i>	<i>11.2%</i>				

In kEUR:

- IFRS16 impact: **EBITDA +1 027, EBIT +64, NPAT -38**

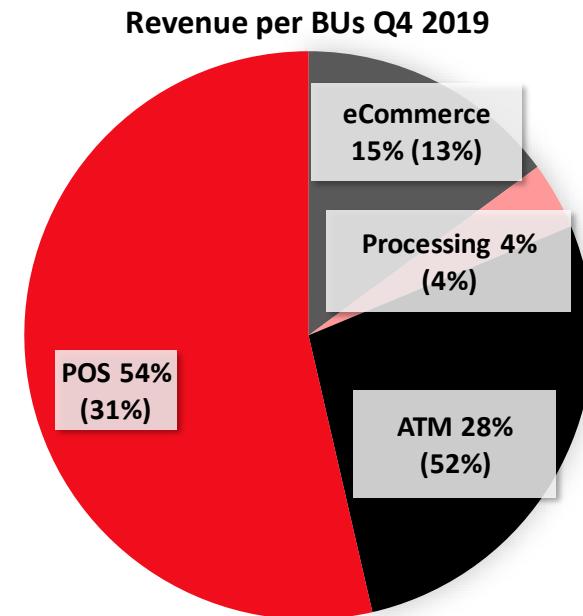
4Q'19: Very good Payment and improving Banking

mEUR	Revenue			EBITDA			EBIT		
	Q4 2019	Q4 2018	Diff	Q4 2019	Q4 2018	Diff	Q4 2019	Q4 2018	Diff
Banking	13.8	12.7	1.1	5.0	3.5	1.5	4.4	3.2	1.1
Dedicated solutions	25.2	23.4	1.8	1.3	1.2	0.1	0.9	1.0	-0.1
Non-Payment	38.9	36.1	2.9	6.3	4.7	1.6	5.3	4.3	1.0
Payment	25.3	15.5	9.8	6.2	3.8	2.4	3.2	1.5	1.7
Asseco SEE Group	64.3	51.6	12.7	12.5	8.5	4.0	8.5	5.8	2.7



4Q'19: New acquisitions contributing mainly to POS

mEUR	Revenue		
	Q4 2019	Q4 2018	Diff
eCommerce	3.8	2.0	1.8
Processing	1.0	0.7	0.3
ATM	7.0	8.0	-1.0
POS	13.6	4.8	8.7
Payment	25.3	15.5	9.8



4Q'19: Improvement in most markets. Strong Turkey and Croatia

mEUR	Revenue				EBIT			
	Q4 2019	Q4 2018	Diff	% Diff	Q4 2019	Q4 2018	Diff	% Diff
B&H	2.3	5.0	-2.7	-54%	0.4	0.5	-0.1	-11%
Croatia	8.4	7.4	0.9	+13%	1.7	0.8	1.0	+131%
Iberia	6.5		6.5		0.2		0.2	
Latam	1.4		1.4		0.2		0.2	
Macedonia	4.8	5.1	-0.3	-5%	0.9	1.4	-0.5	-33%
Romania	13.7	12.2	1.5	+12%	0.9	0.6	0.3	+41%
Serbia	18.5	18.6	0.0	-0%	2.4	2.3	0.0	+1%
Turkey	4.9	3.2	1.7	+54%	1.1	-0.4	1.6	
Cze & Svk	1.6		1.6		0.2		0.2	
Other*	5.2	4.7	0.5	+11%	0.4	0.7	-0.3	-38%
Eliminations	-3.0	-4.6	1.5		0.0	-0.1	0.1	
GASEE	64.3	51.6	12.7	+25%	8.5	5.8	2.7	+47%

*Other entities include Albania, Bulgaria, Kosovo, Montenegro, Poland, Slovenia

2019 results

2019: Dynamic organic growth supplemented by acquisitions

	mEUR			mPLN		
	FY 2019	FY 2018	% Diff	FY 2019	FY 2018	% Diff
Revenue	204.9	157.1	+30%	881.3	670.4	+31%
EBITDA	40.9	28.2	+45%	175.9	120.1	+46%
EBIT	25.6	17.5	+47%	110.2	74.5	+48%
NPAT	21.2	15.3	+39%	91.3	65.2	+40%
<i>EBITDA %</i>	<i>20.0%</i>	<i>17.9%</i>				
<i>EBIT %</i>	<i>12.5%</i>	<i>11.1%</i>				

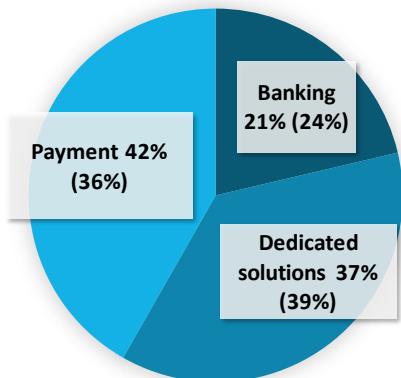
In kEUR:

- Tax on civil law transactions: **EBITDA/EBIT/NPAT** -281
- Revaluation of share in Multicard: **NPAT** +466
- IFRS16 impact: **EBITDA** +3 904; **EBIT** +302; **NPAT** -109

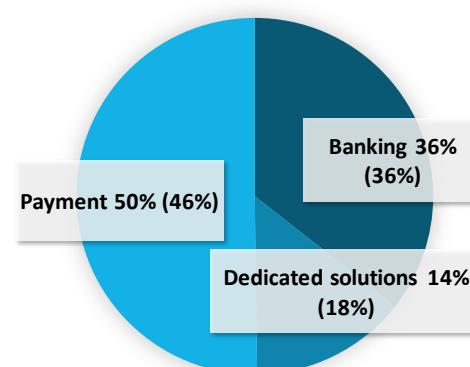
2019: Improvement in all segments. Outstanding Payment

mEUR	Revenue			EBITDA			EBIT		
	FY 2019	FY 2018	Diff	FY 2019	FY 2018	Diff	FY 2019	FY 2018	Diff
Banking	43.7	38.3	5.4	11.4	7.3	4.1	9.1	6.3	2.8
Dedicated solutions	75.6	61.5	14.1	5.2	4.0	1.2	3.6	3.1	0.5
Non-Payment	119.3	99.8	19.6	16.6	11.3	5.3	12.8	9.4	3.3
Payment	85.6	57.3	28.2	24.3	16.8	7.5	12.9	8.0	4.8
Asseco SEE Group	204.9	157.1	47.8	40.9	28.2	12.7	25.6	17.5	8.2

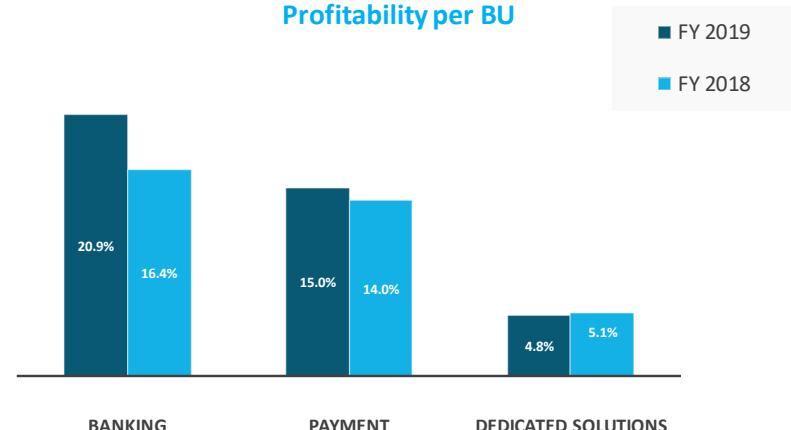
Revenue per BUs FY 2019



EBIT per BUs FY 2019



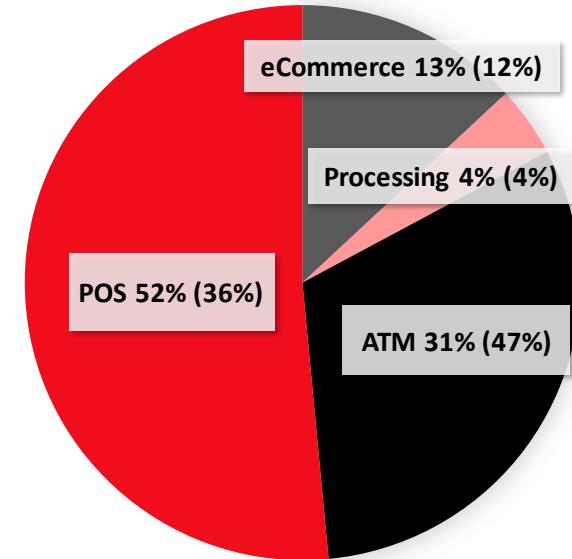
Profitability per BU



2019: Acquisitions contributing mainly to POS RS

mEUR	Revenue		
	FY 2019	FY 2018	Diff
eCommerce	11.2	7.1	4.1
Processing	3.5	2.5	1.0
ATM	26.8	27.2	-0.4
POS	44.1	20.5	23.5
Payment	85.6	57.3	28.2

Revenue per BUs FY 2019



2019: Improvement in most markets. Outstanding Turkey

mEUR	Revenue				EBIT			
	FY 2019	FY 2018	Diff	% Diff	FY 2019	FY 2018	Diff	% Diff
B&H	7.5	9.6	-2.2	-23%	1.2	1.3	-0.1	-9%
Croatia	32.0	30.1	1.9	+6%	5.9	4.4	1.5	+33%
Iberia	24.3		24.3		0.3		0.3	
Latam	4.0		4.0		0.3		0.3	
Macedonia	13.5	14.2	-0.8	-5%	2.7	2.7	0.1	+3%
Romania	33.8	33.8	0.1	+0%	1.6	0.9	0.7	+70%
Serbia	64.1	52.4	11.7	+22%	6.4	5.6	0.8	+15%
Turkey	15.7	11.7	4.0	+34%	4.4	0.7	3.7	+493%
Cze & Svk	2.0		2.0		0.3		0.3	
Other*	16.9	14.7	2.2	+15%	2.7	2.1	0.6	+28%
Eliminations	-9.0	-9.5	0.5		-0.2	-0.3	0.1	
GASEE	204.9	157.1	47.8	+30%	25.6	17.5	8.2	+47%

*Other entities include Albania, Bulgaria, Kosovo, Montenegro, Poland, Slovenia

Liquidity

Net cash down due to acquisitions and IFRS16

mEUR	Asseco SEE Group		
	31 Dec '19	2018 YE	Diff
Cash and short term investments	47.0	39.2	7.8
Lease liabilities	-15.6	-0.4	-15.2
Financial liabilities	-25.1	-11.2	-13.9
Net Cash	6.3	27.6	-21.3
Receivables and Prepayments	54.4	41.0	13.3
Liabilities, Provisions and Deffered Income	-57.1	-39.7	-17.4
Inventory	8.7	4.0	4.8
Operational Balance	12.3	32.9	-20.5

* Financial liabilities including: short-term part of acquisition related liabilities (3,3m EUR), short-term loans (11,7m EUR) and long-term loans (10,2m EUR)

Lower cash flow due to M&A and payment infrastructure

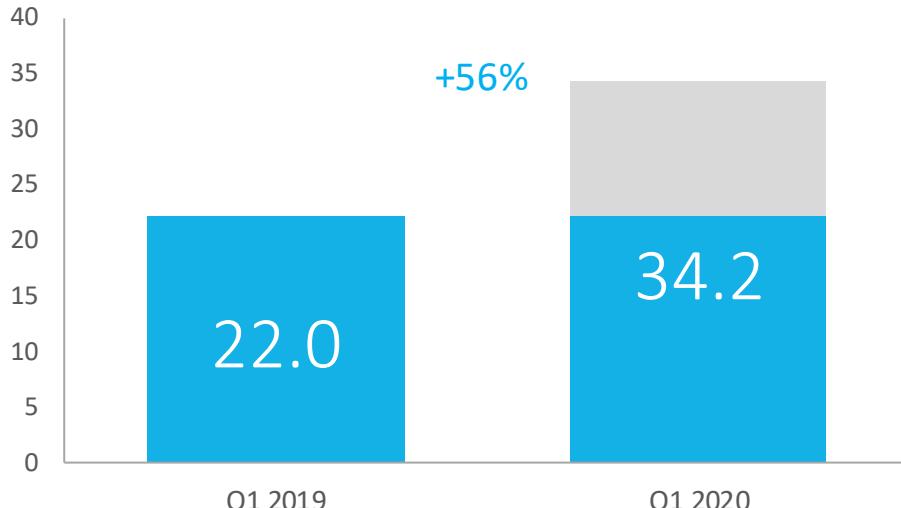
mEUR	Asseco SEE Group		
	2019	2018	2017
Operating cash flow*	38.1	29.2	22.7
- IT Infrastructure for outsourcing	-10.0	-5.8	-13.7
- infrastructure for IAD	-0.5	-1.4	0.0
- Capitalized R&D	0.0	-0.3	-0.8
- M&A	-10.6	0.0	-0.2
- Other CAPEX	-2.1	-2.6	-1.9
Free cash flow	14.9	19.1	6.1
Debt Increase	12.7	3.8	5.2
Debt Service	-12.3	-3.8	-4.7
Total Cash Flow	15.2	19.0	6.5
Oper CF/EBITDA	119%	119%	90%
FCF/EBIT	74%	128%	39%

*Excluding investment in outsourcing equipment presented in Inventory

Outlook for 2020

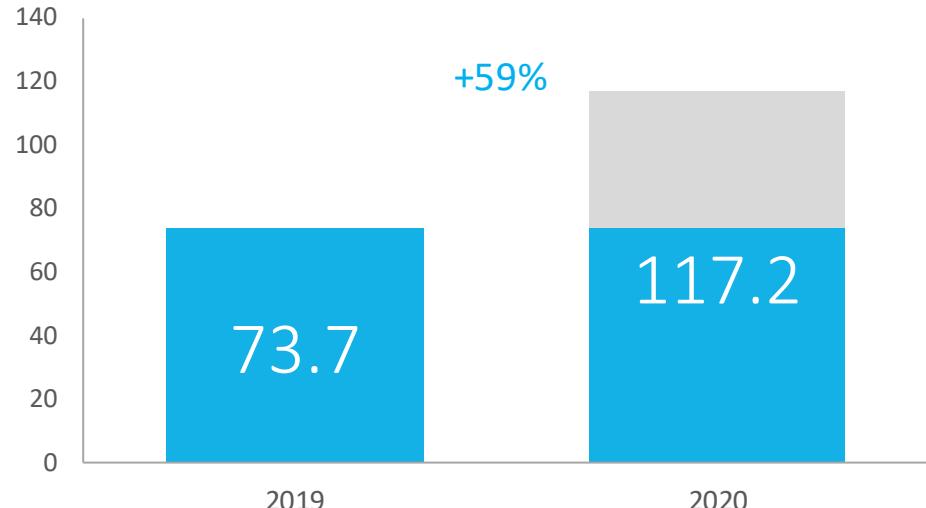
Total ASEE Group incl. Payten

mEUR	Q1 2019	Q1 2020	% Diff
Revenues BL	30.8	49.4	+60%
Margin1 BL	22.0	34.2	+56%



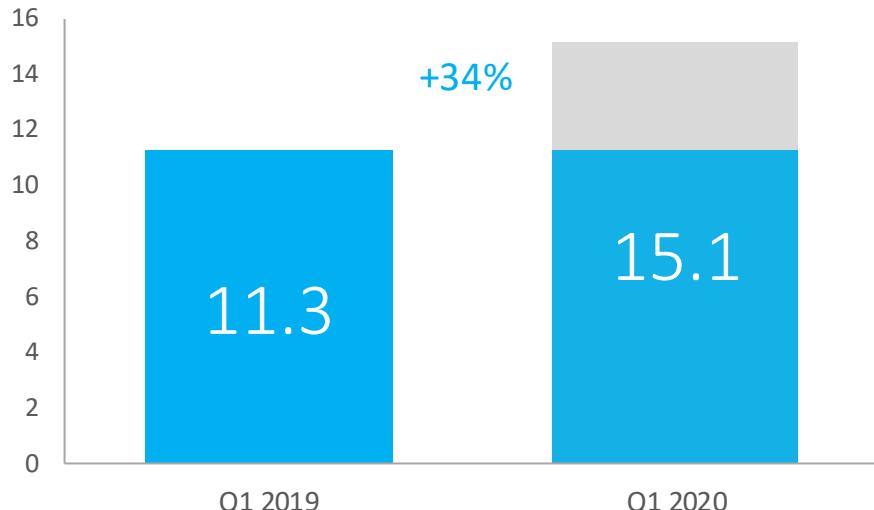
* Backlog data as at February 20th, 2020

mEUR	2019	2020	% Diff
Revenues BL	92.7	160.6	+73%
Margin1 BL	73.7	117.2	+59%



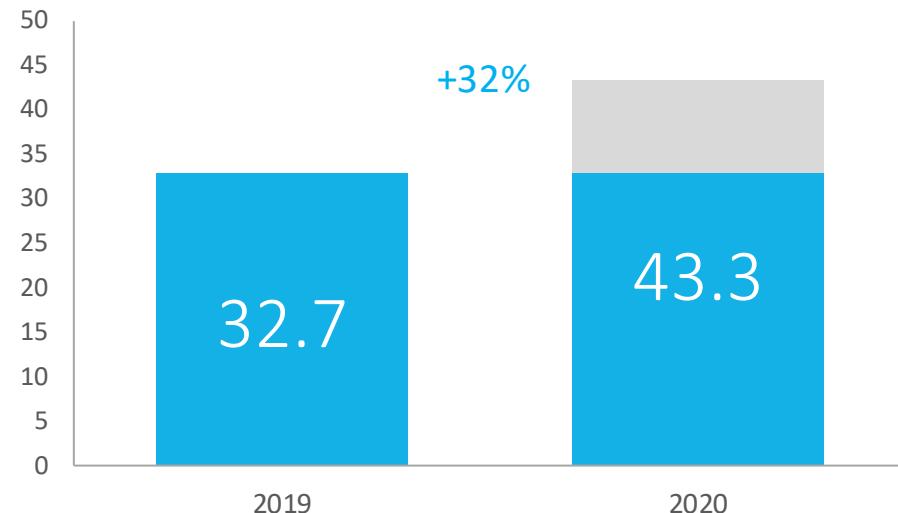
Banking and Dedicated solutions

	mEUR	Q1 2019	Q1 2020	% Diff
Revenues BL		16.8	22.6	+35%
Margin1 BL		11.3	15.1	+34%



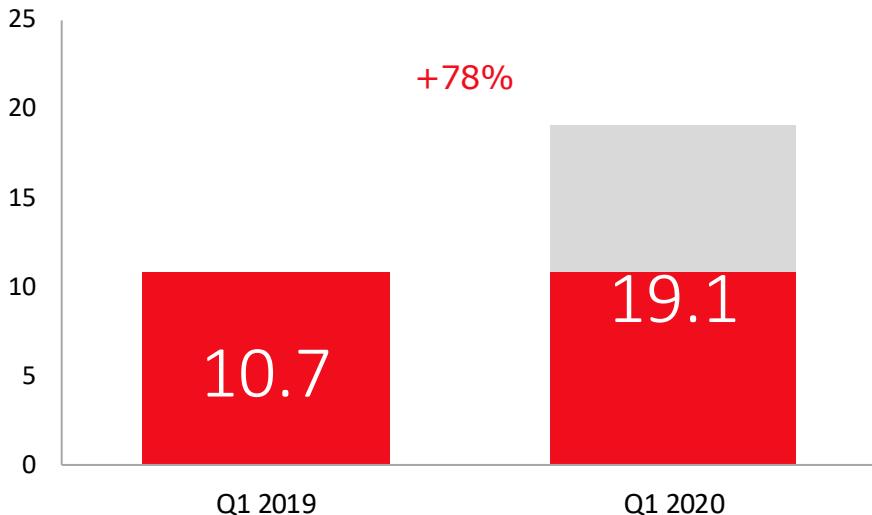
* Backlog data as at February 20th, 2020

	mEUR	2019	2020	% Diff
Revenues BL		47.0	74.0	+58%
Margin1 BL		32.7	43.3	+32%

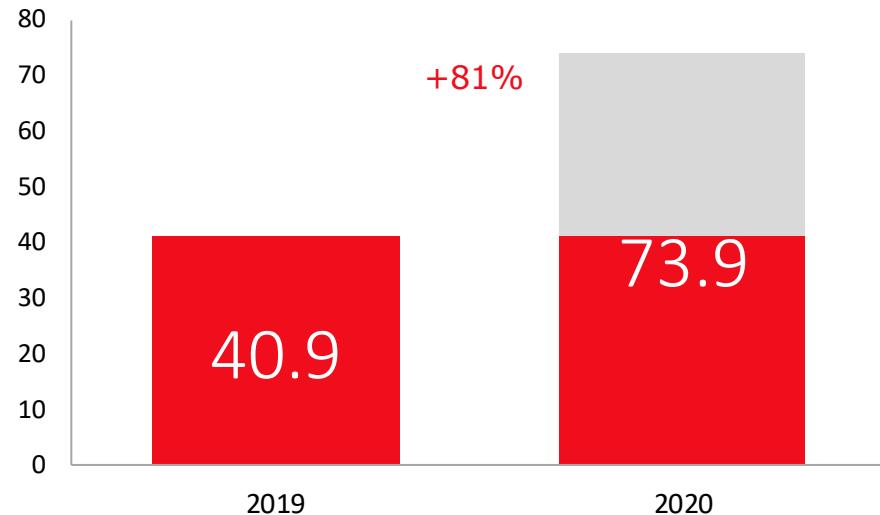


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	mEUR	Q1 2019	Q1 2020	% Diff
Revenues BL		14.1	26.8	+90%
Margin1 BL		10.7	19.1	+78%



	mEUR	2019	2020	% Diff
Revenues BL		45.8	86.6	+89%
Margin1 BL		40.9	73.9	+81%



* Backlog data as at February 20th, 2020

Thank you

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