

Payten
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SOUTH EASTERN EUROPE

Financial Results for Q3 2019

And Business Update

November 8th, 2019

Warsaw

3Q 2019 results

3Q'19: Highlights

- Payten expanding geographically and growing its solution portfolio thanks to the acquisitions of Sonet and a few local payment entities
- Very good summer season for MoneyGet
- Very good performance of eCommerce continued, including 3D Secure
- High interest in Digital banking solutions in the region maintained

Q3 ASEE Best Deals.

Banking Business Unit

- **Mobile banking solution** for an international banking group
- **InAct** for 3 banks in the SEE region outside Turkey
- **SxS** and **mToken** for Eurobank Bulgaria
- **Digital Origination** and **GDPR** solutions for 2 banks in Serbia
- **Mobile banking** licenses for a bank in Romania
- **AbSolut Core Banking** system functionalities for asset management firm in Romania

System Integration

- **Fadoc DMS** solution, including **Asseco Live ServiceDesk** and mobile app, for Electric power company „Elektroprivreda Srbije“ in Serbia
- Microsoft licenses for a transport company in Romania
- VMware solution for National Employment Service in Serbia
- E invoices third party solution for Ministry of Finance in Serbia

Q3 Payten Best Deals.

E-Commerce

- **MSU** solution 3 insurance companies in Turkey – Anadolu Anonim Türk Sigorta Şirketi, Demir Sağlık ve Hayat Sigorta A.Ş., Acıbadem sağlık ve Hayat Sigortası A.Ş
- **Paratika** sold to 43 merchants, including car company in Turkey - Artı seyahat Acentası A.Ş.- a previous MSU clients who now also purchased virtual POS
- **Trides2** for 2 banks and a payment company

ATM and POS Related Services

- Deliveries of **Instant Payment** solution, to enable instant payment in Serbia for merchants, for 3 banks in Serbia – Credit Agricole, Raiffeisen bank, OTP banka - reaching **13 IP payment deals** in 2019
- Over € 4 million 3-year maintenance contract for **VisaNet Peru's POS network**
- **DCC implementation** on ATM for UniCredit Bank d.d. Mostar
- Renewal of **POS outsourcing** and **processing** deal for Delhaize Serbia

3Q'19: Fast organic growth supplemented by acquisitions

mEUR	Total			Excluding Acquisitions	
	Q3 2019	Q3 2018	% Diff	Q3 2019	% Diff
Revenue	52.7	35.4	+49%	44.3	+25%
EBITDA	11.0	7.1	+55%	10.3	+45%
EBIT	6.9	4.4	+57%	6.6	+51%
NPAT	5.8	4.3	+36%	5.6	+30%
<i>EBITDA %</i>	<i>20.8%</i>	<i>20.0%</i>		<i>23.2%</i>	
<i>EBIT %</i>	<i>13.1%</i>	<i>12.4%</i>		<i>14.9%</i>	

In kEUR:

- New acquisitions: **Revenue** +8 345, **EBITDA** +708, **EBIT** +276, **NPAT** +240
- IFRS16 impact: **EBITDA** +1 041, **EBIT** +75, **NPAT** -41

3Q'19: Impact of new acquisitions

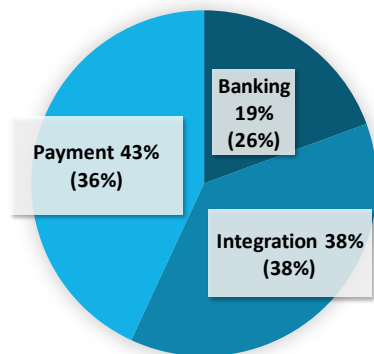
mEUR	N+*	Sonet	Other	Payment	SI	Total
Revenue	7.2	0.4	0.7	6.4	1.9	8.3
EBITDA	0.3	0.0	0.4	0.5	0.2	0.7
EBIT	0.0	0.1	0.2	0.1	0.1	0.3
NPAT	0.0	0.0	0.2			0.2

**Including negative one-off in the amount of 269k EUR and amortization of PPA (116k EUR) at Necomplus Spain*

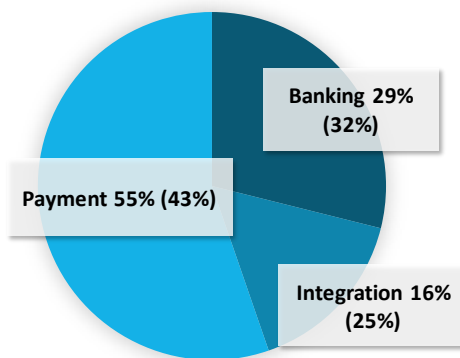
3Q'19: Very good Payment and improving Banking

mEUR	Revenue			EBITDA			EBIT		
	Q3 2019	Q3 2018	Diff	Q3 2019	Q3 2018	Diff	Q3 2019	Q3 2018	Diff
Banking	10.2	9.1	1.1	2.6	1.7	0.9	2.0	1.4	0.6
Integration	19.8	13.5	6.3	1.5	1.3	0.2	1.1	1.1	0.0
Non-Payment	30.0	22.6	7.4	4.1	3.0	1.1	3.1	2.5	0.6
Payment	22.7	12.8	9.9	6.9	4.1	2.8	3.8	1.9	1.9
Asseco SEE Group	52.7	35.4	17.3	11.0	7.1	3.9	6.9	4.4	2.5

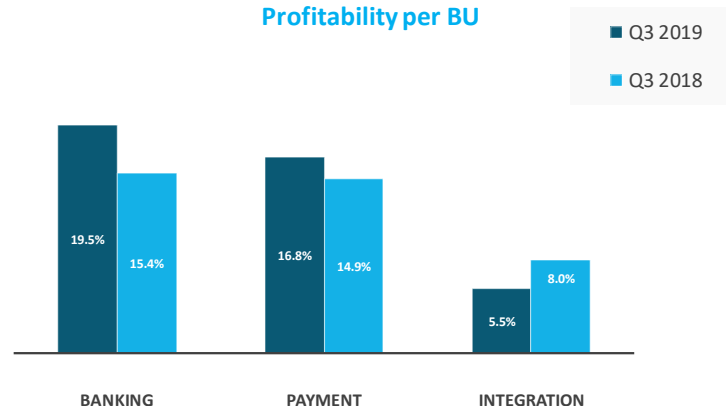
Revenue per BUs Q3 2019



EBIT per BUs Q3 2019

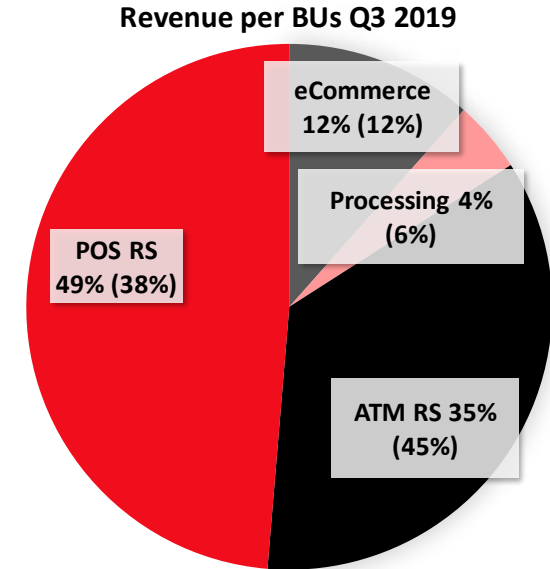


Profitability per BU



3Q'19: New acquisitions contributing mainly to POS

mEUR	Revenue		
	Q3 2019	Q3 2018	Diff
eCommerce	2.6	1.5	1.1
Processing	1.0	0.7	0.3
ATM RS	8.0	5.7	2.3
POS RS	11.0	4.9	6.2
Payment	22.7	12.8	9.9



3Q'19: Improvement in most markets

mEUR	Revenue				EBIT			
	Q3 2019	Q3 2018	Diff	% Diff	Q3 2019	Q3 2018	Diff	% Diff
B&H	1.4	1.7	-0.3	-16%	0.3	0.2	0.0	+23%
Croatia	8.8	7.6	1.2	+16%	2.2	1.6	0.6	+42%
Iberia**	6.2		6.2		-0.2		-0.2	
Latam	1.1		1.1		0.1		0.1	
Macedonia	2.8	2.9	-0.1	-5%	0.6	0.8	-0.2	-27%
Romania	6.5	6.5	0.0	+0%	0.3	-0.2	0.4	
Serbia	18.8	13.2	5.5	+42%	1.7	1.3	0.4	+28%
Turkey	3.7	2.5	1.3	+51%	0.9	0.3	0.6	+208%
Cze & Svk	0.4		0.4		0.1		0.1	
Other	4.9	3.1	1.7	+55%	1.2	0.5	0.7	+133%
Eliminations	-1.9	-2.1	0.2		-0.1	-0.1	0.0	
GASEE	52.7	35.4	17.3	+49%	6.9	4.4	2.5	+57%

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

** Including negative one-off in the amount of 269k EUR and amortization of PPA (116k EUR) at Necomplus Spain

1-3Q 2019 results

1-3Q'19: Solid organic growth supplemented by acquisitions

mEUR	Total			Excluding Acquisitions	
	Q1-3 2019	Q1-3 2018	% Diff	Q1-3 2019	% Diff
Revenue	140.6	105.5	+33%	119.4	+13%
EBITDA	28.4	19.6	+45%	26.7	+36%
EBIT	17.1	11.7	+47%	16.3	+39%
NPAT	14.3	10.6	+35%	13.6	+29%
<i>EBITDA %</i>	<i>20.2%</i>	<i>18.6%</i>		<i>22.4%</i>	
<i>EBIT %</i>	<i>12.2%</i>	<i>11.1%</i>		<i>13.6%</i>	

In kEUR:

- New acquisitions: **Revenue** +21,175, **EBITDA** +1,681, **EBIT** +837, **NPAT** +708
- Tax on civil law transactions: **EBITDA/EBIT/NPAT** -281
- Revaluation of share in Multicard: **NPAT** +466
- IFRS16 impact: **EBITDA** +2 814; **EBIT** +232; **NPAT** -70

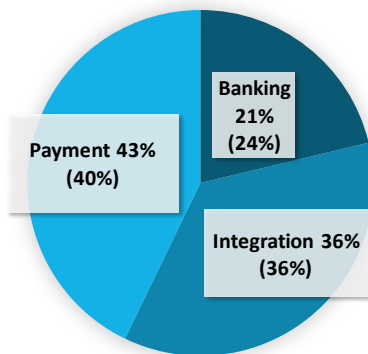
1-3Q'19: Impact of new acquisitions

mEUR	N+	Sonet	Other	Payment	SI	Total
Revenue	20.1	0.4	0.7	16.5	4.7	21.2
EBITDA	1.2	0.0	0.4	1.6	0.1	1.7
EBIT	0.5	0.1	0.2	0.9	0.0	0.8
NPAT	0.4	0.0	0.2			0.7

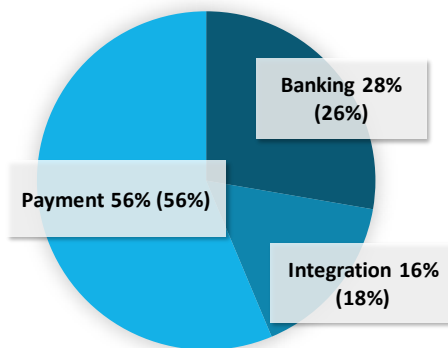
1-3Q'19: Improvement in all segments

mEUR	Revenue			EBITDA			EBIT		
	Q1-3 2019	Q1-3 2018	Diff	Q1-3 2019	Q1-3 2018	Diff	Q1-3 2019	Q1-3 2018	Diff
Banking	29.9	25.6	4.3	6.4	3.8	2.6	4.7	3.0	1.7
Integration	50.5	38.1	12.4	3.9	2.8	1.1	2.7	2.1	0.6
Non-Payment	80.4	63.7	16.7	10.4	6.6	3.7	7.5	5.2	2.3
Payment	60.2	41.8	18.4	18.0	13.0	5.1	9.6	6.5	3.1
Asseco SEE Group	140.6	105.5	35.1	28.4	19.6	8.8	17.1	11.7	5.4

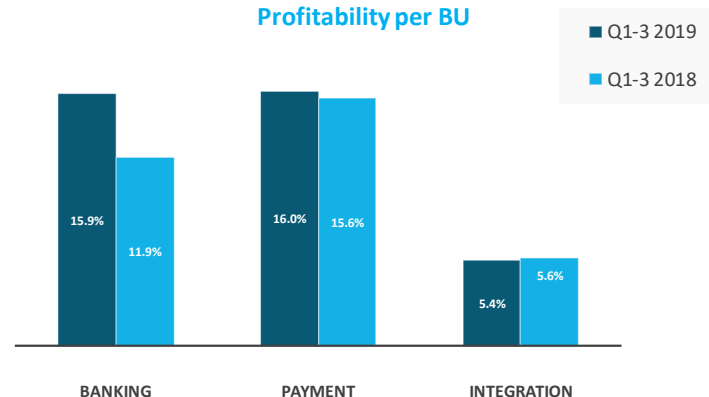
Revenue per BUs Q1-3 2019



EBIT per BUs Q1-3 2019

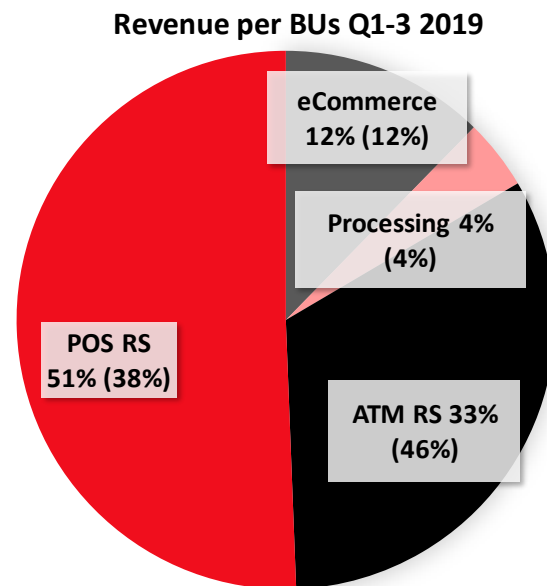


Profitability per BU



1-3Q'19: Acquisitions contributing mainly to POS RS

mEUR	Revenue		
	Q1-3 2019	Q1-3 2018	Diff
eCommerce	7.4	5.1	2.3
Processing	2.5	1.9	0.7
ATM RS	19.8	19.2	0.6
POS RS	30.5	15.7	14.8
Payment	60.2	41.8	18.4



1-3Q'19: Improvement in all markets. Outstanding Turkey

mEUR	Revenue				EBIT			
	Q1-3 2019	Q1-3 2018	Diff	% Diff	Q1-3 2019	Q1-3 2018	Diff	% Diff
B&H	5.2	4.7	0.5	+10%	0.7	0.8	-0.1	-8%
Croatia	23.7	22.7	1.0	+4%	4.1	3.7	0.5	+13%
Iberia**	17.8		17.8		0.1		0.1	
Latam	2.7		2.7		0.2		0.2	
Macedonia	8.6	9.1	-0.5	-6%	1.8	1.3	0.5	+42%
Romania	20.2	21.6	-1.4	-7%	0.7	0.3	0.4	+134%
Serbia	45.6	33.8	11.8	+35%	4.1	3.3	0.8	+24%
Turkey	10.9	8.6	2.3	+27%	3.3	1.2	2.1	+181%
Cze & Svk	0.4		0.4		0.1		0.1	
Other	11.7	10.0	1.7	+17%	2.2	1.4	0.9	+62%
Eliminations	-6.0	-5.0	-1.1		-0.2	-0.2	0.0	
GASEE	140.6	105.5	35.1	+33%	17.1	11.7	5.4	+47%

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

** Including negative one-off in the amount of 269k EUR and amortization of PPA (309k EUR) at Necomplus Spain

Liquidity

Net cash down due to acquisitions and IFRS16

mEUR	Excluding Acquisitions* 30 Sep '19	Asseco SEE Group		
		30 Sep '19	2018 YE	Diff
Cash and short term investments	30.5	34.3	39.2	-4.9
Lease liabilities	-12.2	-16.4	-0.4	-15.9
Financial liabilities**	-23.8	-29.6	-11.2	-18.4
Net Cash	-5.6	-11.7	27.6	-39.3
Receivables and Prepayments	44.3	53.3	41.0	12.3
Liabilities, Provisions and Deferred Income	-34.9	-41.1	-39.7	-1.4
Inventory	5.0	7.9	4.0	4.0
Operational Balance	8.9	8.4	32.9	-24.4

*Acquisitions include Bassilichi, B Services, Mobven, N+, Sonet

** Financial liabilities including: short-term part of acquisition related liabilities (6,1m EUR), loans „acquired” (5,7m EUR), ASEE Group loans (17,7m EUR)

Lower cash flow due to M&A and payment infrastructure

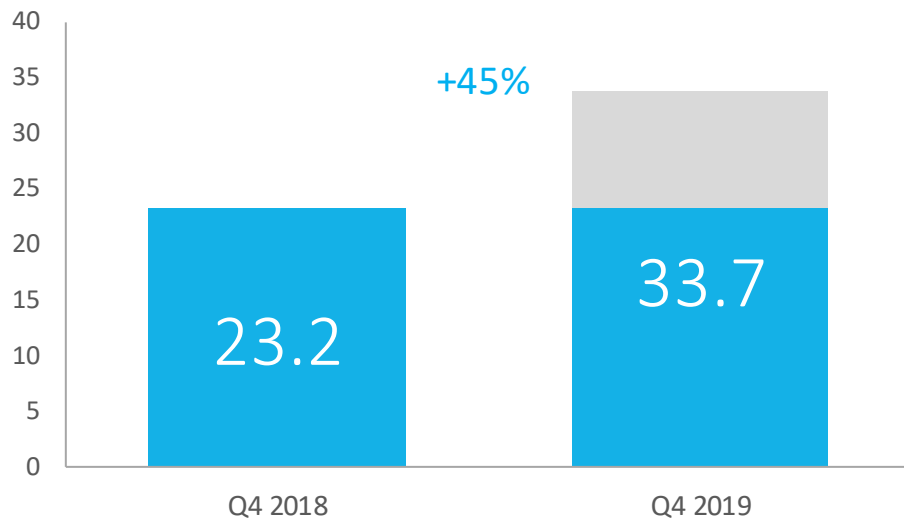
mEUR	Asseco SEE Group		
	Q3 2019 LTM	2018	2017
Operating cash flow*	28.6	29.2	22.7
- IT Infrastructure for outsourcing	-9.8	-5.8	-13.7
- infrastructure for IAD	-0.5	-1.4	0.0
- Capitalized R&D	0.0	-0.3	-0.8
- M&A	-10.1	0.0	-0.2
- Other CAPEX	-1.9	-2.6	-1.9
Free cash flow	6.4	19.1	6.1
Debt Increase	11.7	3.8	5.2
Debt Service	-9.8	-3.8	-4.7
Total Cash Flow	8.2	19.0	6.5
Oper CF/EBITDA	89%	119%	90%
FCF/EBIT	32%	128%	39%

*Excluding investment in outsourcing equipment presented in Inventory

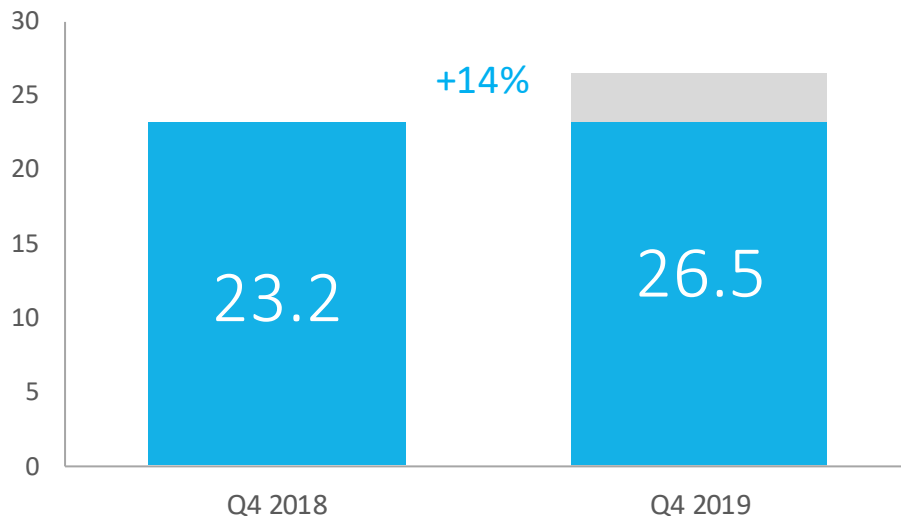
Outlook for 2019

Total ASEE Group incl. Payten

Total			
mEUR	Q4 2018	Q4 2019	% Diff
Revenues BL	34.3	49.9	+45%
Margin1 BL	23.2	33.7	+45%



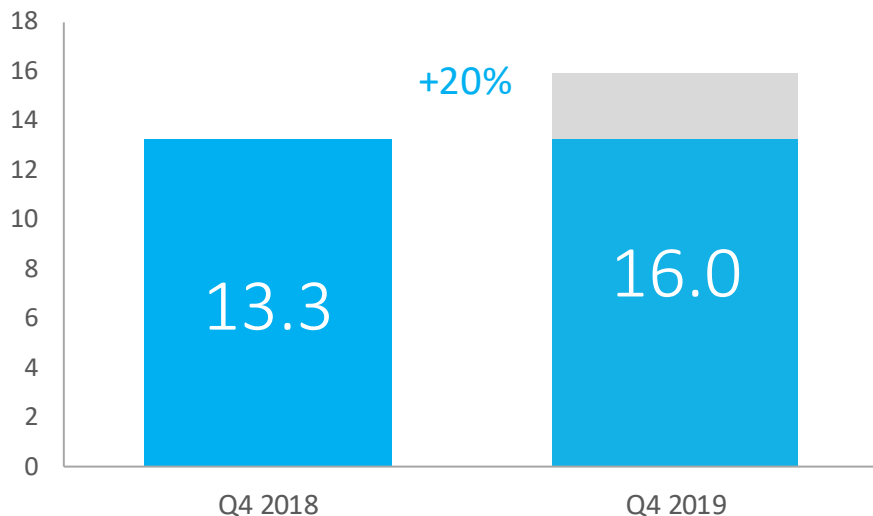
Excluding Acquisitions			
mEUR	Q4 2018	Q4 2019	% Diff
Revenues BL	34.3	40.9	+19%
Margin1 BL	23.2	26.5	+14%



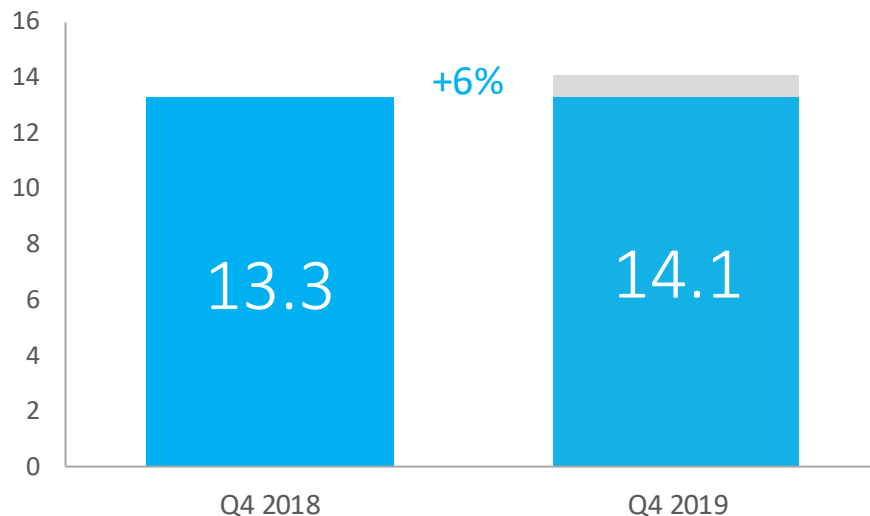
* Backlog data as at October 22nd

Banking and System Integration

Total			
mEUR	Q4 2018	Q4 2019	% Diff
Revenues BL	21.9	27.9	+28%
Margin1 BL	13.3	16.0	+20%



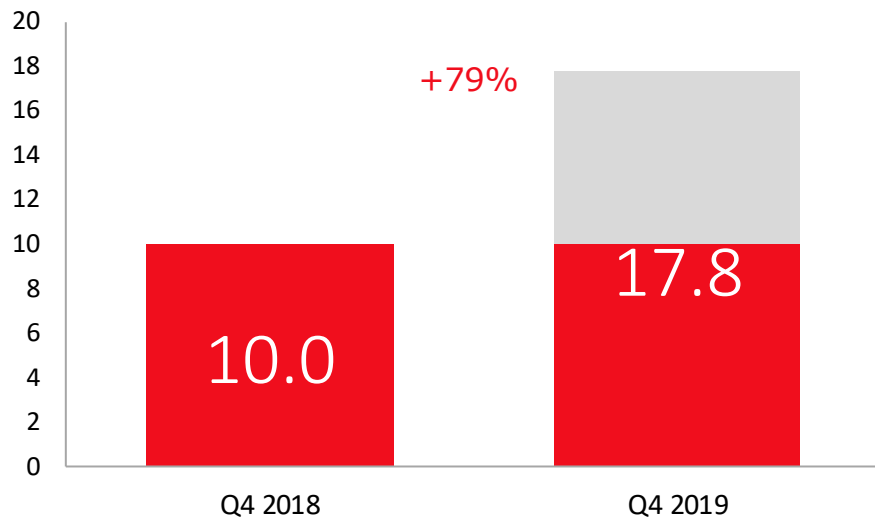
Excluding Acquisitions			
mEUR	Q4 2018	Q4 2019	% Diff
Revenues BL	21.9	26.0	+19%
Margin1 BL	13.3	14.1	+6%



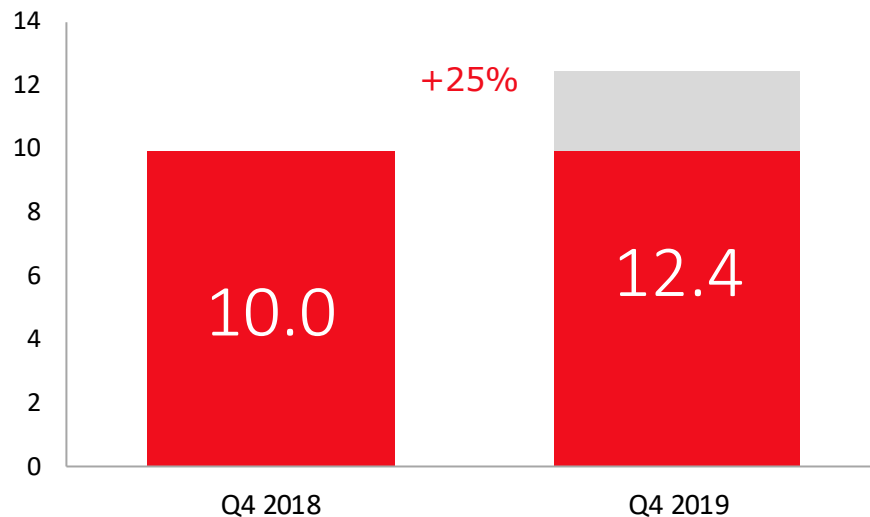
* Backlog data as at October 22nd

Payten

Total			
mEUR	Q4 2018	Q4 2019	% Diff
Revenues BL	12.5	22.0	+76%
Margin1 BL	10.0	17.8	+79%



Excluding Acquisitions			
mEUR	Q4 2018	Q4 2019	% Diff
Revenues BL	12.5	14.9	+19%
Margin1 BL	10.0	12.4	+25%



* Backlog data as at October 22nd

Thank you

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