Additional remarks on the article

1. “Great Indian Shareholder Robbery”; “documents suggest a minimum of 175 million euros – and perhaps as much as 285 million euros – from Wirecard’s 340 million euro purchase of an India-based payment processor in October 2015 did not go to the seller”; “missing funds”

The headline suggests that Wirecard has “robbed” shareholders of Great India Retail Group and the Article suggests that the seller to Wirecard (EMIF) did not get all of the money Wirecard has said it paid. This is false for the reasons listed above. As Wirecard’s annual reports and domestic bank records show, it paid to EMIF the full amount for the Indian assets that it said it paid. There cannot be any suggestion that Wirecard said it paid one amount but paid less. This is demonstrably false.

No GI Retail shareholders have made any claims against Wirecard.

2. Indian paperwork

The Article suggests that the Indian regulatory system (FDI filings and GI Retail’s Annual Reports) shows the full picture about Wirecard’s Indian acquisitions. This is not correct. The FDI filings only show money inflow in India and will not reflect the totality of payments made to entities based outside India. Wirecard did not pay GI Retail, therefore GI Retail’s annual reports are not relevant to the propriety of Wirecard’s actions in the acquisition from EMIF.

3. IFRS

The Article claims that Wirecard does not “follow applicable International Financial Reporting Standards”. This is demonstrably false. Wirecard’s 2016 Annual Report states:

“Ernst & Young GmbH, Wirtschaftsprüfungsgesellschaft, audited the separate financial statements of Wirecard AG as of 31 December 2016, the consolidated financial statements as of 31 December 2016 and the management report for the company and the Group, and issued unqualified audit opinions thereon. The separate financial statements and the management report of Wirecard AG were prepared according to German Commercial Code (HGB), while the consolidated financial statements and the Group management report were prepared in accordance with the International Financial Reporting Standards (IFRS) as well as the additional requirements of German law pursuant to Section 315a (1) of the HGB".

4. Alleged valuations of individual companies

Based on an incorrectly assumed valuation of Hermes, the Article falsely claims that Star Global was purchased for EUR 177.6 million or that the 60% stake in Great Indian Technology was purchased for EUR 192.64 million.The assets were purchased from EMIF in one transaction, for which one sum was paid. The "supposed" valuations Mr Boyd has arrived at are based upon flawed calculations and an incomplete review of all the relevant figures.

5. Auditors

Auditors do not only resign when they have discovered something problematic. Kuriachan & Nova were the sole auditors of Hermes for FY2013 and FY2014. On 28 August 2015, the board of Hermes appointed Kuriachan & Nova and V Krishnan & Co as joint auditors, reflecting the growth of the company, to collectively audit Hermes for FY2015. In order to appoint joint auditors, the old auditor had to resign as a formality. That the old auditor was appointed as the new joint auditor shows they were perfectly happy to continue auditing Hermes.

Wirecard regularly carries out impairment tests on the value of assets it acquires. This forms part of Ernst & Young GmbH's (the external auditor's) annual auditing process. Since Wirecard acquired the Indian assets, it has not had a single Euro of impairment oriented amortisation or depreciation, as confirmed by Ernst & Young.