

Your n°1
payments
partner



v 201905.1



DISCLAIMER

This presentation was prepared by Keyware Technologies NV/SA (the “Company”) solely for use at investor presentations. By receiving this presentation and participating in this meeting, you acknowledge having been informed of the following restrictions.

This presentation has been prepared for circulation and does not constitute an offer to subscribe or the solicitation of an offer to subscribe for securities or fund raising. This document or any part thereof shall not be used as the basis for any contract or undertaking, and must not be used for the purpose of supporting such contractor or undertaking. Hence, no investment recommendations are included herein.

In case a reader would make an investment decision, this should be based on their specific investment objectives. Any decision to acquire or subscribe for shares in connection with any future offering shall be based solely on information contained in a separately prospectus that would have to be drafted and cleared by the FSMA (Financial Services & Markets Authority) or any other offering document drawn up and issued by the Company in connection with said offering. Therefore, this presentation is not a prospectus.

This presentation is provided exclusively to you for your information only and may not be used for purposes other than the presentation of the Company. This presentation and its content are confidential and may not be copied, distributed or transmitted to any other person or be published, or reproduced, directly or indirectly, in full or in part, by any means whatsoever, and in any form and for any purpose whatsoever. You must comply with all laws applying to possession of such information including laws governing insider trading and regulations in force or recommendations of the FSMA. Neither this presentation nor any information contained herein, may be delivered, communicated or distributed, directly or indirectly, to the United States, Canada, Japan or Australia or to any residents of these countries. Noncompliance with any of these restrictions may constitute a violation of legal restrictions governing the offering of financial instruments in the United States, Canada, Japan or Australia. Distribution or presentation of this document in other countries may be subject to legal restrictions and persons coming into possession of this document must inform themselves about the existence of such restrictions and comply therewith.

This presentation was prepared by the Company under its sole liability. The information contained herein has not been subject to independent verification by the Company, its advisors or any other person and may be updated, supplemented, revised, or amended, and such information may be subject to significant changes.

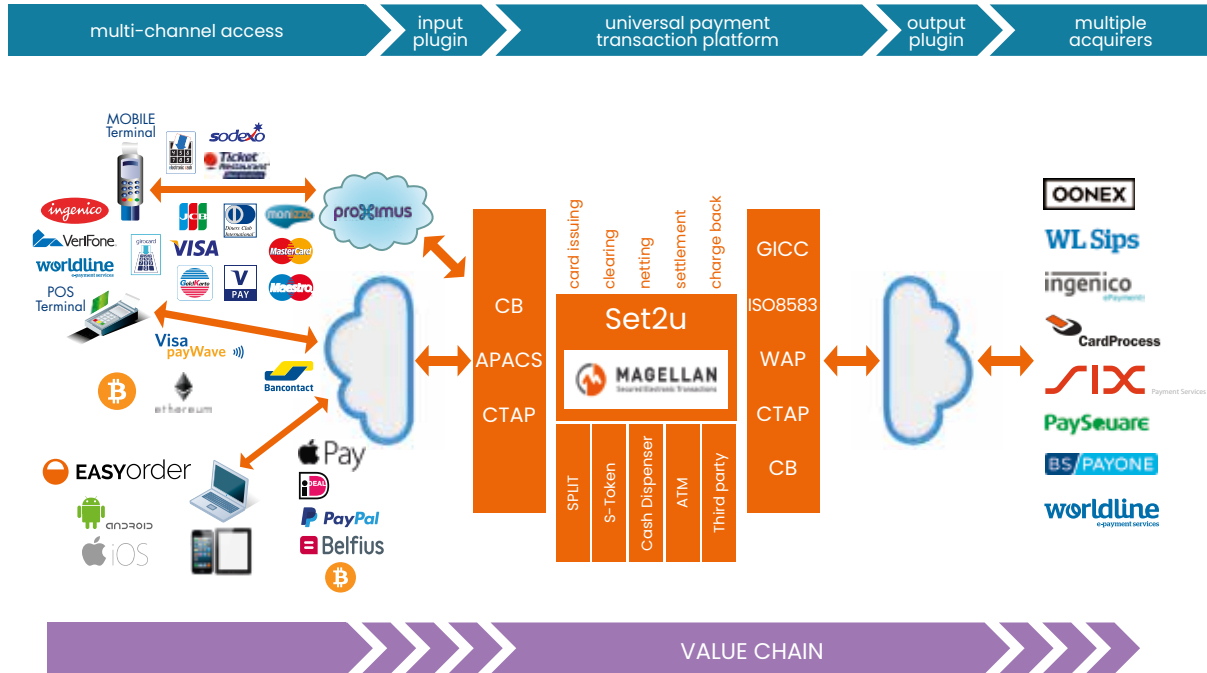
No representation, warranty or undertaking, explicit or implied, is made as to the accuracy, completeness or appropriateness of the information and opinions contained in this document. The Company, its advisors or representatives decline any responsibility or liability resulting from any use made of this presentation or its content or related in any manner to this presentation. The Company is not under any obligation to update the information contained herein and information contained herein may be subject to change without prior notice.

This presentation contains forward-looking information as to the targets and development strategies of the Company. Such forward-looking information can sometimes be identified by use of the future tense, the conditional tense or forward-looking terms such as “expect”, “may”, “estimate”, “intend”, “plan”, “anticipate” and other similar terms. This data is subject to risk and uncertainties that may result, in due course, in actual data that is materially different. These targets and development strategies are not historical data and should not be construed as any form of guarantee that forecast figures or events will materialize, that the hypotheses presented will be verified, or that the targets will be reached. Given their nature, should the targets not be met and the information in this presentation prove to be erroneous, neither the Company, nor its advisors or their representatives shall be obliged to update said information, unless otherwise required by law.

CONTENT

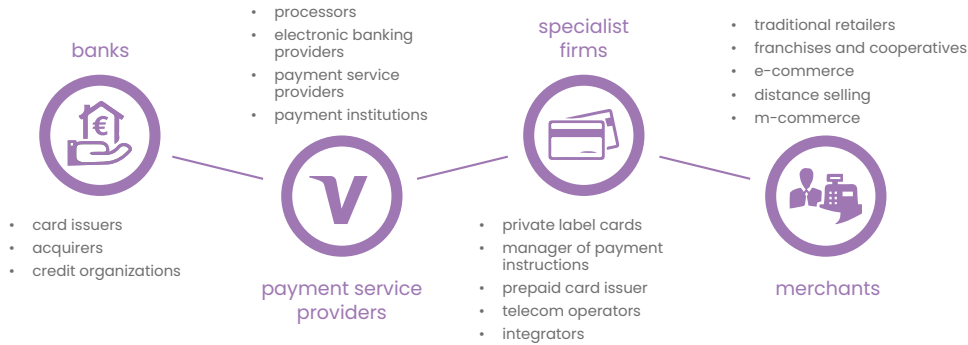
- ▶ From omnichannel payment solutions to FinTech software development p. 4
- ▶ Company presentation p. 10
- ▶ Organisation p. 12
- ▶ Why invest? p. 17
- ▶ Financials p. 19
- ▶ Markets p. 27
- ▶ Operations p. 31
- ▶ Customers p. 35
- ▶ Valuation p. 37

FROM OMNICHANNEL PAYMENT SOLUTIONS TO FINTECH SOFTWARE DEVELOPMENT



MAIN SAAS COMPONENTS

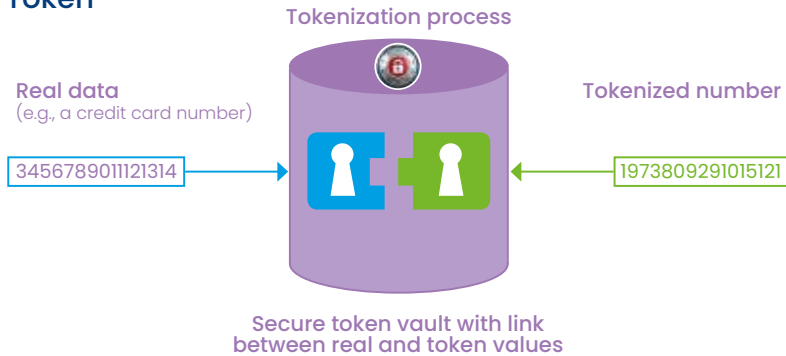
Set2u



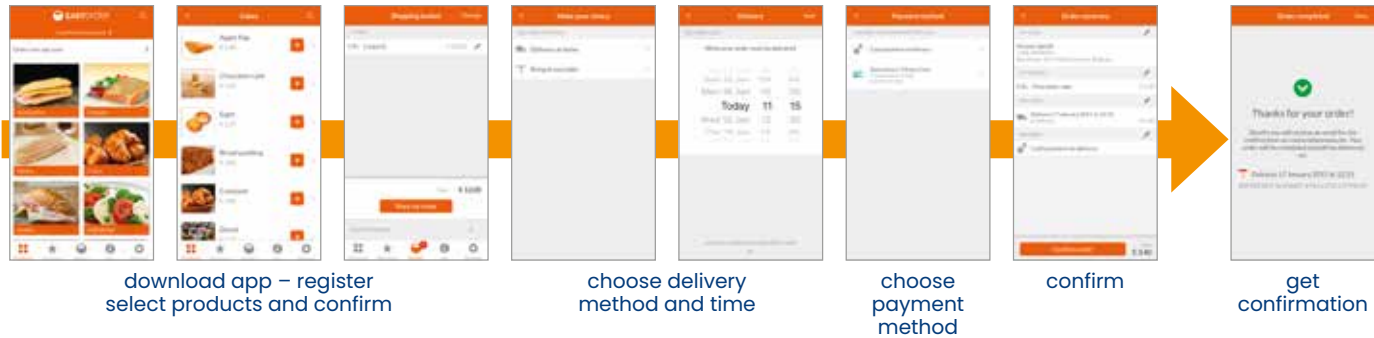
SPLIT



S-Token



EasyOrder



KEYWARE – A COMPELLING STORY

The acquisitions of Magellan and EasyOrder serve as growth accelerators for the terminals & transactions business lines and vice versa, e.g. :

- SPLIT software sales boost payment transactions and adds an additional functionality to the payment terminals
- the rental of payment terminals facilitates the adoption of SPLIT
- the EasyOrder offering completes the omnichannel payment offering in the terminal business
- Set2U expands and internationalises the EasyOrder solution by offering payment service providing

By deploying a SaaS-model, Keyware is now able to offer its FinTech software solutions on an international scale by direct sales as well as through business partners like integrators or resellers.



ROADMAP 2018-2019 – SOME HIGHLIGHTS



- Introduction of a Web Shop Terminal in Belgium and Germany
- Setup of an e-commerce site in Germany

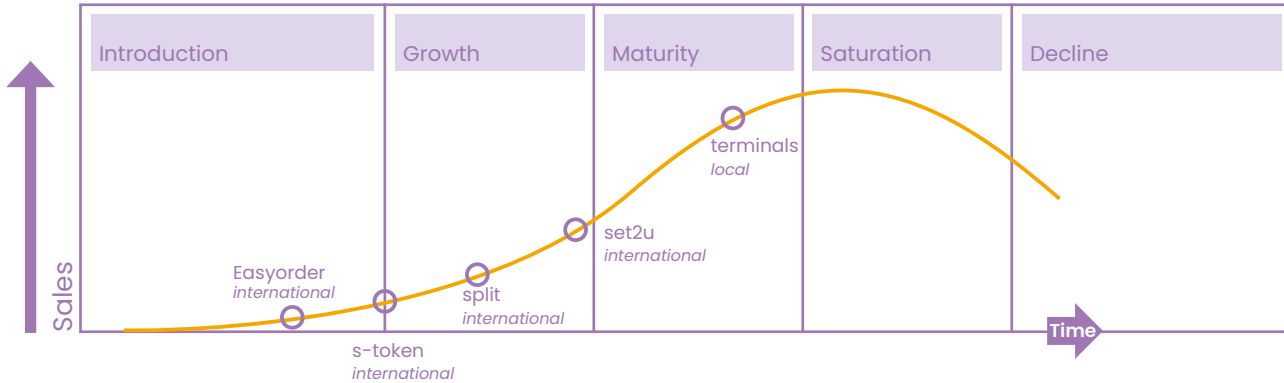


- End of Q1: fully new software release via up-to-date platform PHP 7.1 Laravel 5.5 backend with Ionic 2/Angular 2 frontend
- New features in the B2C solution
- Development of the B2B solution
- Project work
- Setup of an international e-commerce site



- Development of SPLIT for Europe
- PSP SPLIT
- Additional protocol converters (eg CTAP in/out)

PRODUCT LIFE CYCLE



Company presentation



CORPORATE FACT SHEET

- Keyware Technologies is a public company since June 2000 (Nasdaq Europe: KEYW) and trades since 2003 on NYSE-Euronext, now Euronext (KEYW)

Key figures



statutory capital
€ 8.358.694



n° of shares
22.543.793



fully diluted
23.543.793



CAGR
(FY 2013 – FY 2018)
11,7%

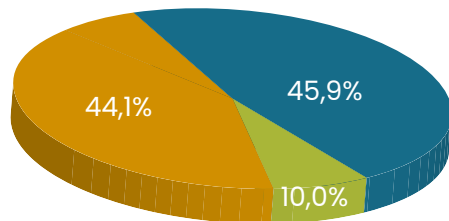


EBITDA
margin
16,2%



FTE's
70

Current shareholder structure



- Powergraph BVBA
Guido Van der Schueren
- Big Friend NV
Stéphane Vandervelde
- Others

Our vision: to reduce the cost of cash by promoting electronic payment through the development of state-of-the-art FinTech solutions.

Organisation



MANAGEMENT TEAM BELGIUM



**Stéphane
Vandervelde**

CEO

- over 30 years of experience in technology organisations
- co-founder of Keyware
- several positions as Board Member in multiple industries
- electronics engineer specialised in micro-electronics and chip design



**Wim
Verfaillie**

COO

- over 25 years of experience in streamlining operations
- extensive knowledge of retail, telco and payment technologies
- industrial engineer electricity
- @ Keyware since 2007



**Alain
Hubert**

CFO

- over 20 years of experience in finance
- former E&Y-director Transaction Advisory Services
- certified Auditor
- master in Applied Economics
- due diligence, quality & risk management specialisations
- @ Keyware since 2013

MANAGEMENT TEAM BELGIUM



**Joris
Maes**
CCO

- over 20 years of experience in international sales & marketing positions
- Master in Industrial Engineering
- MBA in General International Management
- @ Keyware since 2010



**Laurent
Vandervelde**

Country Manager
Germany
CCO EasyOrder

- Master Commercial Engineer @ Solvay Business School
- Sales and Marketing development at Readz
- Experienced in international sales and marketing strategies
- Market analysis for technology start-ups
- @ Keyware since 2016

LOCAL MANAGEMENT TEAMS



**Franck
Willmann**

CEO Magellan

- over 20 years of experience in payment solutions
- co-founder of Magellan
- co-creator of Caravel monetary solutions
- product and services director of Magellan for 12 years
- DESS Informatique Images et Réseaux (UCB)
- @ Magellan since 2002

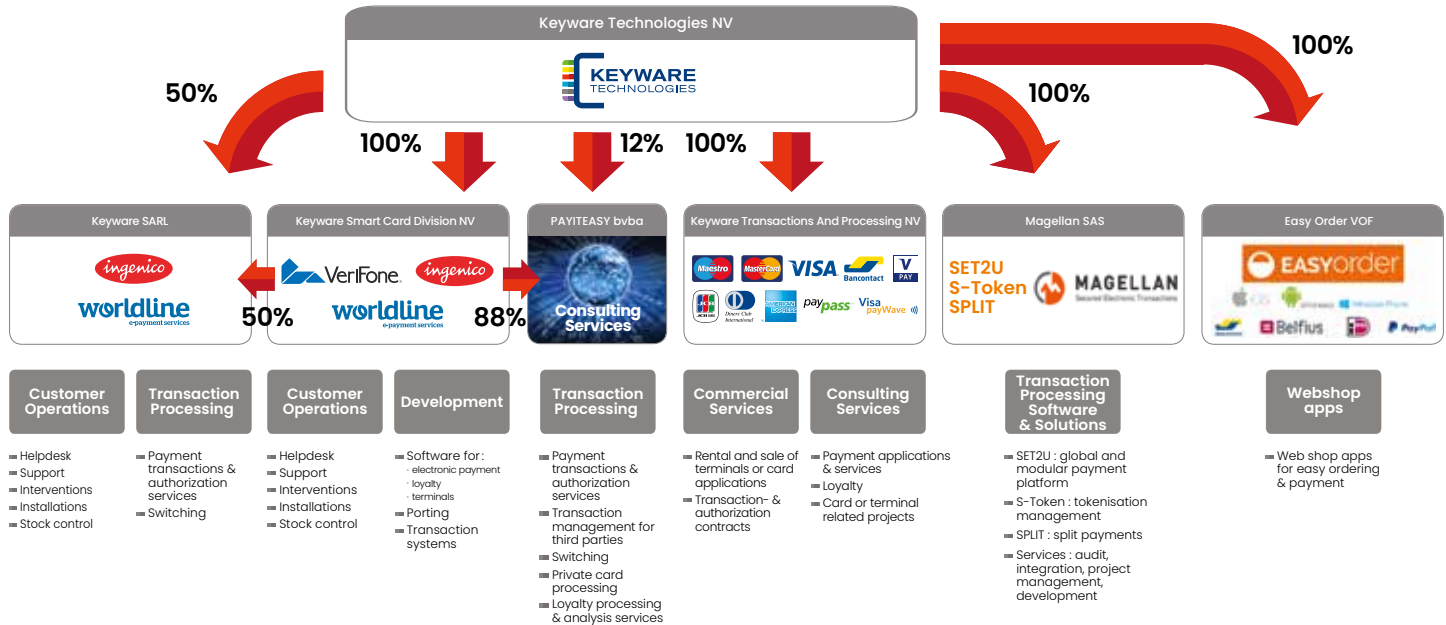


**David
Fortino**

CCO Magellan

- Over 20 years of experience in IT organizations
- Management of Business Unit specialized in IT
- Expert in software project management for payment solution
- Product and services director of Magellan for 5 years
- Engineer graduate from the INSA Lyon (Institut National des Sciences Appliquées)
- @ Magellan since 2013

ORGANISATIONAL STRUCTURE



Why invest?



INSIGHTS INTO KEYWARE'S ATTRACTIVENESS FOR INVESTORS

Mature Group with diversified activities

- ability to quickly adopt new technologies, partners, products and solutions (e.g. Keyware's PayService platform)
- valuable partnerships with the world's industry leaders
- participation in innovative and profitable payment solutions providers (e.g. Magellan and EasyOrder)

Robust financial results

- increasing share of recognized/recurring revenue
- decreasing financial leverage in the coming years
- EBITDA-margin stable at approx. 16%-20% of revenues
- increasing weight of software revenues and transactions generated revenues (highly profitable)
- second dividend paid out (EUR 0.03)

High barriers to enter the market

- economies of scale, capital requirements
- brand identity
- access to partners and distribution
- development experience and costs
- PCI/DSS compliancy, Bancontact certificate holder

Quests for growth by increasing market share

- steadily increasing market share in electronic payments
- seeking opportunities through acquisitions
- grasping market opportunities abroad (France, Germany, Luxembourg)
- measuring and enhancing customer's satisfaction
- need for local service providers in a globalized payment landscape
- additional market growth by European laws on prohibiting cash
- accelerated potential for payment transactions (new mobile payment devices, e-commerce and electronic payment solutions for micro-payments)
- huge potential in terms of market penetration

Low risk

- future-proof developments, agile operational performance
- experienced and well-balanced product development team
- disruptive cost model



Financials

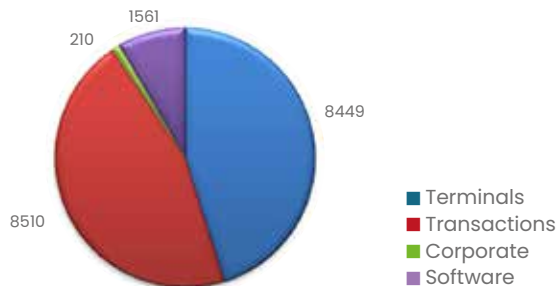
Consolidated income statement	Fiscal year 2018	Quarter 1 – 2018	Quarter 1 – 2019
	(in 000 €) (audited)	(in 000 €) (unaudited)	(in 000 €) (unaudited)
Revenues	19 635	4 629	4 689
Other operating income	917	145	133
Raw materials and consumables	-8 708	-1 801	-1 679
Personnel costs	-2 259	- 584	- 639
Depreciation and amortization	-1 465	- 336	- 382
Net impairment of current assets	-1 597	- 432	- 178
Other expenses	-6 260	-1 352	-1 494
Operating result	263	269	450
EBITDA	3 178	1 038	1 010
Financial income	846	236	178
Financial expenses	- 178	- 51	- 36
Profit before taxes	931	454	592
Taxes on the result	- 305	- 209	- 224
Profit for the period from continued operations	626	245	368
Profit for the period	626	245	368
<i>EBITDA / revenues (%)</i>	<i>16,2</i>	<i>22,4</i>	<i>21,5</i>
<i>EBIT / revenues (%)</i>	<i>1,3</i>	<i>5,8</i>	<i>9,6</i>
<i>Gross profit margin (%)</i>	<i>55,7</i>	<i>61,1</i>	<i>64,2</i>

IFRS Standards

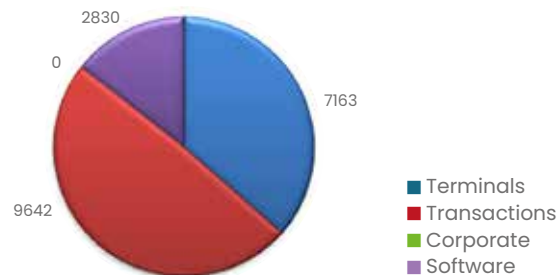
Breakdown per main segment	Fiscal year 2018	Quarter 1- 2018	Quarter 1 - 2019
	(in 000 €) (audited)	(in 000 €) (unaudited)	(in 000 €) (unaudited)
Revenues terminals	7.163	1.962	1.997
Cost of sales terminals	-1.283	-188	-201
Gross margin terminals	5.880	1.774	1.796
Revenues authorizations	9.642	2.091	1.940
Cost of sales authorizations	-7.377	-1.613	-1.452
Gross margin authorizations	2.265	478	488
Revenues software	2.830	576	752
Cost of sales software	-48	0	-26
Gross margin software	2.782	576	726
Revenues corporate	-	-	-
Cost of sales corporate	-	-	-
Gross margin corporate	-	-	-
Revenues	19.635	4.629	4.689
Cost of sales	-8.708	-1.801	-1.679
Gross margin	10.927	2.828	3.010
Gross profit margin terminals (%)	82,09	90,42	89,93
Gross profit margin authorizations (%)	23,49	22,86	25,15
Gross profit margin aggregate (%)	55,65	61,09	64,19

IFRS Standards

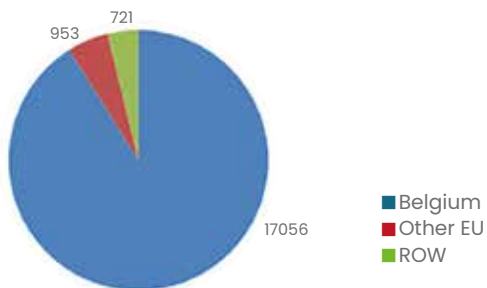
Sales 2017 by segment



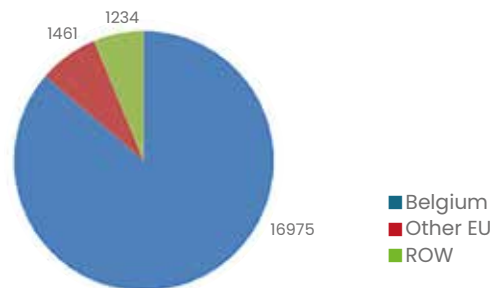
Sales 2018 by segment



Sales 2017 by region



Sales 2018 by region



Consolidated balance sheet	Quarter 1 – March 2018	Fiscal year 2018	Quarter 1 – March 2019
	(in 000 €) (unaudited)	(in 000 €) (audited)	(in 000 €) (unaudited)
Assets			
Non-current assets	26 401	27 042	26 872
Goodwill	7 993	7 993	7 993
Intangible assets	6 565	6 332	6 268
Property, plant and equipment	898	2 050	1 990
Deferred tax assets	612	2 713	2 713
Long term trade receivables	10 181	7 798	7 752
Other assets	152	156	156
Current assets	15 477	15 865	16 025
Inventories	1 173	928	1 078
Financial lease receivables	8 055	8 342	8 551
Trade receivables an other receivables	2 350	2 899	3 567
Deferred charges and accrued income	106	176	243
Cash and cash equivalents	3 793	3 520	2 586
Total assets	41 878	42 907	42 897

Consolidated balance sheet	Quarter 1 – March 2018	Fiscal year 2018	Quarter 1 – March 2019
	(in 000 €) (unaudited)	(in 000 €) (audited)	(in 000 €) (unaudited)
Equity and liabilities			
Shareholder's equity	27 454	27 592	27 886
Issued capital	7 412	7 682	7 682
Share premiums	3 063	3 208	3 208
Reserve warrants	797	797	797
Treasury shares	- 833	- 557	- 631
Retained earnings	17 015	16 462	16 830
Provisions	232	138	138
Deferred taxes	1 977	4 057	4 031
Liabilities due after one year	6 049	3 198	2 802
Financial debts due after one year	6 032	2 337	1 984
Lease debts due after one year	17	861	818
Liabilities due within one year	6 166	7 922	8 040
Trade, fiscal and social debts	2 550	3 050	2 826
Financial debts due within one year	2 496	4 113	4 091
Lease debts due within one year	170	207	189
Other liabilities	-	25	-
Deferred income and accrued charges	950	527	934
Total liabilities and shareholder's equity	41 878	42 907	42 897

IFRS Standards

Consolidated cash flows	Financial year 2018	Quarter 1 - 2018	Quarter 1 - 2019
	(in 000 €) (audited)	(in 000 €) (unaudited)	(in 000 €) (unaudited)
Cash flow from operating activities			
Profit for the period	626	245	368
Adjustments:			
- Deferred taxes	181	204	-26
- Financial income	-846	-236	-178
- Financial expenses	178	51	36
- Depreciations and amortisations	1.465	336	382
- Impairment on finance lease receivables and inventories	1.597	432	178
Operating cash flow before changes in working capital components	3 201	1 032	760
Decrease / (increase) of inventories	236	60	-72
Decrease / (increase) of finance lease receivables	1.114	113	-419
Decrease / (increase) of trade and other receivables	-87	462	-668
Decrease / (increase) of of deferred charges and accrued income	-104	-34	-67
Increase / (decrease) of provisions	-92	-	-
Increase / (decrease) in deferred taxes	-	-44	-
Increase / (decrease) of trade, fiscal and social debts	-79	-579	-224
Increase / (decrease) in other liabilities and deferred revenue	20	418	382
<i>Changes in working capital components, provisions and def. taxes</i>	<i>1 008</i>	<i>396</i>	<i>-1 068</i>
Non-cash adjustments	133	-	-
Interest paid	-178	-51	-36
Interest received	846	236	178
Cash flow from operating activities	5 010	1 613	- 166

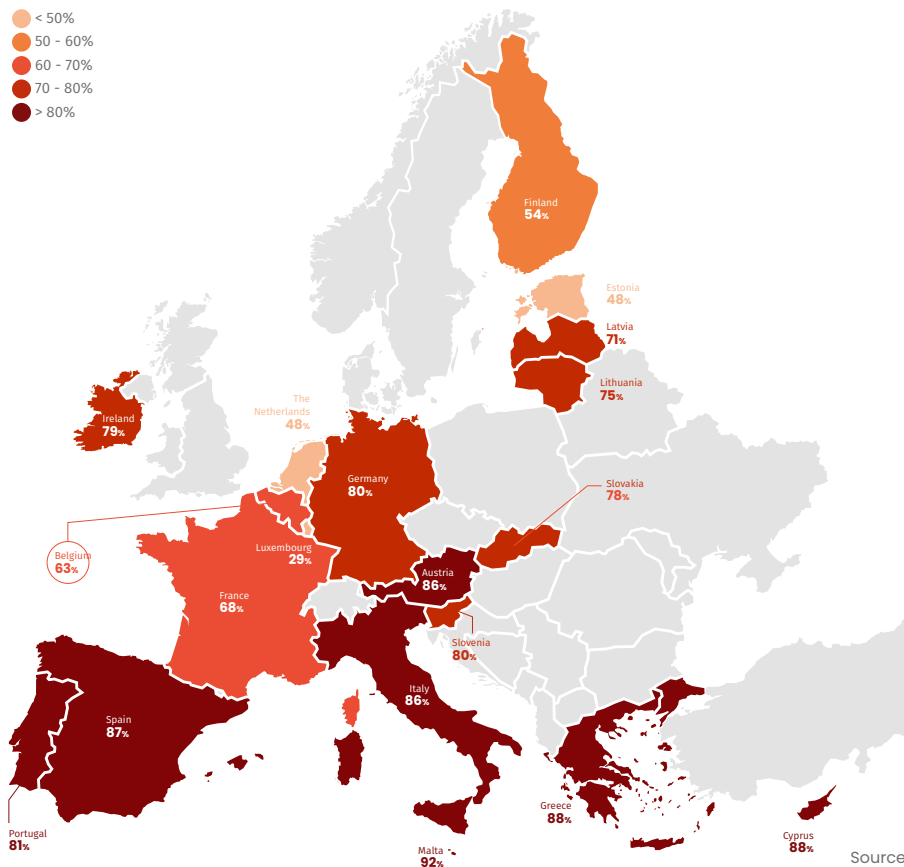
IFRS Standards

Consolidated cash flows	Fiscal year 2018	Quarter 1 – 2018	Quarter 1 – 2019
	(in 000 €) (audited)	(in 000 €) (unaudited)	(in 000 €) (unaudited)
Cash flow from operating activities	5 010	1 613	- 166
Net cash from investing activities			
Acquisition of intangible and tangible fixed assets (Capex)	-1 360	- 109	- 329
Disposals of intangible and tangible fixed assets	162	26	71
(Increase)/decrease in warranties	- 6	- 2	-
Cash flow from investing activities	-1 204	- 85	- 258
Net cash from financing activities			
Capital increase	415	-	-
Proceeds from borrowings	40	-	38
(Reimbursements) from borrowings	-2 885	- 767	- 413
(Reimbursements) from lease debts	- 299	- 69	- 61
Payment of dividends	- 659		
Treasury shares (buy back)	- 223	- 224	- 99
Disposals of treasury shares	-	-	25
Cash flow from financing activities	-3 611	-1 060	- 510
Net (decrease) / increase in cash and cash equivalents	195	468	- 934
Cash and cash equivalents at the beginning of the period	3 325	3 325	3 520
Cash and cash equivalents at the end of the period	3 520	3 793	2 586

IFRS Standards

Markets

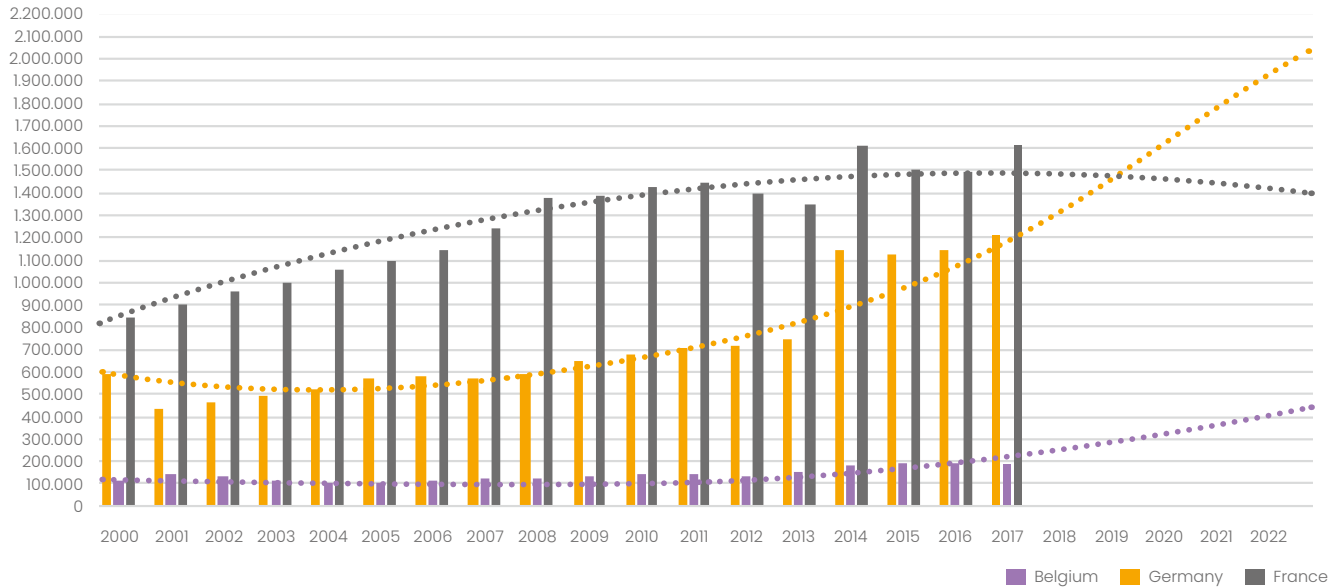
PERCENTAGE OF CASH PAYMENTS IN TOTAL SHOP PAYMENTS



Source: Cash Report 2016 – Europe by G4S

POS TERMINALS: MARKET TRENDS

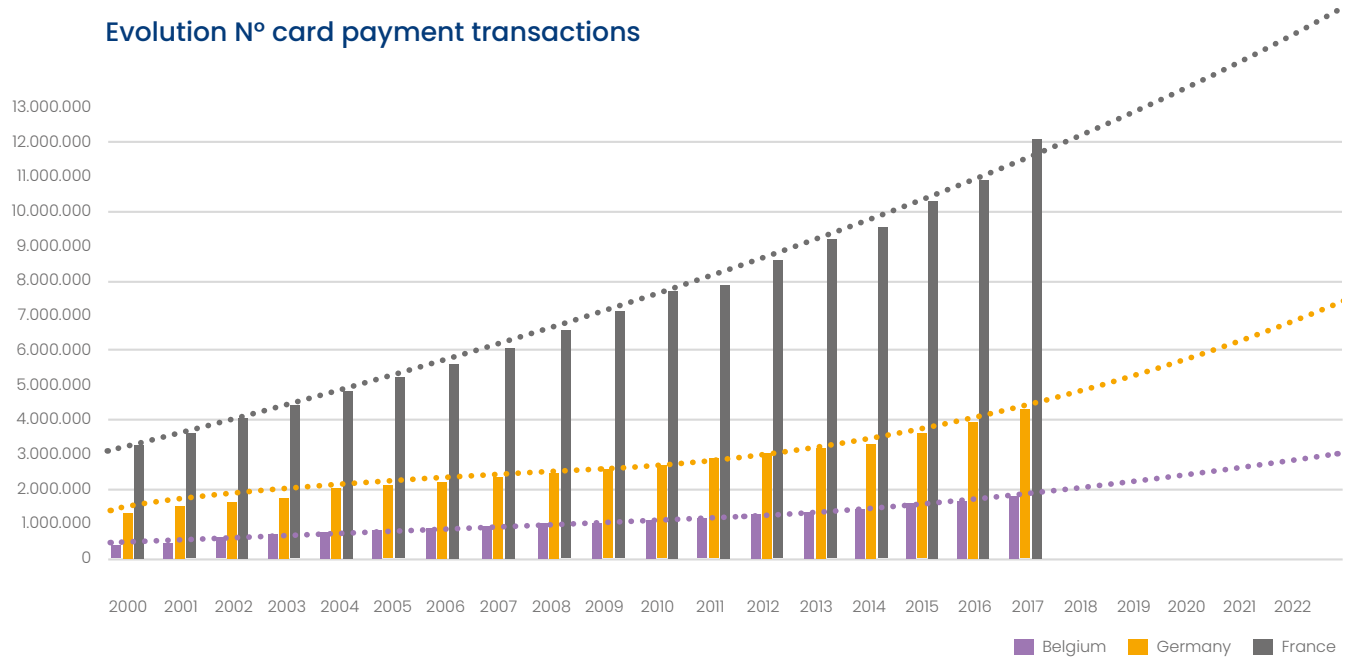
Evolution N° of POS terminals



Source: ECB

PAYMENT TRANSACTIONS: MARKET TRENDS

Evolution N° card payment transactions



Source: ECB

Operations



ORGANISATION: HEADCOUNT:

	BELGIUM	GERMANY	FRANCE	TOTAL
SALES & MARKETING	20 FTE	–	2 FTE	22 FTE
DEVELOPMENT	7 FTE	–	13 FTE	20 FTE
ACCOUNTING, FINANCE & ADMIN	4 FTE	–	1 FTE	5 FTE
LEGAL & HR	1 FTE	–	1 FTE	2 FTE
CUSTOMER SUPPORT & INSTALLATIONS	11 FTE	– (*)	3 FTE	14 FTE
	<hr/> 43 FTE	<hr/> –	<hr/> 20 FTE	<hr/> 63 FTE

(*) outsourced



OPERATIONAL EXCELLENCE

SAP Backbone

Keyware has an end-to-end integrated business process based on SAP.

Advantages for our customers:

- at any moment and for each division : up-to-date customer status
- less overhead triggers lower operating costs, hence better prices
- faster order and fulfillment proces, reduced support and intervention time
- substantial error reduction

Advantages for Keyware:

- ability to serve more customers in less time with better results
- automation reduces stress and results in a positive customer interaction
- reduction and better forecast of operational costs, thus better competitive positioning
- fast, precise and effective integration of new services, terminals or partnerships
- accurate forecasting
- transparency on all levels: stock, sales, finance, support, installed base,...
- complex processes are fully automated:
 - billing plans
 - depreciation / amortization tables
 - service and installation ticket allocation
- easily replicated on other entities (Keyware Transactions & Processing GmbH)



CERTIFICATES



PCI-DSS COMPLIANCE

A set of security standards for all organisations that manage and store credit and debit card information



Certificate Holder – POS Gateway



Certificate Holder – Terminal Provider

Keyware is the only provider for Bancontact on APAX-terminals



electronic cash Netzbetreiber

Keyware provides an end-to-end solution for debit and credit card transactions



PCI PA-DSS 3.2 compliance

SET2U has received the PCI PA-DSS certificate

Customers



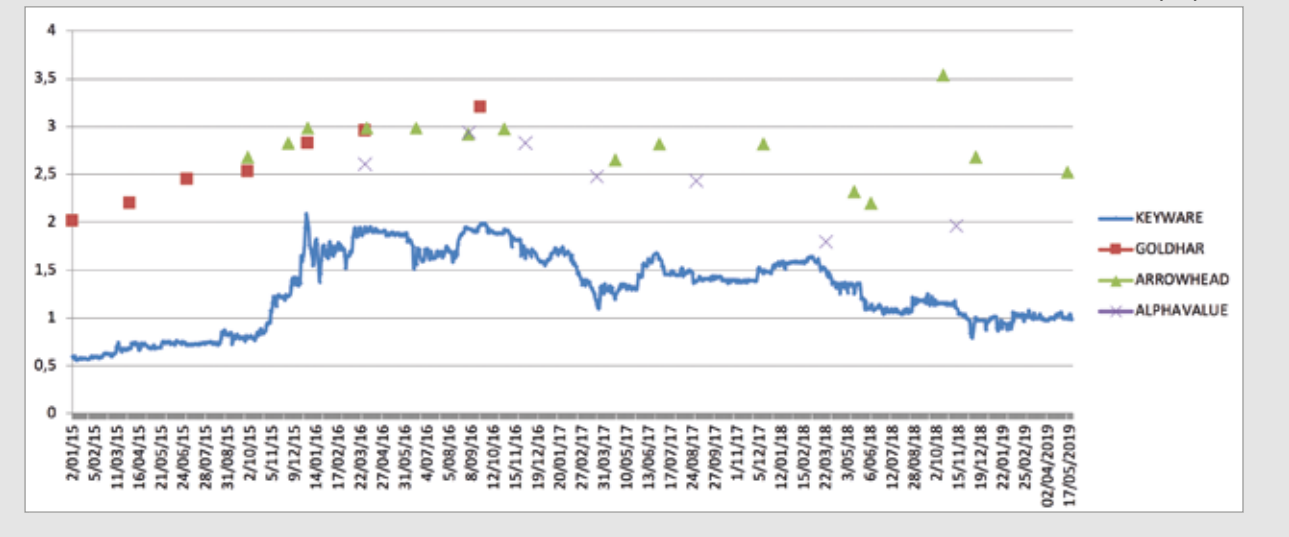


Valuation

Price Chart

17/05/2019

17/05/2019





CONTACT

Keyware Technologies NV

Ikaros Business Park, Ikaroslaan 24, B-1930 Zaventem, Belgium

tel: +32 2 346 25 23 – fax: +32 2 347 16 88 – info@keyware.com – www.keyware.be