



Half year results presentation FY22

Money Without Borders

November 2021

Agenda for the call

1 Our Mission and progress

Kristo Käärmann

2 Our H1 FY22 financials

Matthew Briers

3 Q&A

1 Our Mission.

Our Mission.

Money without borders -
instant, convenient, transparent
and eventually free.

Powering money for people and
businesses: to pay, to get paid, to
spend, in any currency, wherever
you are, whatever you're doing.

Moving money internationally is broken.

Source: 2021 Edgar, Dunn & Company ("EDC") Market Study.
Notes: ¹Average defined by the median fee to transact 1,000 base currency across the following routes (GBP>USD, GBP>EUR, USD>GBP, USD>EUR, EUR>GBP, EUR>USD).² Survey of 4000 consumers.

TRADITIONAL BANKS

Expensive

3-7% avg. fee¹

Slow

Up to 2-5 business days

Inconvenient

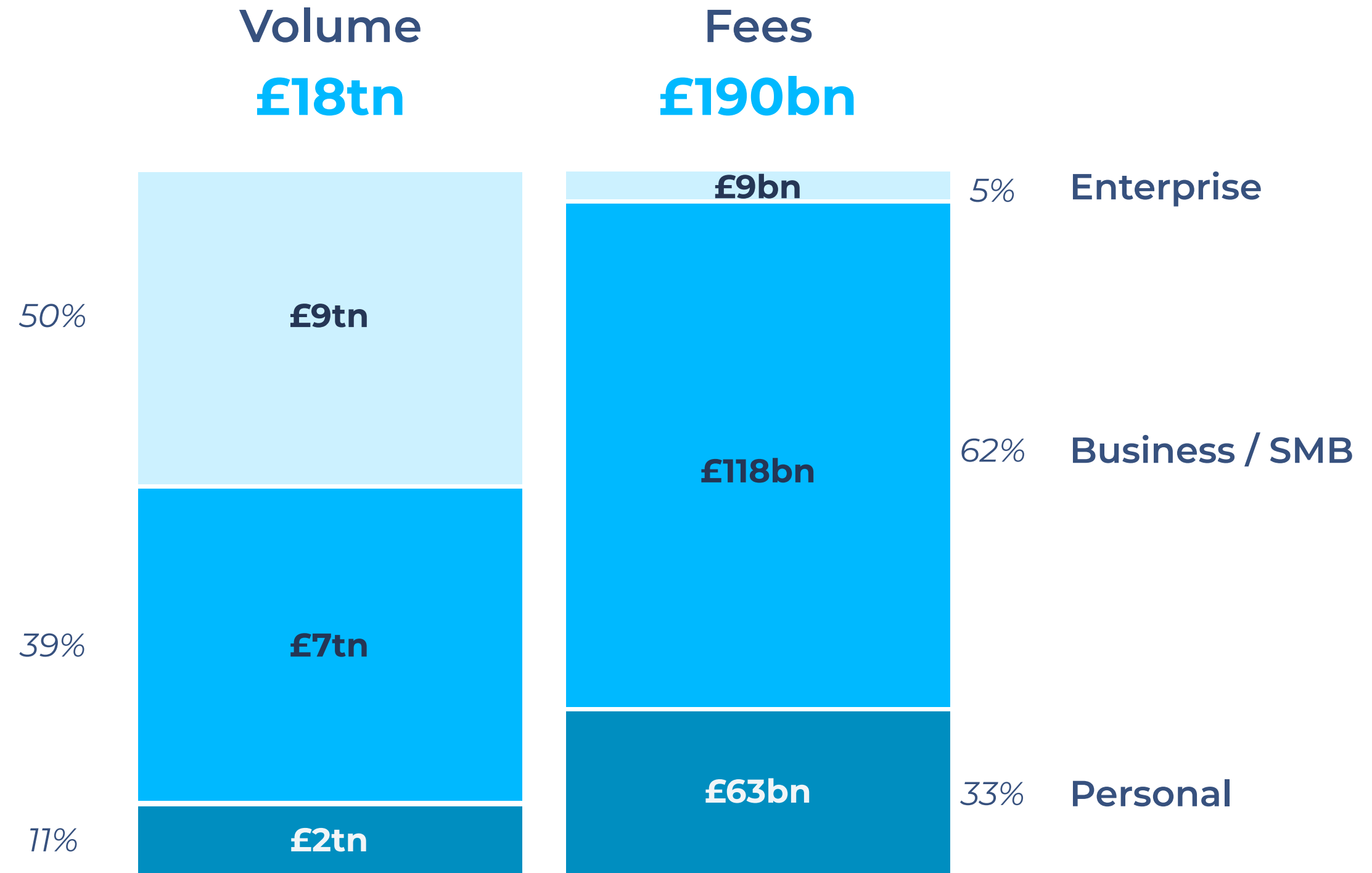
Long, unfriendly CX

Opaque

Less transparent with their rates with only 4%² of bank respondents identifying the true cost

The problem is massive.

Global cross-border payments market (2020)




Source: 2021 EDC Market Study.

Notes: Estimate of market size of cross border payment market by EDC. Converted to GBP with USD:GBP of 1.39 and rounded to the nearest whole number.

We built TransferWise to solve this.

Source: 2021 EDC Market Study; Internal company data.
 Note: ¹Average customer fee ²As of Q2 FY22 ³Defined by the median fee to transact 1,000 base currency across the following routes (GBP>USD, GBP>EUR, USD>GBP, USD>EUR, EUR>GBP, EU>USD). ⁴Survey of 4000 consumers.

 Wise	<u>TRADITIONAL BANKS</u>
Cheap 0.62% avg. fee ^{1,2} Cheaper with scale	Expensive 3-7% avg. fee ³
Fast 40% Instant ² 58% < 1 hr ² 86% < 24 hrs ²	Slow Up to 2-5 business days
Convenient More features for people and businesses	Inconvenient Long, unfriendly CX
Transparent No hidden fees	Opaque Less transparent with their rates with only 4% ⁴ of bank respondents identifying the true cost

This is made possible by our **infrastructure**.. which gets better as we keep **investing**.

Better fraud monitoring systems in the **US**

Better banking commercials in the **Nordics**

Optimised our safeguarding in **Japan**

Better integrations in **Thailand, Indonesia & Vietnam** means more instant transfers

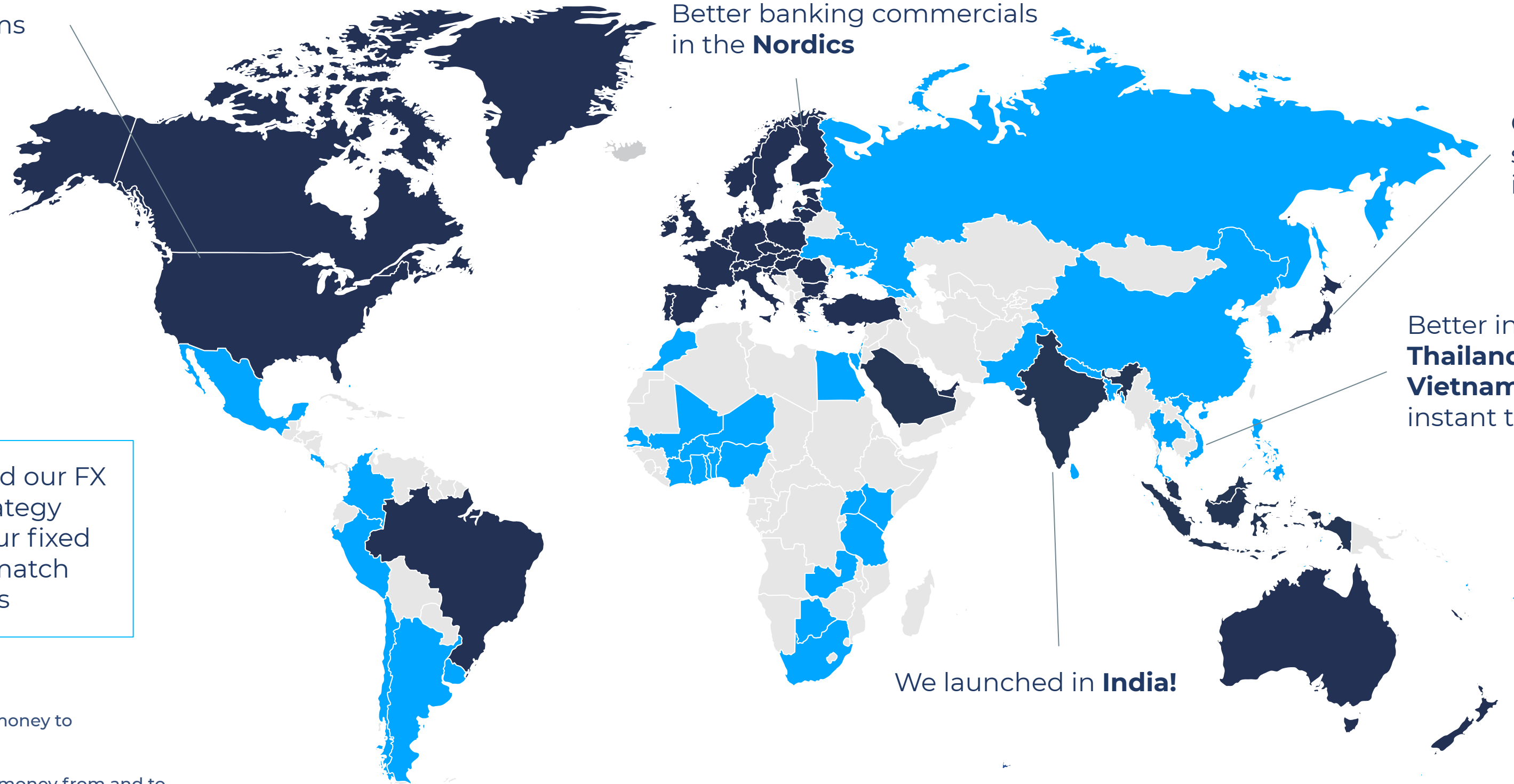
We launched transfers to **Fiji!**

Global - Improved our FX and hedging strategy and optimised our fixed rate promise to match customer's needs

We launched in **India!**

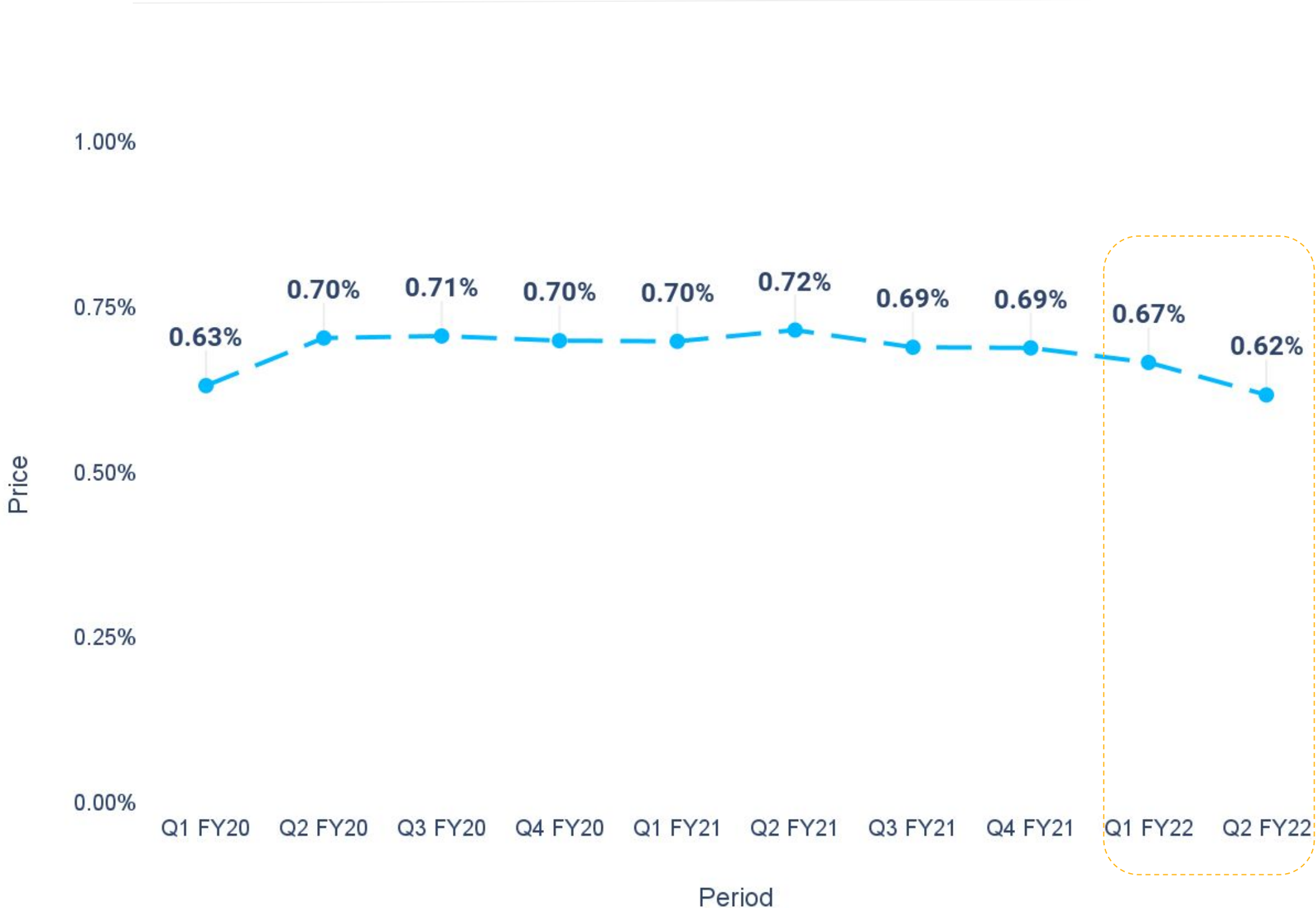
 One way - we send money to

 Two ways - we send money from and to



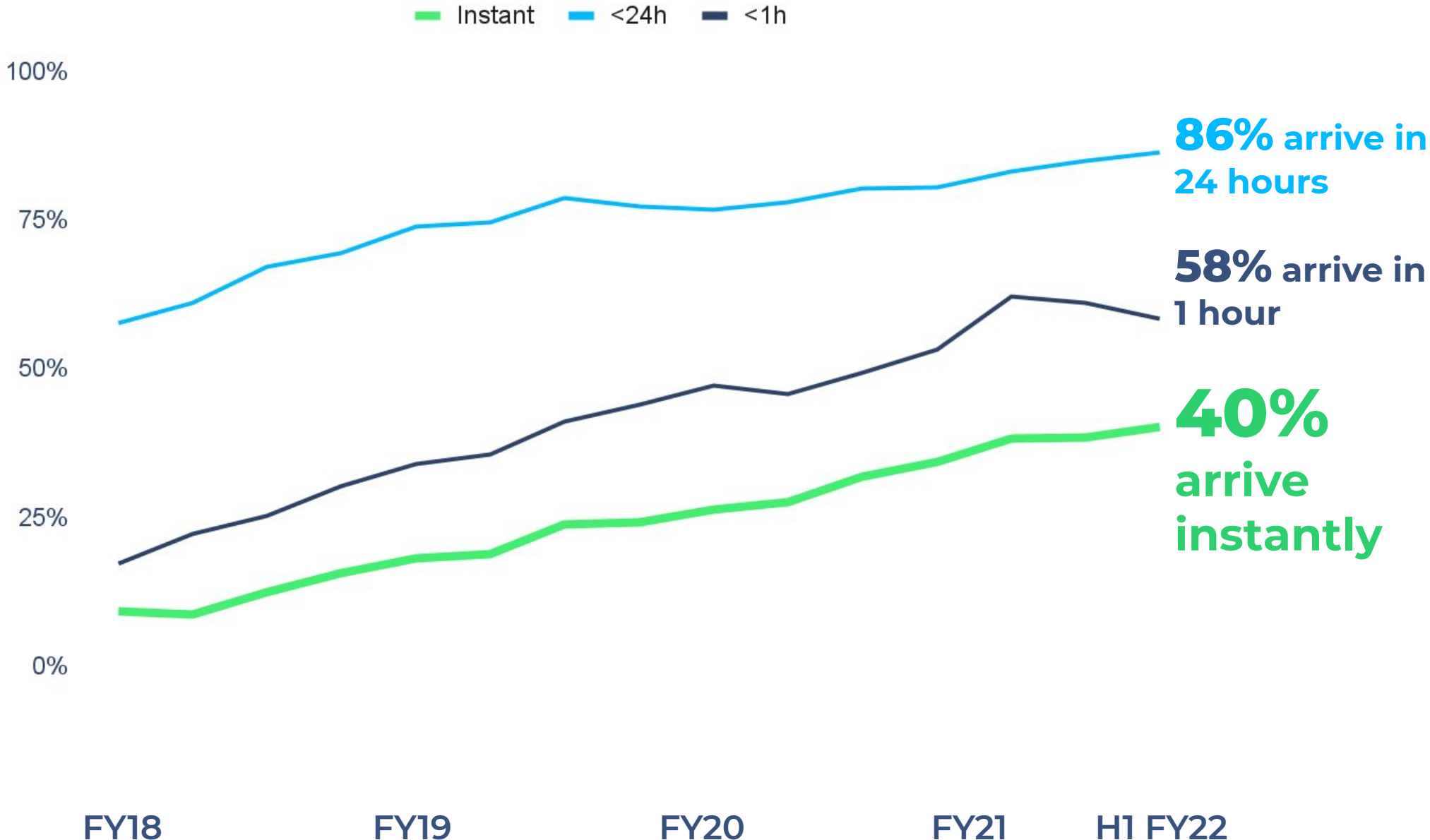
We lowered fees for 2.4 million of our customers...

Average customer price (%)



Source: Internal company data.
Note: Average customer price eliminates route mix variance by tracking fees on a fixed representative basket of transactions.

...and our speeds
are **faster than
ever.**



Source: Internal company data.

Wise is fixing international banking.

Problems.

Sending money across borders

It is slow, it is expensive and it is hard to do.

International banking

International bank accounts do not really exist.

Underlying technology

Infrastructure is antiquated and has not evolved in decades.

Products.

Wise Transfer.

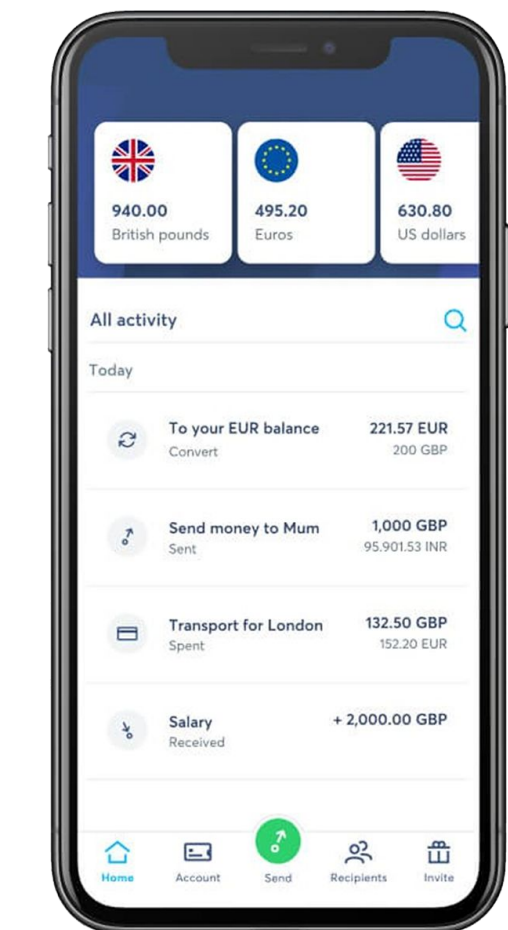
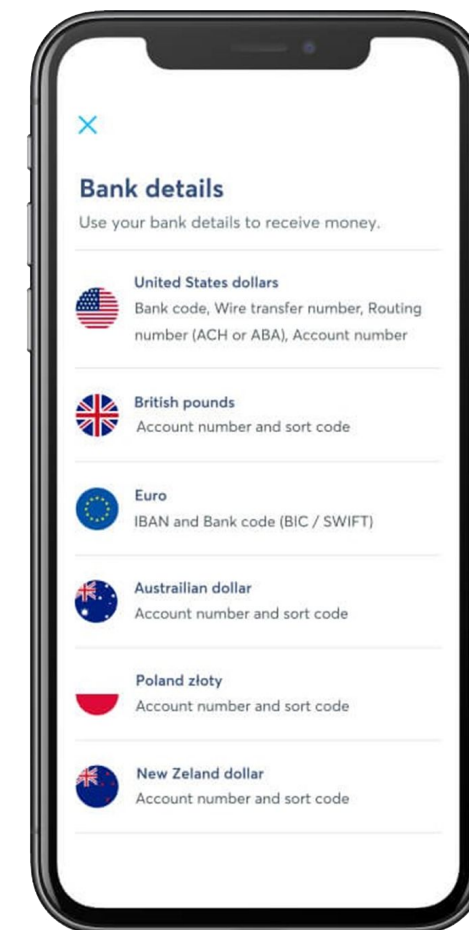
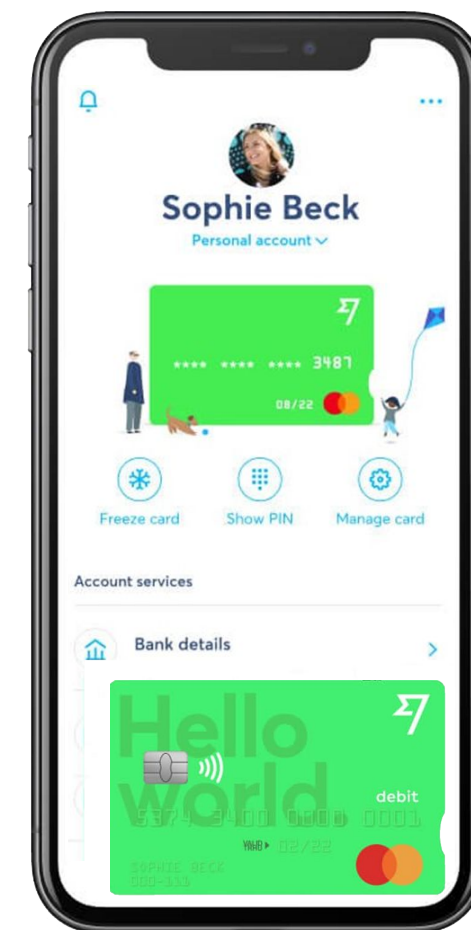
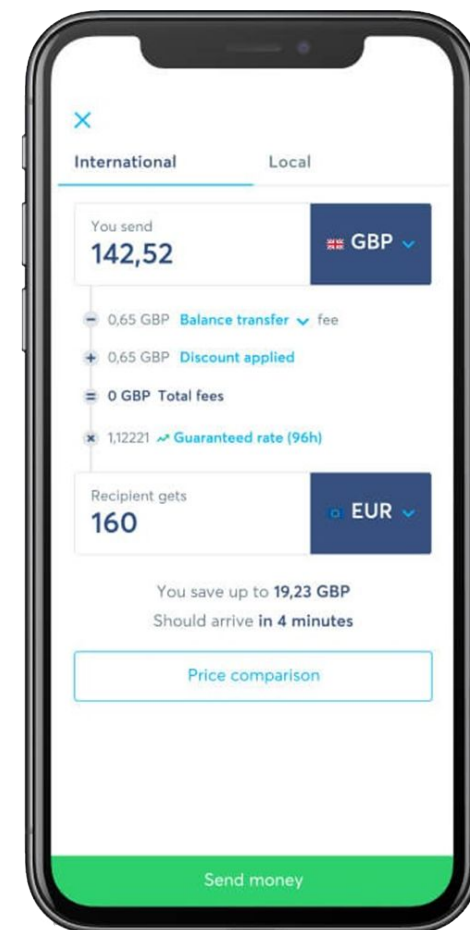
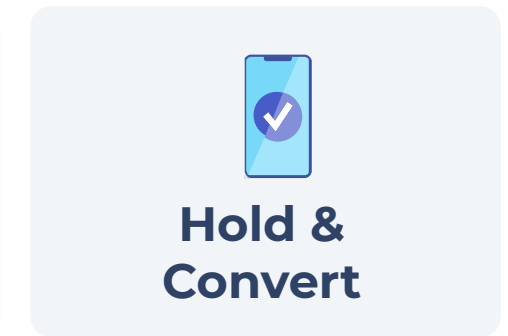
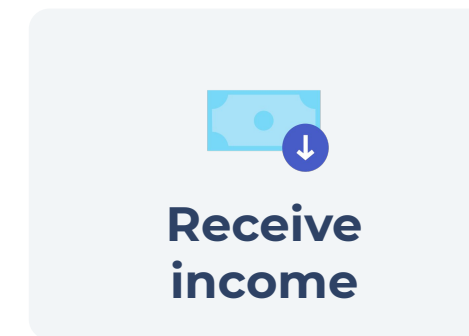
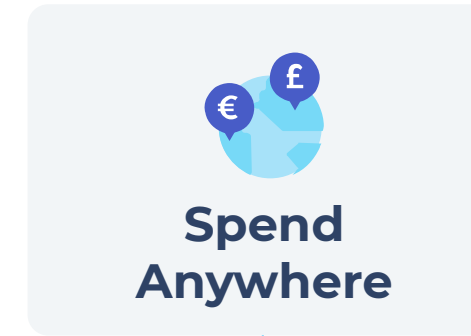
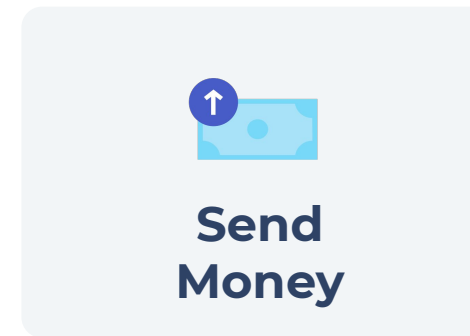
Wise Account.

Wise Business.

Wise Platform.

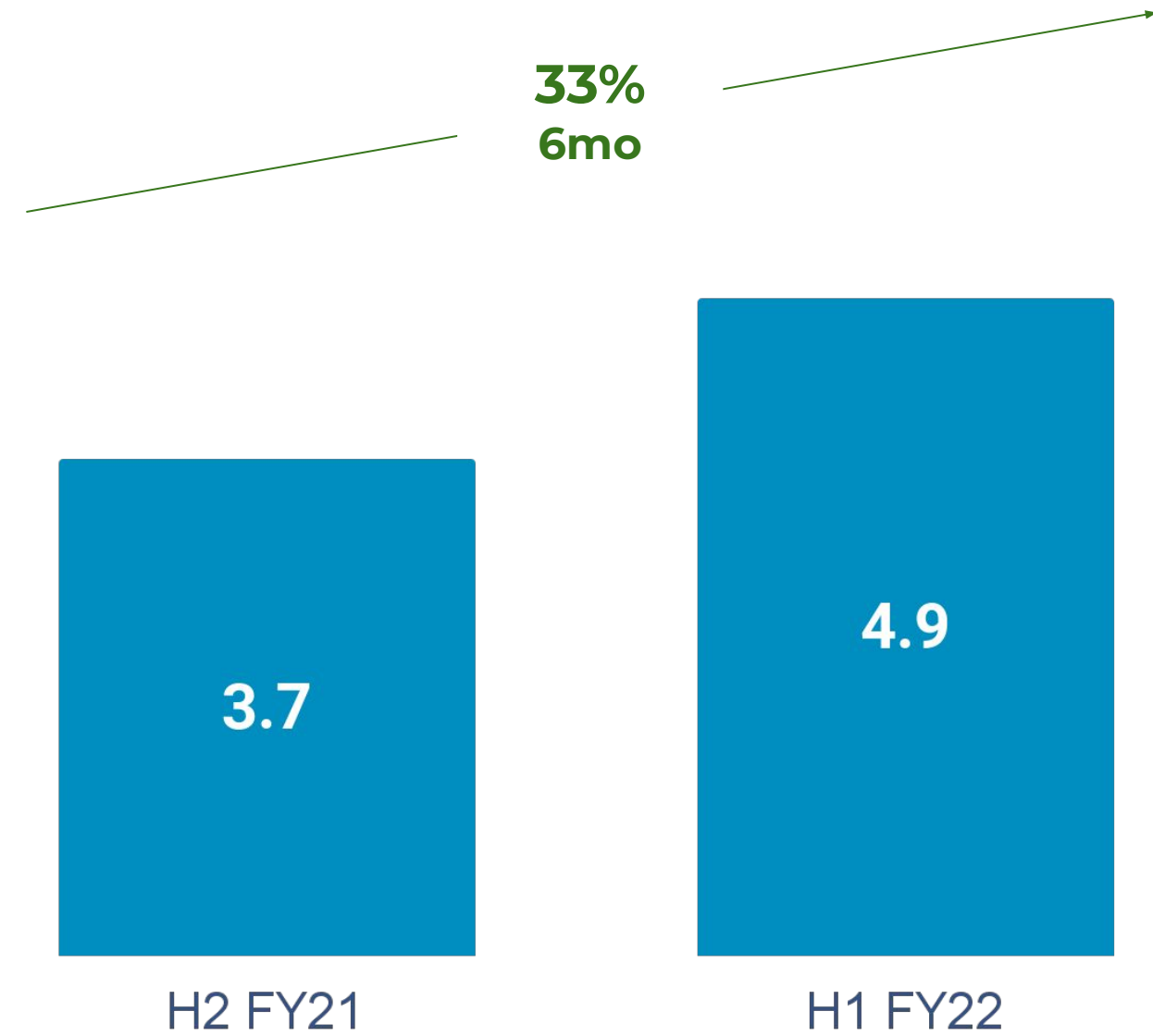
Wise Account

Building the world's most **international** account for **people**.



Customers are
enjoying their
Wise account.

Wise account deposits (£b)



Wise Account

Managing money with the **Wise Account** just got better...



Send money

Send money with email

Bills are now sorted with Direct Debits in Canada



Spend anywhere

No need to wait for the card to arrive - spend away

Spending insights by category, currency, and time period



Receive income

Share account details with employer/pension provider via email or text

Receive payments to Visa card




Hold and convert

Safer accounts than ever with new 'Selfie' verification

Reminders when balance is low

Wise Account

Assets launched for UK customers.

	Current account	 Wise	Investment platform
Grow money	✓ Yes	✓ Yes	✗ No
Keep instant access	✓ Yes	✓ Yes	✗ No
Invest in stock market from £1	✗ No	✓ Yes	✓ Yes

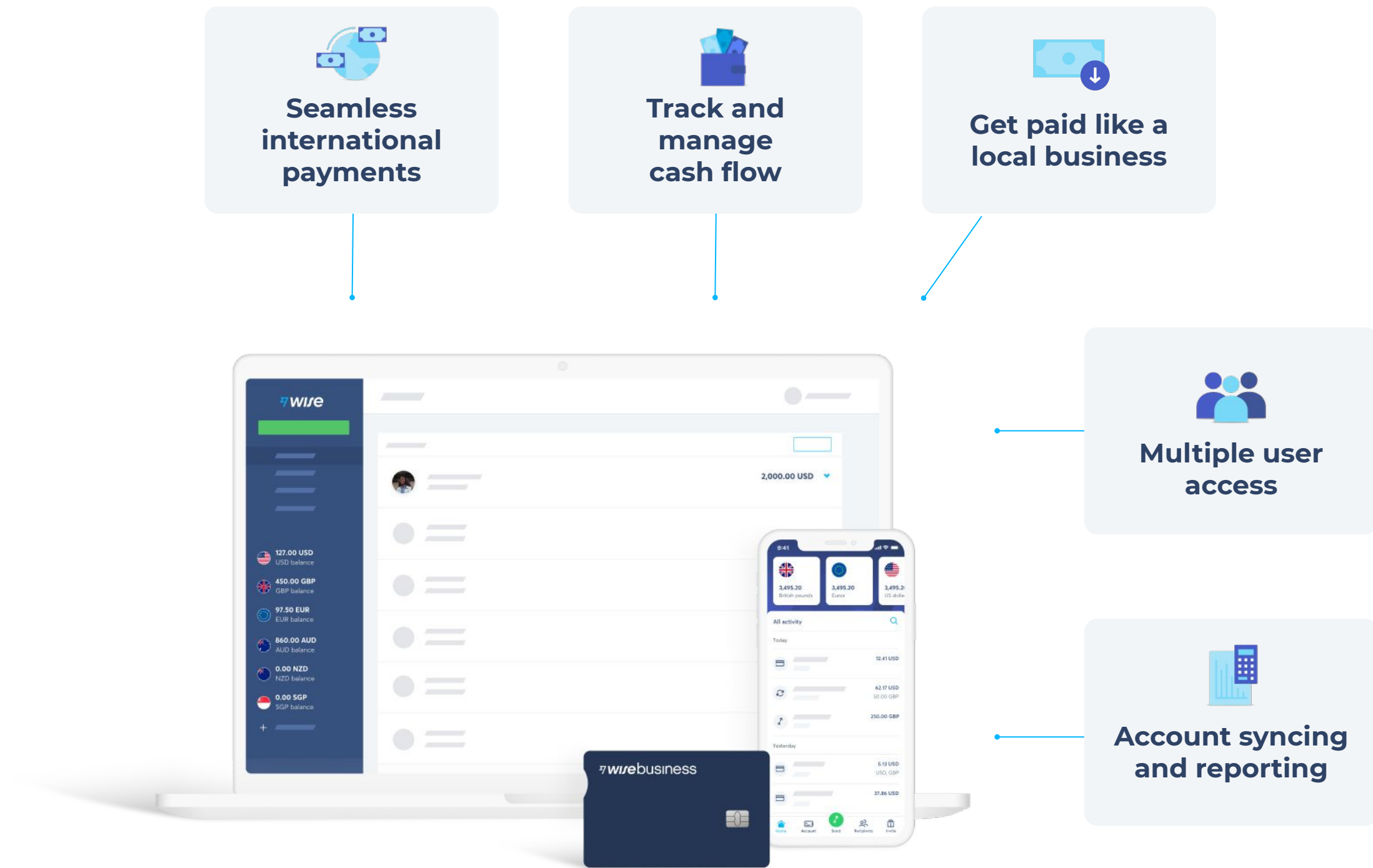
Wise Account

Wise Card launches in
Canada today.



Wise Business

Building the world's most international account for businesses.



Wise Business

We're supporting more **complex** business needs.



Delegate more tasks

Let others make payments with 'Preparer' role.

Set spending limits for expense cards.



Spend less time on admin

Attach receipts and notes to card transactions and connect to Xero

Sync Jars to accountancy software to reconcile transactions



Get paid on time

Generate payment links for Business accounts.



Manage multiple businesses

Use one login and manage multiple business accounts.

Wise Platform

The magic of Wise
integrated into
business and banks.

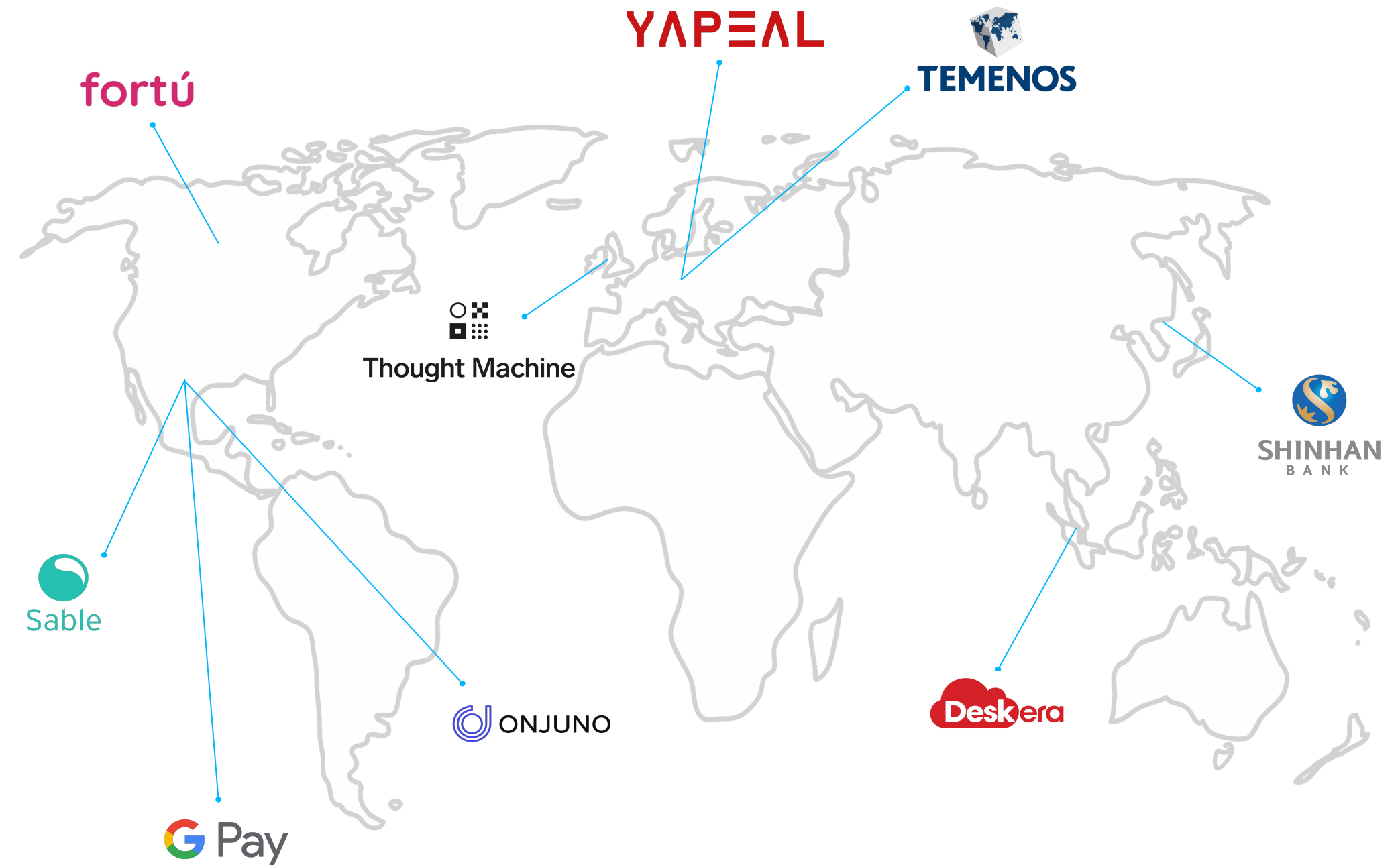


Wise Platform

...across borders.

Note: Incremental partners in H1 FY22

Wise Platform is attracting both legacy and high tech partners



**We'll continue to
redefine the
international
money space.**



Redefined expectations, e.g., instant cross-border transfers

Sustainable ongoing price reduction

Widely available international banking experience

Banks

*Connecting
individual
corridors*

Incumbent
payment
providers

*Developing a
digital
offering*

Digital
challengers

*Scaling cross
border*

Decentral'd
clearing

*Seeking a role
for cross
jurisdiction*

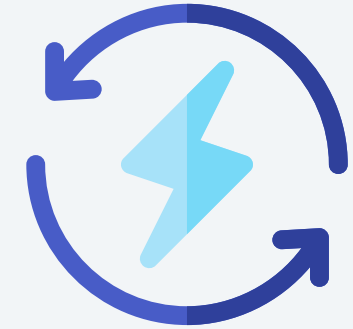
There is still a **long** way to go and we intend to **lead** from the front.

Price



Deepens our long term competitive advantage

Speed



Instant will become the norm

Convenience



Customers demand convenience

Transparency



Build trust and advocacy

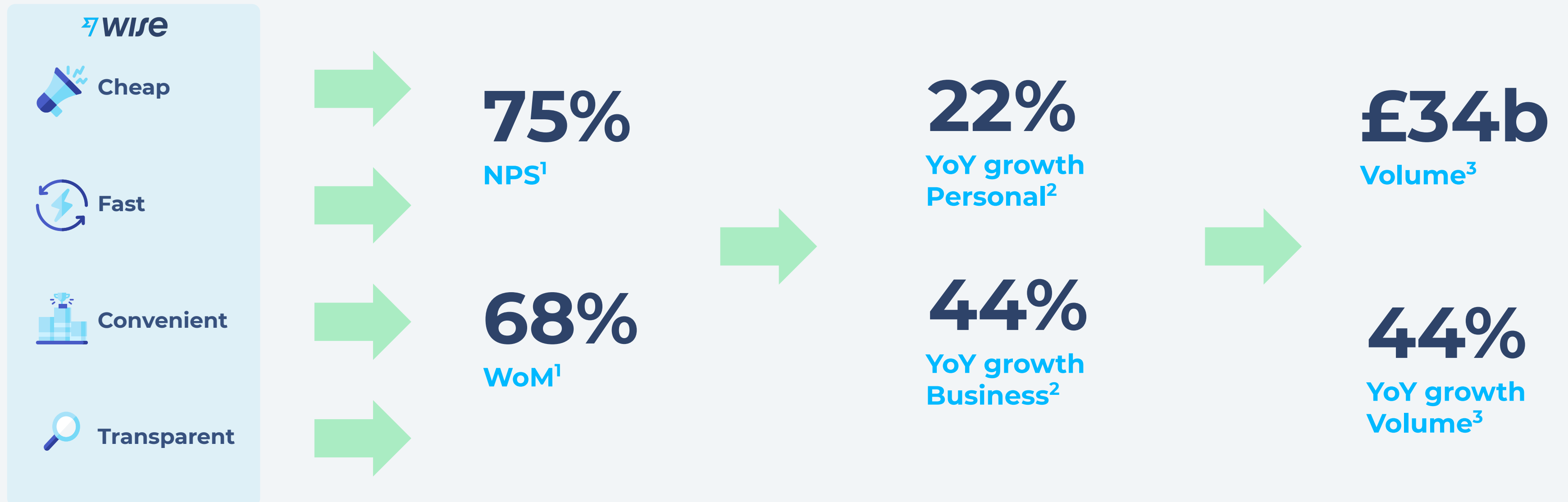
It's working...

Key product pillars...

drive high advocacy...

leading to more customers...

and greater scale.



Source: Internal company data.

Note: ¹ Net promoter score ("NPS") and word-of-mouth ("WoM") referrals as of H1 FY22. NPS is based on share of respondents answering 9 or above (promoters) less the share responding 6 or below (detractors) out of a score of 1-10 to the question "How likely are you to recommend us to a friend?". "WoM" - Word of mouth measures share of customers joining Wise after being referred or invited by someone they know. ²As of Q2 FY22 ³As of H1 FY22

② Our H1 FY22 Financials.

Our **growth** is increasing our ability to invest for the **long term**.

£34bn

Volume

44% y/y

£256m

Revenue

33% y/y

£174m

Gross profit

46% y/y

£61m

Adj. EBITDA

20% y/y

£59m

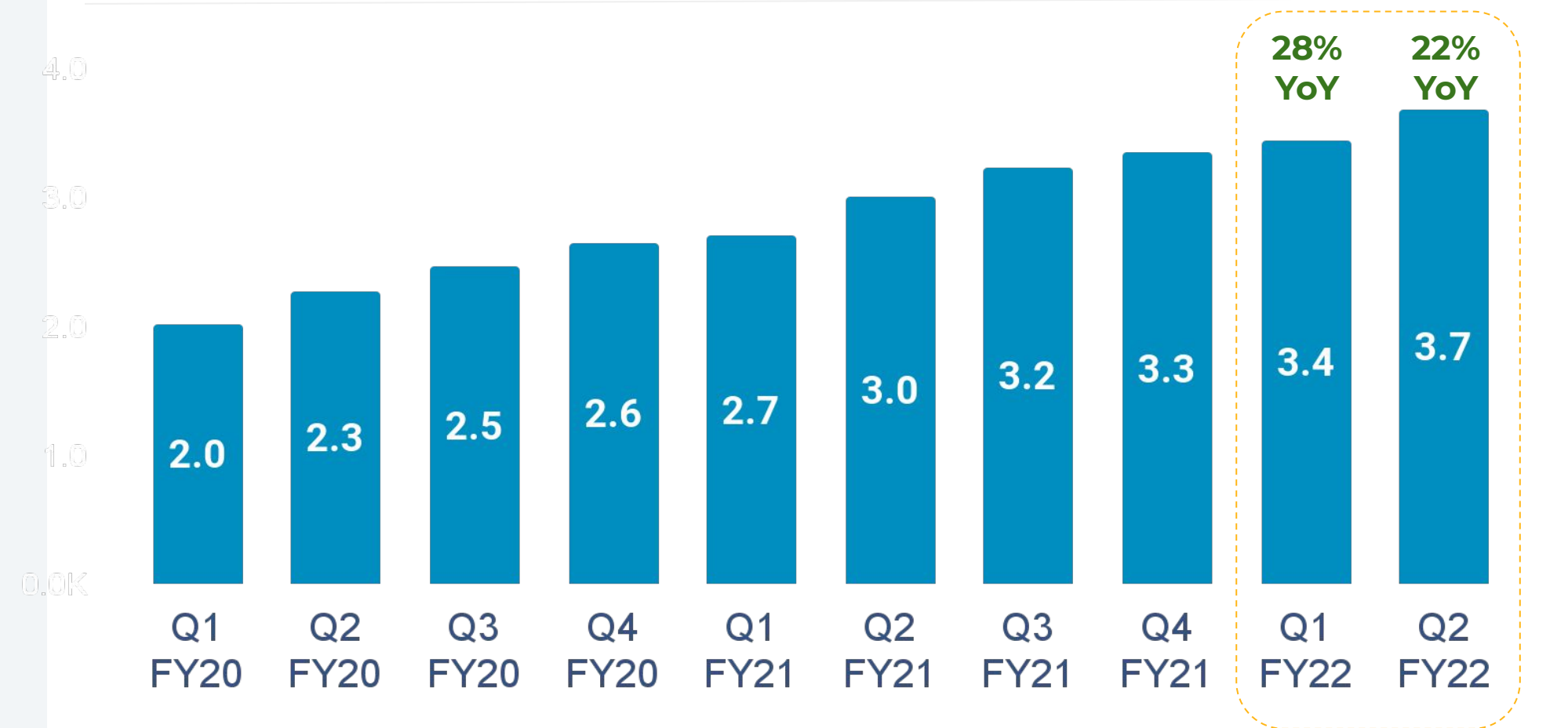
Free cash flow

39% y/y

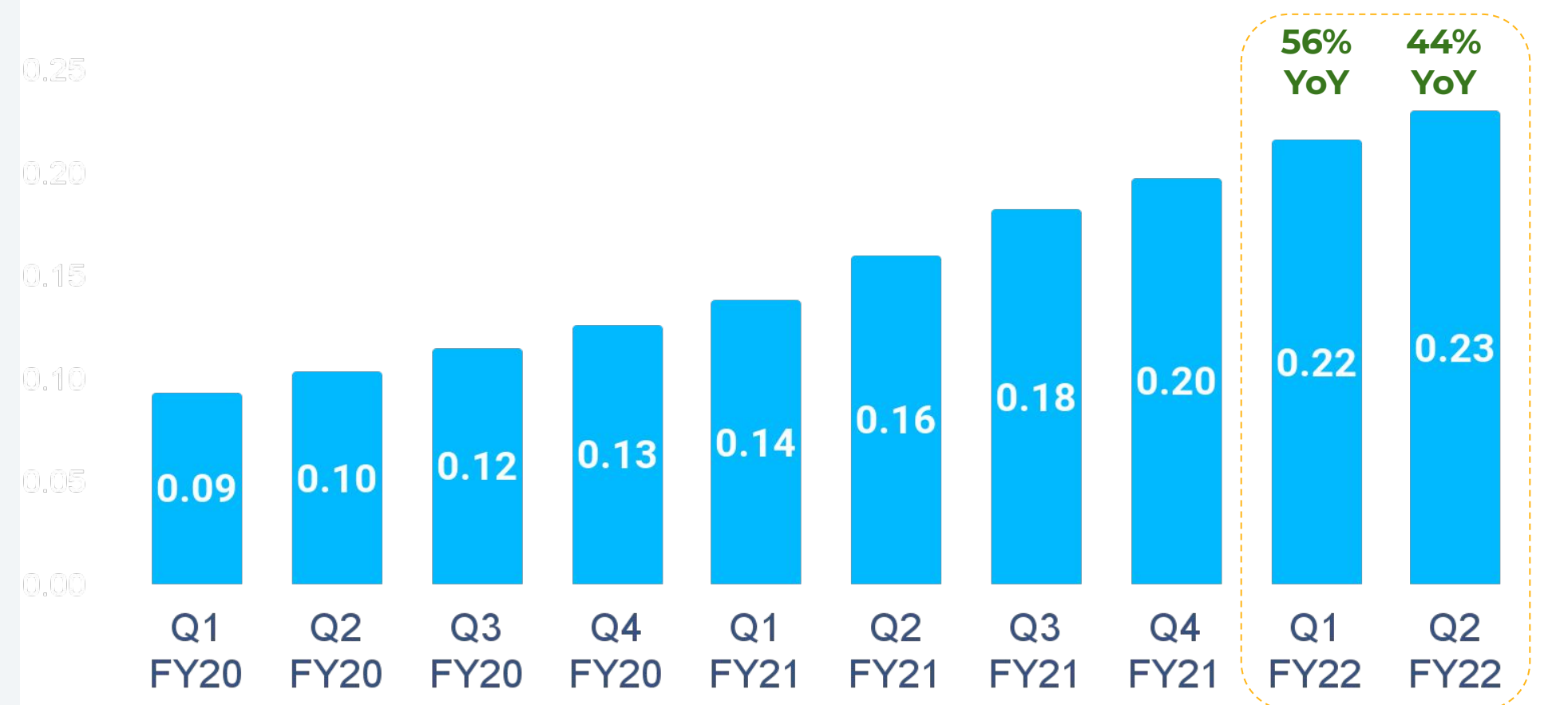
Note: All metrics refer to H1 FY22

The number of **Personal and Business** customers continues to drive growth.

Active customers (m) - **Personal**



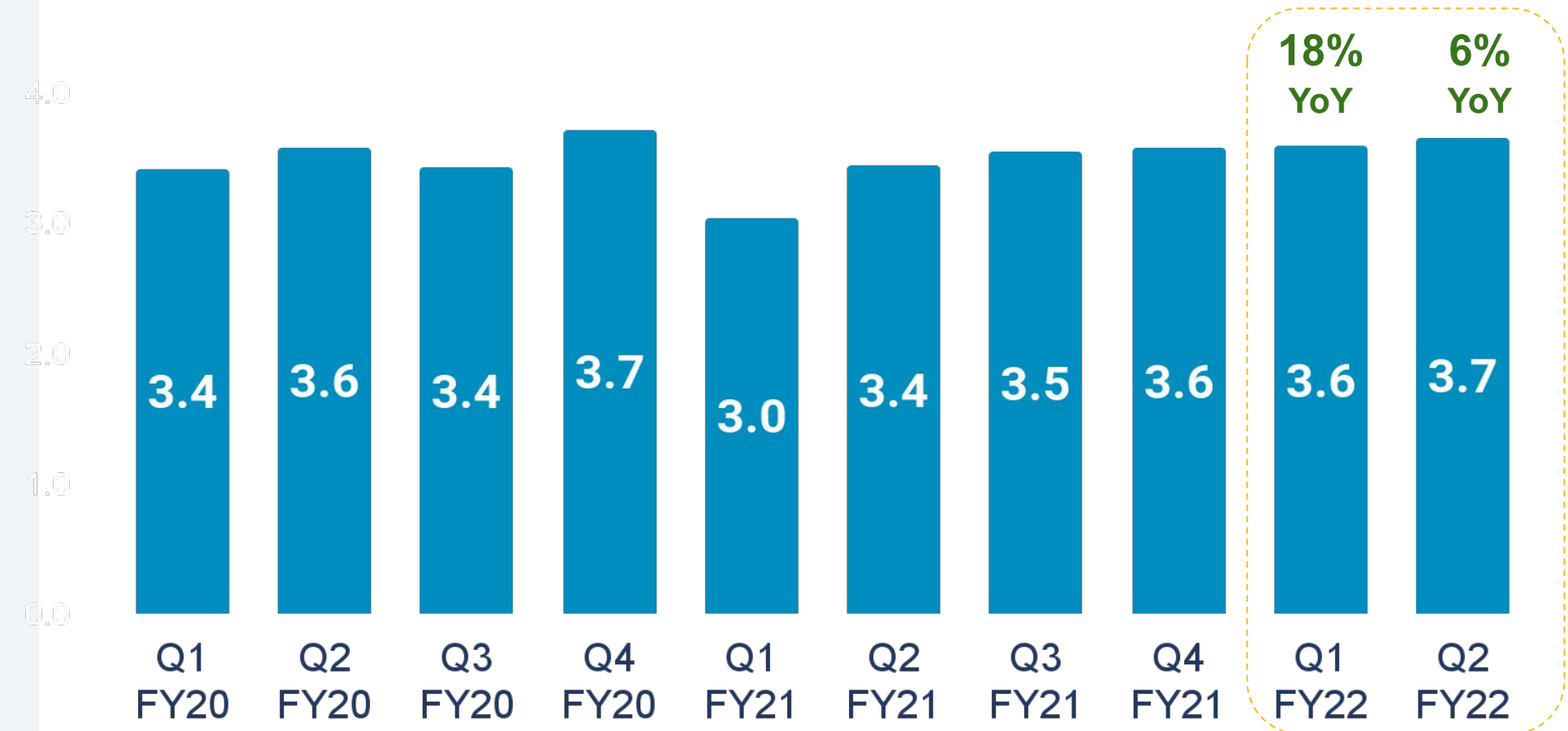
Active customers (m) - **Business**



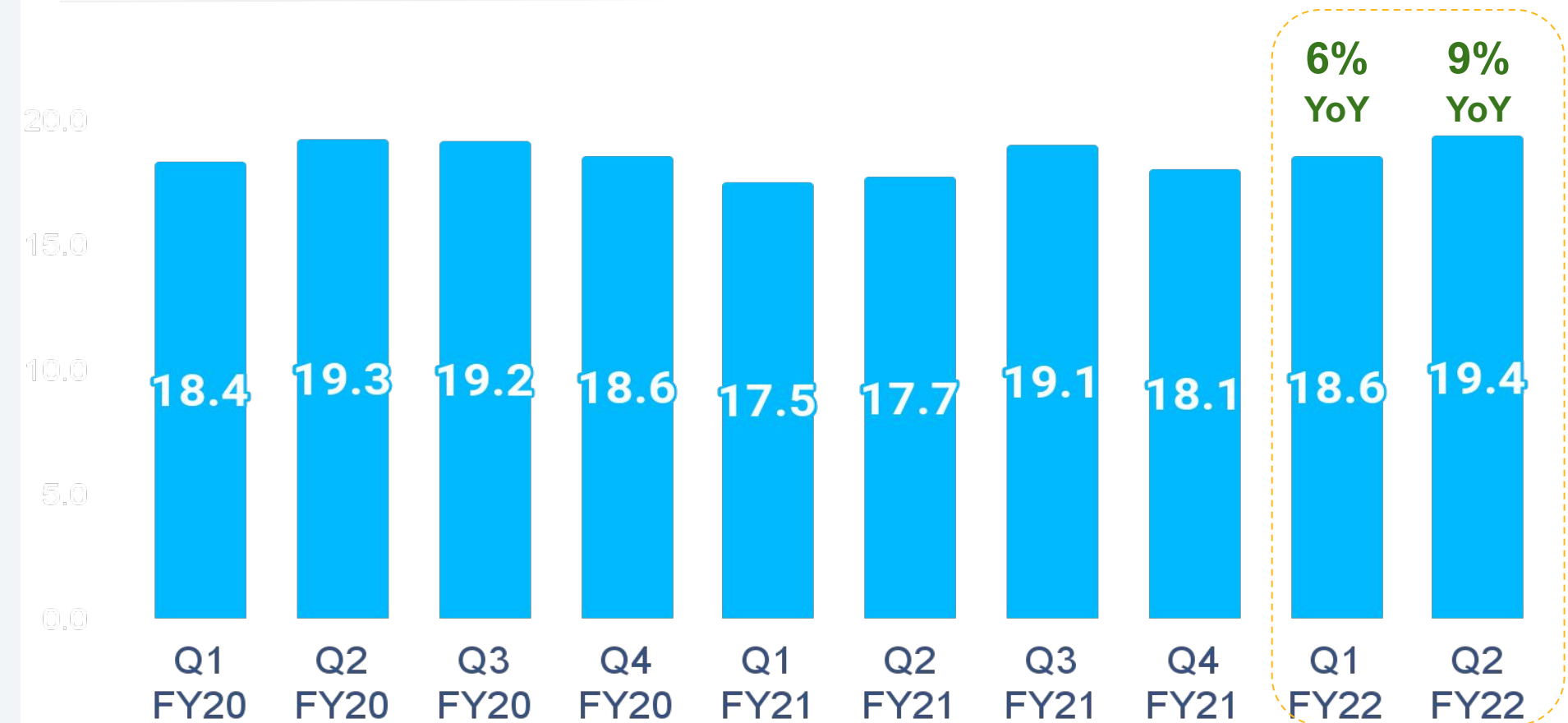
Note: Active customer defined as customers with a cross currency transaction in given time period.

Volume Per Customer is back to pre-Covid levels.

Volume per customer (£'000) - Personal



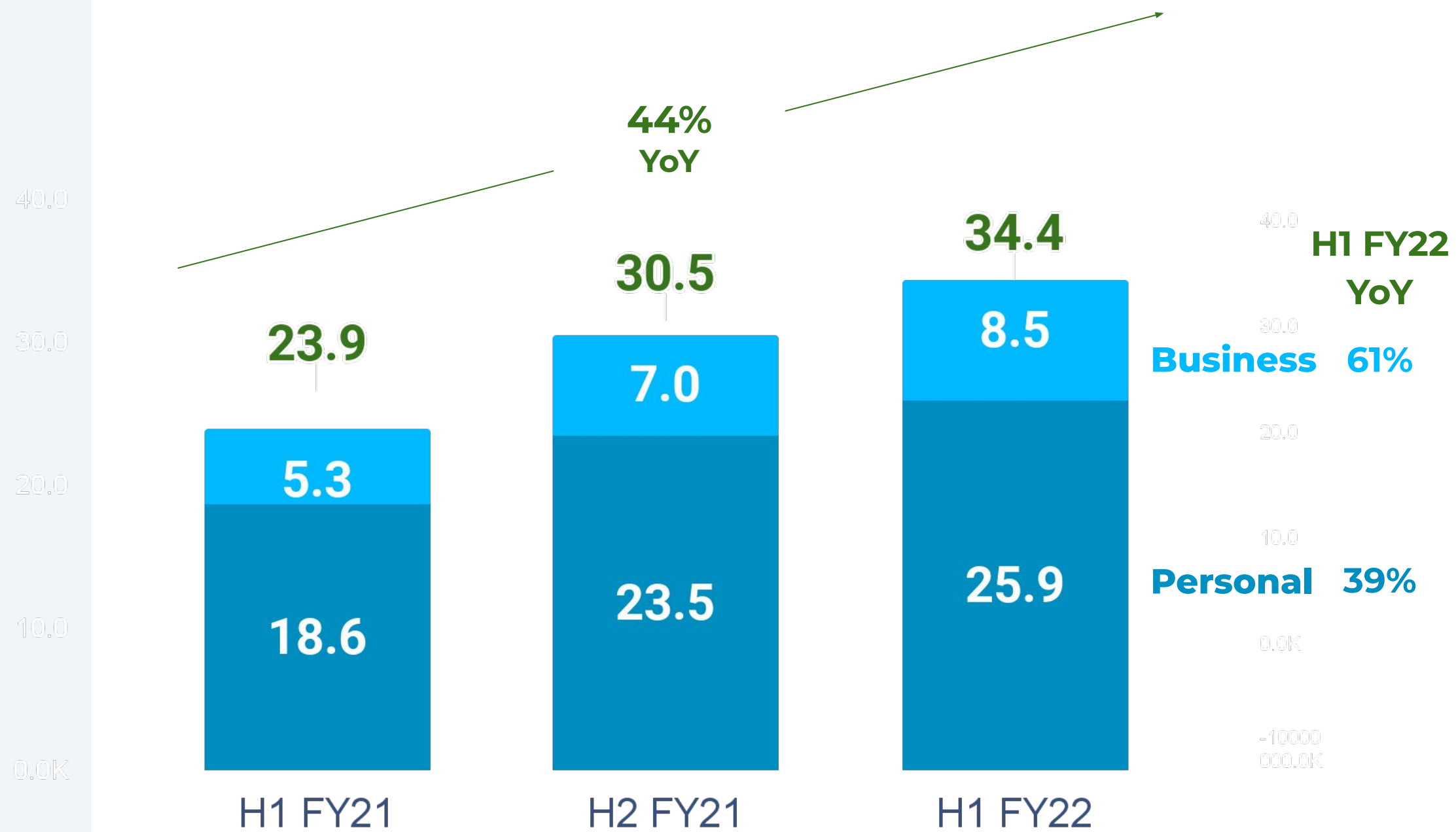
Volume per customer (£'000) - Business



Note: Volume per customer defined as the average quarterly transaction volume of active customers per quarter.

**Volume grew 44%
YoY.**

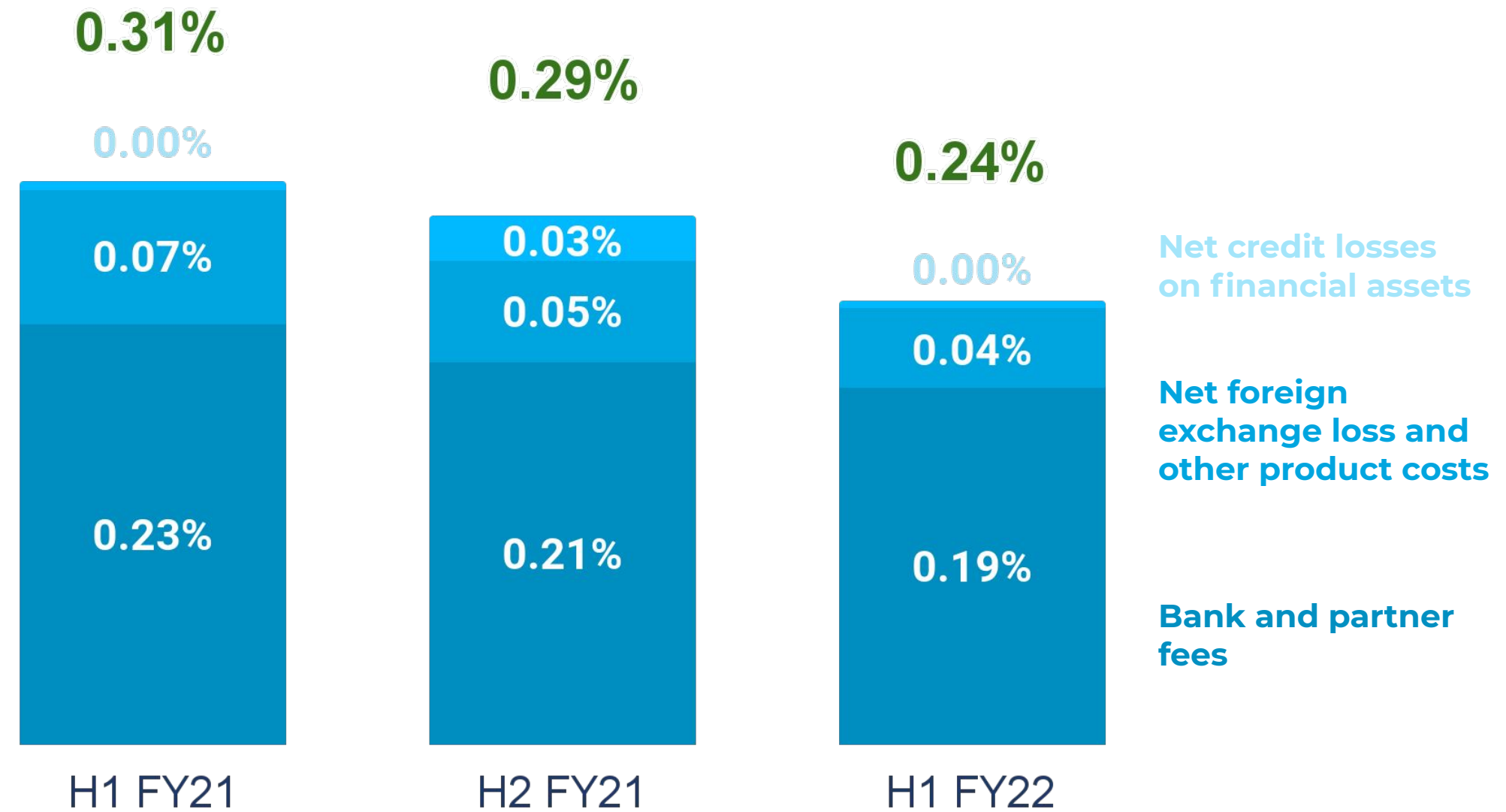
Total volume (£bn)



We've worked hard to **reduce** our unit cost of sales.

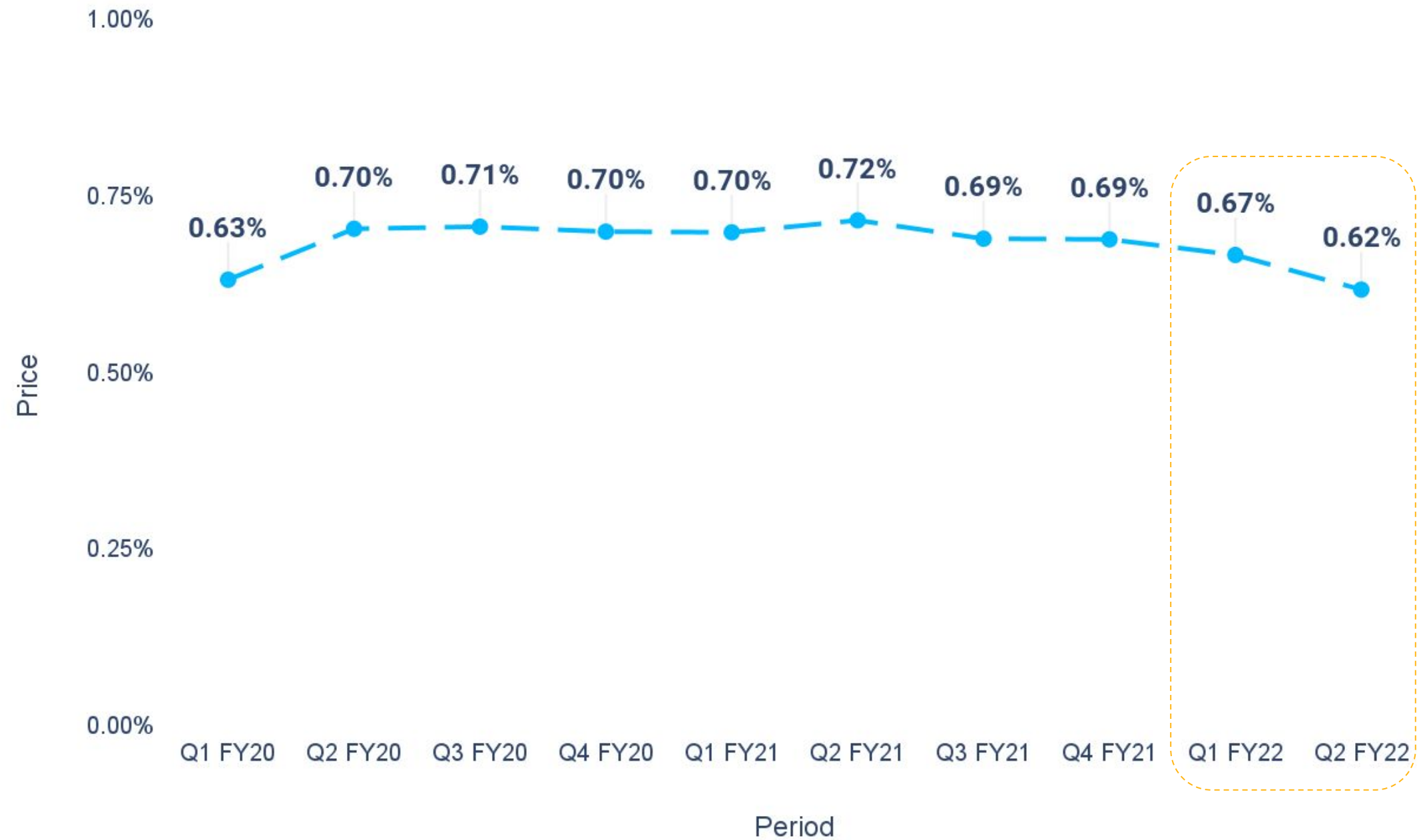
Cost of sales as a function of volume (%)

0.40 %
0.30 %
0.20 %
0.10 %
0.00 %



We reinvested this to **improve our proposition** and drive long term growth.

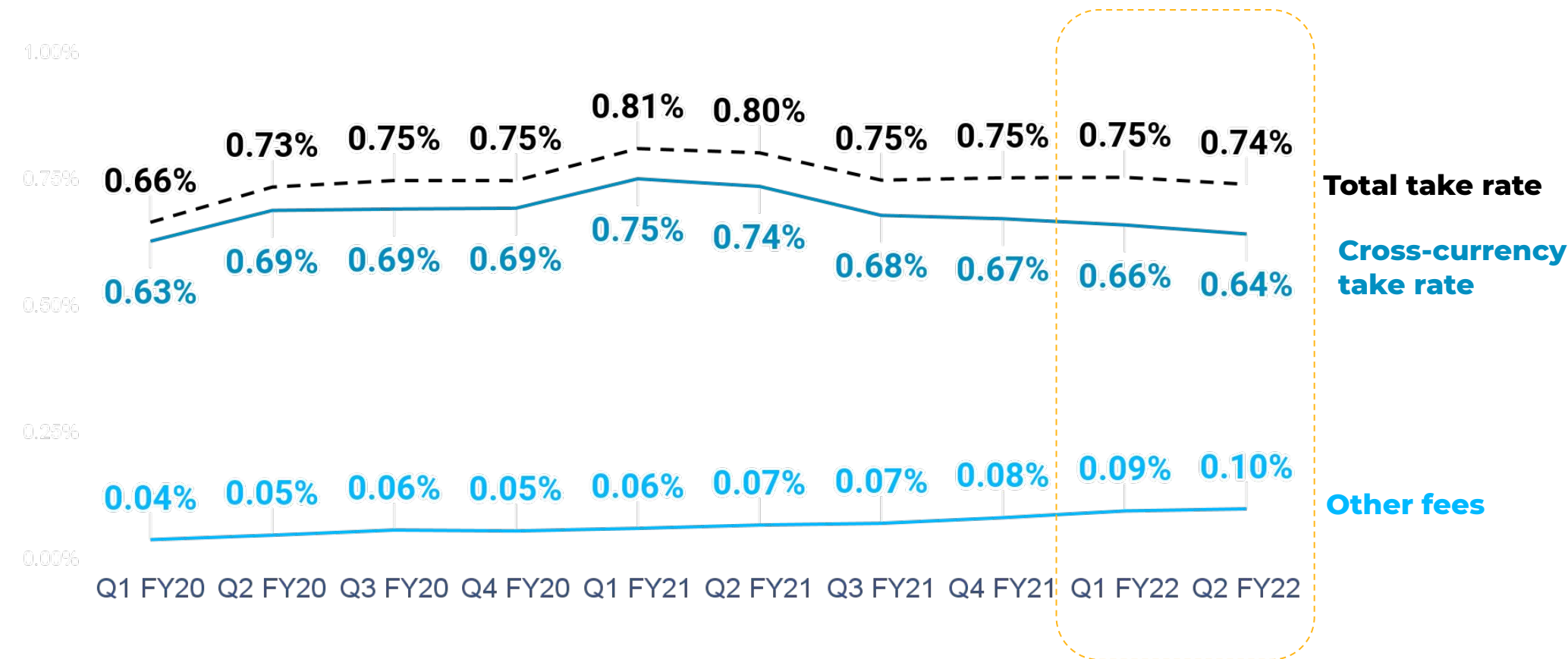
Average customer price (%)



Note: Average price eliminates route mix variance by tracking fees on a fixed representative basket of transactions.

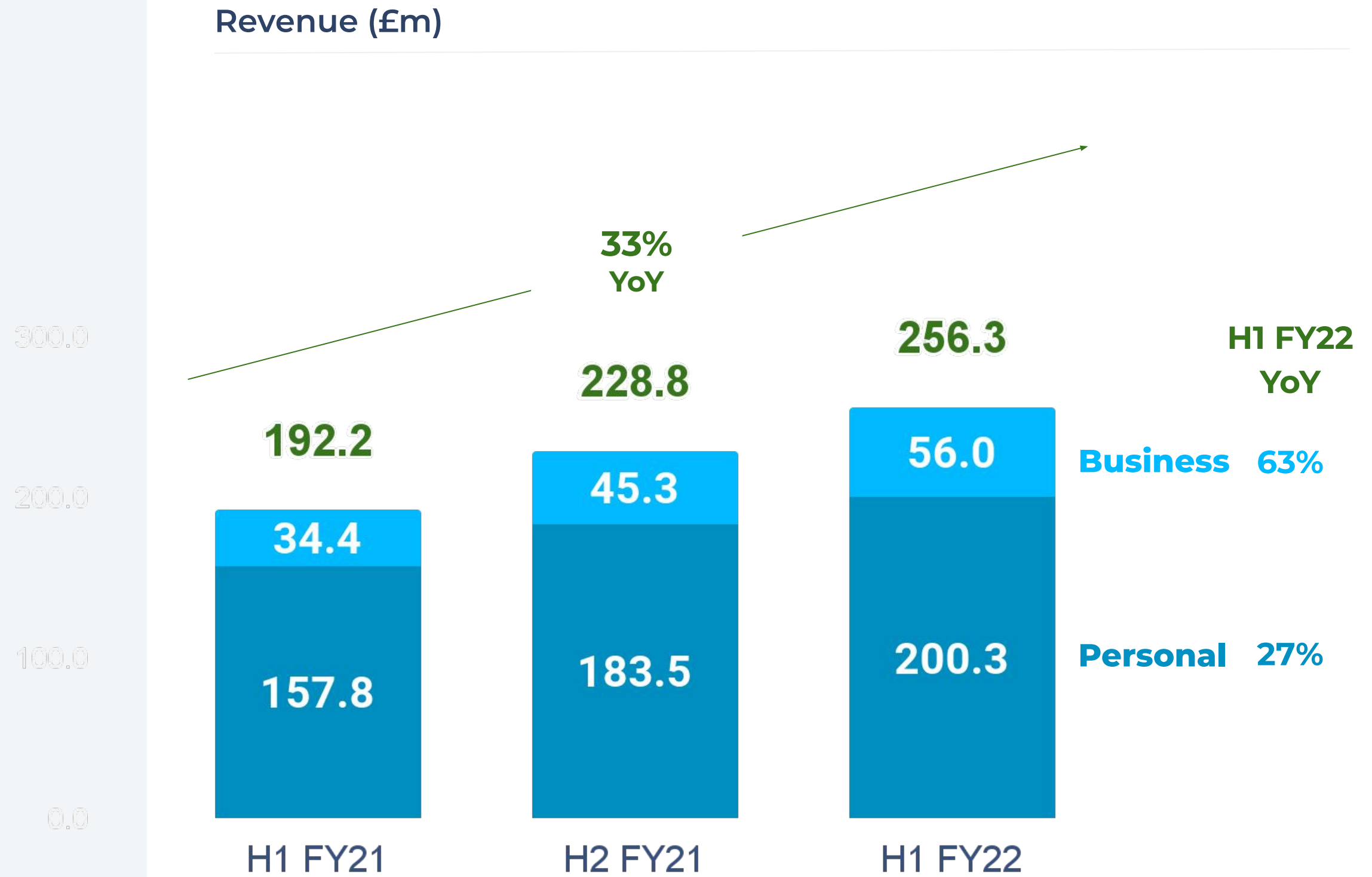
Take rate was supported by an increase in **other fees**.

Take rate (%)



Note: Other fees refers to revenue from non cross volumes for example same currency transactions and interchange fees.

**Revenue grew
33% YoY.**

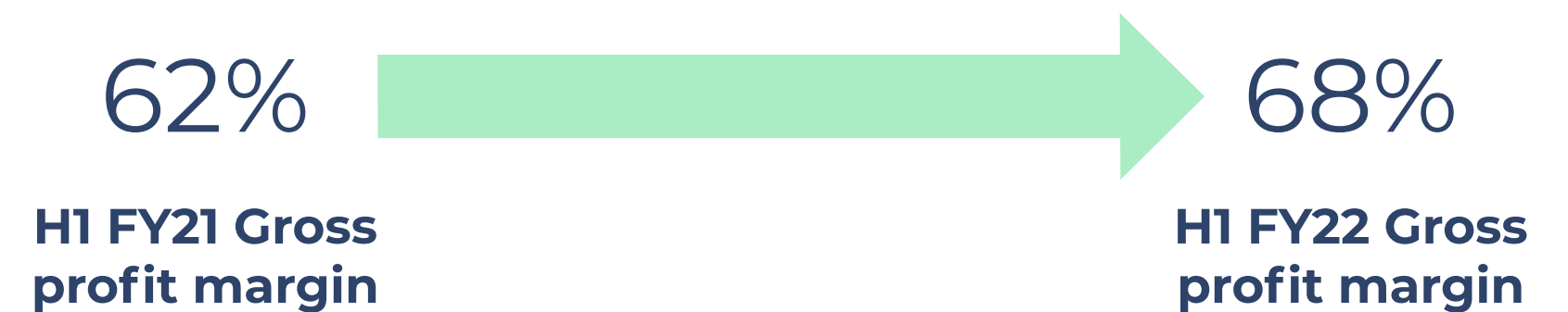


Gross profit margin expanded.

£174m

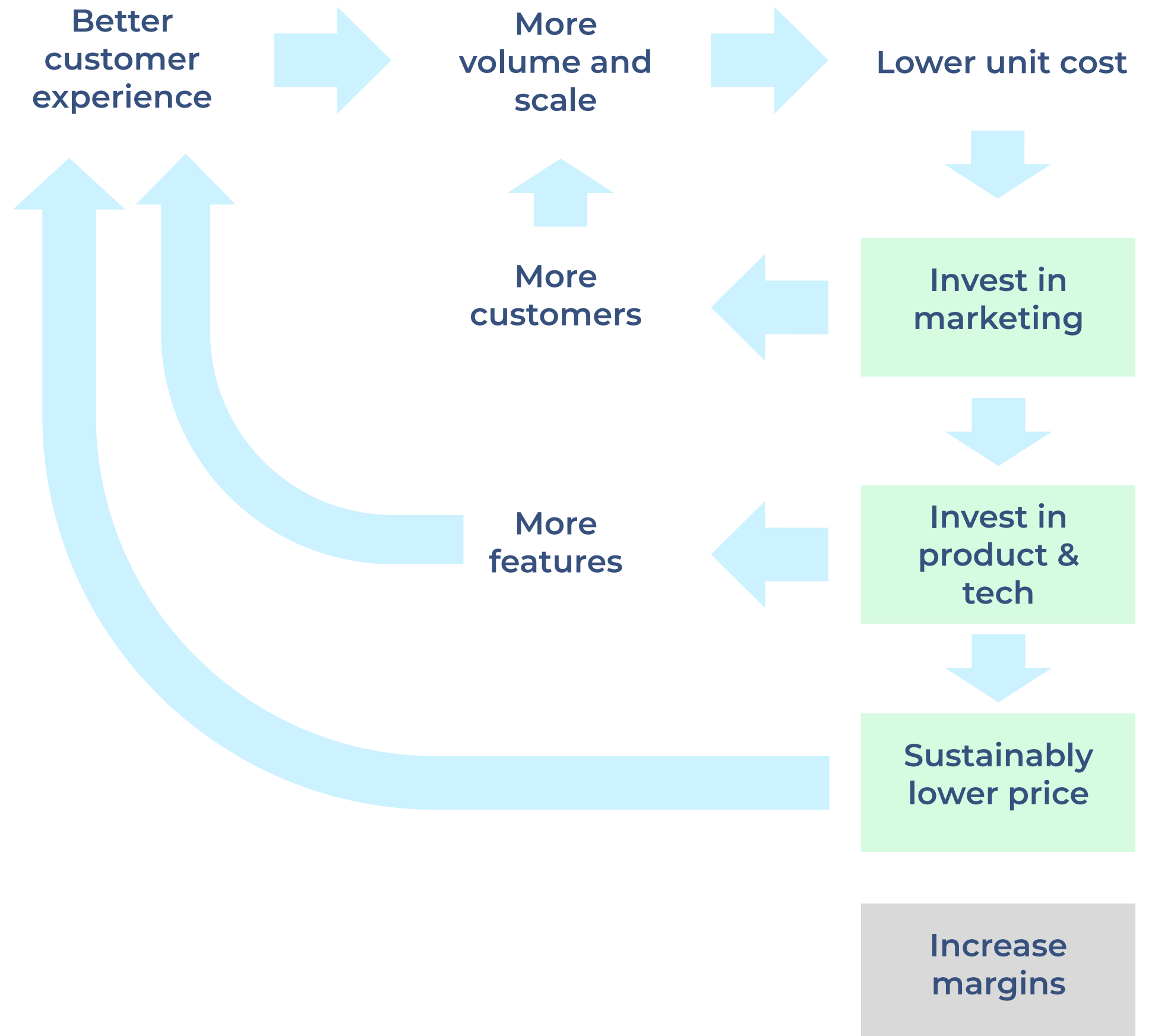
H1 FY22 Gross profit.

+46% y/y



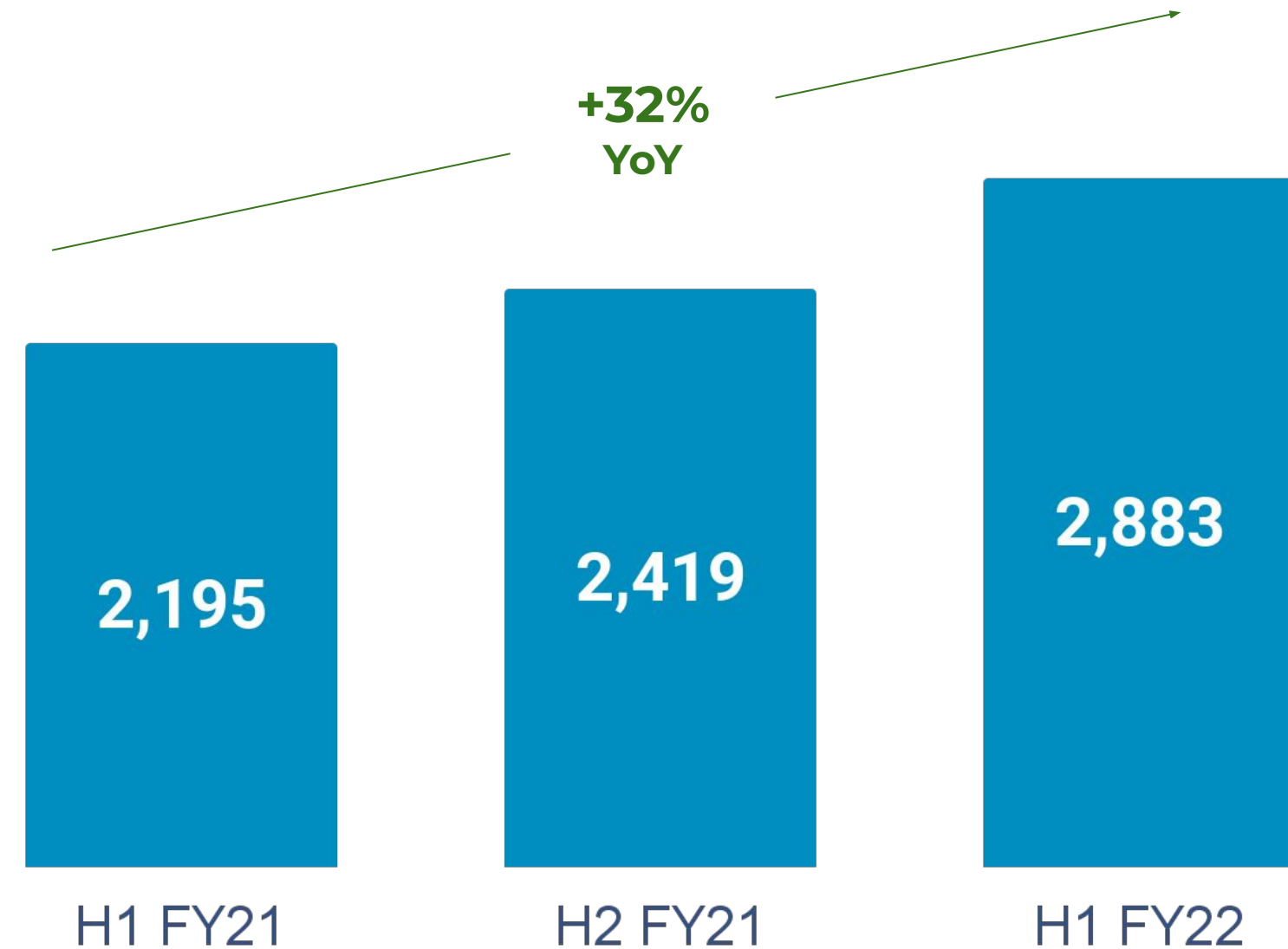
How we invest ...

Our investment choices



Number of Wisers

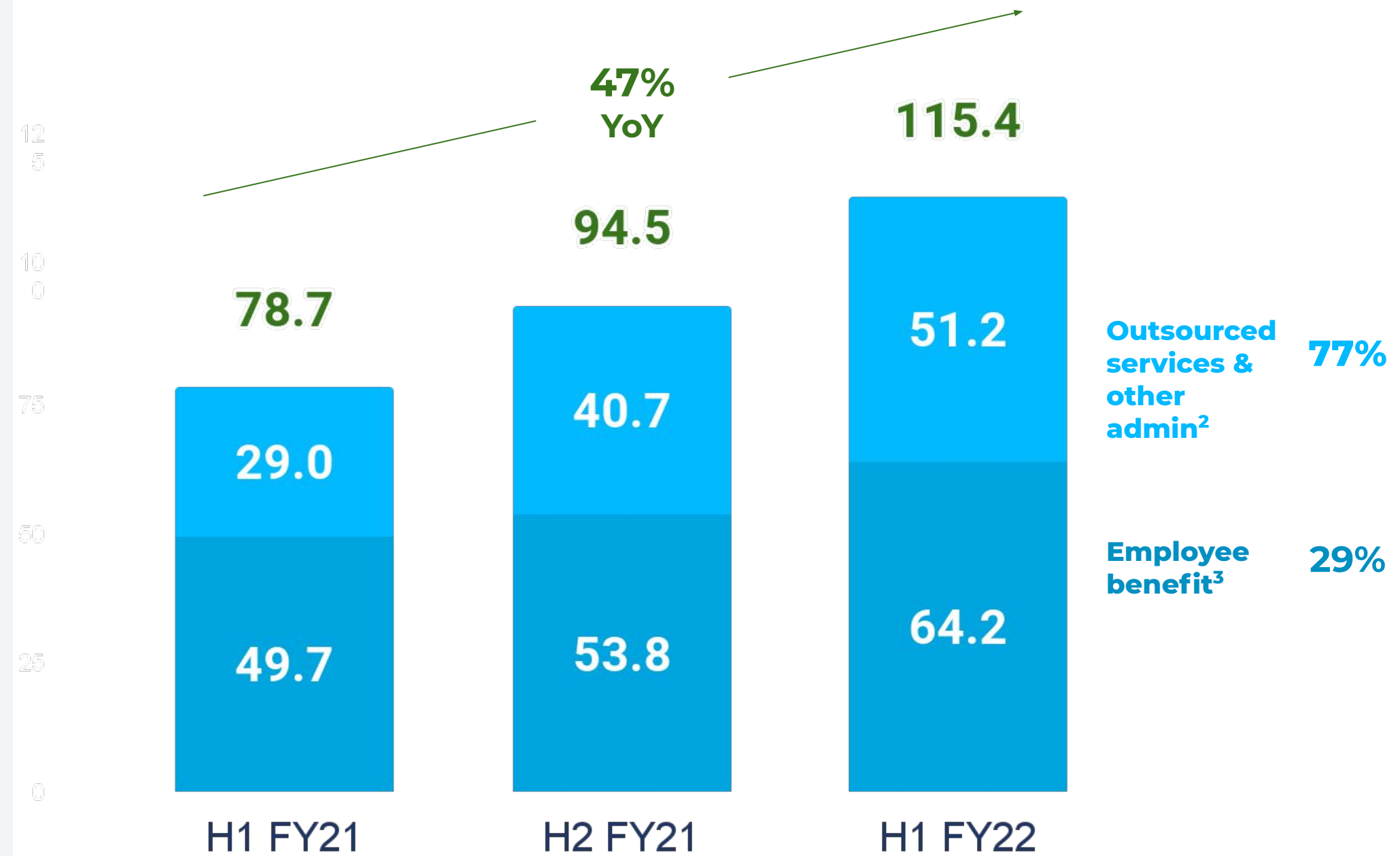
We're now over
3,000 Wisers
supporting our
mission.



Note: Employee (Wiser) headcount at the end of each period.

We continue to **invest** for the long term.

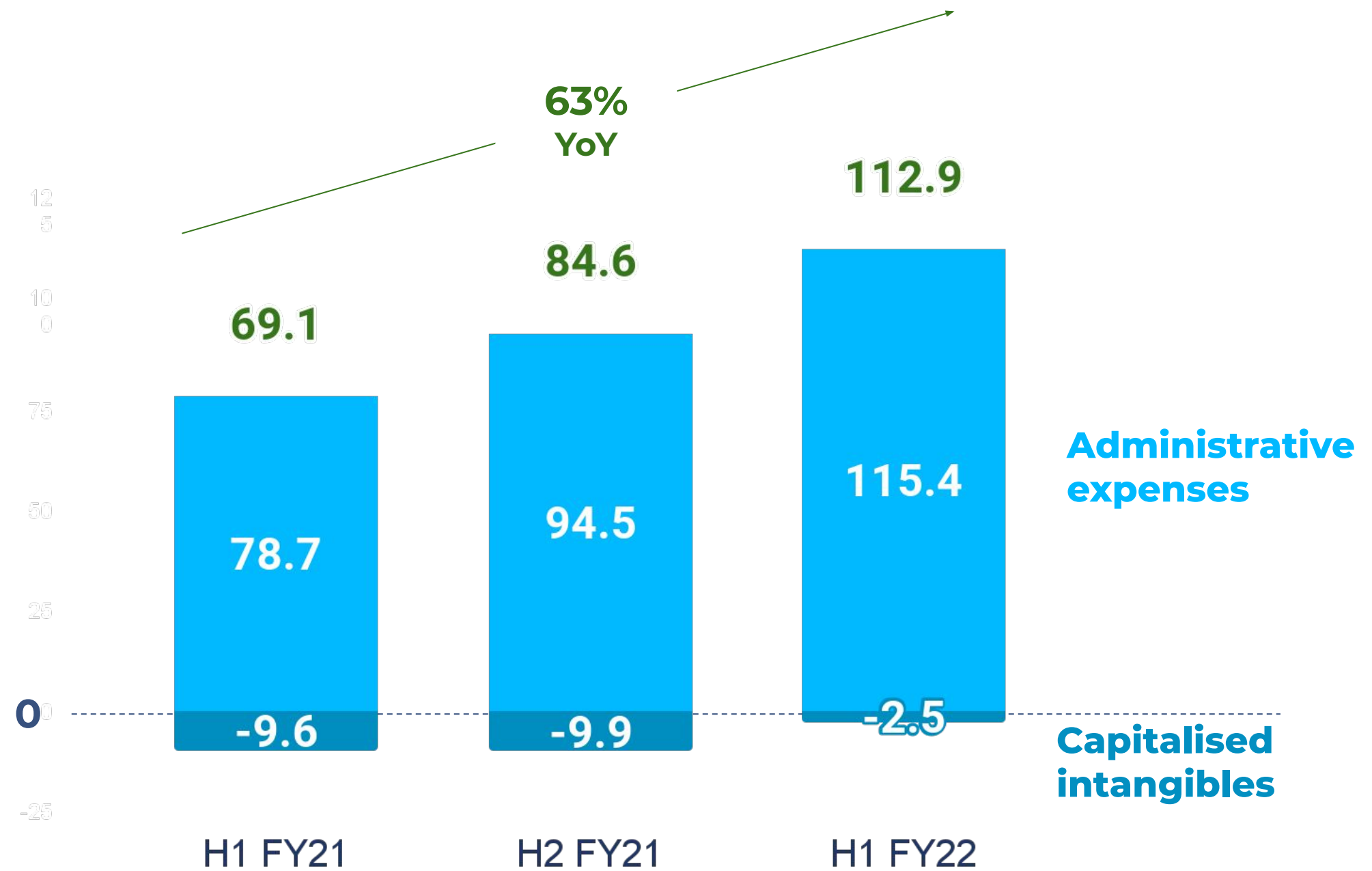
Administrative Expenses (£m)¹



Notes: ¹Administrative Expenses adjusted for depreciation and amortisation (D&A), share-based compensation (SBC), capitalisation and exceptional costs related to listing. ²Outsourced services and other administrative costs adjusted for exceptional costs related to listing. ³Employee benefit expenses adjusted for SBC.

Administrative expenses grew faster due to lower capitalisation.

Administrative Expenses (£m)¹

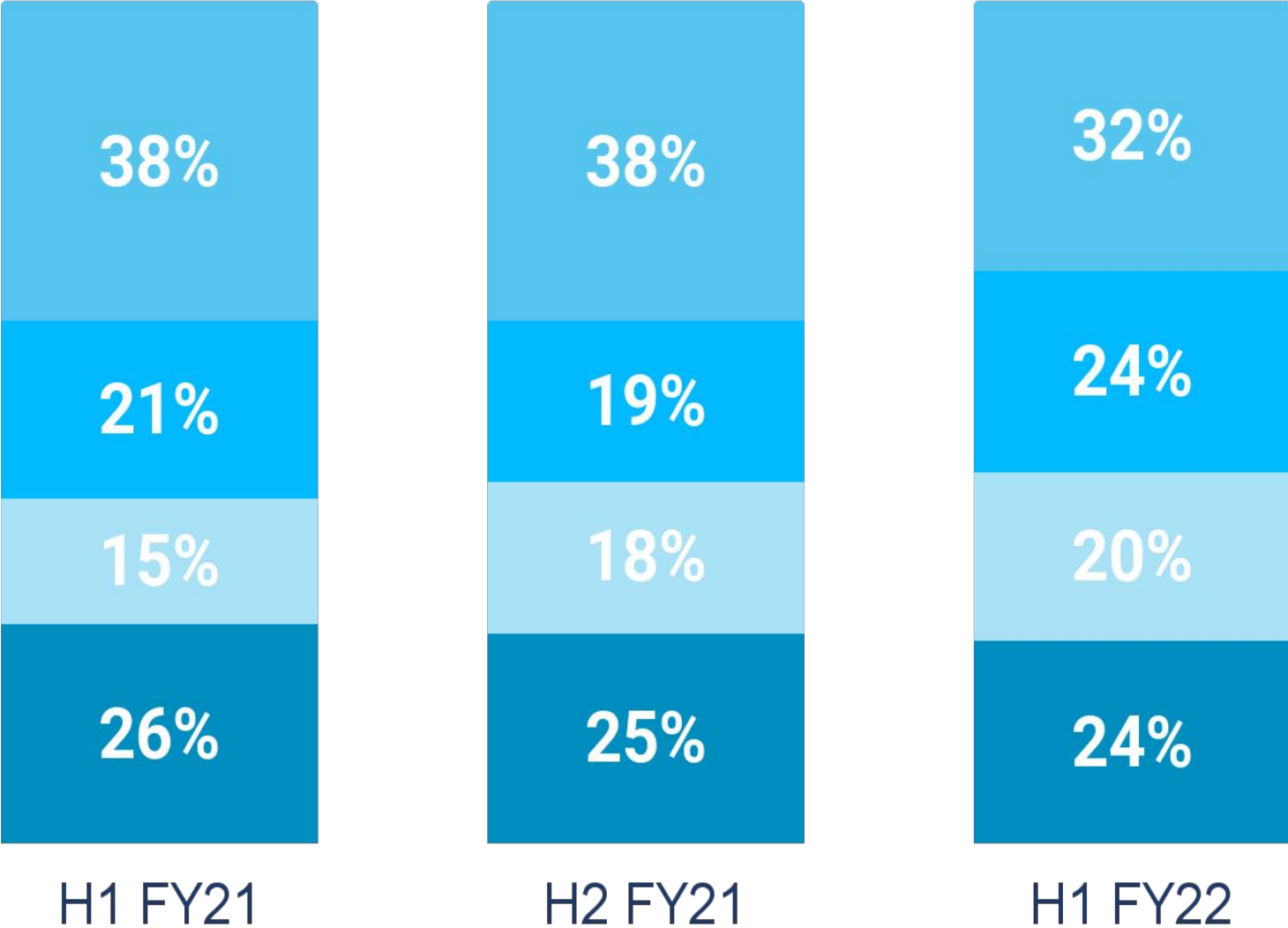


Notes: ¹Administrative Expenses adjusted for D&A, SBC and exceptional costs related to listing. ²Outsourced services and other administrative costs adjusted for exceptional costs related to listing. ³Employee benefit expenses adjusted for SBC.

P&L breakdown to adjusted EBITDA (%)

Our Adjusted EBITDA margin remained **stable**.

12.5%
10%
7.5%
5%
2.5%
0%



COS & Net credit losses on financial assets

Employee benefit¹

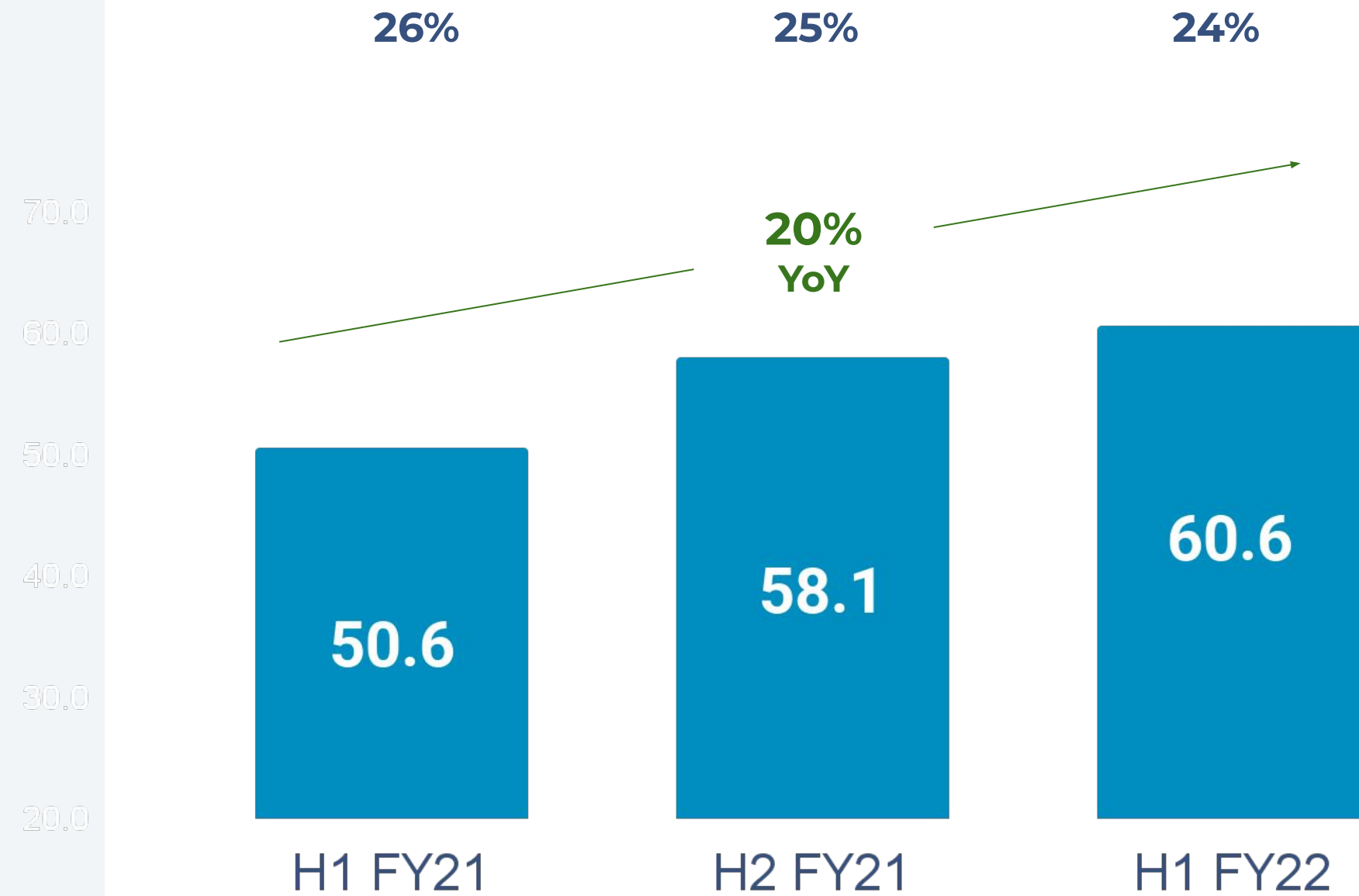
Outsourced services & other administrative costs²

Adj EBITDA margin³

Notes: ¹Employee benefit expenses excluding SBC and adjusted for capitalised staff costs. ²Outsourced services and other administrative costs excluding exceptional costs. ³Interest income from investments and operating assets, interest expense from operating assets and other income included within Adj. EBITDA.

Adjusted EBITDA (£m)

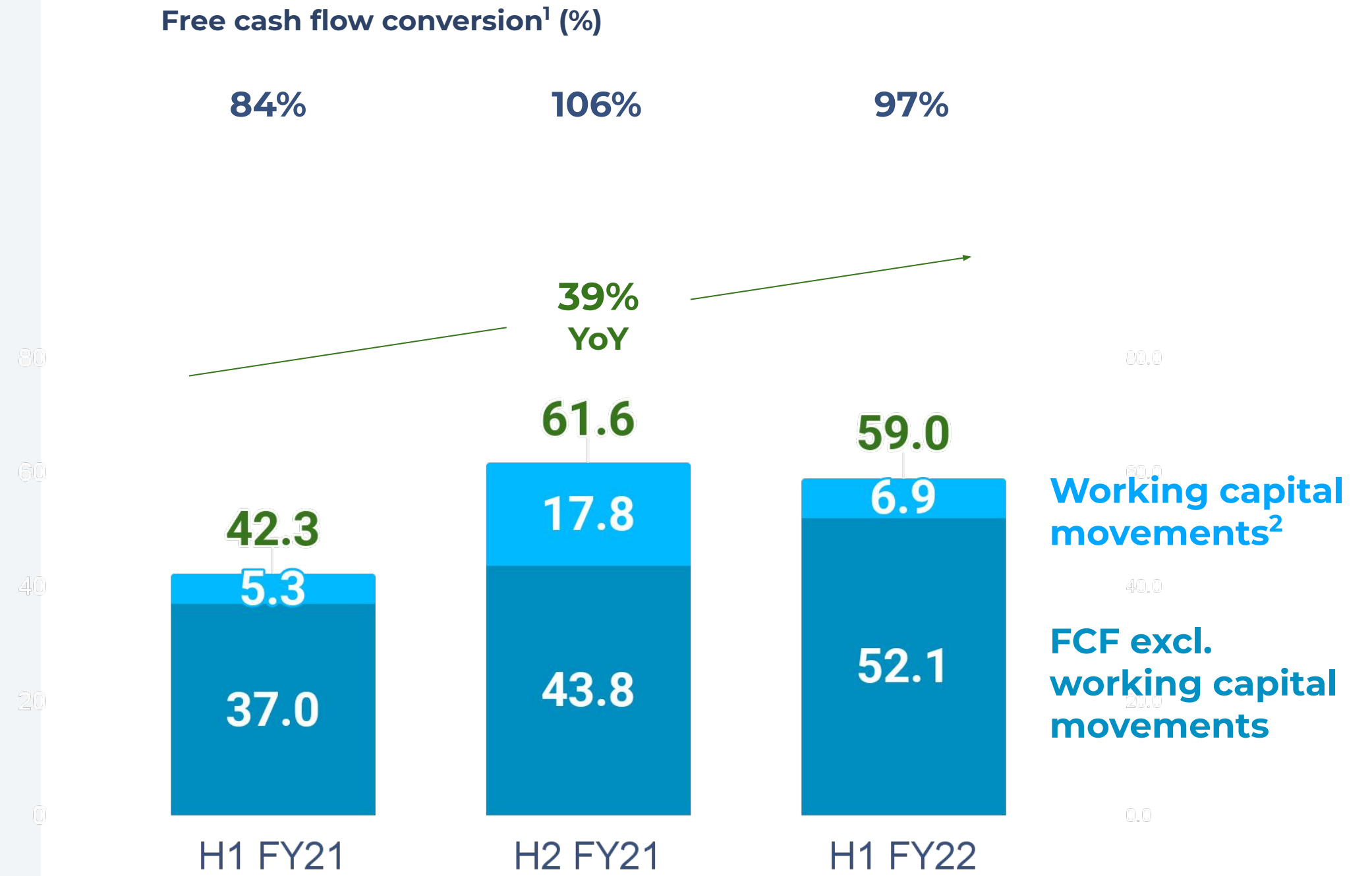
Adjusted EBITDA Margin (%)



We generated
**£61m of Adjusted
EBITDA...**

...which turned into cash.

Free cash flow (£m)



Notes: ¹Free cash flow as a % of Adjusted EBITDA. ²Working capital adjusted for exceptional and pass-through items.

Adj. EBITDA

Adj. EBITDA:
*... add back
capitalisation*

Free cash flow

£61m

£58m

£59m

20% y/y

42% y/y

39% y/y

Our **growth** is increasing our ability to invest for the long term.

£34bn

Volume

44% y/y

£256m

Revenue

33% y/y

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Gross profit

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Note: All metrics refer to H1 FY22

Guidance update.

	FY2022 AT LISTING	FY2022 UPDATED
REVENUE GROWTH	Low to mid-20s%	Mid to high 20s%
TAKE RATE	c.0.75%	Slightly lower in H2 vs H1
GROSS MARGIN	c.62%	c.65 - 67%

3 Onwards.

In summary...

**Enormous
opportunity**

**Radically
better
experience**

**Sustainable
financial
model**

**Wise grows at
scale**



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