

Customer growth remains strong with income exceeding expectations

Customers love the Wise proposition, resulting in more people and businesses joining us and using multiple features...

- Active customers grew 29% YoY to 7.9 million in Q4 FY24, with the number of personal customers increasing 30% YoY to 7.5 million, and business customers increasing 16% YoY to 395k.
- An increasing number of customers are using multiple features with 48% of personal customers and 60% of businesses using Wise for more than just sending money across borders - including spending abroad with their Wise card, earning a return with Assets or using local account details.

With more customers using Wise to move and manage their money, and with the benefit of higher interest rates, income grew 36% YoY to £381.2m in Q4 FY24

- Revenue grew by 24% YoY to £277.2m in Q4 FY24.
 - Cross-border revenue: We moved £30.6bn of cross-border volume for our customers in the quarter, 14% more than the same period last year. Continuing strong growth in the smaller (<£10k) personal volume per customer (VPC) segment led to a reduction of 5% QoQ in the overall VPC, reflecting the popularity of the Wise account and smaller transaction sizes on the Wise card. The cross-border take rate was maintained at 67 bps.
 - Other revenue: The proportion of revenue from other services grew to 26% in Q4 FY24 (25% in Q3 FY24) as customers used more features, especially the Wise card which represents the majority of this 'other revenue'.
- Interest income net of customer benefits grew by 86% YoY to £104m in Q4 FY24.
 - Customers are holding more of their money with Wise, with Wise account balances increasing 24% YoY to £13.3bn. The gross yield received while safeguarding these balances was 4.4% in Q4 FY24 (vs 2.8% in Q4 FY23).
 - Interest income net of customer benefits continues to be inflated.

FY24 income growth ahead of expectations and contributing to an exceptional level of profitability

- For FY24, the growth in customers using Wise combined with the higher rate environment drove income growth of 46%, higher than our expectation of 42-44%
- With an elevated level of interest income being retained, and lower levels of transactional costs, our gross profit margin is expected to be higher in H2 FY24 than the 74% in H1 FY24. As a consequence, Adjusted EBITDA margins also remain exceptionally elevated relative to our medium-term guidance of at or above 20%.

I am pleased that we have ended the financial year with another solid quarter. Active customer growth remained strong at 29% as personal and business customers find our growing set of features and products increasingly useful in helping to move and manage their money.

This quarter, we resumed business customer onboarding across the vast majority of Europe, and we continued to invest in our infrastructure and broaden our offering across the world. In Asia alone, we became one of the first international financial services companies to be granted a Type 1 Funds Provider licence in Japan, while adding Standard Chartered's Mox as a new Wise Platform banking partner in Hong Kong, and expanding our partnership with Tiger Brokers in Singapore by facilitating card issuance.

Our continued customer growth laps strong results and tells us that the investments that we're making are meeting real needs, giving me confidence that we're progressing well on our mission.

-Kristo Käärman, Co-founder and Chief Executive Officer

| | Q4 FY24 | Q4 FY23 | YoY Movement |
|------------------------|----------------|----------------|---------------------|
| Volume (£ billion) | 30.6 | 26.7 | 14% |
| Revenue (£ million) | 277.2 | 223.5 | 24% |
| Income (£ million) | 381.2 | 279.5 | 36% |
| Average customer price | 0.67% | 0.65% | +2 bps |
| Instant transfers | 62% | 55% | +7 pps |

You can read more about our progress in our quarterly Mission Updates on wise.com.

Please see the appendix for further historical financial information.

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About Wise

Wise is a global technology company, building the best way to move and manage the world's money. With Wise Account and Wise Business, people and businesses can hold over 40 currencies, move money between countries and spend money abroad. Large companies and banks use Wise technology too; an entirely new network for the world's money.

Co-founded by Kristo Käärman and Taavet Hinrikus, Wise launched in 2011 under its original name TransferWise. It is one of the world's fastest growing tech companies and is listed on the London Stock Exchange under the ticker WISE.

In fiscal year 2023, Wise supported around 10 million people and businesses, processing approximately £105 billion in cross-border transactions, and saving customers over £1.5 billion.

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This report may include forward-looking statements, which are based on current expectations and projections about future events. These statements may include, without limitation, any statements preceded by, followed by or including words such as “forward looking”, “guidance”, “target”, “believe”, “expect”, “intend”, “may”, “anticipate”, “estimate”, “forecast”, “project”, “will”, “can have”, “likely”, “should”, “would”, “could” and any other words and terms of similar meaning or the negative thereof. These forward-looking statements are subject to risks, uncertainties and assumptions about Wise and its subsidiaries. In light of these risks, uncertainties and assumptions, the events in the forward-looking statements may not occur.

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Appendix - Historical Financials

| Quarterly | Q4 FY2022 | Q1 FY2023 | Q2 FY2023 | Q3 FY2023 | Q4 FY2023 | Q1 FY2024 | Q2 FY2024 | Q3 FY2024 | Q4 FY2024 | QoQ Movement | Q YoY Movement | QoQ Movement Constant CCY | Q YoY Movement Constant CCY |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-----------------|-------------------|------------------------------------|--------------------------------------|
| Customers (thousand) | 4,588 | 4,997 | 5,484 | 5,793 | 6,125 | 6,670 | 7,232 | 7,512 | 7,911 | 5% | 29% | - | - |
| Personal (thousand) | 4,319 | 4,711 | 5,182 | 5,475 | 5,784 | 6,307 | 6,847 | 7,120 | 7,517 | 6% | 30% | - | - |
| Business (thousand) | 269 | 286 | 302 | 319 | 340 | 363 | 385 | 392 | 395 | 1% | 16% | - | - |
| | | | | | | | | | | | | | |
| Volume per customer (£ thousand) | 4.7 | 4.9 | 4.9 | 4.6 | 4.4 | 4.2 | 4.0 | 4.1 | 3.9 | (5%) | (11%) | - | - |
| Personal (£ thousand) | 3.7 | 3.8 | 3.9 | 3.5 | 3.4 | 3.3 | 3.2 | 3.1 | 3.0 | (4%) | (11%) | - | - |
| Business (£ thousand) | 20.8 | 22.2 | 22.9 | 23.2 | 21.4 | 20.4 | 19.8 | 21.1 | 20.3 | (4%) | (5%) | - | - |
| | | | | | | | | | | | | | |
| Volume (£ billion)¹ | 21.4 | 24.4 | 27.0 | 26.4 | 26.7 | 28.2 | 29.2 | 30.6 | 30.6 | 0% | 14% | 1% | 18% |
| Personal (£ billion) | 15.9 | 18.0 | 20.1 | 19.0 | 19.5 | 20.8 | 21.6 | 22.3 | 22.6 | 1% | 16% | 2% | 19% |
| Business (£ billion) | 5.6 | 6.3 | 6.9 | 7.4 | 7.3 | 7.4 | 7.6 | 8.3 | 8.0 | (3%) | 10% | (2%) | 13% |
| | | | | | | | | | | | | | |
| Customer balances (£ billion) | 6.8 | 7.7 | 9.2 | 10.1 | 10.7 | 11.5 | 12.3 | 12.9 | 13.3 | 3% | 24% | - | - |

1. Cross-border volume only.

Note: Differences between 'total' rows and the sum of the constituent components of personal and business are due to rounding.

Appendix - Historical Financials (continued)

| Quarterly | Q4 FY2022 | Q1 FY2023 | Q2 FY2023 | Q3 FY2023 | Q4 FY2023 | Q1 FY2024 | Q2 FY2024 | Q3 FY2024 | Q4 FY2024 | QoQ Movement | Q YoY Movement | QoQ Movement Constant CCY | Q YoY Movement Constant CCY |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-----------------|-------------------|------------------------------------|--------------------------------------|
| Revenue (£ million) | 153.8 | 185.9 | 211.5 | 225.2 | 223.5 | 239.5 | 258.7 | 276.6 | 277.2 | 0% | 24% | 1% | 28% |
| Personal (£ million) | 118.4 | 144.4 | 164.8 | 173.7 | 173.4 | 186.4 | 200.8 | 213.1 | 215.0 | 1% | 24% | 2% | 28% |
| Business (£ million) | 35.4 | 41.5 | 46.7 | 51.5 | 50.1 | 53.1 | 57.9 | 63.5 | 62.2 | (2%) | 24% | (1%) | 28% |
| | | | | | | | | | | | | | |
| Interest income on customer balances (£ million) | 1.4 | 3.9 | 18.4 | 46.4 | 71.5 | 95.7 | 115.4 | 132.2 | 141.9 | 7% | 98% | - | - |
| Personal (£ million) | 0.7 | 2.0 | 9.6 | 24.9 | 38.7 | 53.1 | 65.6 | 76.0 | 83.3 | 10% | 115% | - | - |
| Business (£ million) | 0.7 | 1.9 | 8.8 | 21.5 | 32.8 | 42.6 | 49.8 | 56.2 | 58.6 | 4% | 79% | - | - |
| | | | | | | | | | | | | | |
| Interest income net of customer benefits (£ million)¹ | (0.8) | 1.2 | 17.5 | 43.5 | 56.0 | 71.4 | 86.4 | 98.5 | 104.0 | 6% | 86% | - | - |
| Personal (£ million) | (0.4) | 0.6 | 9.1 | 23.2 | 29.7 | 39.0 | 48.7 | 56.9 | 60.7 | 7% | 105% | - | - |
| Business (£ million) | (0.4) | 0.6 | 8.4 | 20.3 | 26.3 | 32.4 | 37.7 | 41.6 | 43.3 | 4% | 64% | - | - |
| | | | | | | | | | | | | | |
| Income (£ million)² | 153.0 | 187.1 | 229.0 | 268.7 | 279.5 | 310.9 | 345.1 | 375.1 | 381.2 | 2% | 36% | - | - |
| Personal (£ million) | 118.0 | 145.0 | 173.9 | 196.9 | 203.1 | 225.4 | 249.5 | 270.0 | 275.7 | 2% | 36% | - | - |
| Business (£ million) | 35.0 | 42.1 | 55.1 | 71.8 | 76.4 | 85.5 | 95.6 | 105.1 | 105.5 | 0% | 38% | - | - |
| | | | | | | | | | | | | | |
| Revenue Take rate (%)³ | 0.72% | 0.76% | 0.78% | 0.85% | 0.84% | 0.85% | 0.89% | 0.90% | 0.91% | +1 bps | +7 bps | - | - |
| Cross-border (%) | 0.61% | 0.61% | 0.63% | 0.69% | 0.67% | 0.67% | 0.67% | 0.67% | 0.67% | +0 bps | +0 bps | - | - |
| Other (%) | 0.11% | 0.15% | 0.15% | 0.16% | 0.17% | 0.18% | 0.22% | 0.23% | 0.24% | +1 bps | +7 bps | - | - |

1. Comprises interest income on customer balances, interest expense on customer balances and benefits paid relating to customer balances.

2. Comprises revenue and interest income net of customer benefits.

3. Revenue as a % of Volume.

Note: Differences between 'total' rows and the sum of the constituent components of personal and business are due to rounding