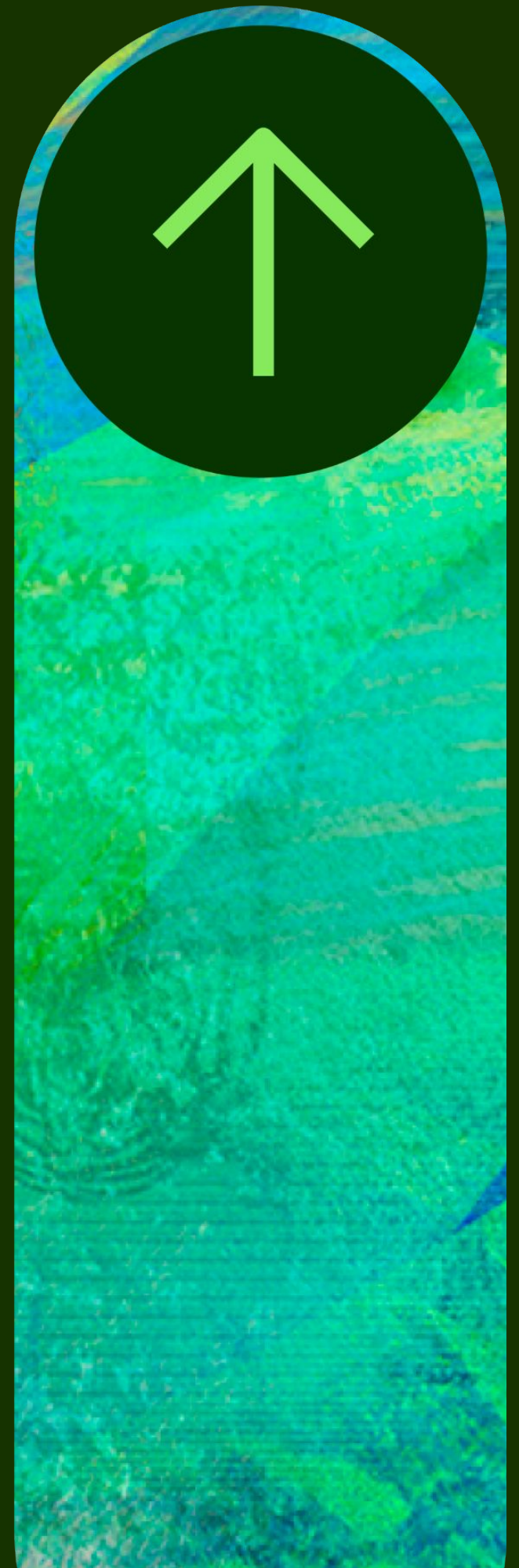


**7wise**

# **FY24 RESULTS PRESENTATION**

13 June 2024





**Welcome**

**Kristo Käärman**

Co-Founder and Chief Executive Officer

# MONEY WITHOUT BORDERS



We're building the best way to move and manage the world's money. Min fees. Max ease. Full speed.

# We're building the best way to move and manage the world's money, making Wise increasingly valuable

**A massive problem for people and businesses**



Large addressable market

**The network for the world's money**



Technology first solutions

**Products customers love**



Evangelical customers drive growth

**Wise is growing fast and profitable**



Creating a valuable company

**£2T+**

**moved cross border  
annually by people**

**£87bn  
<5% market share**

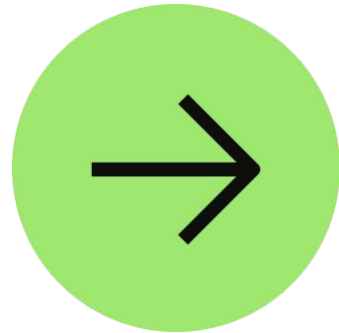
**£9T+**

**moved cross border  
annually by SMBs**

**£31bn  
<1% market share**

# What customers are saying

**Sending money  
across borders**



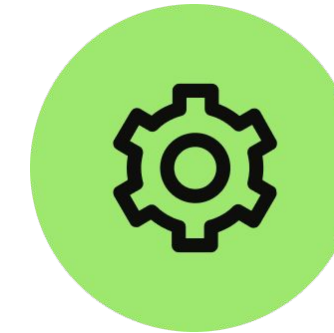
Traditionally slow,  
expensive and hard to do

**International  
banking**



International bank accounts  
don't really exist

**Underlying  
technology**



Infrastructure has not  
evolved in decades

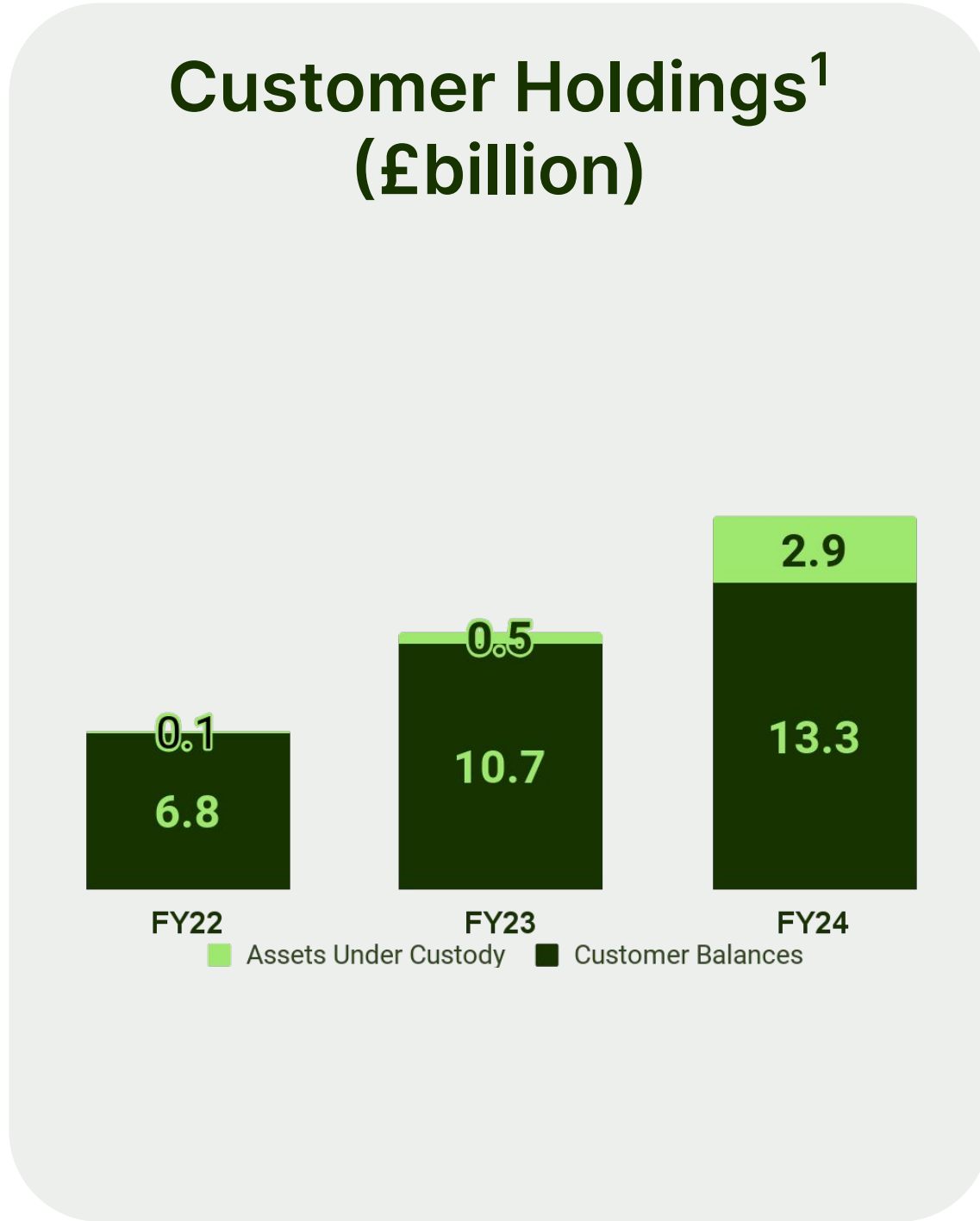
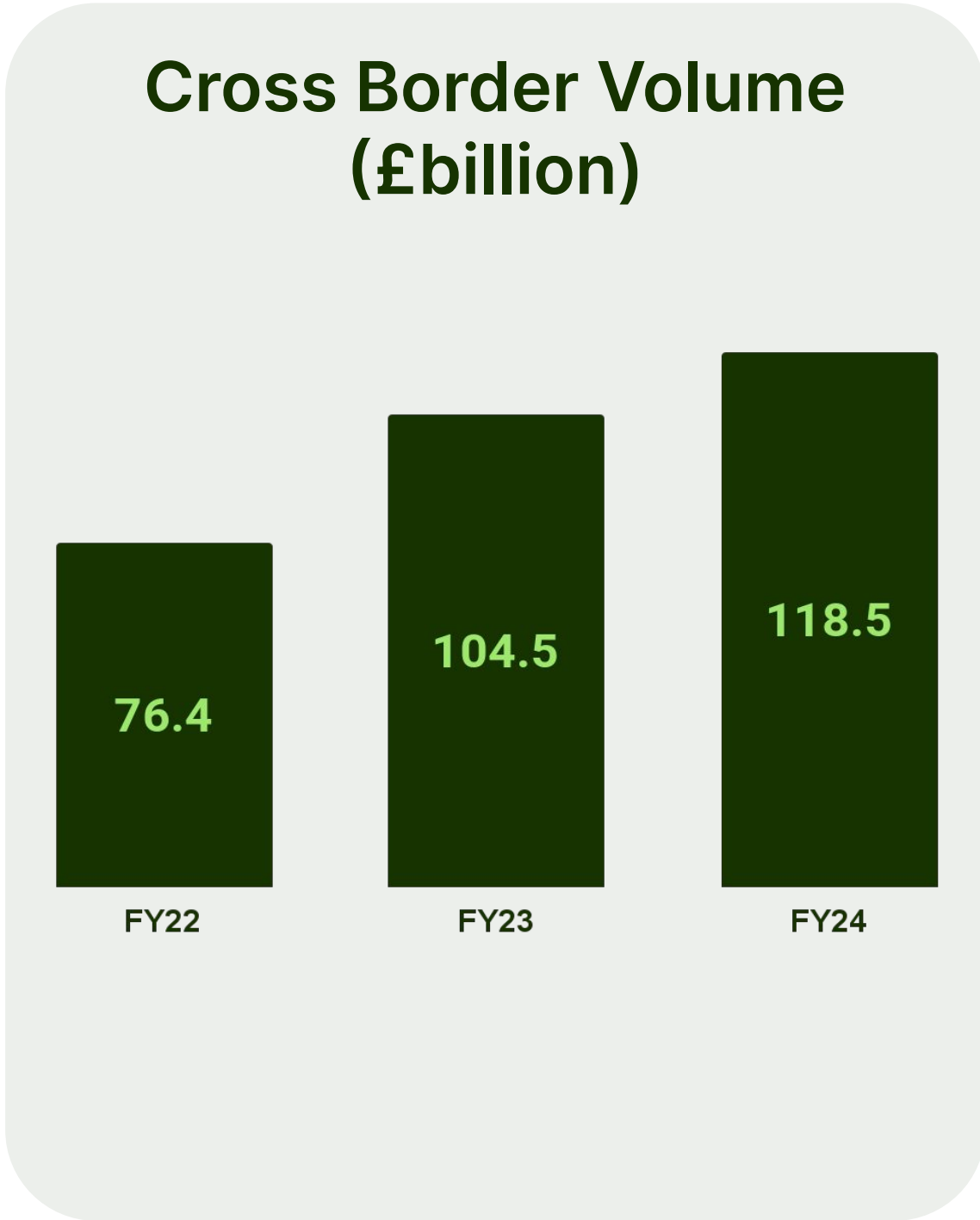
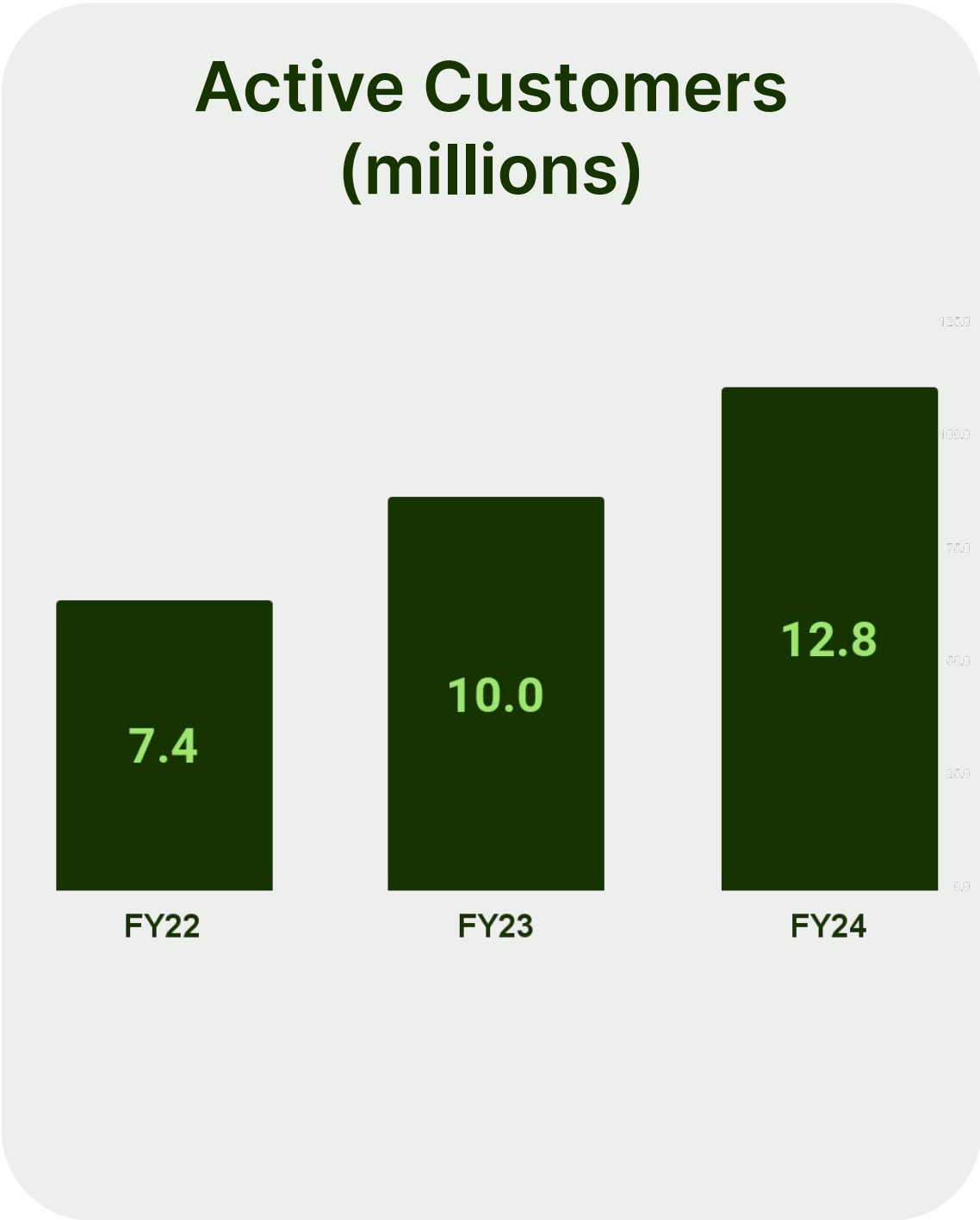
# What we're doing about it

**We've made transfers  
easy, fast and low cost**

**We've created  
the Wise account**

**We're creating the  
network the world's  
money needs**

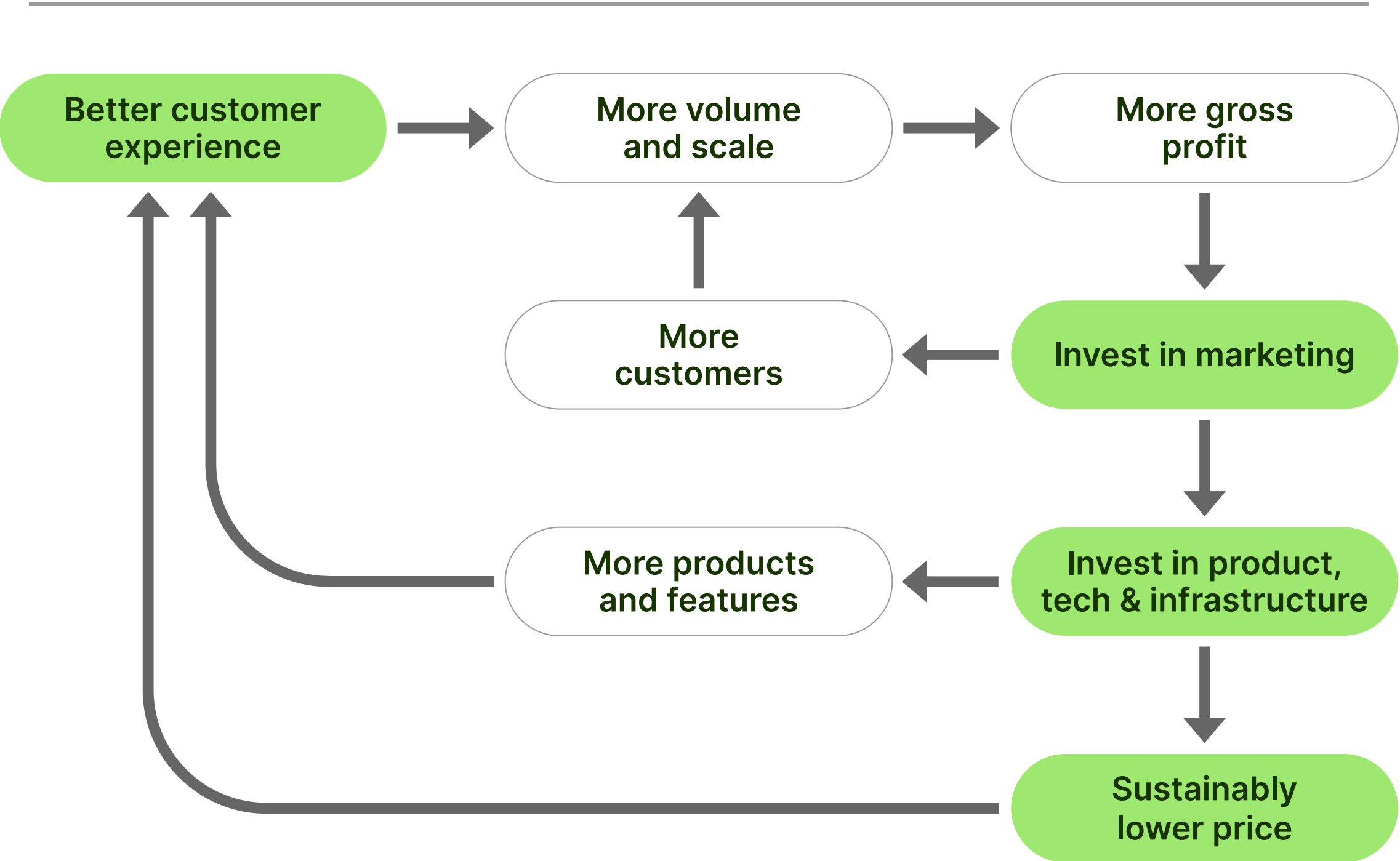
# Customer-led growth



Note: <sup>1</sup>Customer Holdings include both Customer Balances (on balance sheet) and Assets Under Custody (off balance sheet)

**Growth and scaling creates capacity to reinvest.**

# Our investment choices





**Fast  
growing, and  
increasingly  
profitable.**

	FY24	3 year CAGR
Underlying income	<b>£1,173m</b>	<b>+41%</b>
Underlying PBT	<b>£242m</b>	<b>+83%</b>
Reported PBT	<b>£481m</b>	<b>+127%</b>



**Harsh Sinha**  
Chief Technology Officer

**Investing in  
our infrastructure  
and products**

**WE'RE BUILDING  
THE NETWORK  
FOR THE  
WORLD'S MONEY**

Experience

**62%**

of end to end payments are instant (arrive in 20 secs)



Experience

**118BN+**

FX volume moves through our infrastructure annually



Experience

**800+**

Engineers committed to pushing 1,000 deployments per week



Experience

**LOW**

cost

Experience

**40+**

Currencies available for customers to hold and send

Treasury

**1**

Global treasury function

Compliance

**65+**

Licences

Network

**5**

Direct connections

Network

**160+**

Countries in 40 currencies

Operations

**5,500**

People focused on cross-border payments



Operations

**24/7**

Support worldwide



Network

**90+**

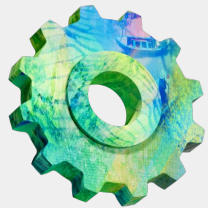
Banking partners



# Our growing infrastructure deepens our competitive advantage



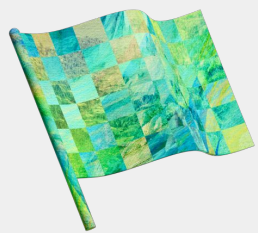
Direct connection to payment systems giving **full control of end-to-end payment network**



Expansive network of banking and card partners with **redundancy reducing single-partner reliance**



Global portfolio of licences which we leverage to **meet complex cross-border expectations with superior borderless experience**



**Local servicing and compliance teams** delivering a great product experience and being nimble to react to local regulatory changes

# We're making progress on building the network for the world's money

Integration into Australia's domestic payment system



Japan Type 1 Transfer Licence



Correspondent services enabled through Swift collaboration



# Our infrastructure enables a service customers can rely on

Available when you need us, secure, fast and convenient

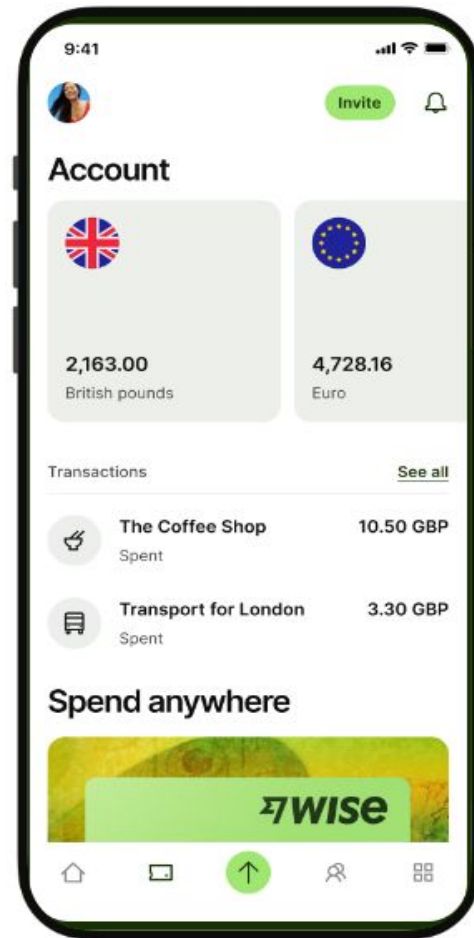
> 800 engineers globally

One single global treasury system

Responsive customer support

Machine learning powered financial crime engine

> 1,000 FinCrime and Payment Ops staff



Localised product solutions

Lower liquidity and FX costs

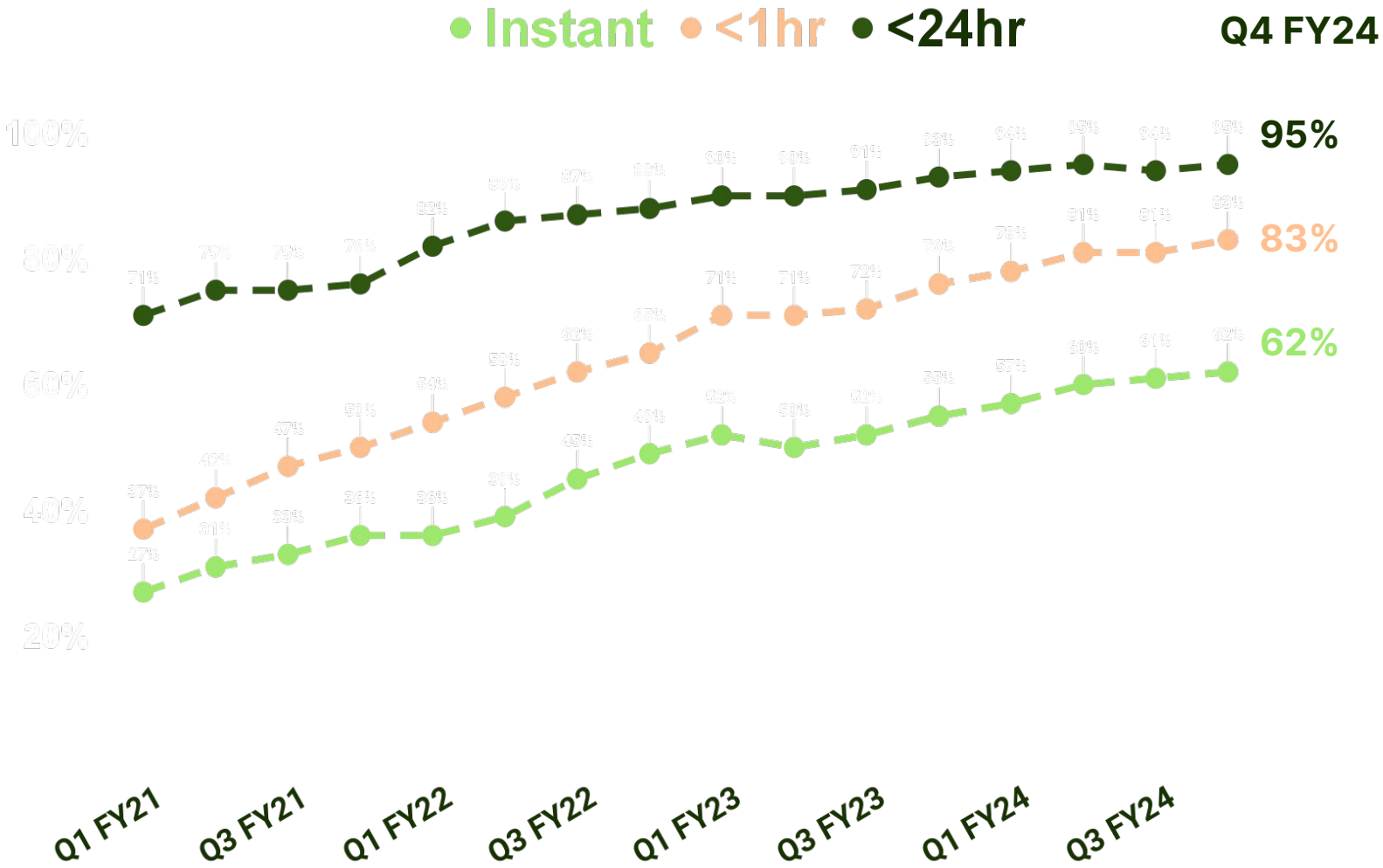
24/7 'follow the sun' customer support

Powerful anti-financial crime engine to protect us and our customers; monitoring 100% of all transactions real-time

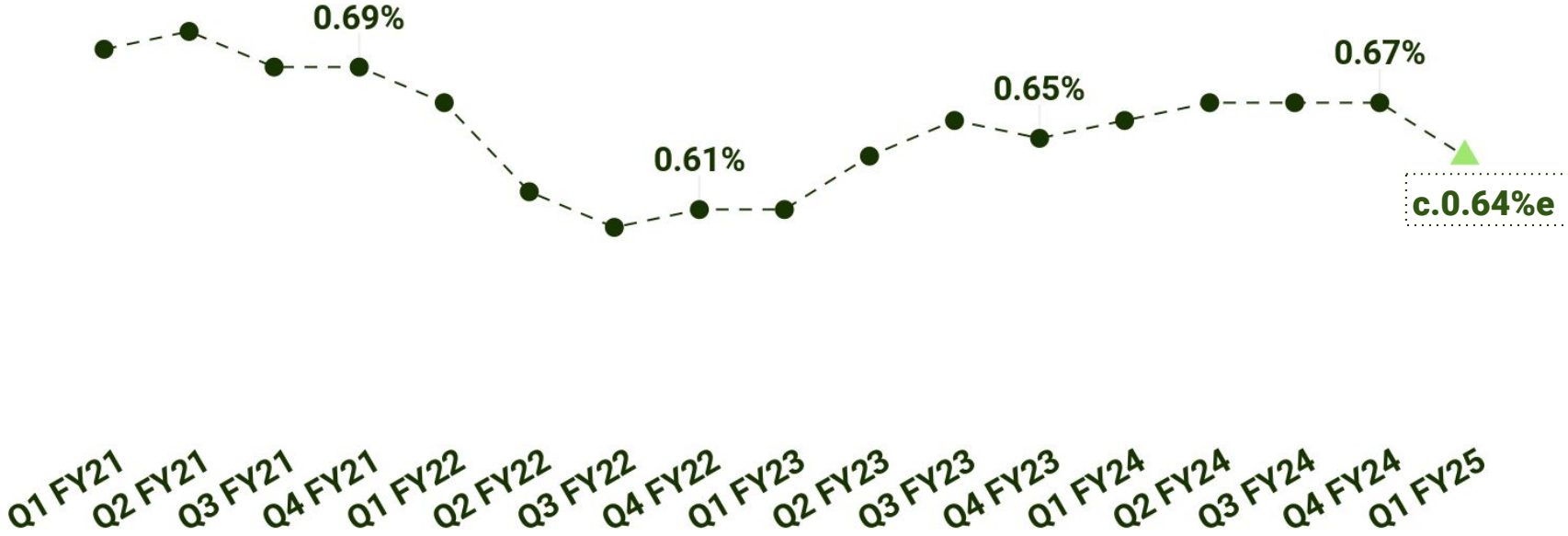
Below industry average fraud rates

# Our infrastructure enables fast, low cost payments for customers

## Significantly faster payment speeds



## Low cost and cheaper than banks

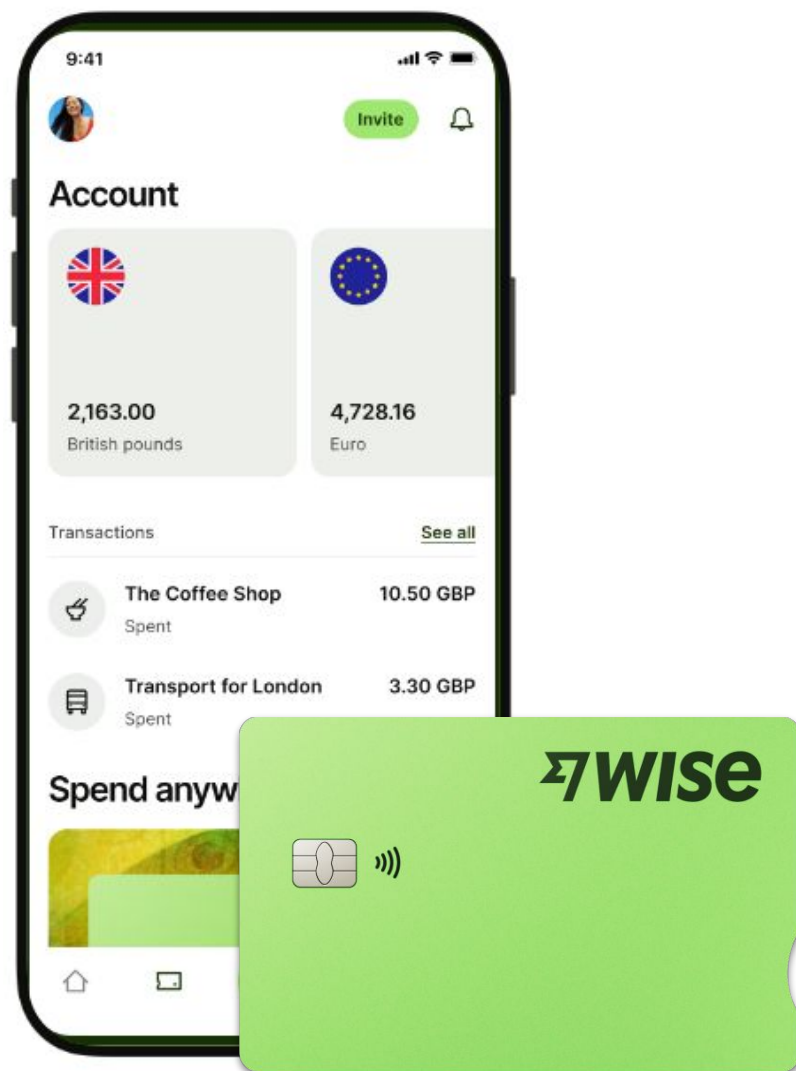




**PRODUCTS**  
**CUSTOMERS**  
**LOVE**

# We serve our customers through three great products for cross border transfers and increasingly more

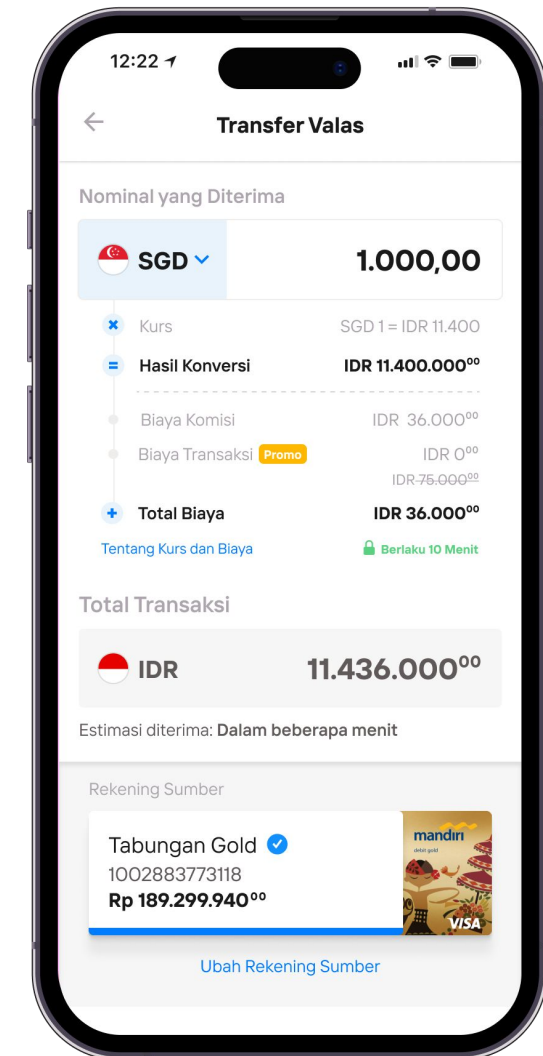
## Wise Account



## Wise Business



## Wise Platform



# Our proposition and coverage is getting better so we can serve more of our customers needs

## Wise Account

### Hold



Assets "Interest" rolled out in 5 EU countries  
"Stocks" in 11 EU countries

### Receive



Send & Receive with WiseTag



Request money from your Wise Contacts

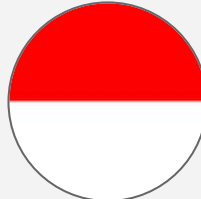


Swift Details in multiple currencies

## Transfers



Expats in China can send money home



Send 4x more to Indonesia (limit 2bn IDR)



Send up to 10,000 USD to businesses in Brazil



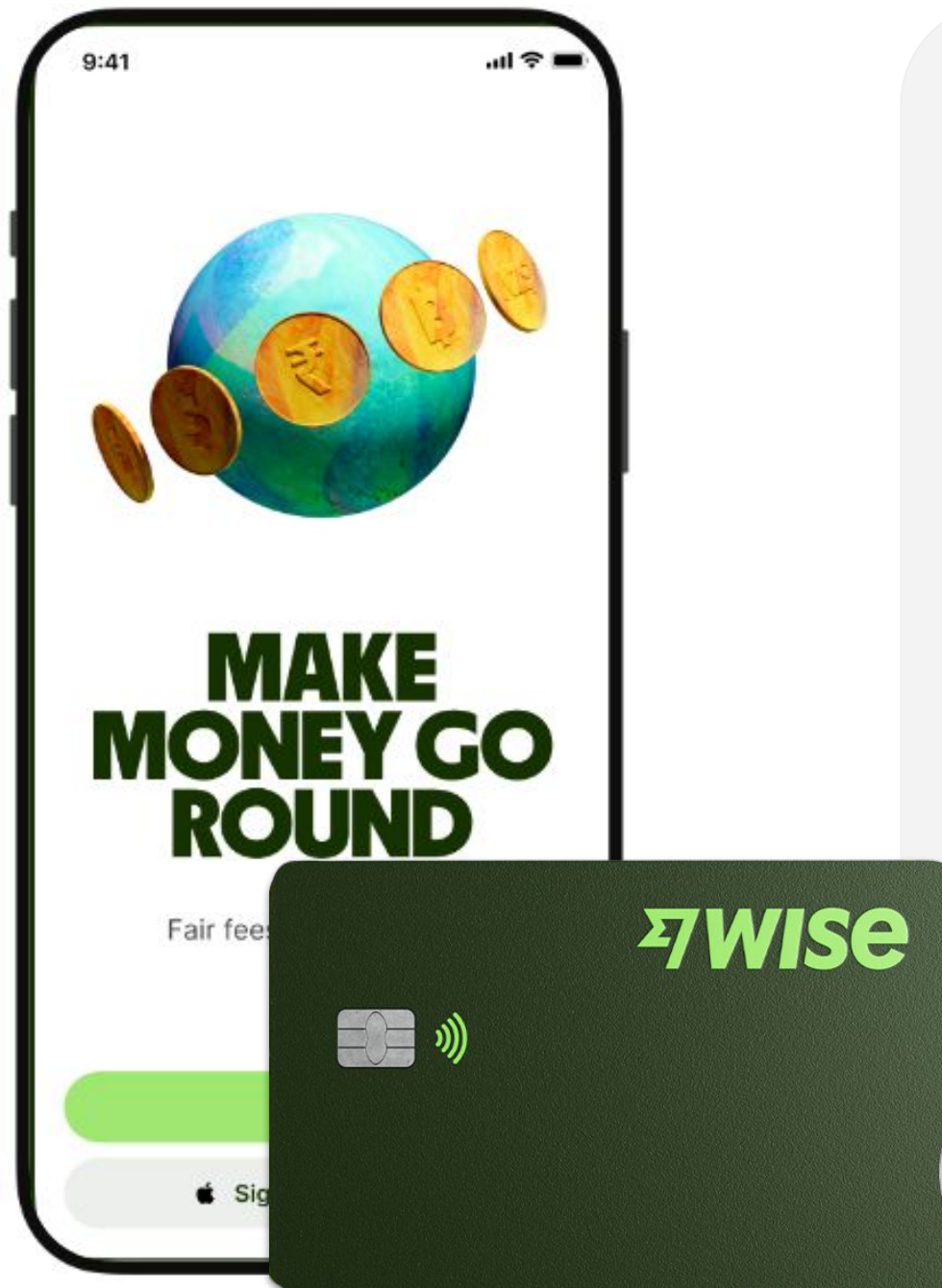
Simplified HKD transfers



Simpler sending to AUD

# Wise Business

Helping businesses operate like locals



## Onboarding

- UK and EU onboarding was re-opened for business customers > 1 month old.

## Industry leading returns

- Wise Assets is available to businesses in the UK, Europe and Singapore.

## Increased functionality

- Wise invoicing.
- Expense management features.
- Improved analytics and reporting features.
- Partnered with Amazon's Payment provider program to improve merchant payouts.

# Our portfolio of 85+ Wise Platform partners continues to grow



### Some partners added in FY24

agoda Allica Bank InteractiveBrokers PARPERA GMO AOZORA NET BANK bluevine IndusInd Bank mox moin moomoo

\*Nubank announced Q1FY25

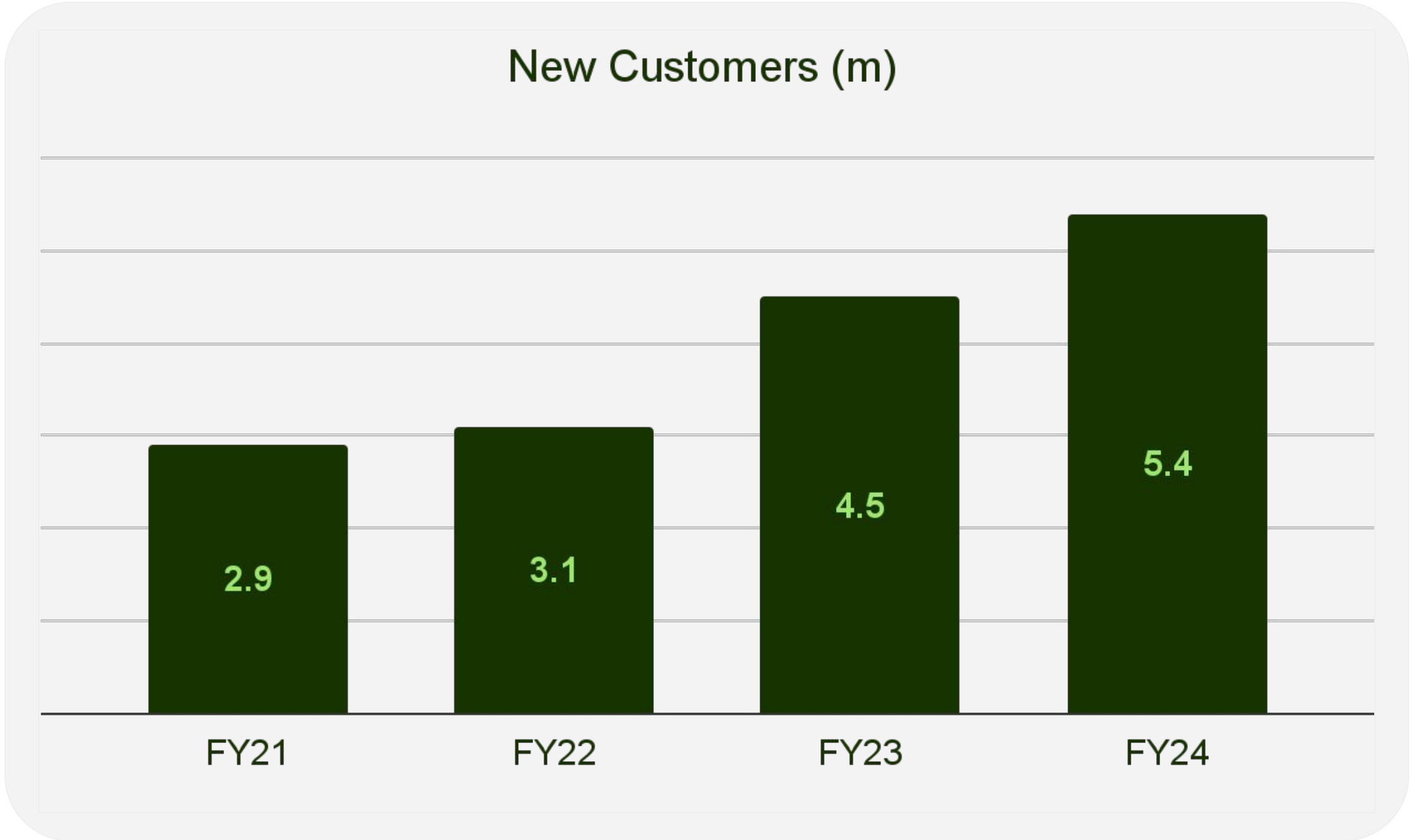


# Customer-led growth

**Kristo Käärman**

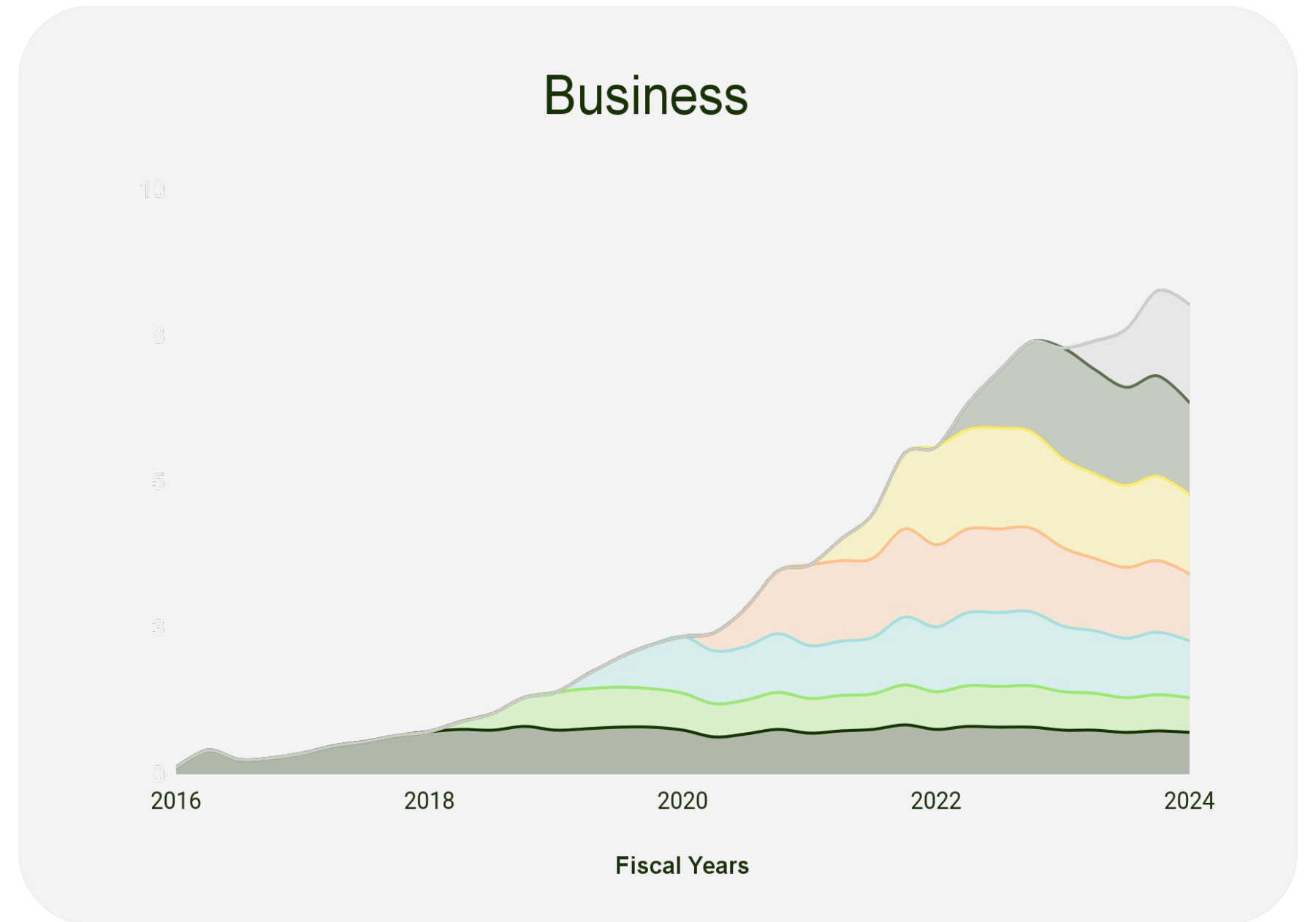
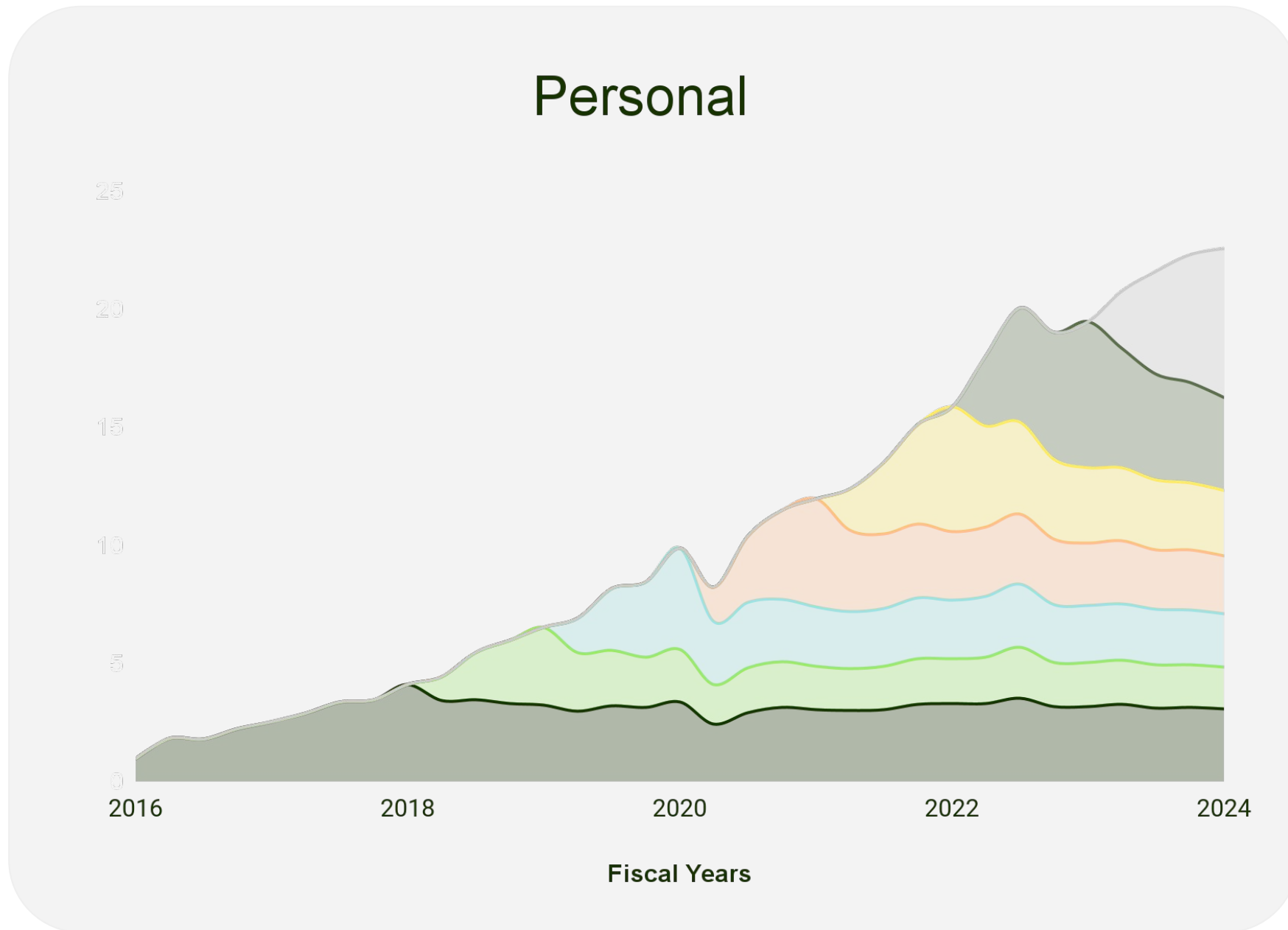
Co-Founder and Chief Executive Officer

# New customers accelerate growth thanks to word of mouth



**2/3**  
of customers join through a recommendation

# Customers stay with us for many years

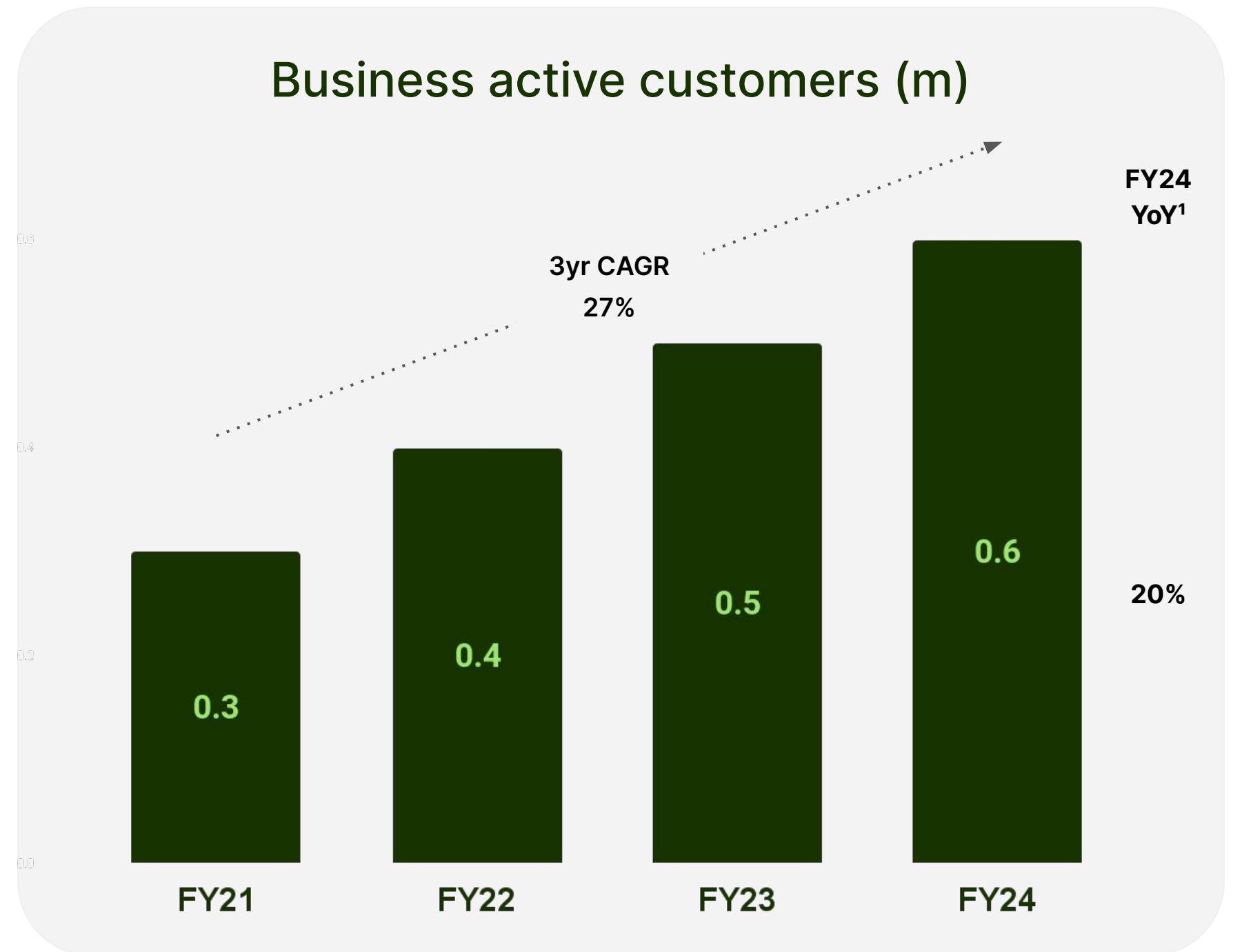
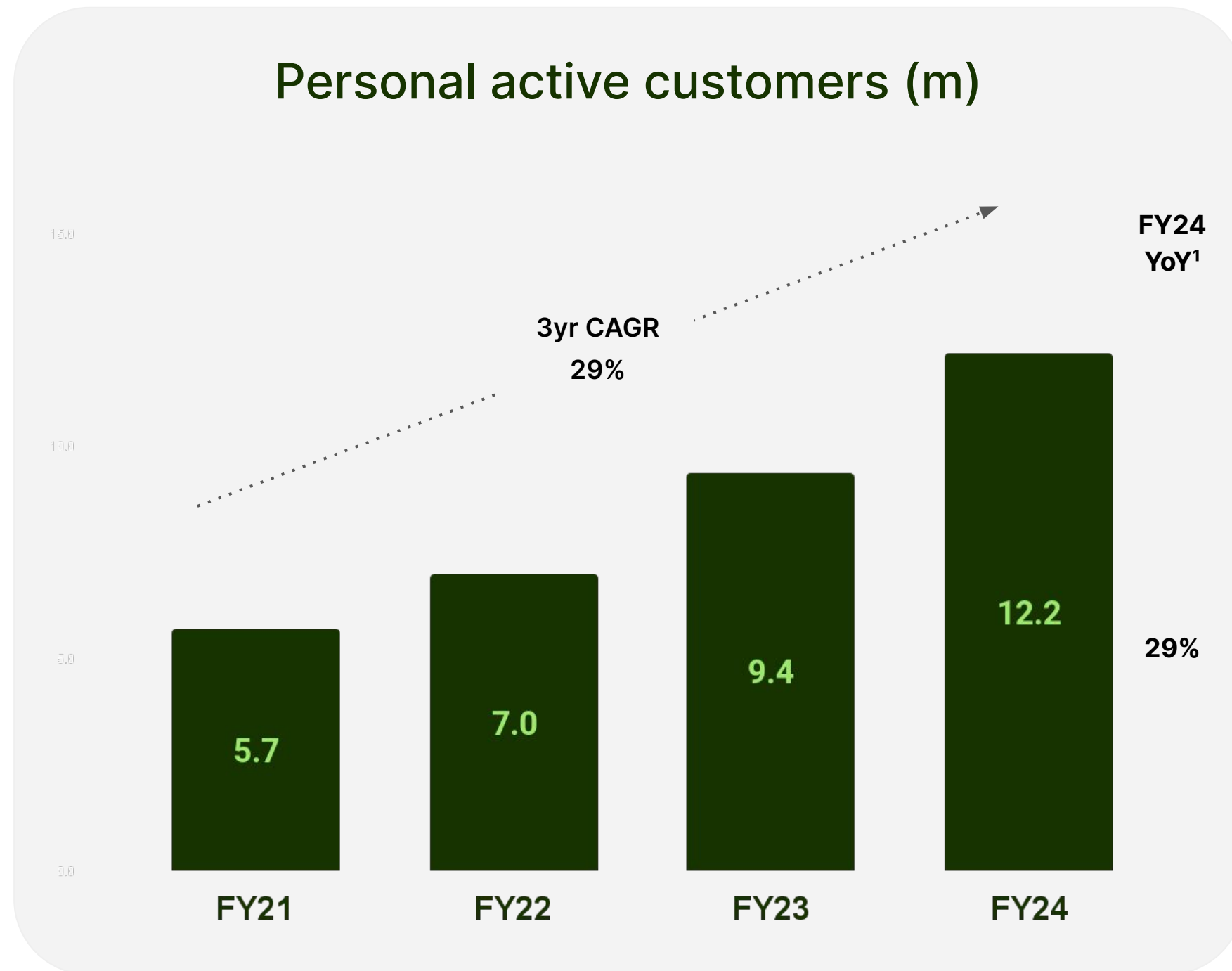


Quarterly volume by cohort over time

■ FY24 ■ FY23 ■ FY22 ■ FY21 ■ FY20 ■ FY19 ■ Pre-FY19



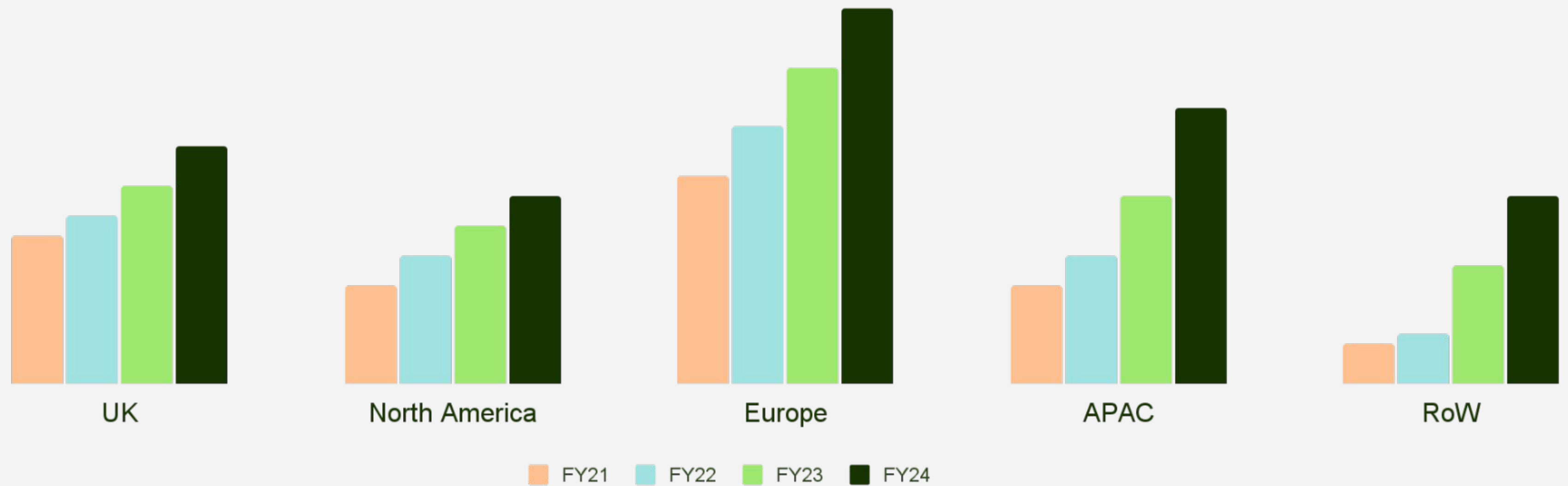
# More customers staying + new customers joining = Active customer growth



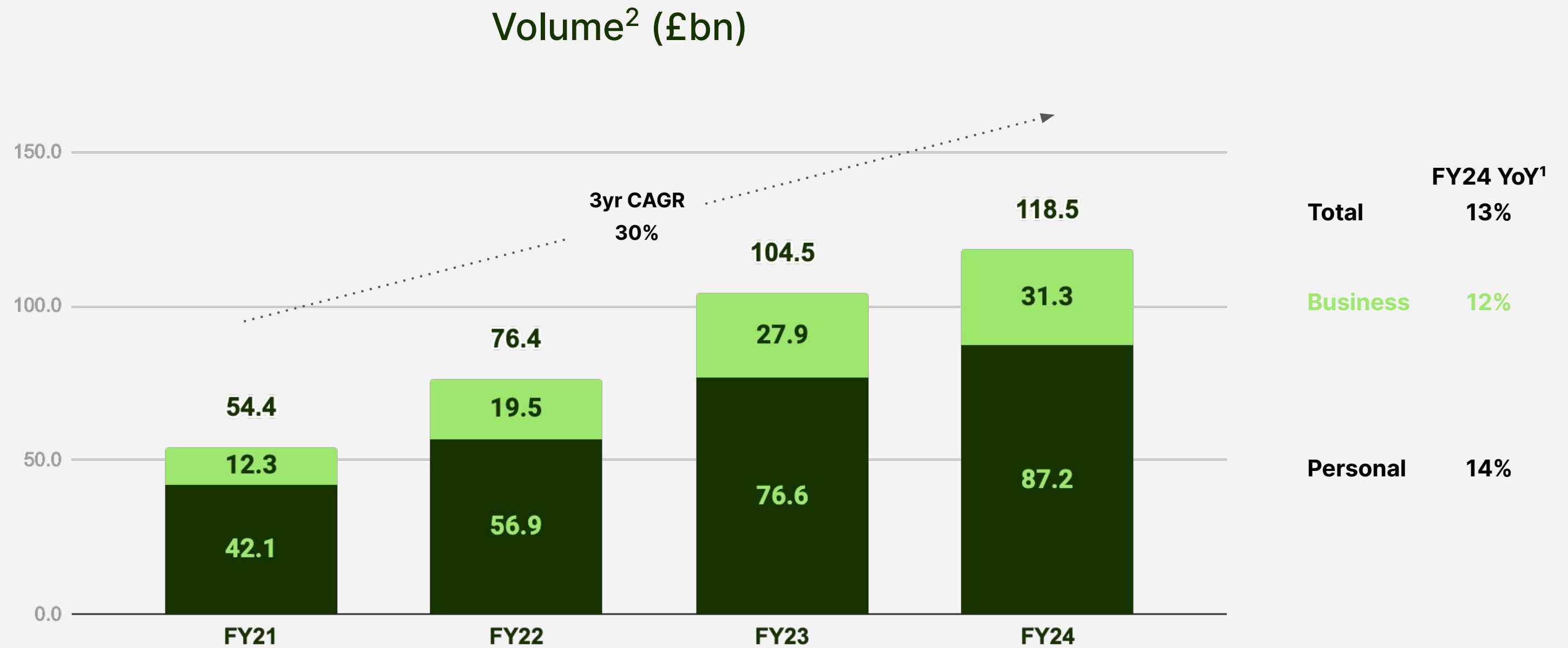
Notes: <sup>1</sup>Comparison is FY24 vs FY23.

# Customer growth continues across all markets

Active customer growth per region



# Customer growth drives more cross border volumes



Notes: <sup>1</sup>Comparison is FY24 vs FY23. <sup>2</sup>Volume is defined as a XCCY transfer amount received by recipients and is known as converted volume.  
 Additional comment: FY24 YoY growth is 16% on a constant currency basis.

# Wise Account adoption <sup>1</sup>

**48%**

**Personal**

up from 36% Q4 FY23

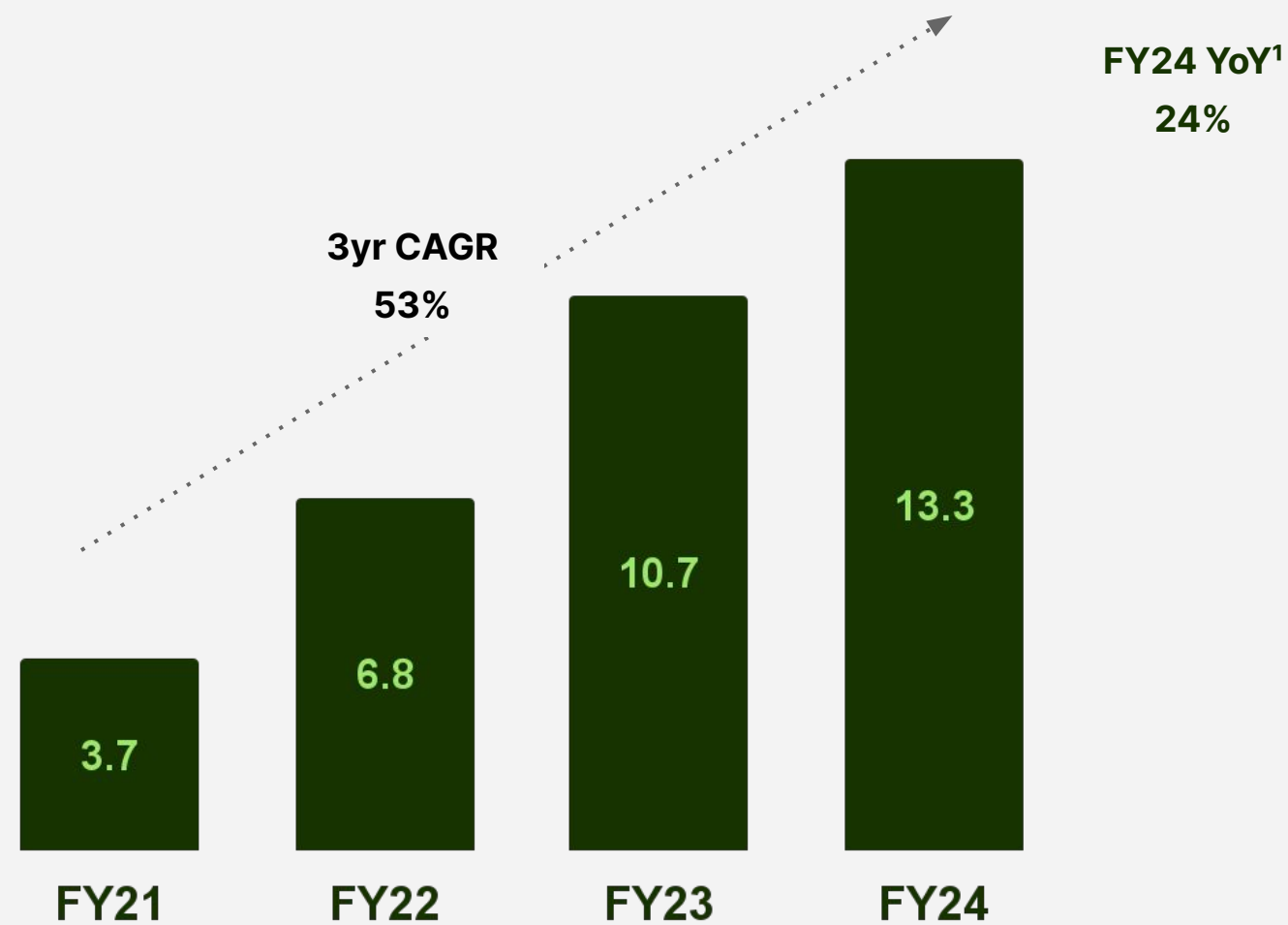
**60%**

**Business**

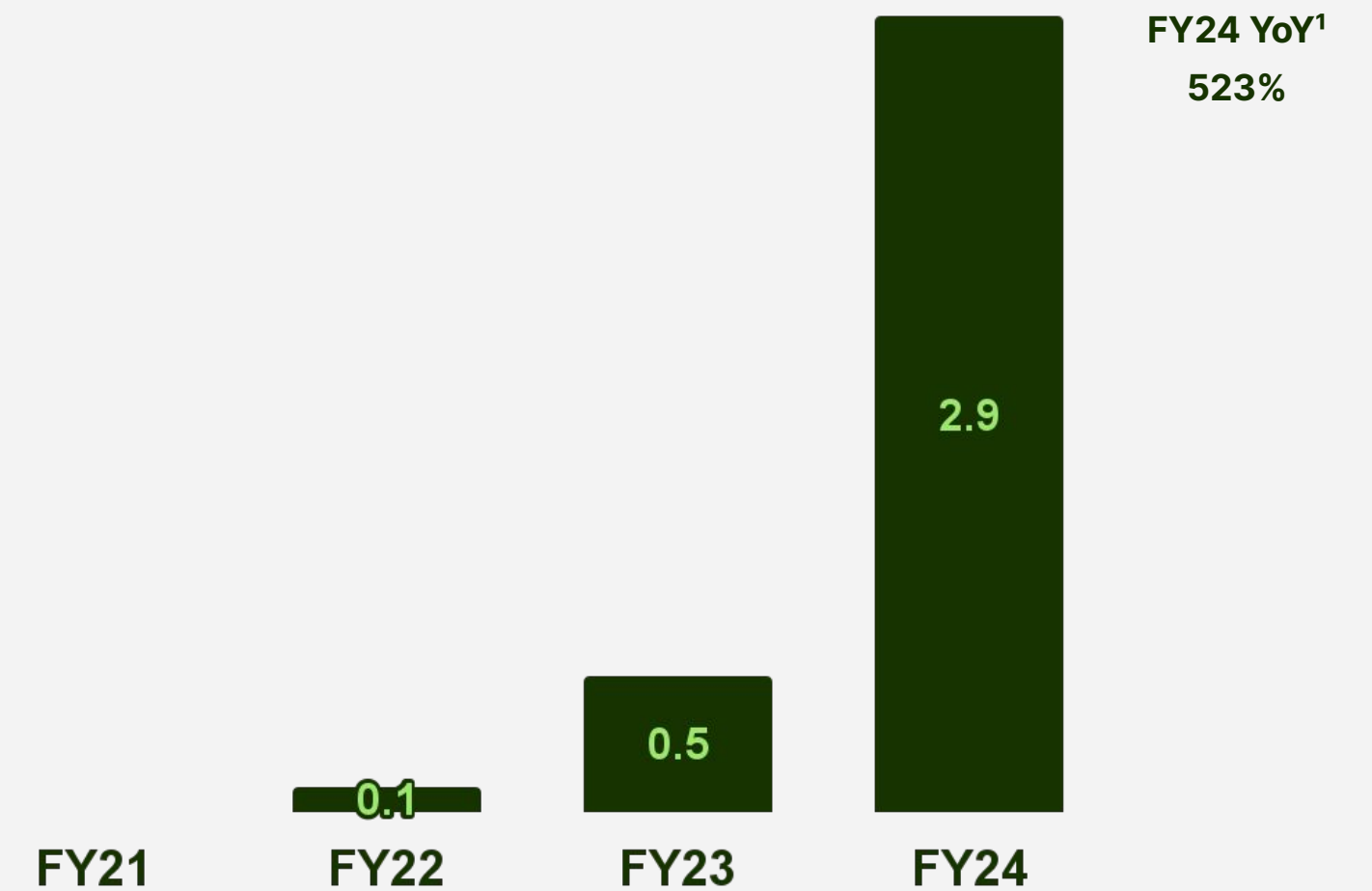
up from 55% Q4 FY23

# Wise Account customer holdings are growing quickly with Assets adopted fast

## Customer balances (£bn)



## Assets Under Custody<sup>2</sup> (£bn)



# It's expensive to hold money in a traditional UK current account



**4.66%**  
**ON GBP**

After 0.56% annual fee



**5.04%**  
**ON USD**

After 0.29% annual fee



**3.65%**  
**ON EUR**

After 0.27% annual fee

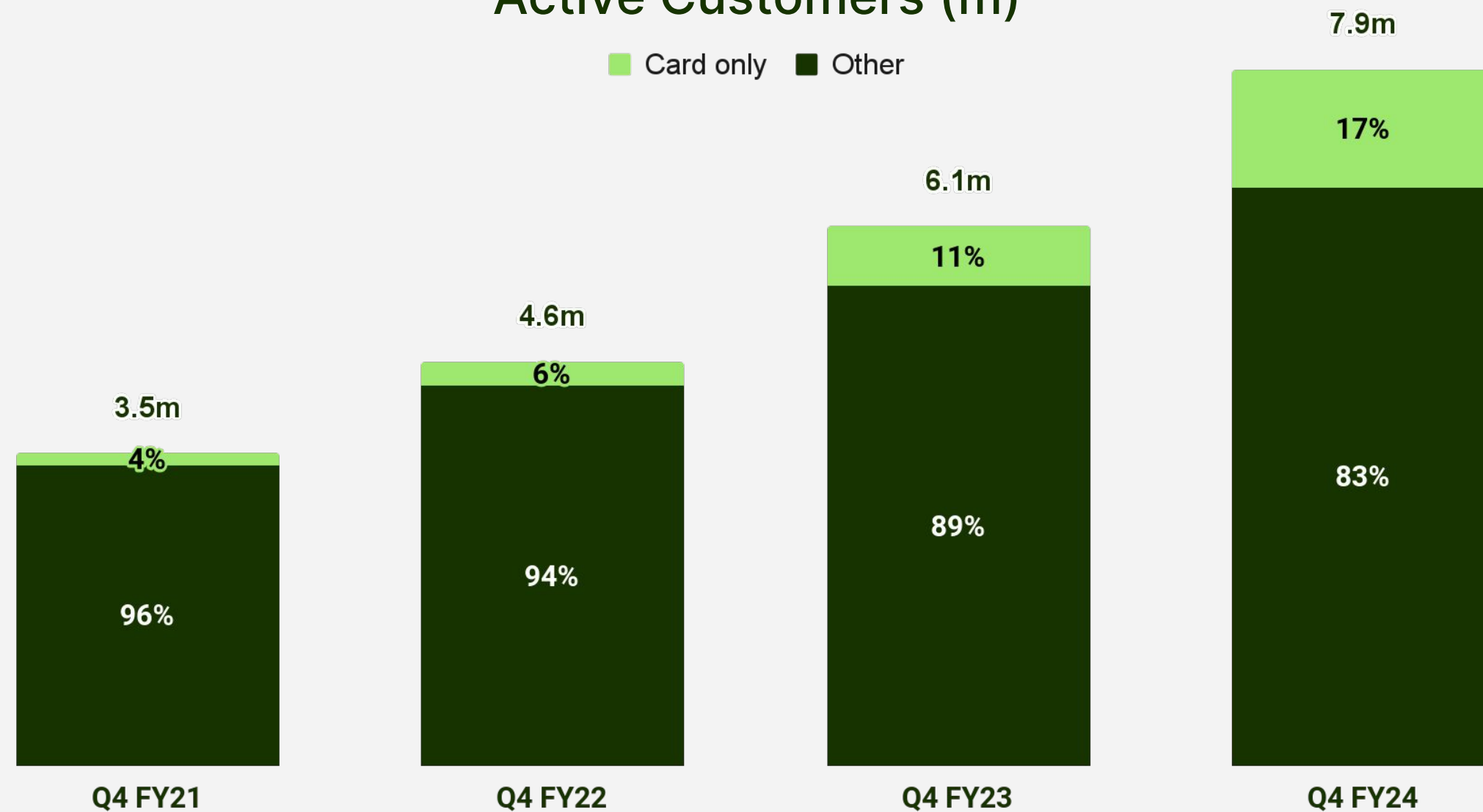


↑ Maison Café 7 EUR

# We have created a completely new, fast growing segment of card-only active customers

Active Customers (m)

■ Card only ■ Other



Card only customer VPC (£k)

0.8

0.8

0.8

0.8

Other customer VPC (£k)

4.5

4.9

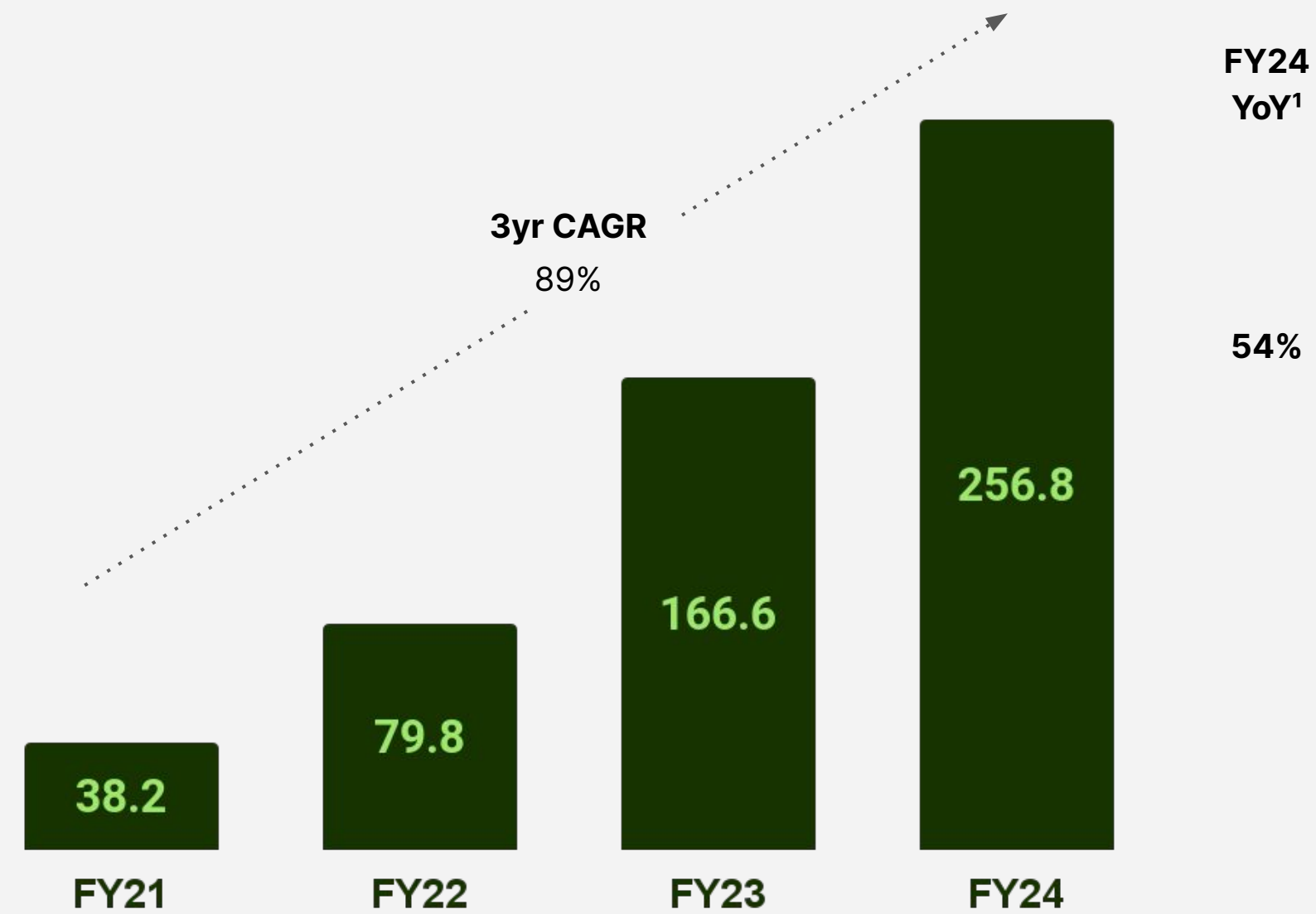
4.8

4.5



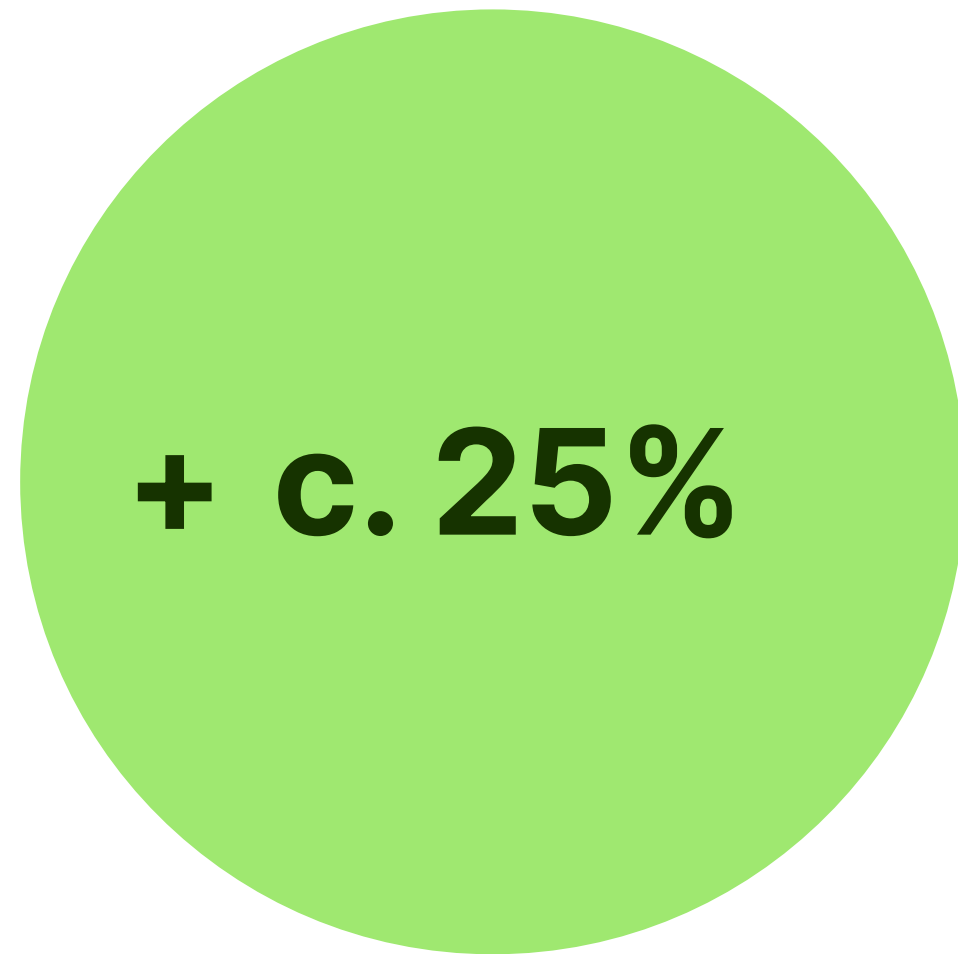
# Wise Account adoption drives card and other revenues

Card and other revenue £m

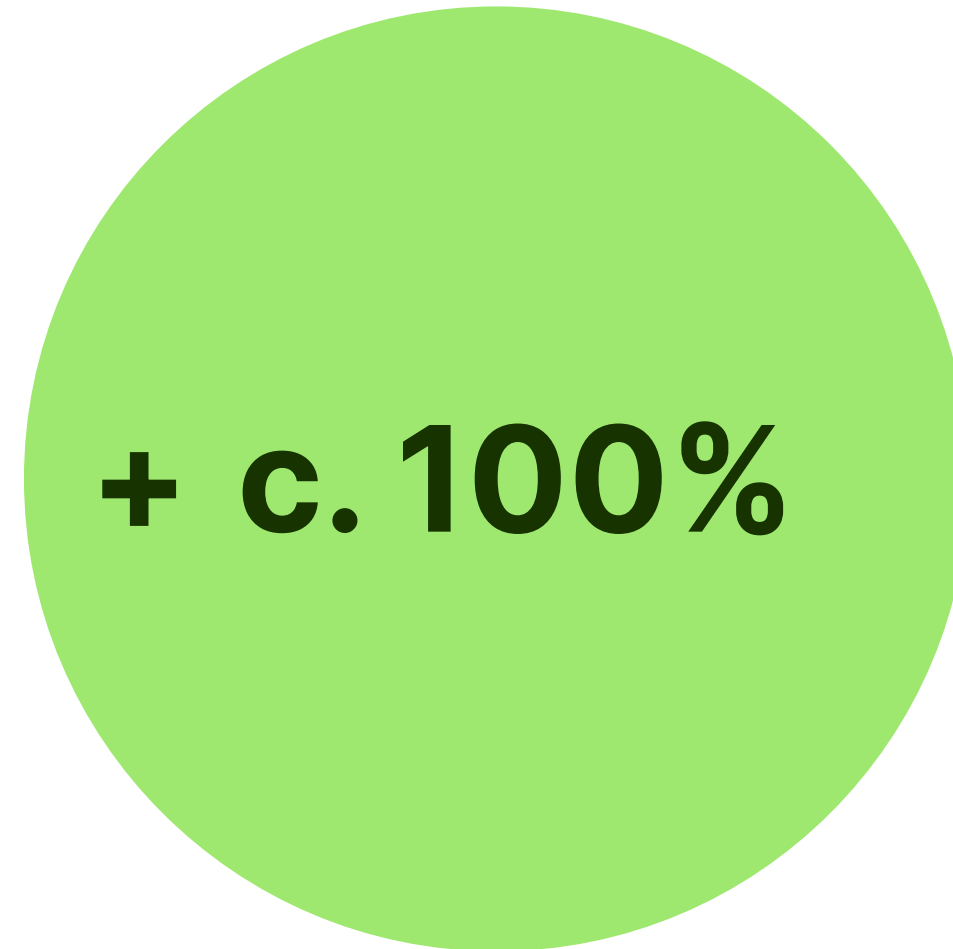


Notes: <sup>1</sup>Comparison is FY24 vs FY23.

# Wise Account customers brought more underlying income than transfer-only customers



**Personal**



**Business**



**Strong product-led growth in active customers**



**More customers adopting the Wise Account, with a new 'card-only' segment**



**Wise Account customers bring more underlying income**



**Kingsley Kemish**  
Chief Financial Officer (Interim)

**Growing fast,  
investing and  
profitable**

# FY 2024 - YoY Income guidance evolution

**28-33%**

Year End Results - Jun 2023



**33-38%**

Q2 Trading Update - Oct 2023



**42-44%**

Q3 Trading Update - Jan 2024



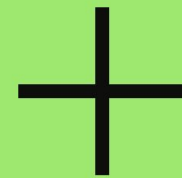
**Actual Income growth - 46%**

Q4 Trading Update - Apr 2024

# Underlying basis of reporting

**Underlying income**

**Revenue**



**First 1% gross yield<sup>1</sup>**



**Underlying PBT = PBT on Underlying Income**

# We're growing fast and increasingly profitable

	Active Customers	Volume	Customer balances <sup>1</sup>	Underlying Income	Underlying PBT
FY24	<b>12.8m</b>	<b>£118.5bn</b>	<b>£13.3bn</b>	<b>£1,172.7m</b>	<b>£241.8m</b>

*3 year CAGR*

**+29%**

**+30%**

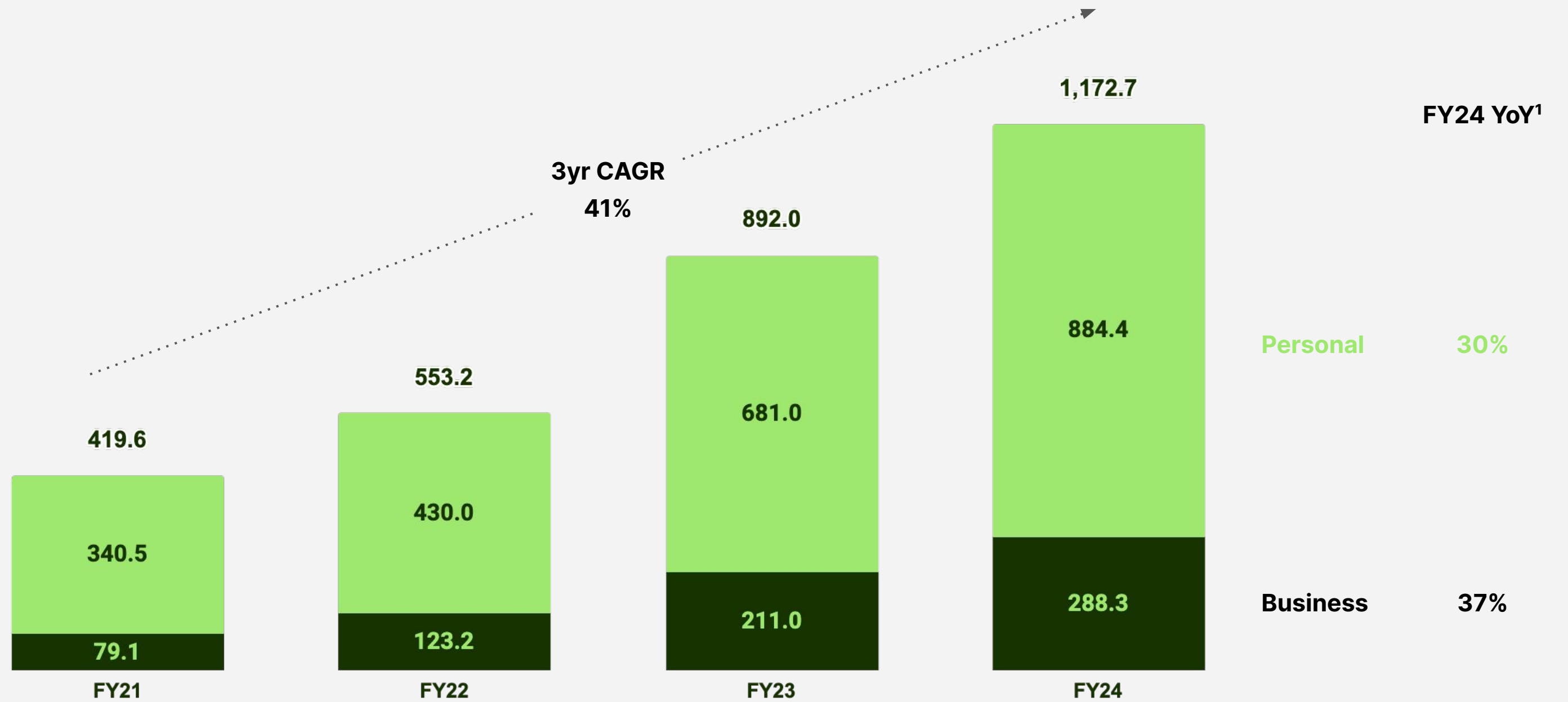
**+53%**

**+41%**

**+83%**

# Underlying income grew at 31% YoY<sup>1</sup>

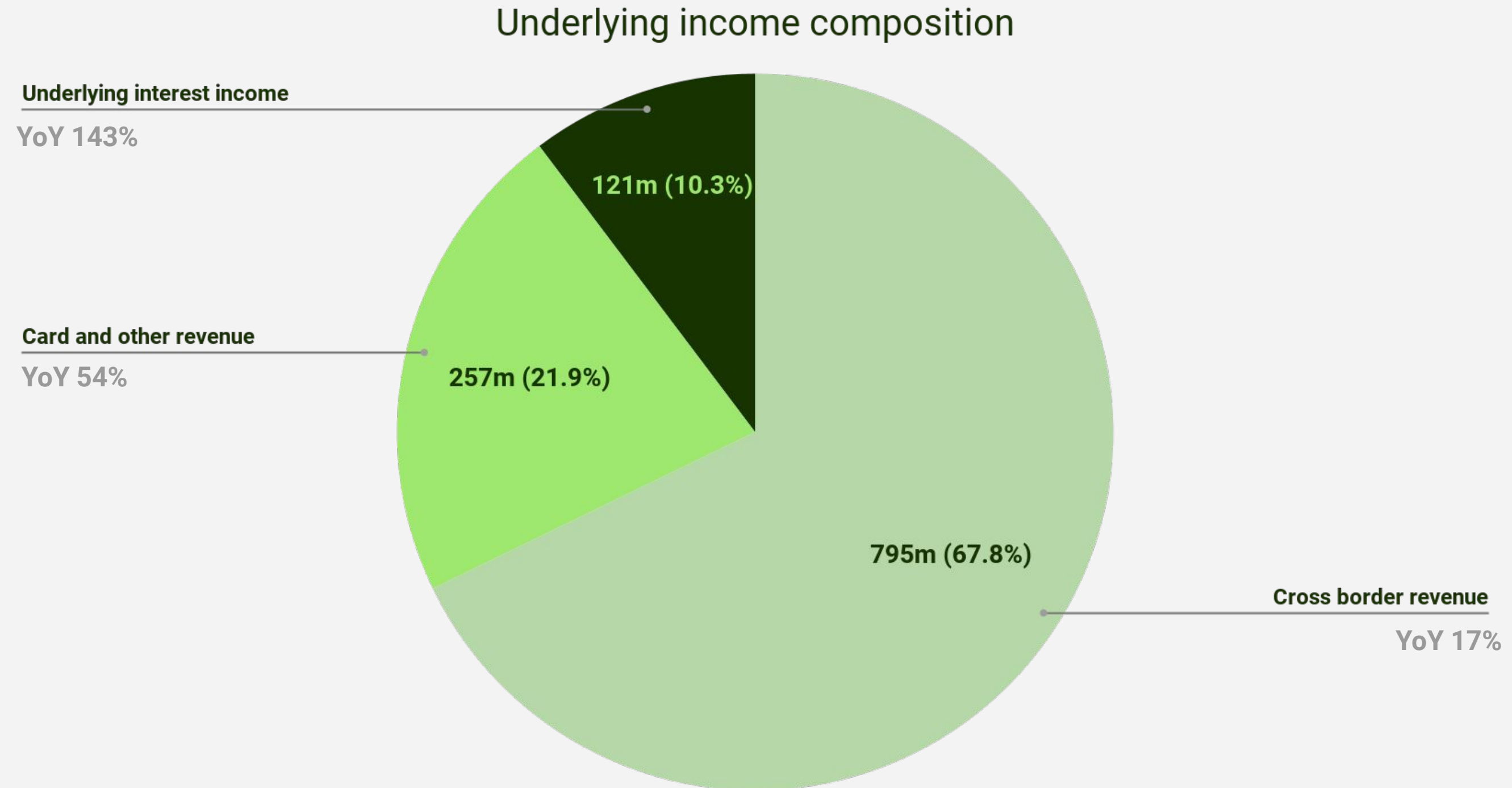
Underlying income by customer type (£m)



Notes: <sup>1</sup>Comparison is FY24 vs FY23. <sup>2</sup>Underlying income is defined as revenue + the first 1% yield of net interest income on customer balances.

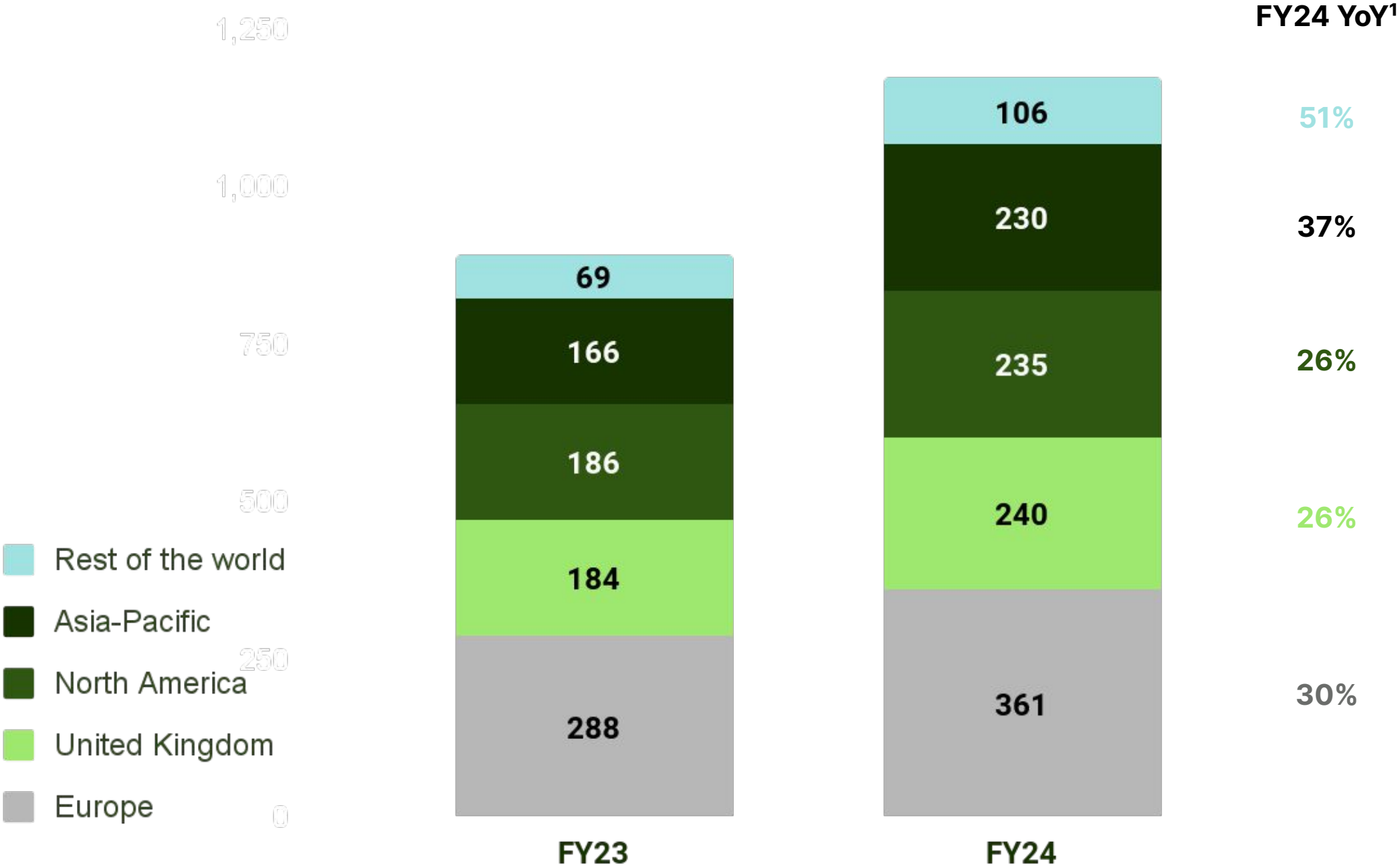


# Diversification of underlying income (32% non-cross) driven by Wise Account



# Underlying income is growing across all regions.

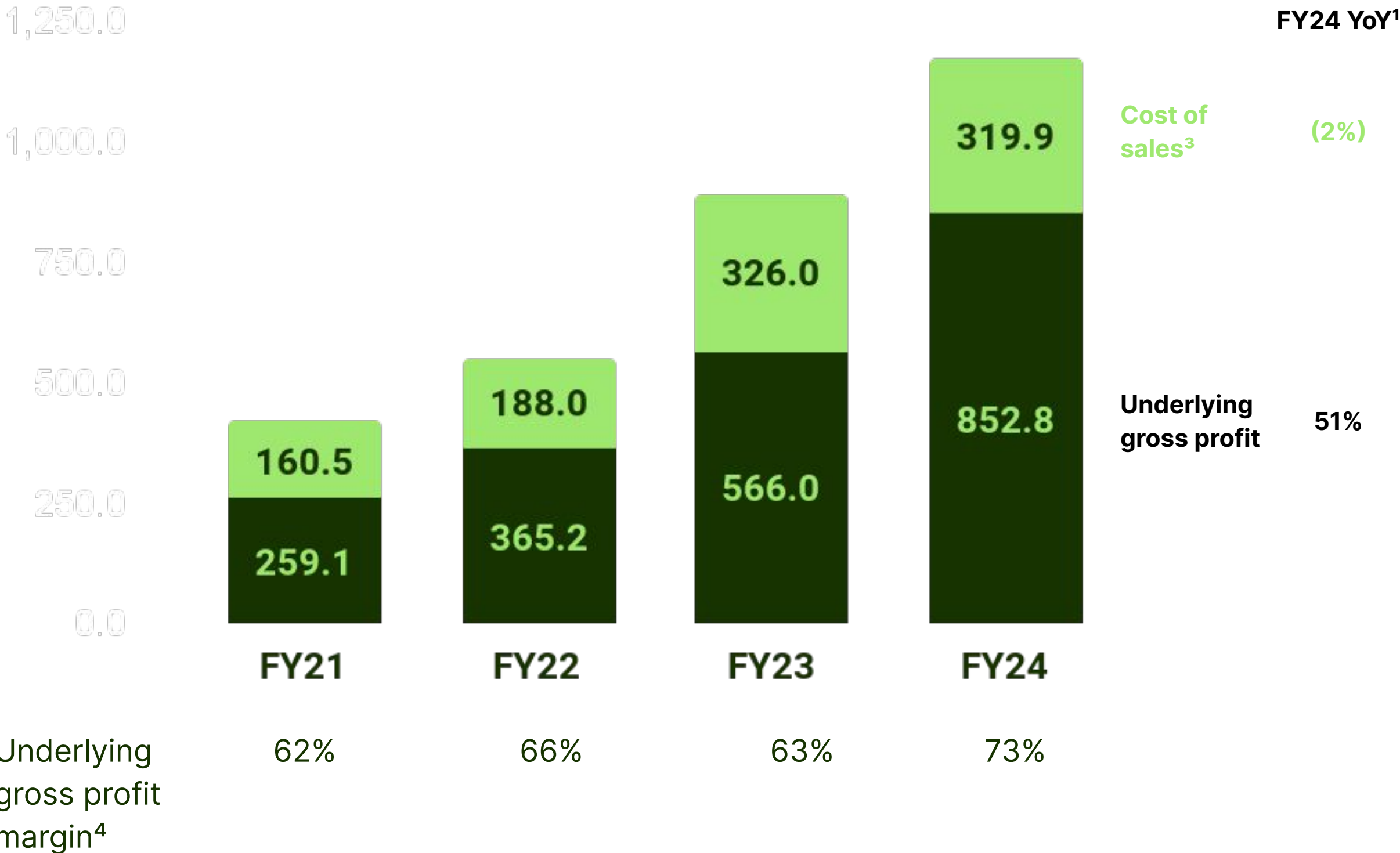
Underlying income by Region (£m)



Notes: <sup>1</sup>Comparison is FY24 to FY23.

# Growth in underlying gross profit creates capacity for investment.

Underlying gross profit<sup>2</sup> (£m)



Notes: <sup>1</sup>Comparisons FY24 vs FY23. <sup>2</sup>Underlying income minus cost of sales. <sup>3</sup>Includes net credit losses on financial assets. <sup>4</sup>Underlying gross profit margin is underlying gross profit as a % of underlying income.

# How we invest

## Marketing

*+27% headcount YoY<sup>2</sup>*

- Investment in team, enhancing capability and effectiveness of spend (broadly flat<sup>1</sup> YoY)
- +20% YoY new customer growth on same spend
- High return investments: Blended payback < 6m

## Product Development

*+15% headcount YoY<sup>2</sup>*

- New products and features launched
- Increasingly competitive infrastructure

## Servicing

*+31% headcount YoY<sup>2</sup>*

- Serviced 12.8m active customers (+29% YoY) including 5.4m new customers
- Improved customer service: lower contact rates and faster responses

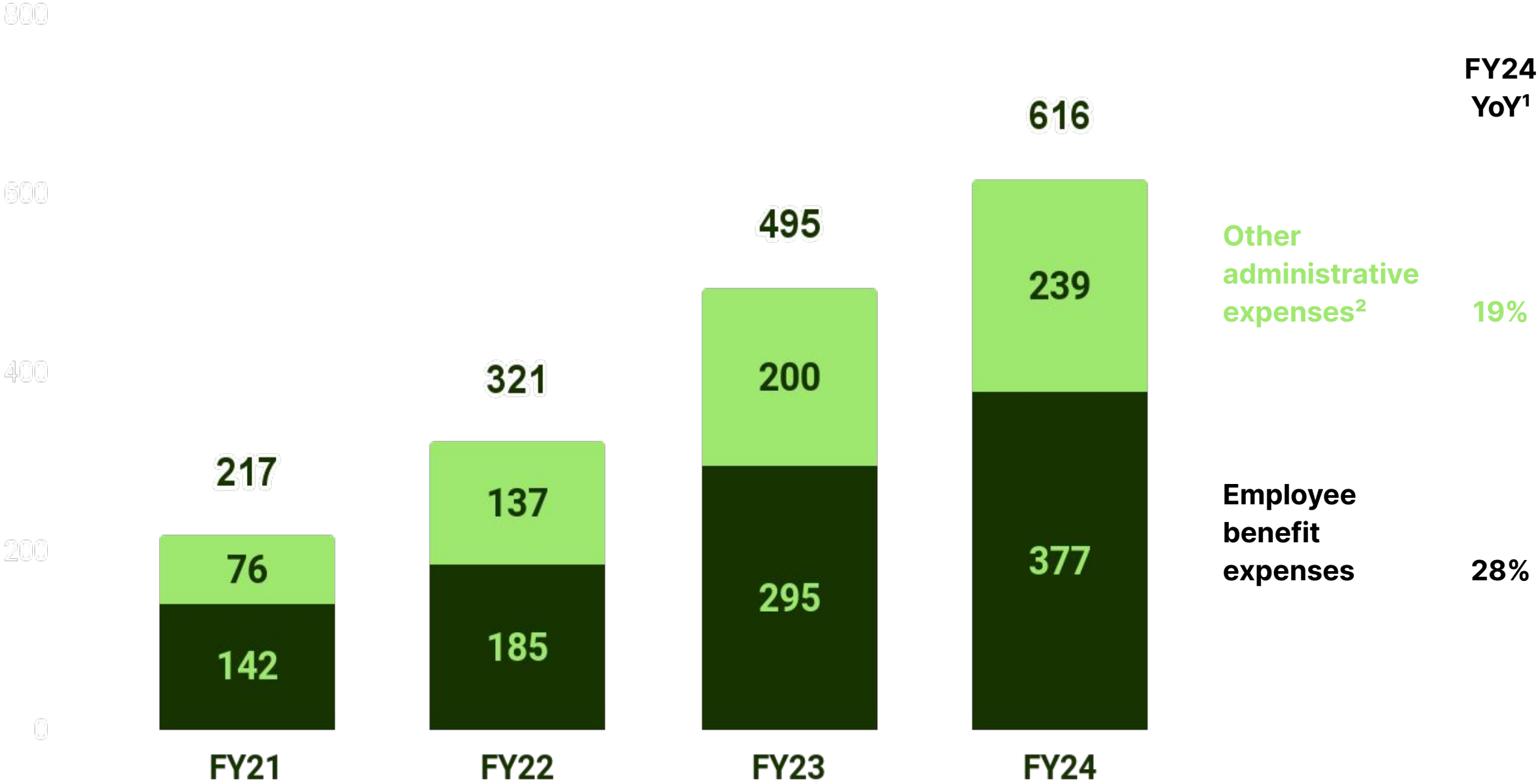
## Functions

*+13% headcount YoY<sup>2,3</sup>*

- Continued investment in risk management as we grow
- Enabling us to scale globally

**Continuing investment into customer experience and product improvements.**

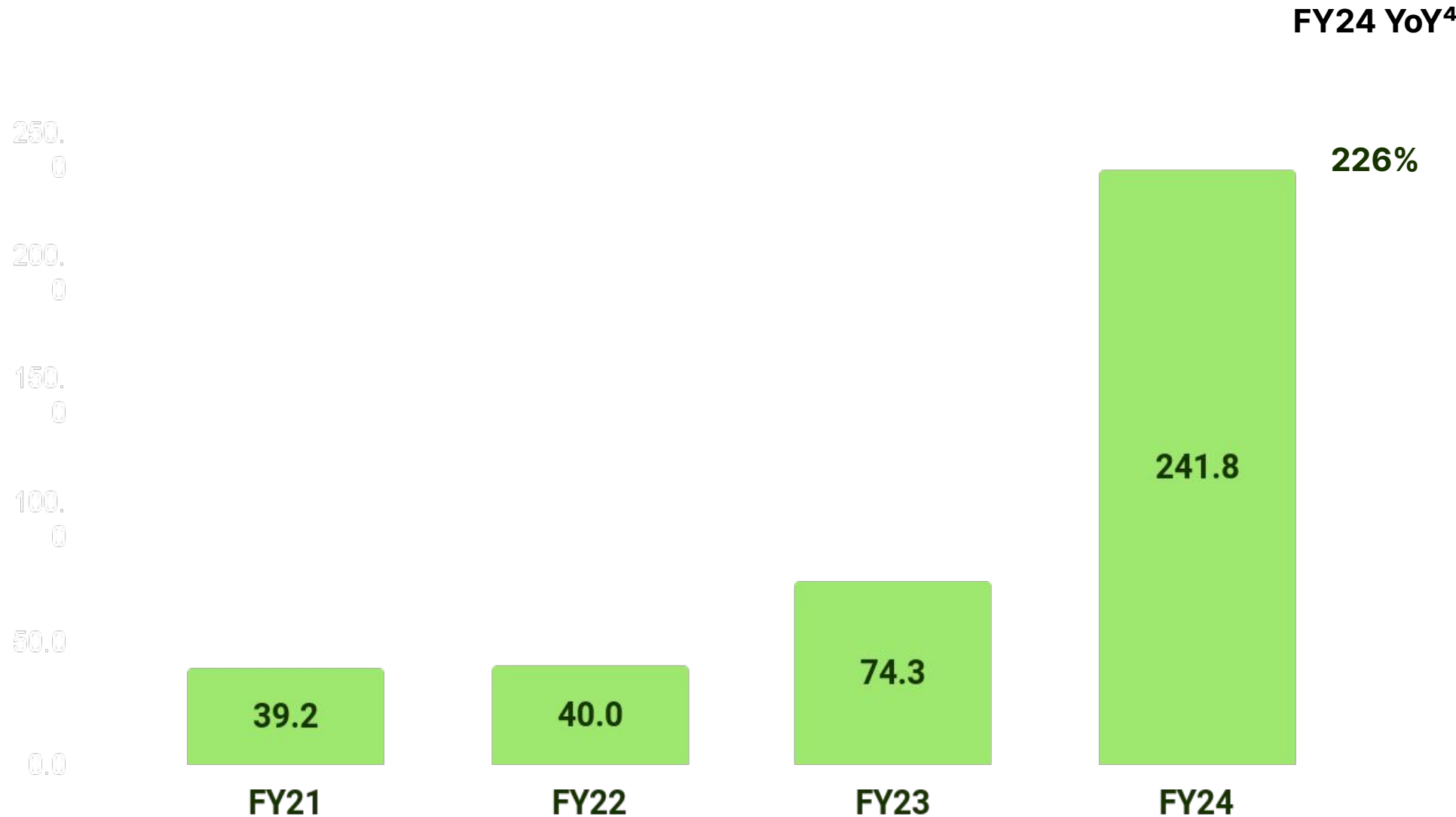
Administrative expenses (£m)



Notes: <sup>1</sup>Comparisons FY24 vs FY23. <sup>2</sup>Other admin expenses comprise Marketing, Technology and development, Consultancy and outsourced services, Other administrative expenses, Depreciation and amortisation, and Capitalisation.

**We have a highly profitable underlying business model, enabling price drops in early FY25.**

Underlying profit before tax<sup>1</sup> (£m)



**Underlying profit before tax margin<sup>2</sup>**

**9%      7%      8%      21%**

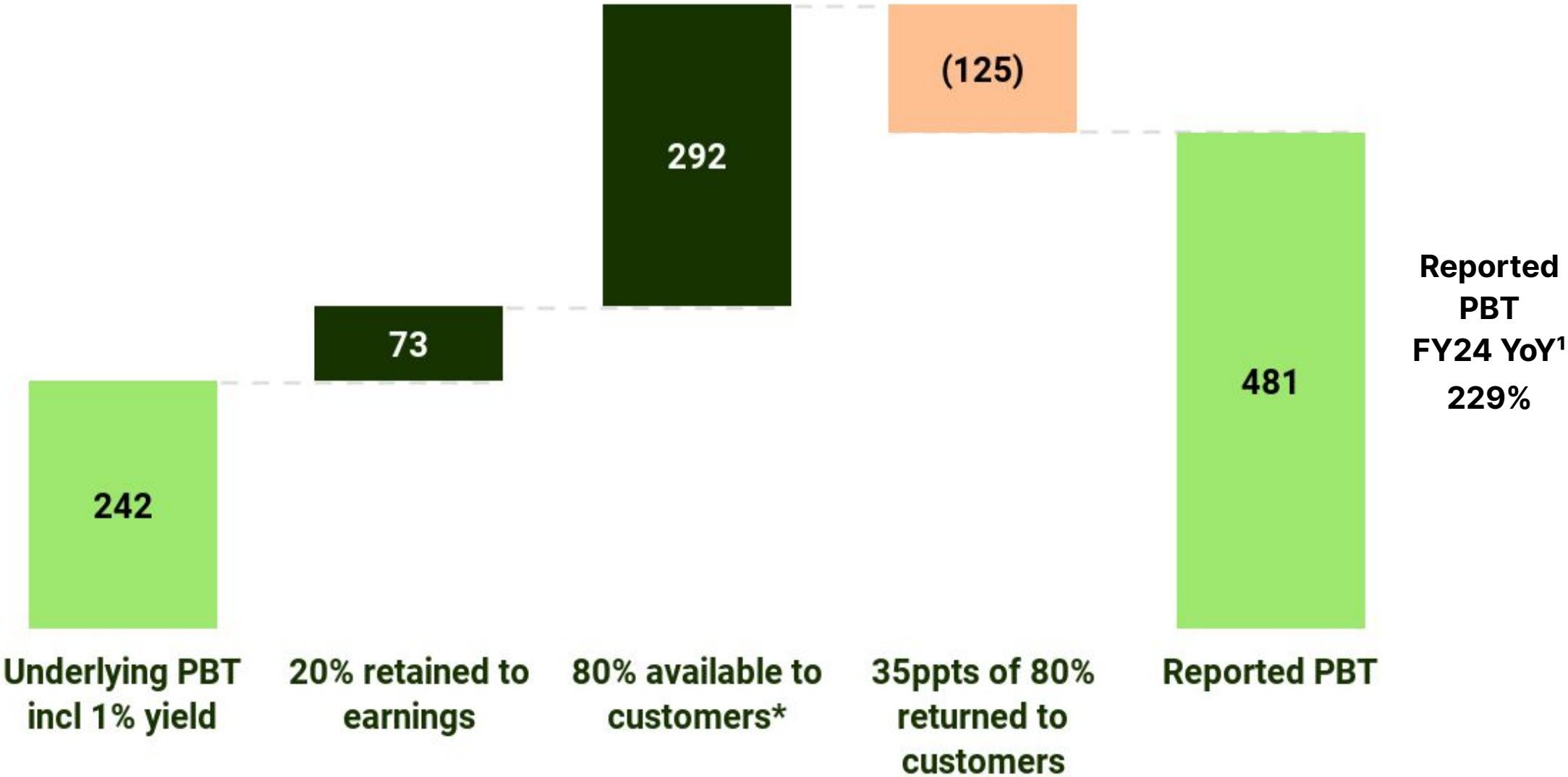
**Underlying adjusted EBITDA margin<sup>3</sup>**

**26%      22%      19%      28%**

Notes: <sup>1</sup>Calculation of profit before tax using only 1% of customer interest. <sup>2</sup>Underlying profit before tax margin is underlying profit before tax as a % of underlying income. <sup>3</sup>Underlying adjusted EBITDA margin is underlying adjusted ebitda as a % of underlying income. <sup>4</sup>Comparisons FY24 vs FY23.

**Significant levels of additional interest income increased reported profit before tax.**

Underlying to Reported PBT (£m)

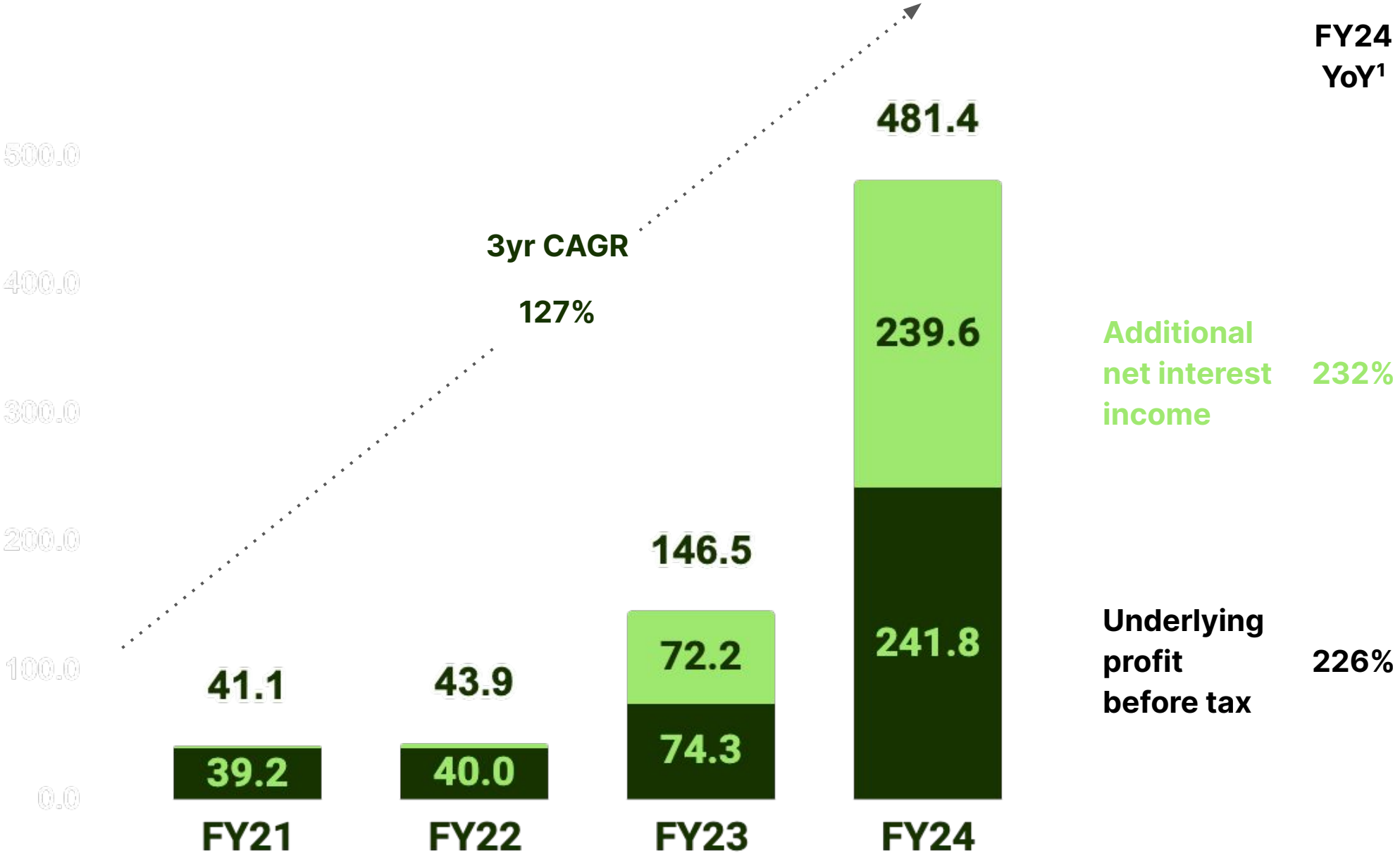


Notes: <sup>1</sup>Comparison is FY24 vs FY23.

\*c.30ppts related to the UK

# Customer-led growth resulted in a 3x increase in reported PBT and EPS YoY.

Reported profit before tax (£m)

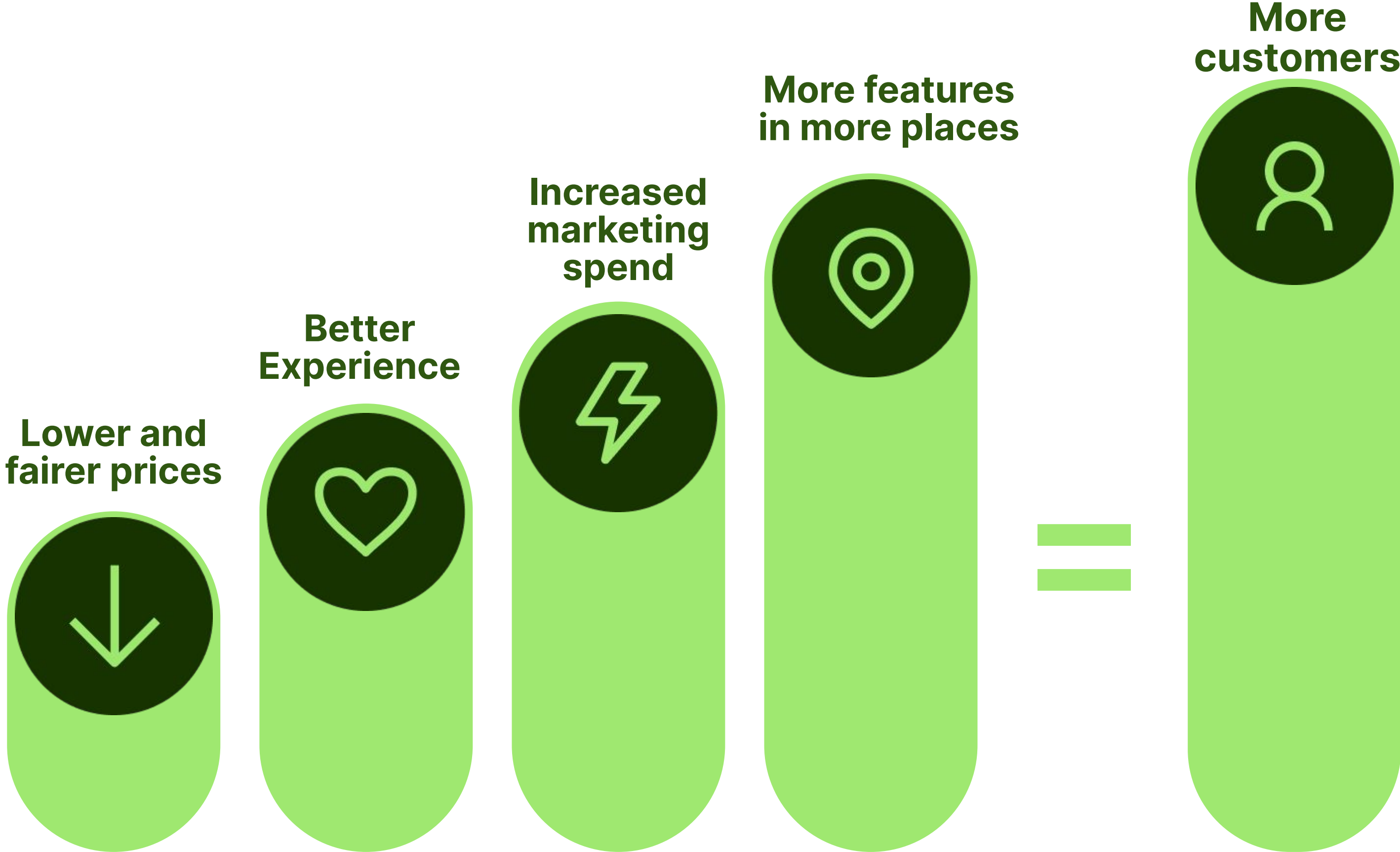


EPS (p)	3.3	3.4	11.1	34.2
FCF	58.0	58.7	156.0	486.6
FCF Conversion <sup>2</sup>	141%	134%	106%	101%

Notes: <sup>1</sup>Comparison is FY24 vs FY23. <sup>2</sup>FCF as a % of reported profit before tax.



# FY25: What's next?





**Strong product-led growth in active customers**



**More customers are adopting the Wise Account, including 'card-only' usage**



**Wise Account customers bring more underlying income across a broader product set**

## FY25: What's next?

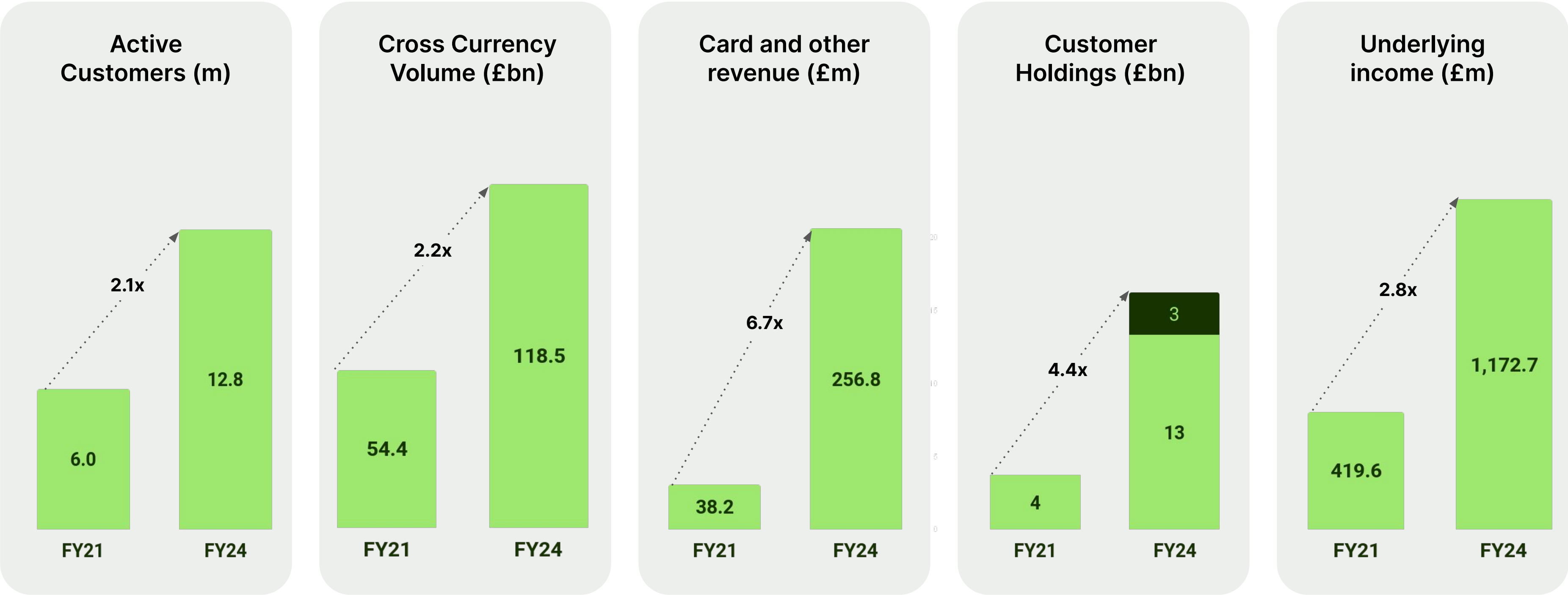
**15-20% underlying income growth expected in FY25**

c20-25% adjusting for timing of price drop

**Key Driver: Customer Growth.**

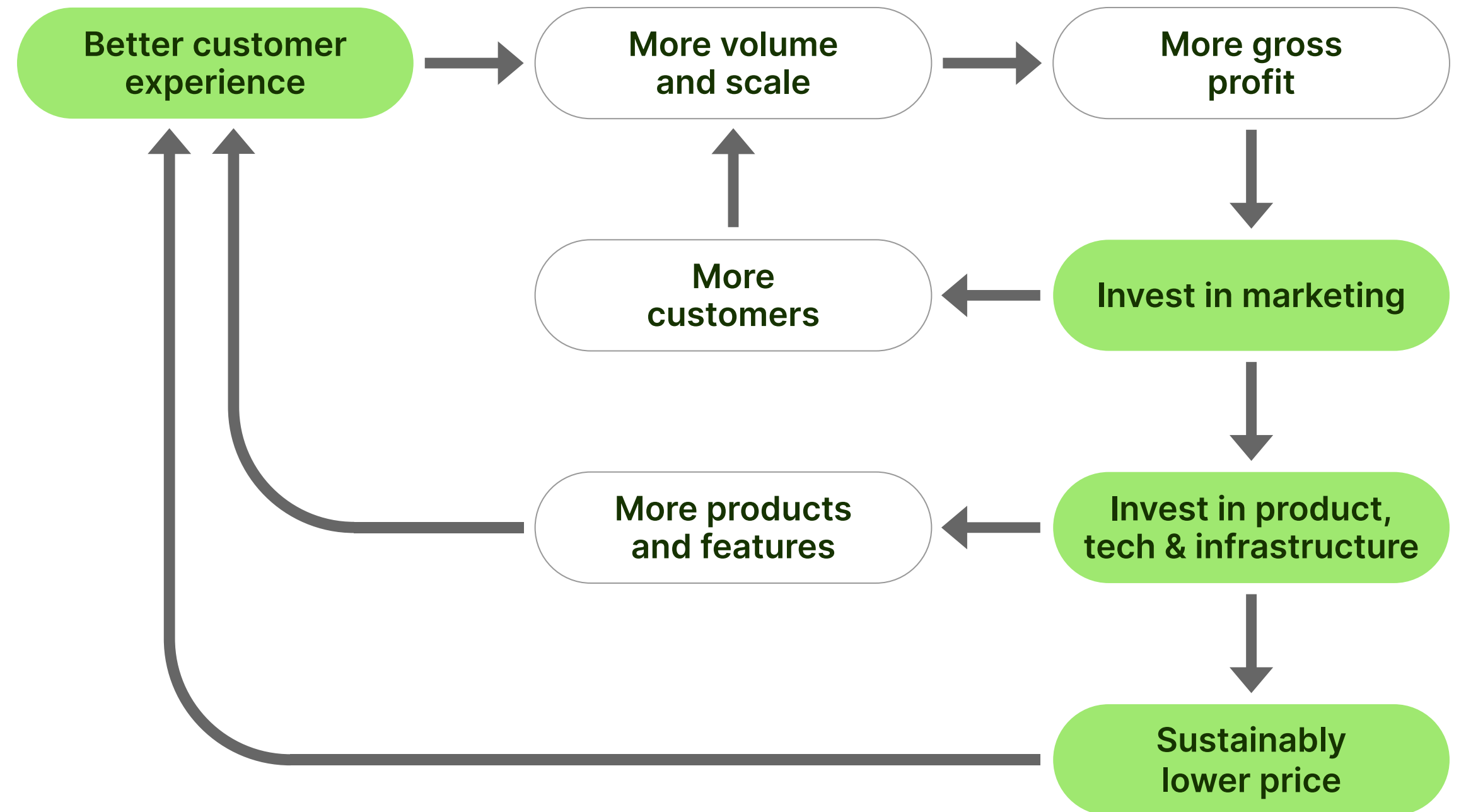
**Driven by the Wise Account across segments and regions.**

# Different business to the one which listed



# Our investment choices

**Growth and scaling creates capacity to reinvest.**



# Long-term growth driven by sustained levels of investment

**Underlying income growth of 15-20% CAGR**  
over the medium term from FY24

**Underlying PBT margin 13-16%**  
Equivalent to: underlying adjusted EBITDA margin 20-23%

Reported PBT expected to be higher than underlying, but remains largely dependent on central bank rates remaining above 1% and our current inability to return interest to customers in the UK

**A massive  
problem for people  
and businesses**



Large addressable  
market

**The network for the  
world's money**



Technology first  
solutions

**Products  
customers love**



Evangelical customers  
drive growth

**Wise is  
growing fast  
and profitable**



Creating a  
valuable company

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