



Half year results presentation FY23

Money Without Borders

November 2022

Our mission.

Money without borders

instant, convenient, transparent and eventually free.

Building the best way for people and businesses to move, manage
and spend money around the world.

Agenda

1 **Progress against our mission** Kristo Käärmann (CEO and Co-founder)

2 **Our H1 FY23 financials** Matthew Briers (CFO)

3 **Q&A**

What we're doing...

Solving a massive customer problem

Rebuilding the infrastructure...

...which powers products that people and businesses love

And we're sustainable: we fund our own growth

What it means...

Huge addressable market opportunity

Deep competitive advantage

Word of mouth driving growth; highly engaged customers

Profitable, highly cash generative economics

**Wise: at scale,
growing fast and
highly profitable.**

5.5M

Active customers
in Q2

0.64%

Average price
for customers in Q2

50%

Transfers are **Instant**.
90% within 24 hours

+49%

H1 Volume
£51bn

+63%

H1 Total Income
£416m

22%

H1 Adj. EBITDA margin
£92m

① Progress against our mission.

We're solving a big problem for customers.

International banking is broken...

Slow

Up to 2-5 business days

Expensive

3-7% avg. fee³

Inconvenient

Unfriendly customer experience

Opaque

Hidden FX mark-ups

Wise is building the solution...

 **Wise**

Fast

50% Instant²

71% < 1 hr²

90% < 24 hrs²

Low cost

0.64% avg. fee^{1,2}

Convenient

Designed for international people and businesses

Transparent

No hidden fees

Source: 2022 Edgar, Dunn & Company ("EDC") Market Study; Internal company data.

Note: ¹Average customer fee

²As of HY FY23

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, EUR>USD).

Personal

£2T+

Cross-border volume

~4%

Wise market share

Small and medium-sized businesses (SMB)

£9T+

Cross-border volume

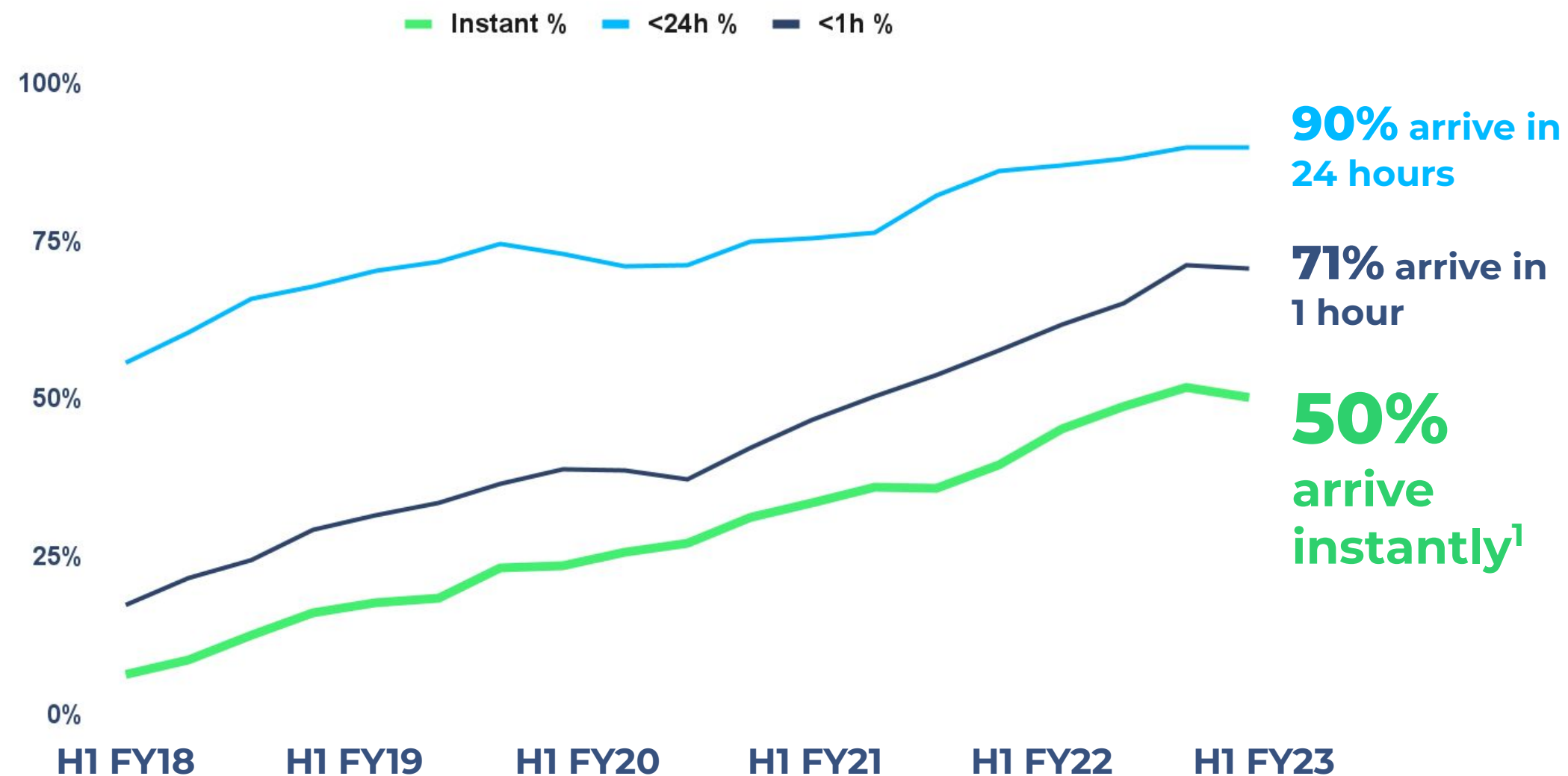
<1%

Wise market share

The problem exists in a **massive market.**

We reached a milestone for speed: **50% instant.**

Speed of transfer



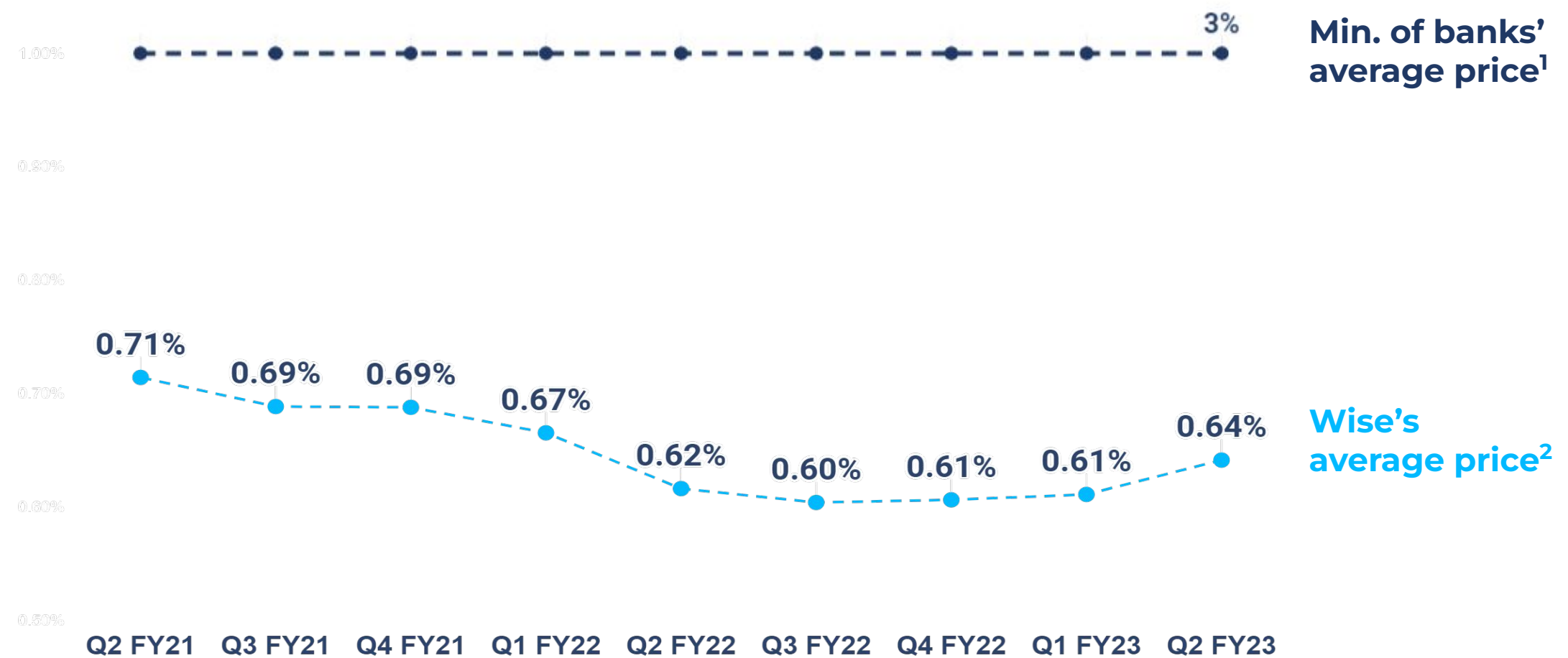
Source: Internal company data.

Note: ¹Instant defined as 20 seconds or less.

We remain committed to mission zero.

Notes: ¹Defined 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) - see slide 7 ² Average price eliminates route mix variance by tracking fees on a fixed representative basket of transactions.

Average customer price (%)



**We continue to
invest in the
infrastructure.**

Expansions

Settlement account with Reserve Bank of Australia
Payments from Japan went 24/7

Regulatory

Wise Assets: received investment services licence in
Singapore, and in Estonia in October

Operations

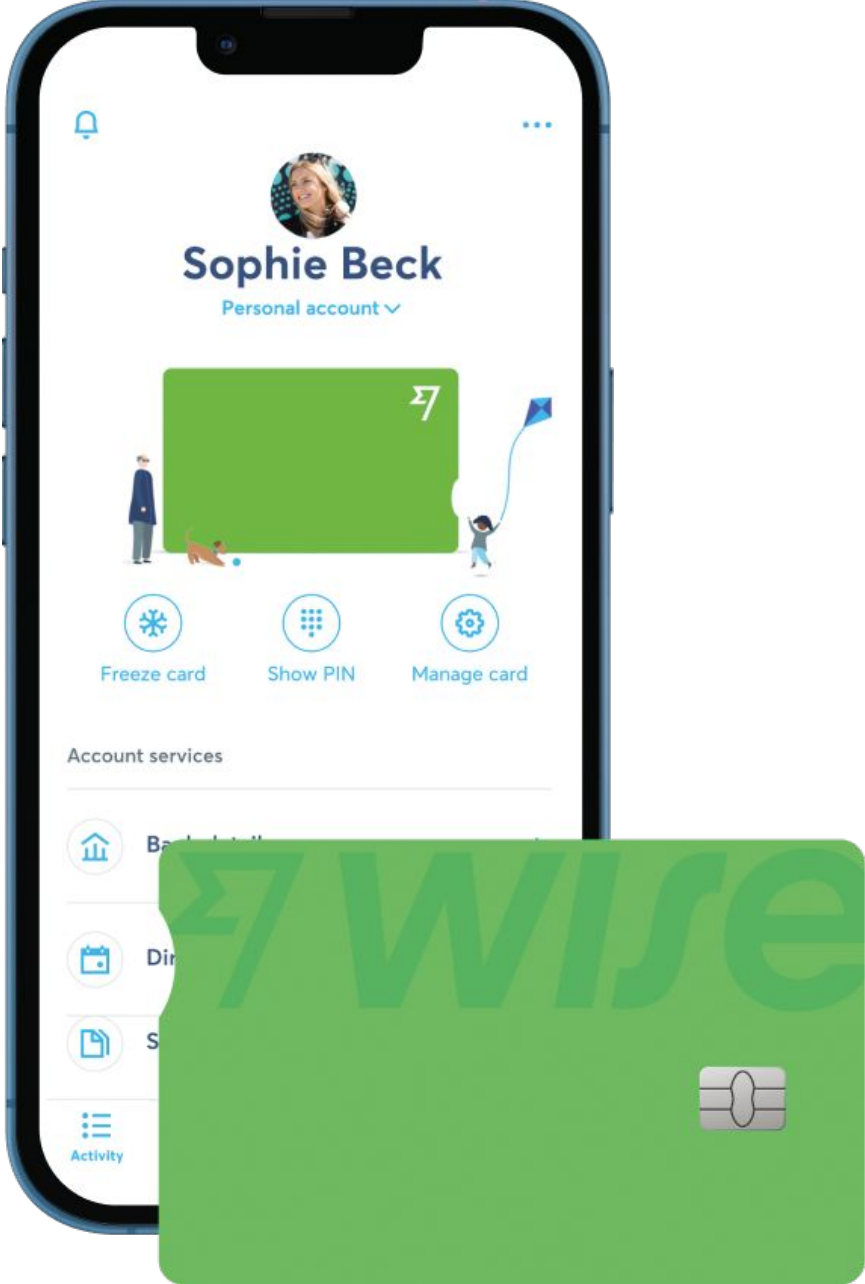
Increased operational headcount by c.1,000 and now
onboarding >1m customers per quarter

Technology

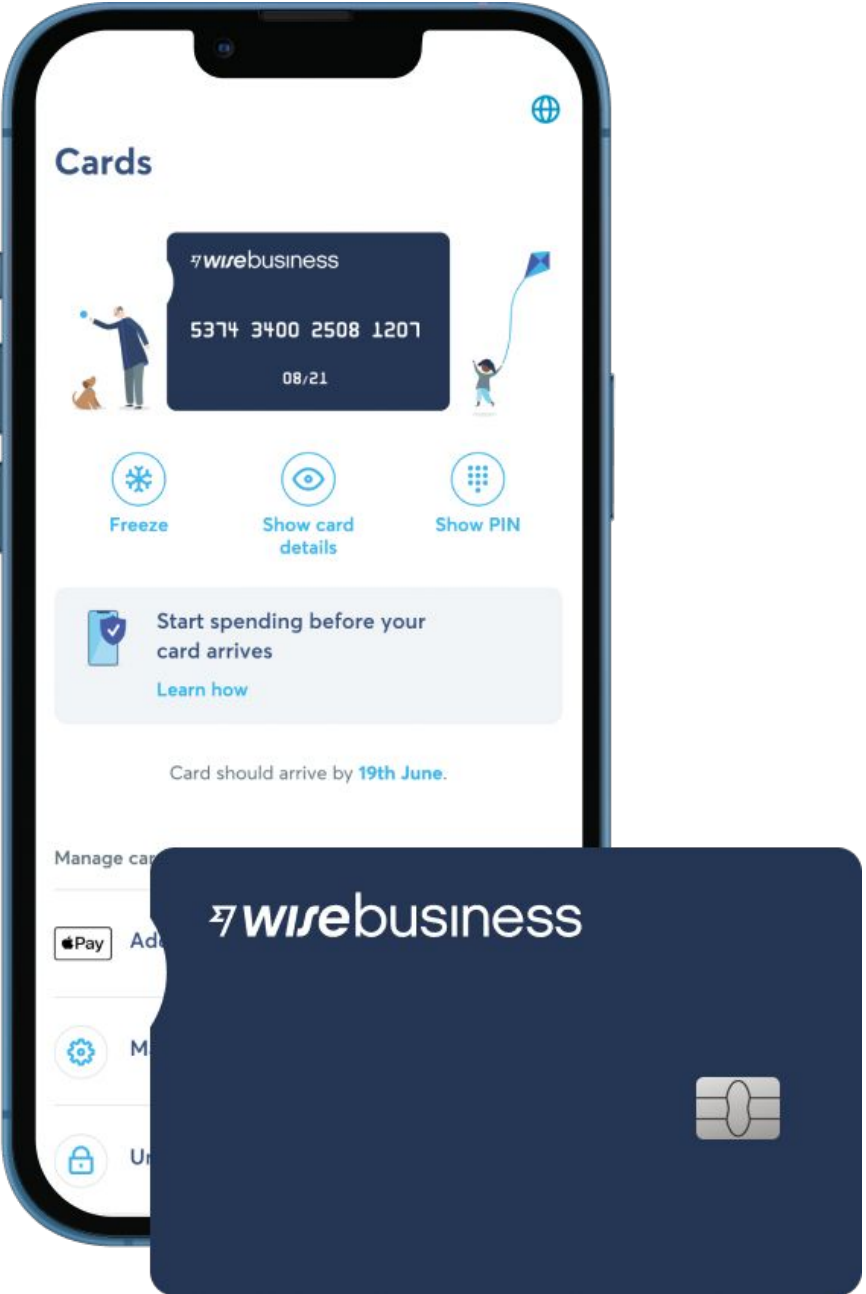
99.7% system functional uptime over H1 FY23

**We serve this massive market with
3 core products.**

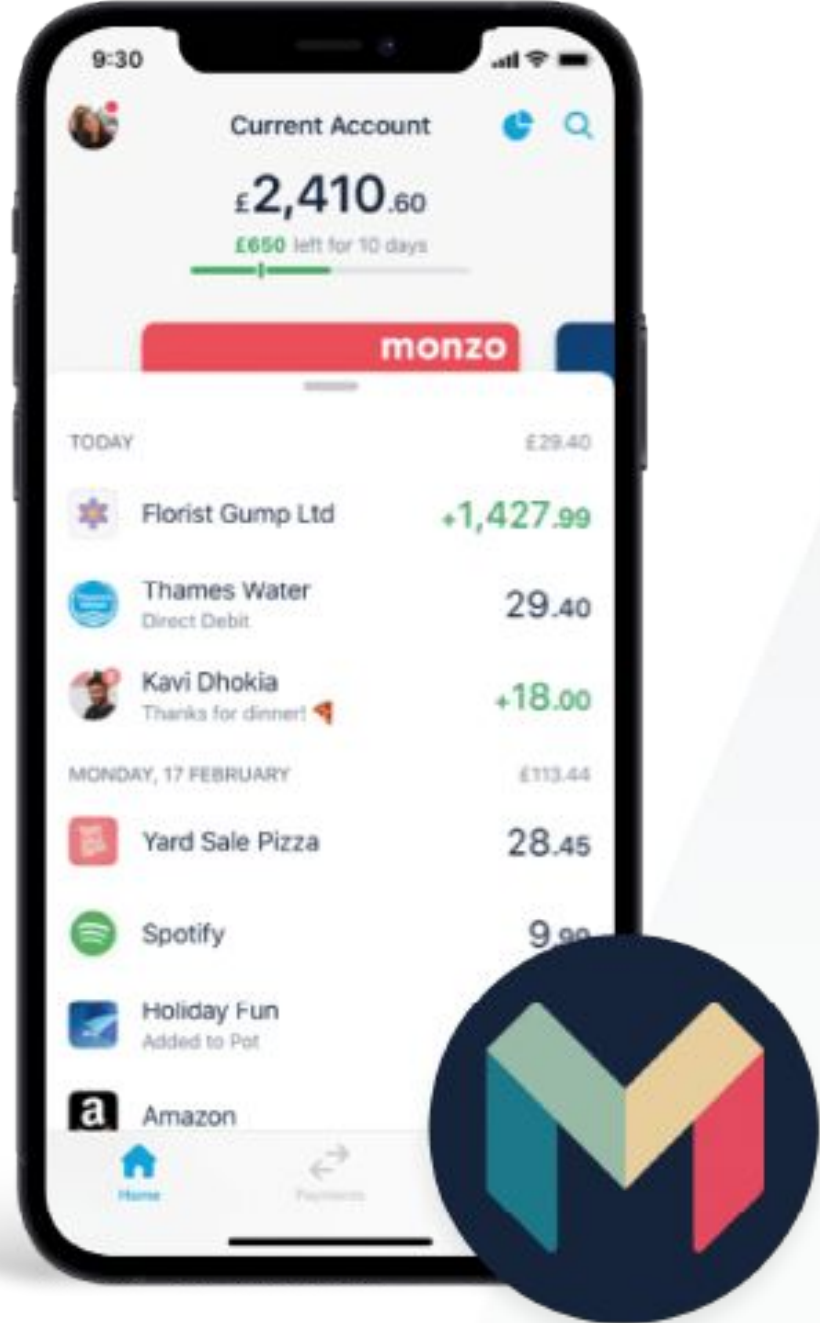
Wise Account



Wise Business



Wise Platform



What people are using the **Wise Account** for



“I use Wise to pay a mortgage in a different country each month. Superb. That simple.”

...digital nomad

“The best money travel buddy! Wise makes finances easier to deal with instantly”

...traveller

“Wise has been a lifesaver for me as a student in a foreign country”

...student

“Pretty clear, fast and cheap. You’ll like it”

...expat

Why **businesses** use Wise?



**Receive &
Convert**

“We used Wise to convert our USD revenue to GBP and saved £75k in the first nine months after switching from our bank.”

...Alternative Airlines

Send

“We make dungarees and use Wise to pay for supplies. In a few clicks it’s done and the money’s in an Indian bank account”

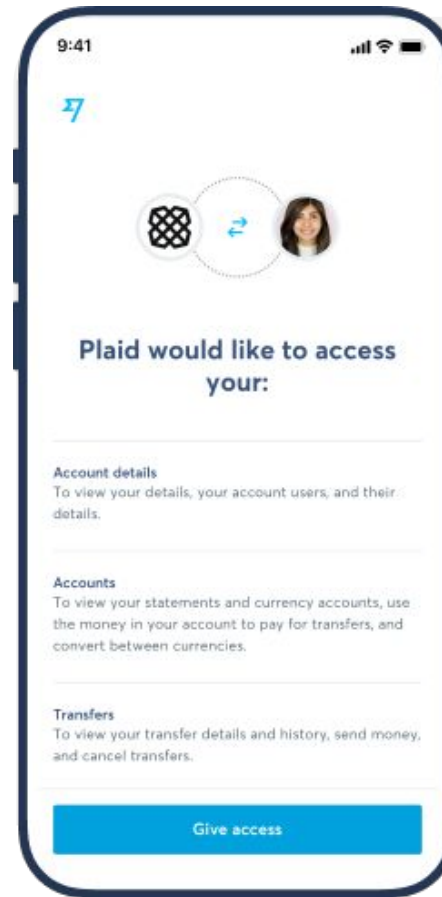
...Lucy & Yak

Spend

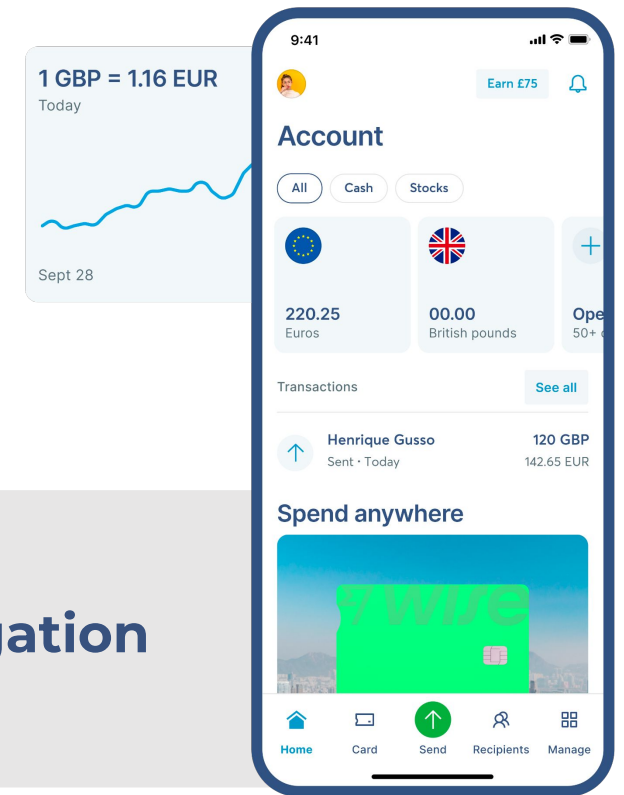
“Wise is the backbone of our business”

...No Name Just People

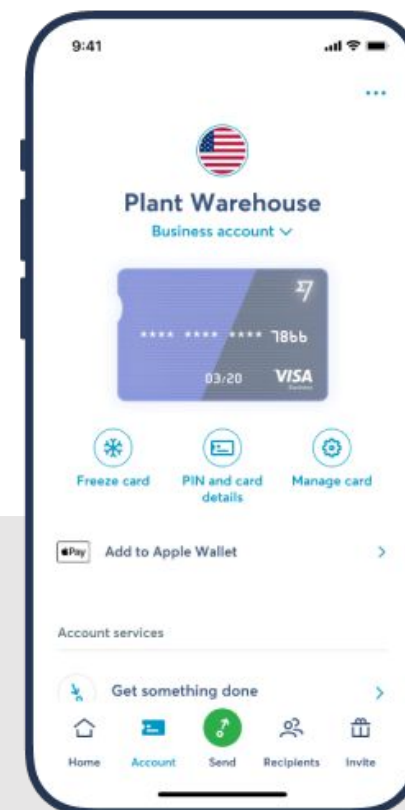
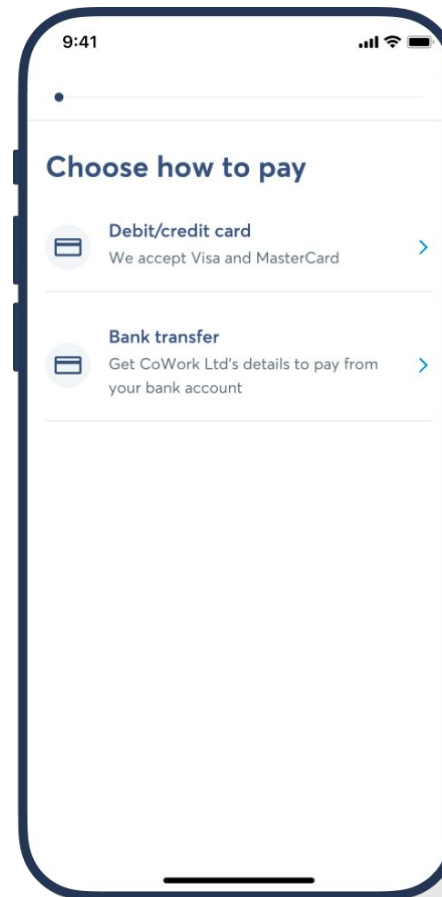
Now even easier to move and manage your money.



Wise USD Account connects to over 6,000 finance apps like Venmo & Chime via Plaid



New home screen navigation

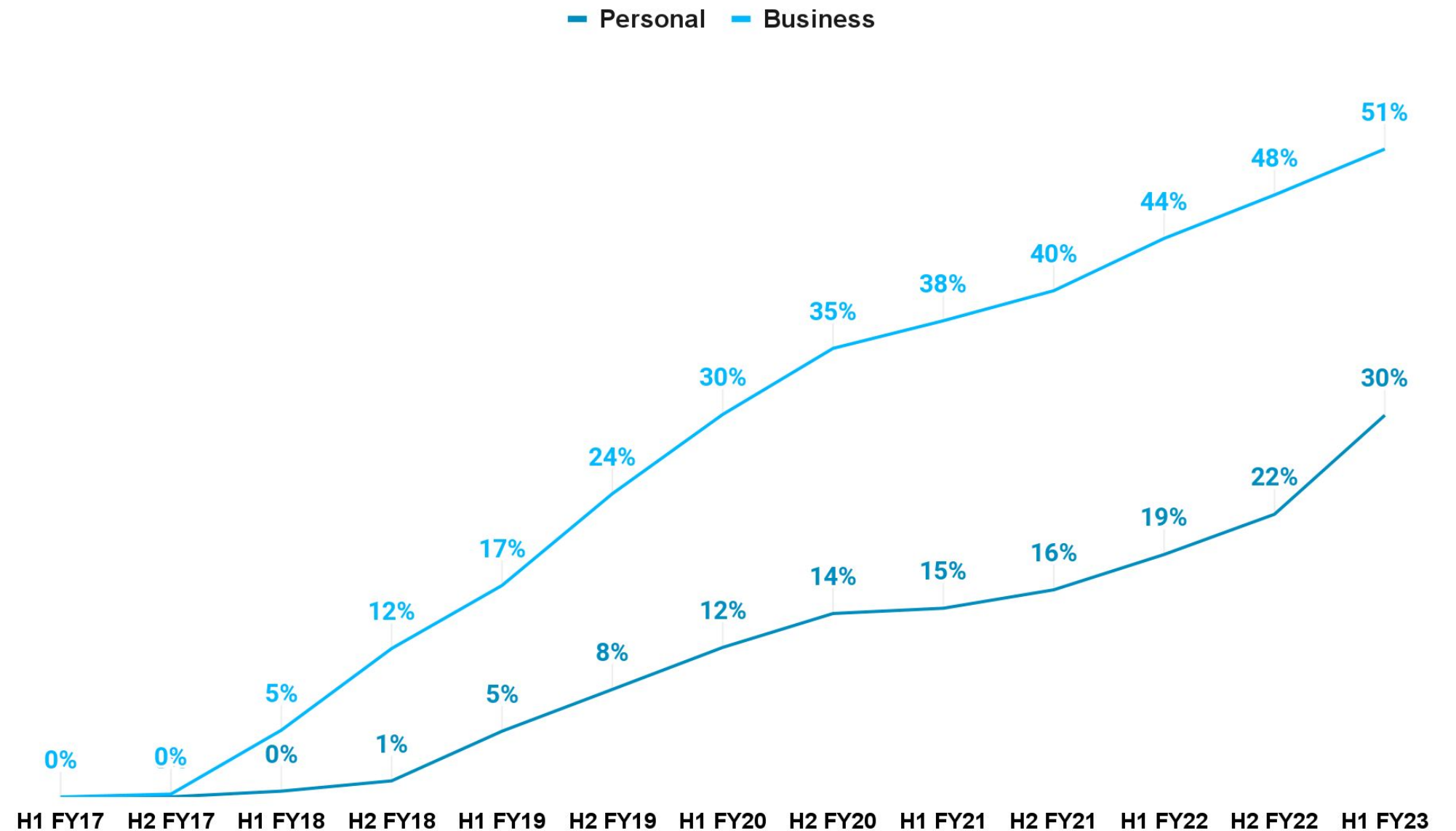


Debit cards for US businesses

Accept card payments for invoices

Customers are using us for **more than sending money.**

Wise Account & Wise Business Account adoption (%)¹



Notes: ¹Percentage of total active customers (personal and business) who have adopted more than one product in markets where the Wise Account & Wise Business Account and Card are available; where a Product is defined as one of Send, Spend, Receive, Hold & Convert.

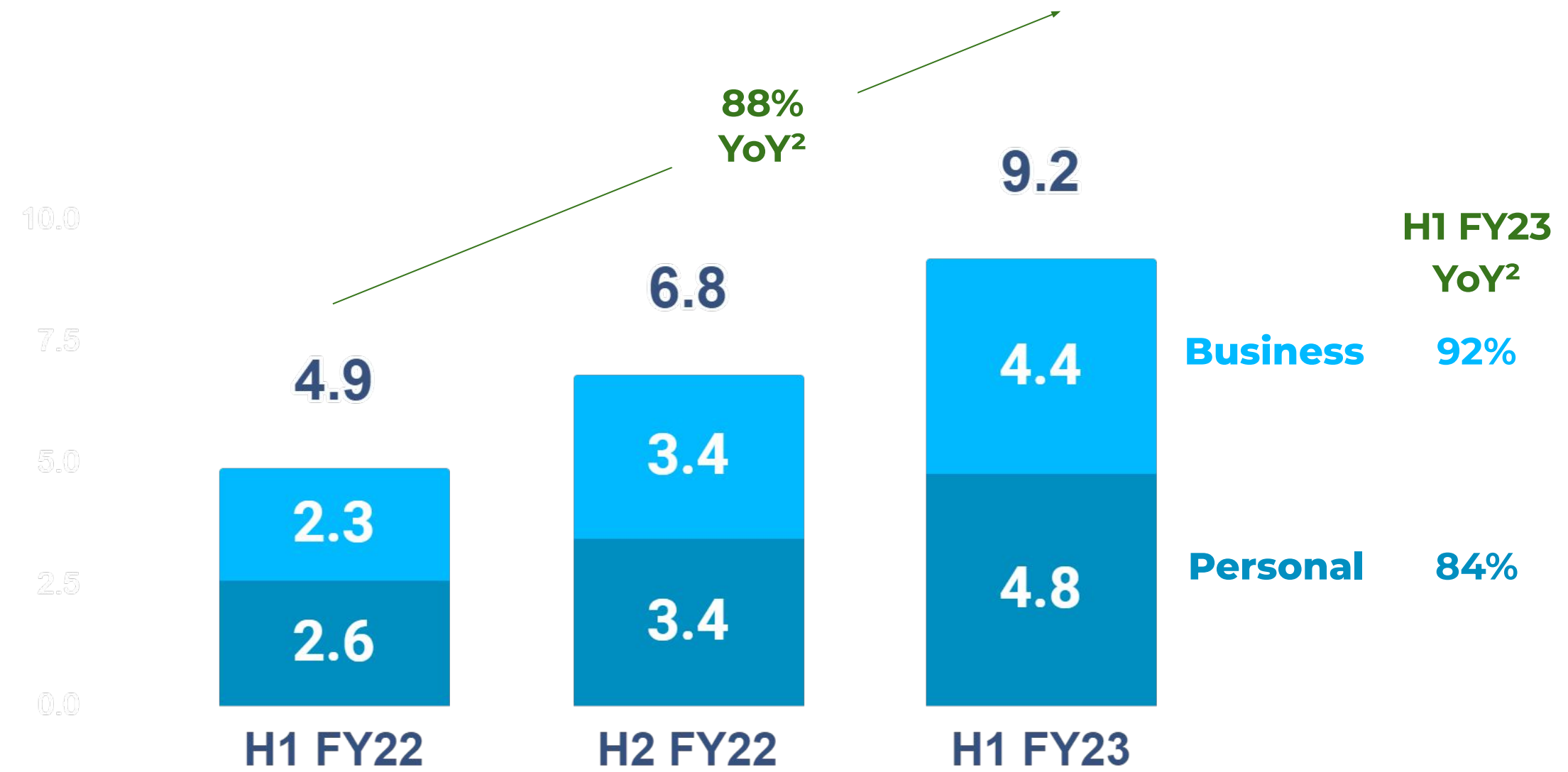
These customers...

...made **3x** as many transactions...

...sent **2x** as much cross-border

Customers are holding more balances with us.

Wise total deposit balances (£bn) split¹



Notes: ¹Includes account deposits for both Wise Account and Wise Business customers and is the personal/business split as at the end of the period.

²Comparison is H1 FY23 to H1 FY22.

The power of Wise integrated into banks and enterprises.

Strong progress with additional partners

Now over **60** partners in total

Financial Services

monzobusiness

YAPEAL
(expanded partnership)

 **Fibabanka**

Payroll & HR Platforms

deel.
(expanded partnership)

 **firstbase**

 **WAGESTREAM**

Multiplier

Onfolk

H1 FY23¹


 **Stanford**
FEDERAL CREDIT UNION

 **monzo**

 **aspire**

 **emburse**

 **xero**

 **TEMENOS**  **Thought Machine**



SHINHAN
BANK

N26



 **The Orchard.**

 **Pay**

 **Deskera**

 **TIGER BROKERS**

bunq

MAX





GoTrade 

Bolt

GOCARDLESS

ActivoBank
by Millennium

Existing¹

**We're onboarding
at scale.**

>1 million new customers per quarter

Key service metrics

85%
onboarding
documents
reviewed
within 1 hour

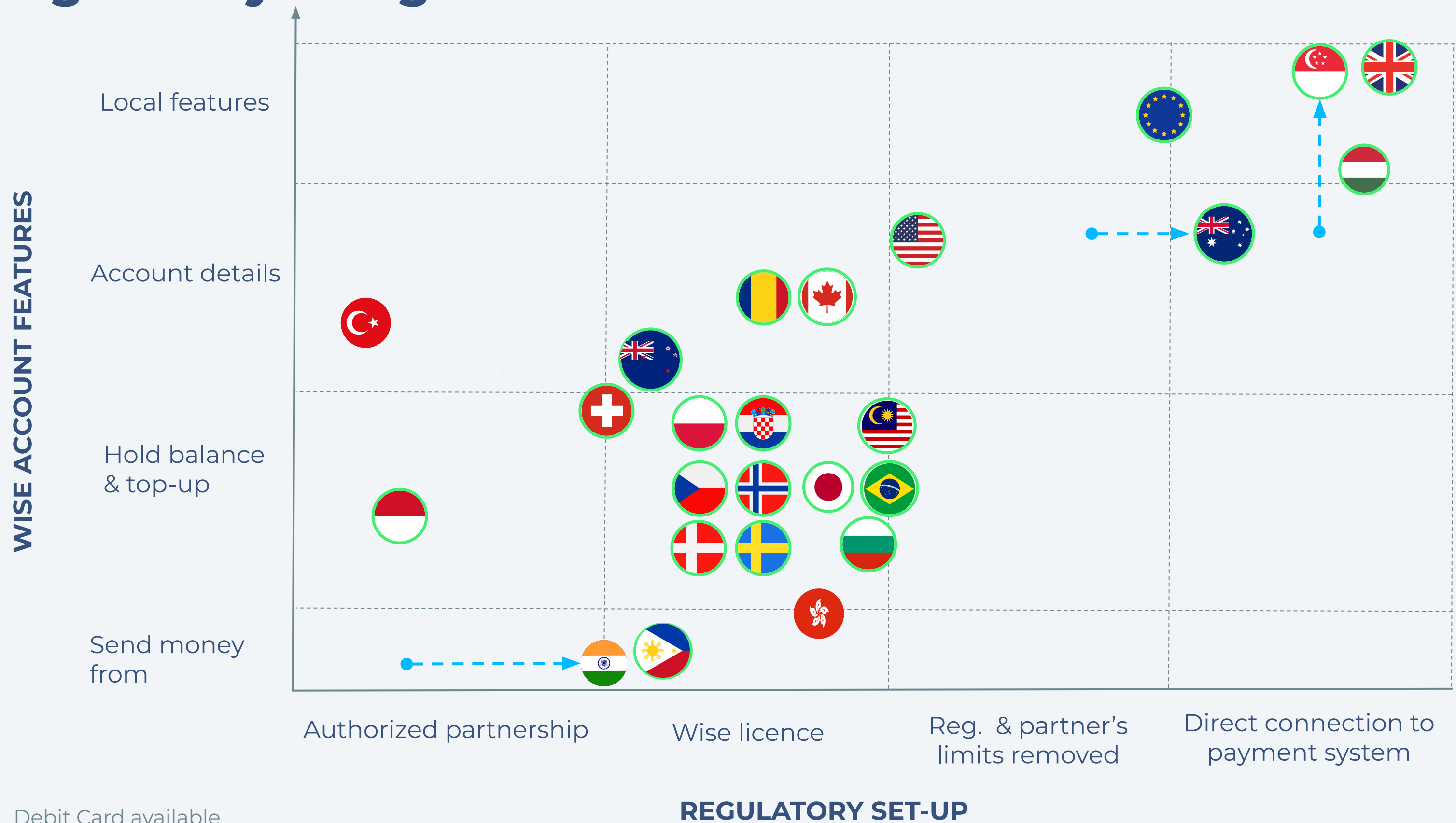
84%
payments
made on time¹

55%
customer
queries
answered on
time²

... so we've scaled our operational teams to cater for the demand by c.1,000, +65% YoY growth

Notes: Operational metrics performance based on quarter to September 2022
¹On time payments are those completed within the estimated time provided to customers at the time of transfer. ² Queries answered on time: calls within 15 seconds; live chat within 60 seconds and emails within 15 hours

Growth through **expansion and depth** via additional features & regulatory integration.



It's working...

Key product pillars...

Wise

- Cheap**
- Fast**
- Convenient**
- Transparent**

drive high advocacy...

66
NPS¹

70%
WoM²

leading to more active customers...

40%
YoY growth
Personal³

31%
YoY growth
Business³

and greater scale.

£51bn
Volume⁴

49%
YoY growth
Volume⁴

Source: Internal company data.

Notes: ¹Net promoter score ("NPS") referrals as of H1 FY23. 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?".

²"WoM" - Word of mouth measures share of customers joining Wise after being referred or invited by someone they know.

³As of Q2 FY23

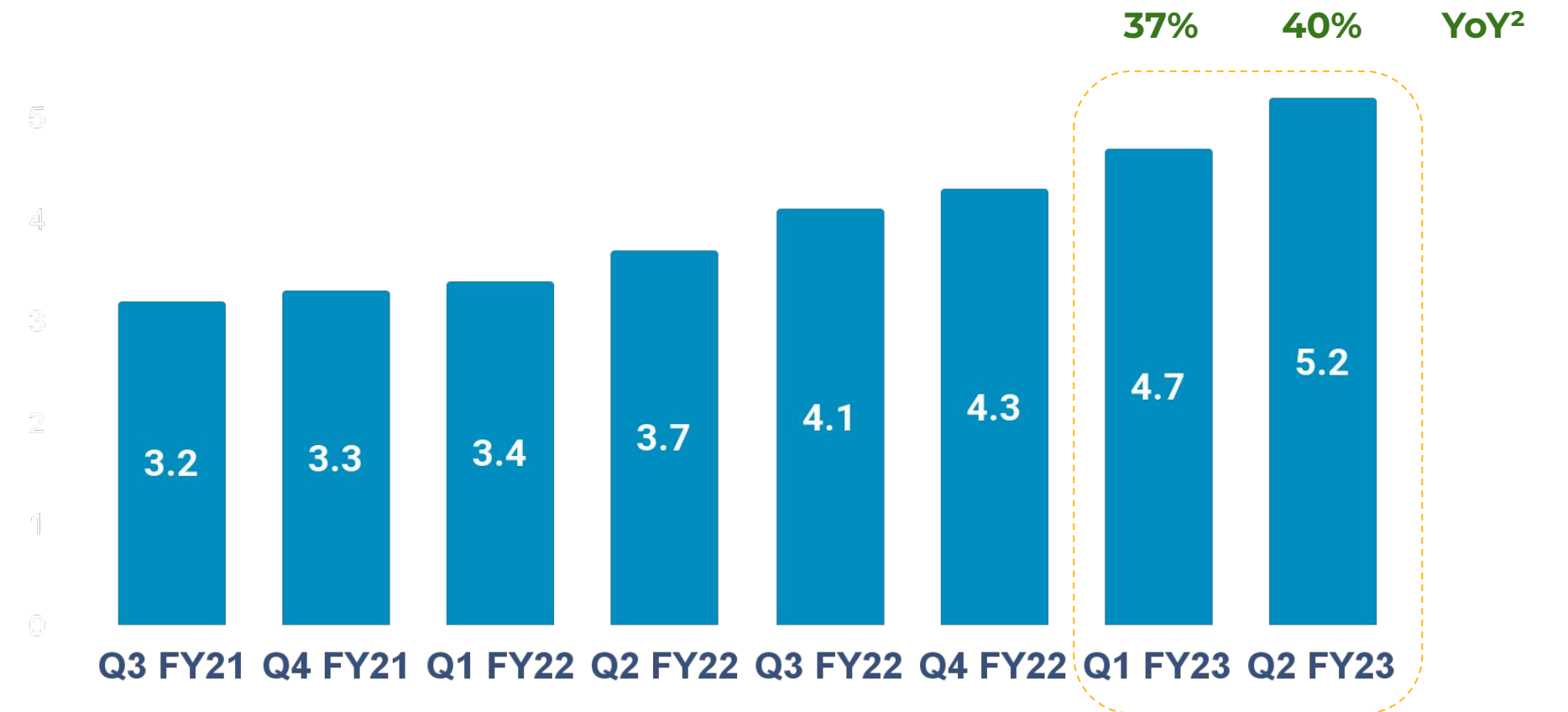
⁴As of H1 FY23

② Our H1 FY23 Financials.

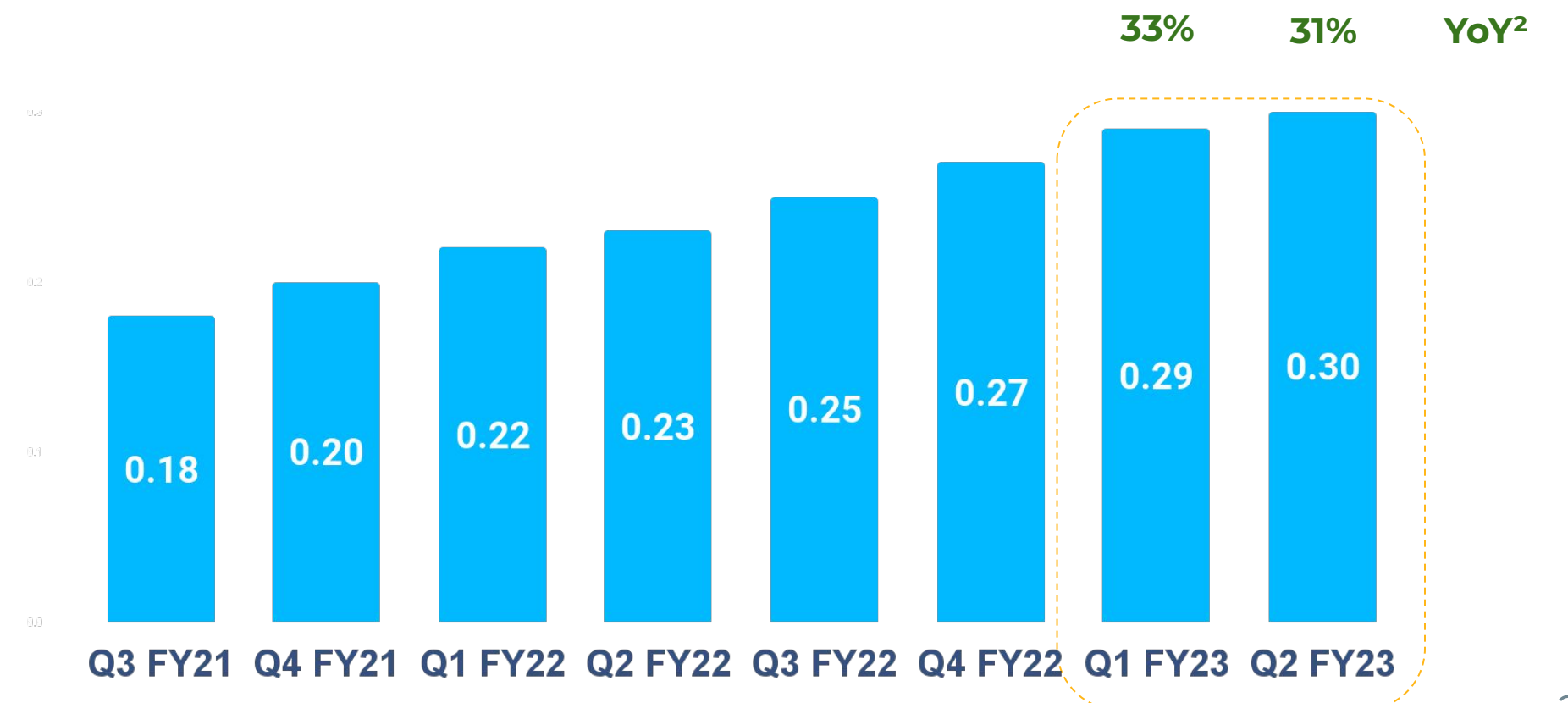
At scale, growing fast and highly profitable.

£51.3bn	£416.1m	£91.9m	£51.3m
Volume	Total Income	Adj. EBITDA 22% margin	Profit before tax
+49% YoY	+63% YoY	+52% YoY	+173% YoY
£78.3m			
Free Cash Flow			
+32% YoY			

Active customers¹ (m) - Personal



Active customers¹ (m) - Business

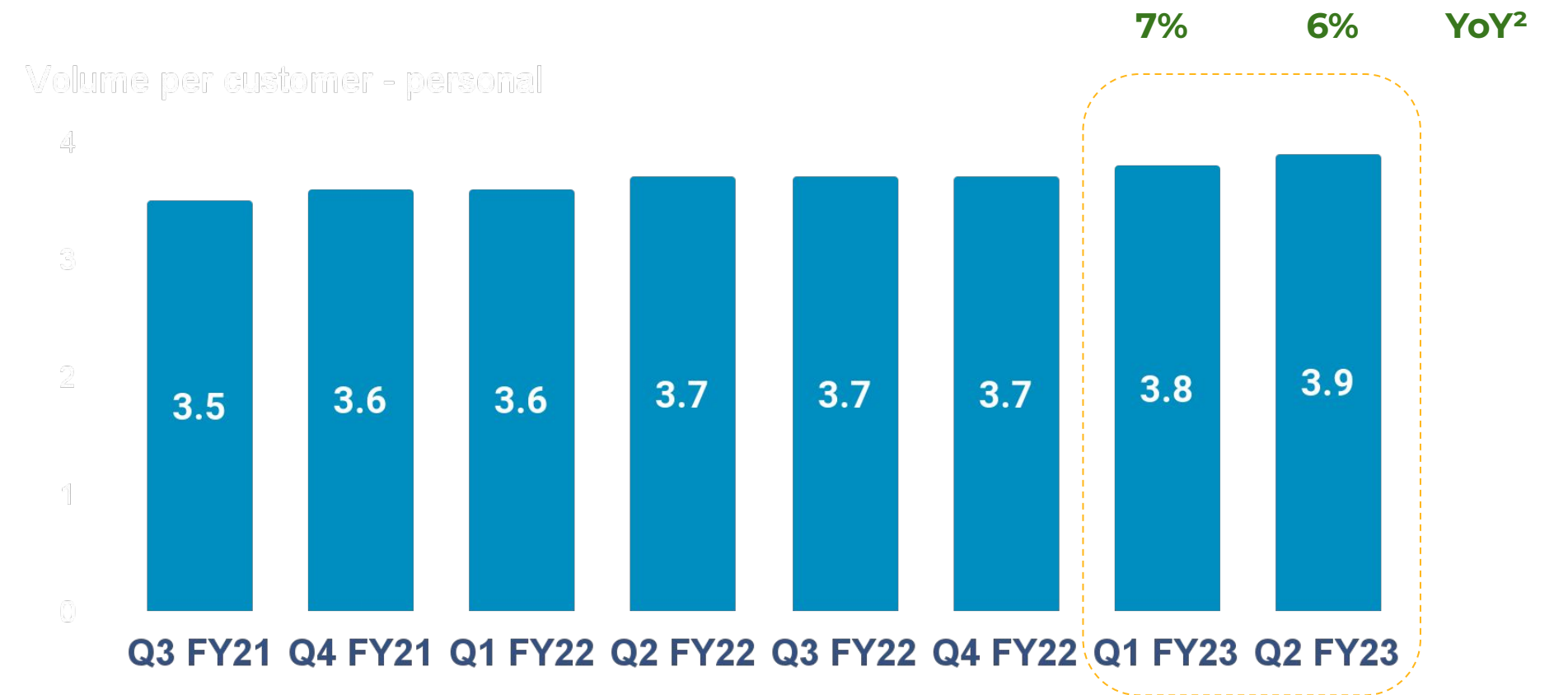


Our active customer base continues to grow.

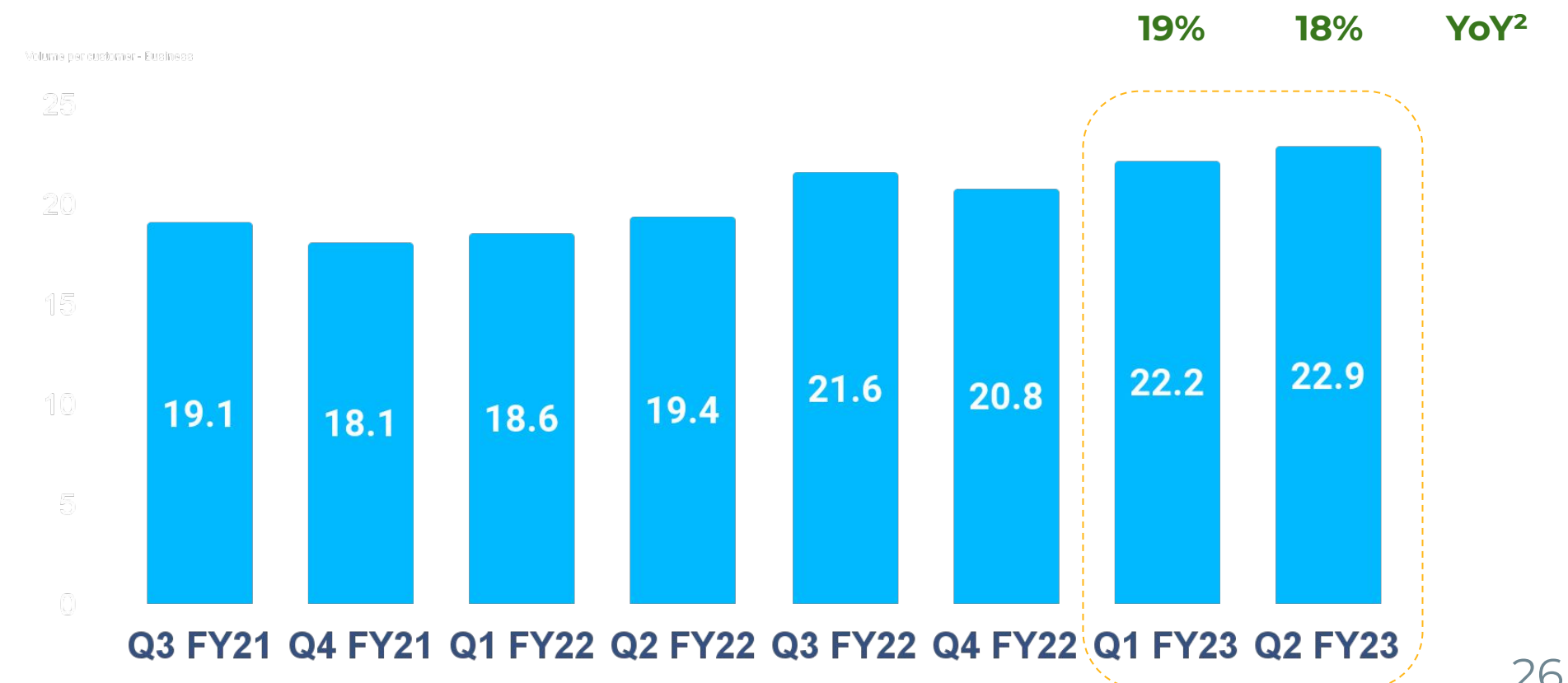
Notes: ¹Active customer defined as a customer who has completed a cross currency transaction in a given time period. ²Q2 FY23 vs Q2 FY22 and Q1 FY23 vs Q1 FY22.

Our customers are sending more.

Volume per customer¹ (£'000) - Personal



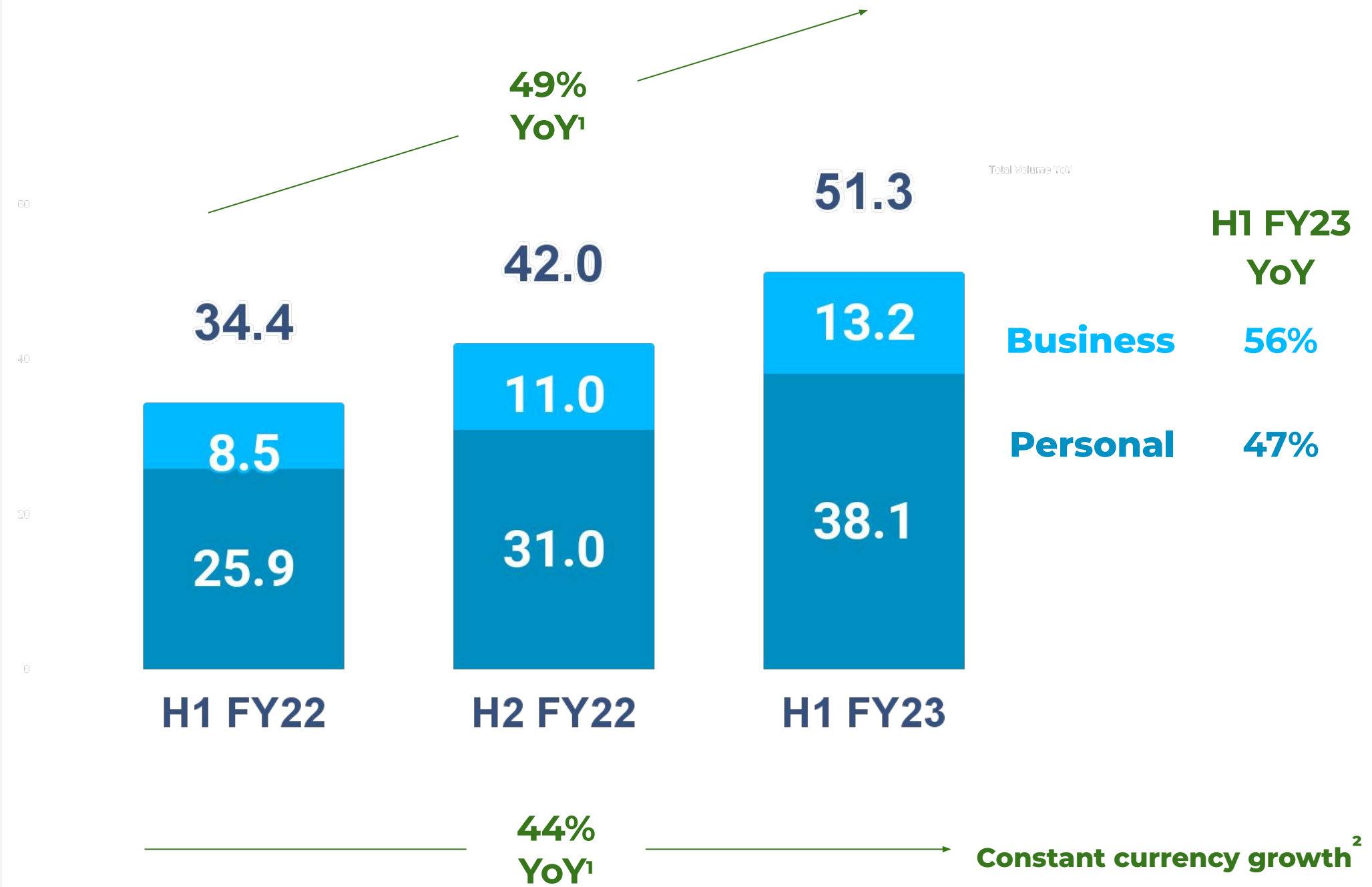
Volume per customer¹ (£'000) - Business



Notes: ¹Volume per customer defined as the average quarterly transaction volume of active customers. ²Q2 FY23 vs Q2 FY22 and Q1 FY23 vs Q1 FY22.

Volume grew **49%**.

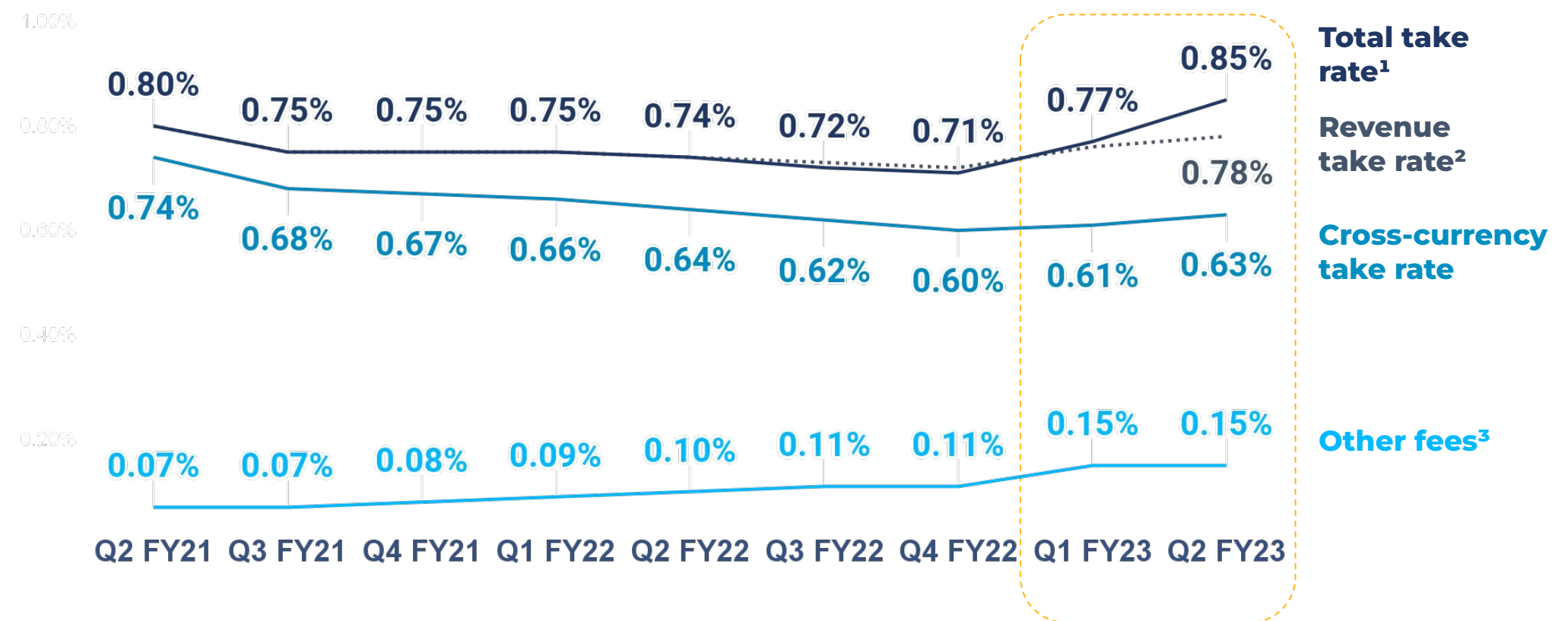
Total volume (£bn)



Notes: ¹Comparison is H1 FY23 to H1 FY22. ²Constant currency calculated on FY22 average exchange rates.

Wise Account features continue to support the take rate.

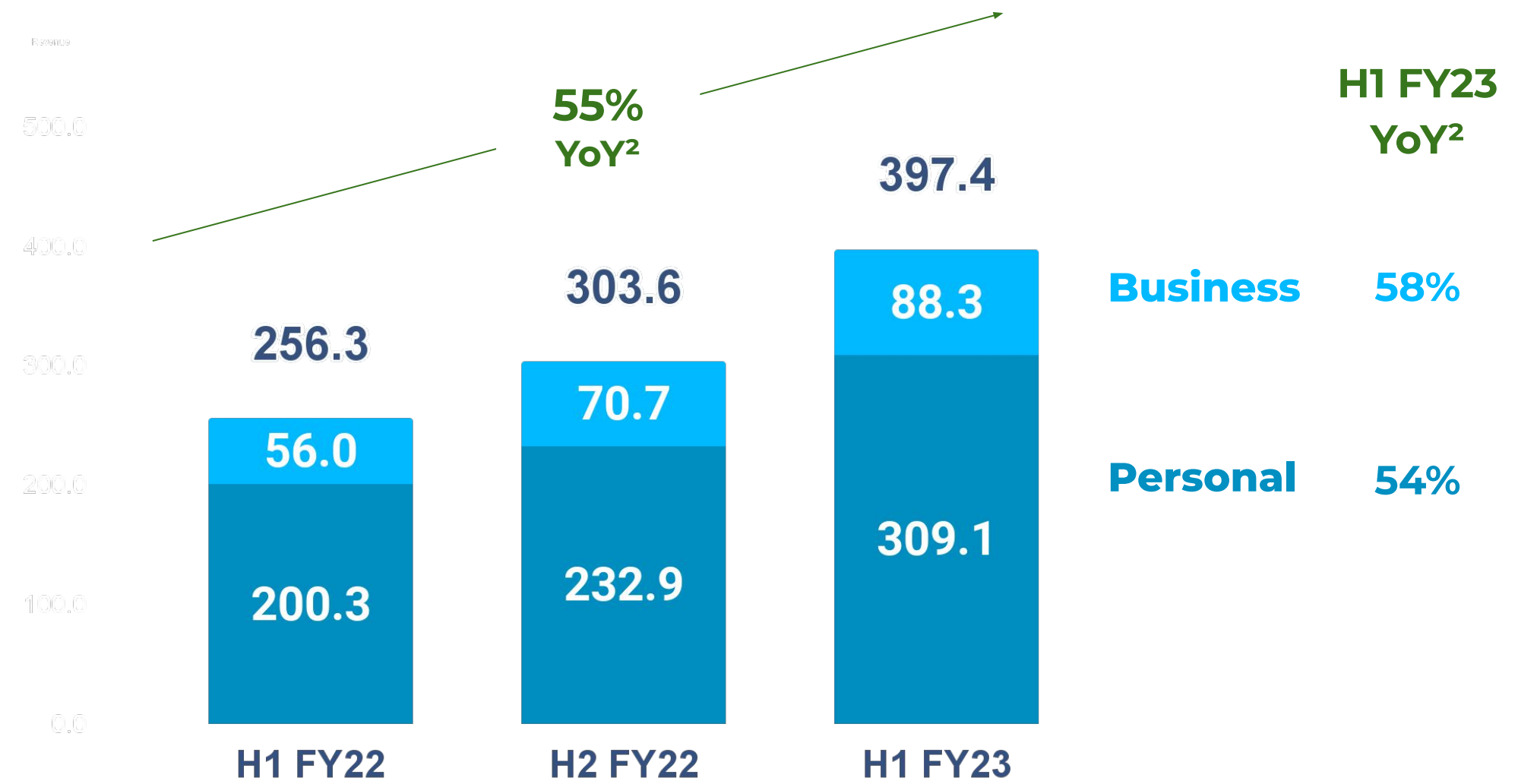
Take rate (%)



Notes: ¹Includes net revenue and net interest income on customer balances. ²Excludes net interest income on customer balances. ³Other fees refers to revenue from non cross volumes, for example same currency transactions and interchange fees.

Revenue grew **55%**.

Revenue¹ (£m)

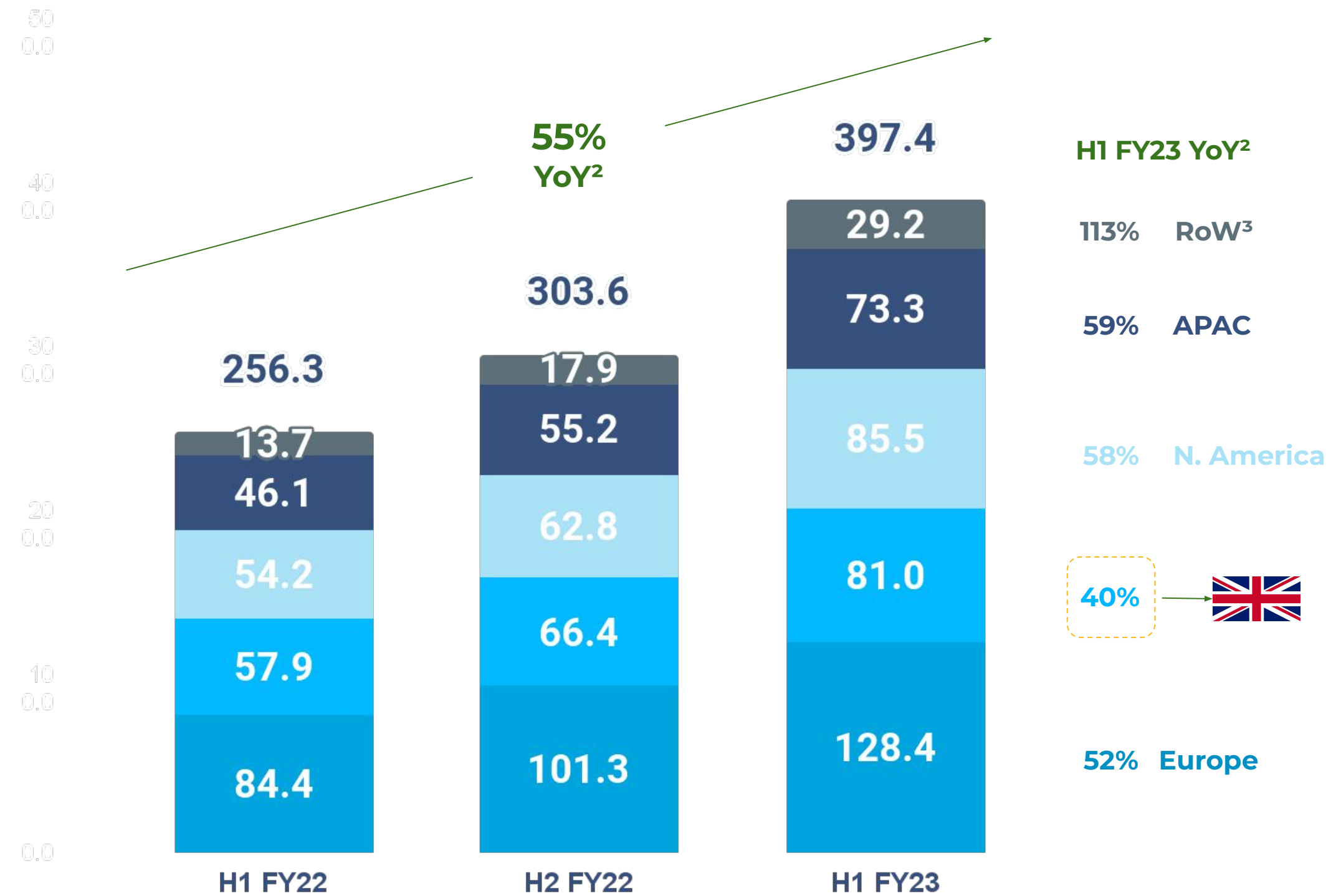


Notes: ¹Excludes net interest income on customer balances.

²Comparison is H1 FY23 to H1 FY22.

**Strong growth
in all regions.**

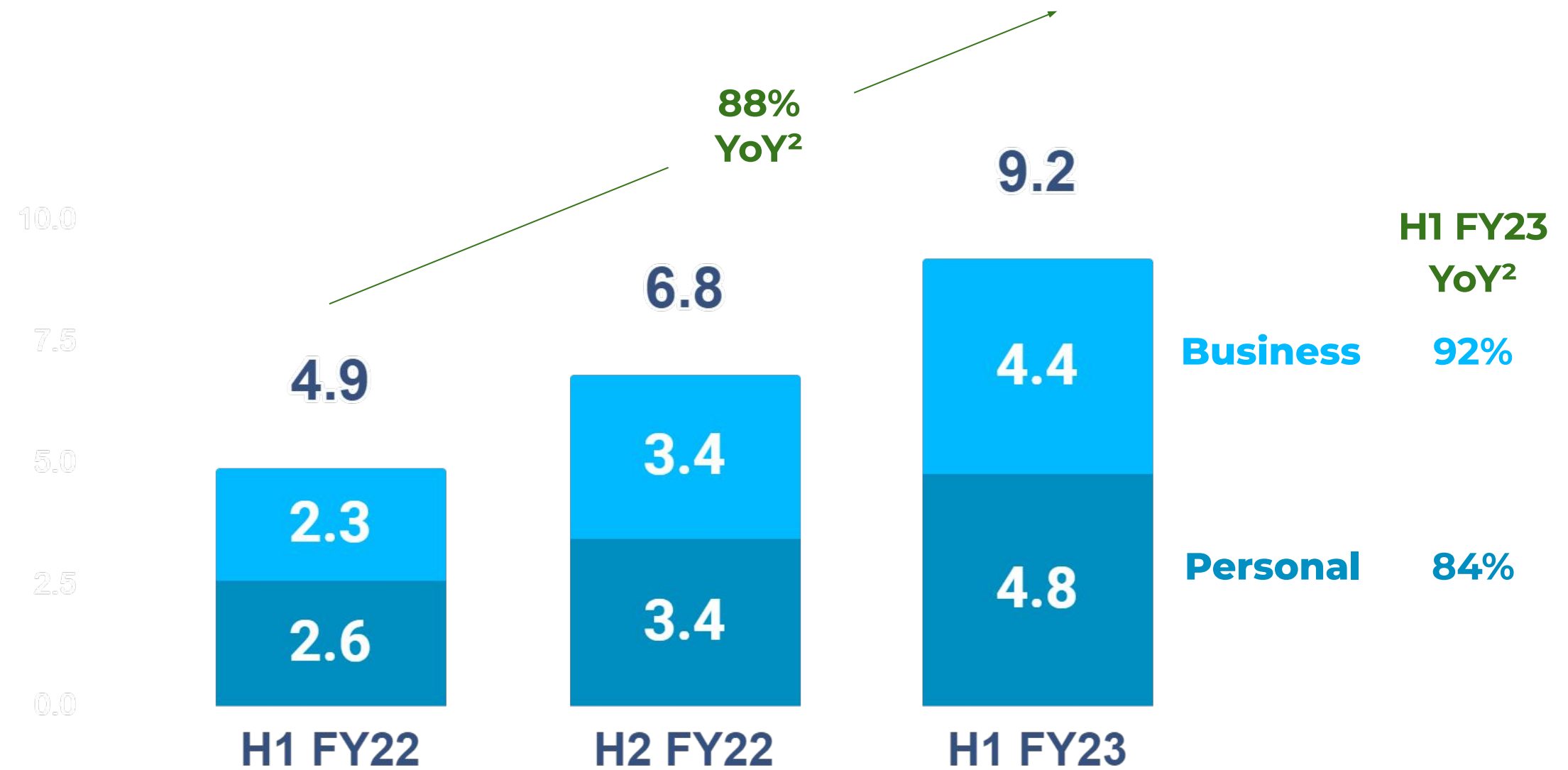
Revenue¹ by Region (£m)



Notes: ¹Excludes net interest income on customer balances.
²Comparison is H1 FY23 to H1 FY22. ³“RoW” refers to rest of world.

People and businesses are holding more balances with us.

Wise total deposit balances (£bn) split¹



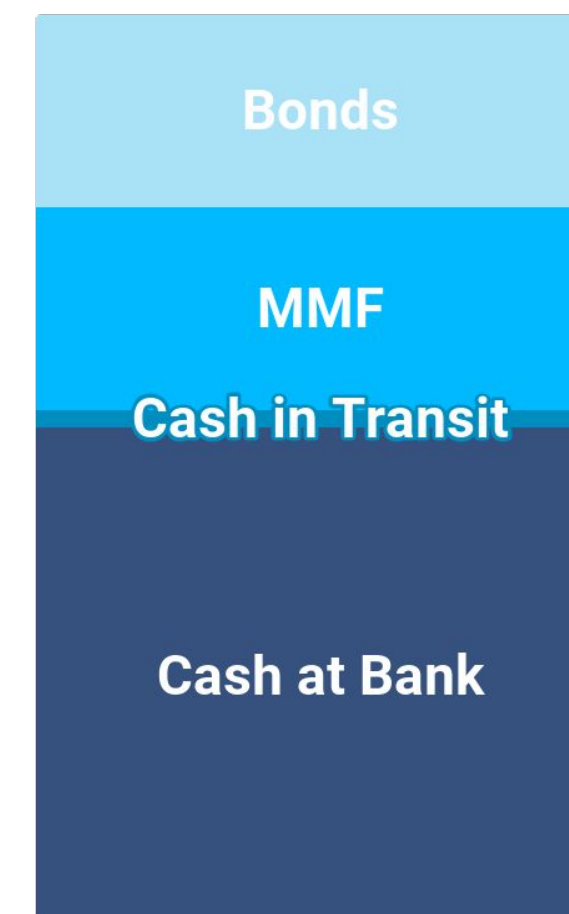
Notes: ¹Includes account deposits for both Wise Account and Wise Business customers. ²Comparison is H1 FY23 to H1 FY22.

Balances are **safeguarded** across various assets.

Currency split of balances



Allocation of assets



Blended Average Yield¹

1.1%
September 2022

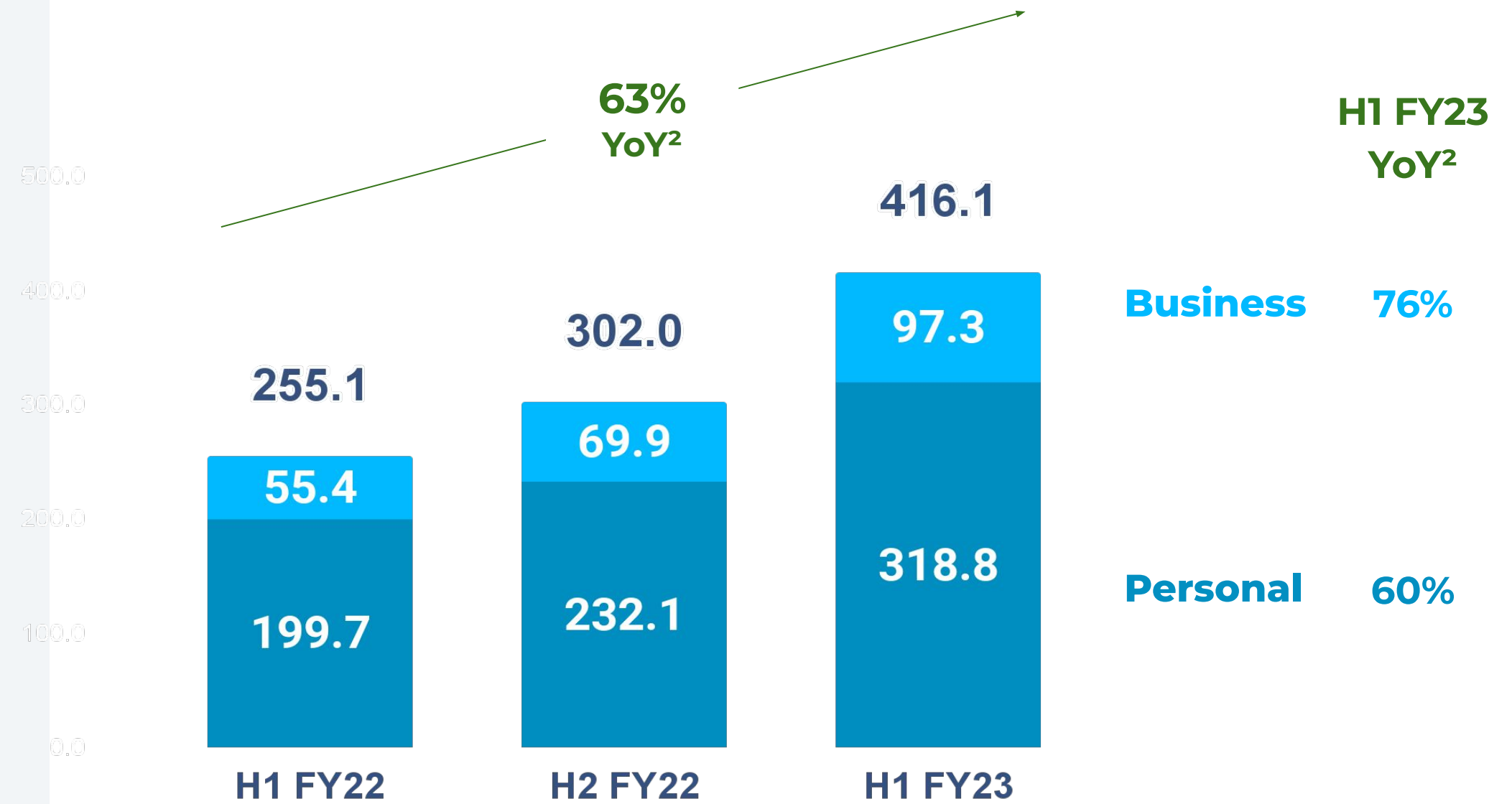
Note: ¹Average yield on total average customer balances; balances as at September 30, 2022; average yield is the return for month of September 2022.

Our approach to interest income is focused on our customers and long term growth.

- Pass benefit directly to customers where we can
- Use interest to support the costs of the Wise Account, potentially reducing conversion prices and other feature charges
- Use interest to provide for investments in growth

**Total Income
grew 63% YoY.**

Total Income¹ (£m)



Notes: ¹Includes revenue and net interest income on customer balances. ²Comparison is H1 FY23 to H1 FY22.

Gross profit grew 52%.

£262.4m

H1 FY23 Gross profit.

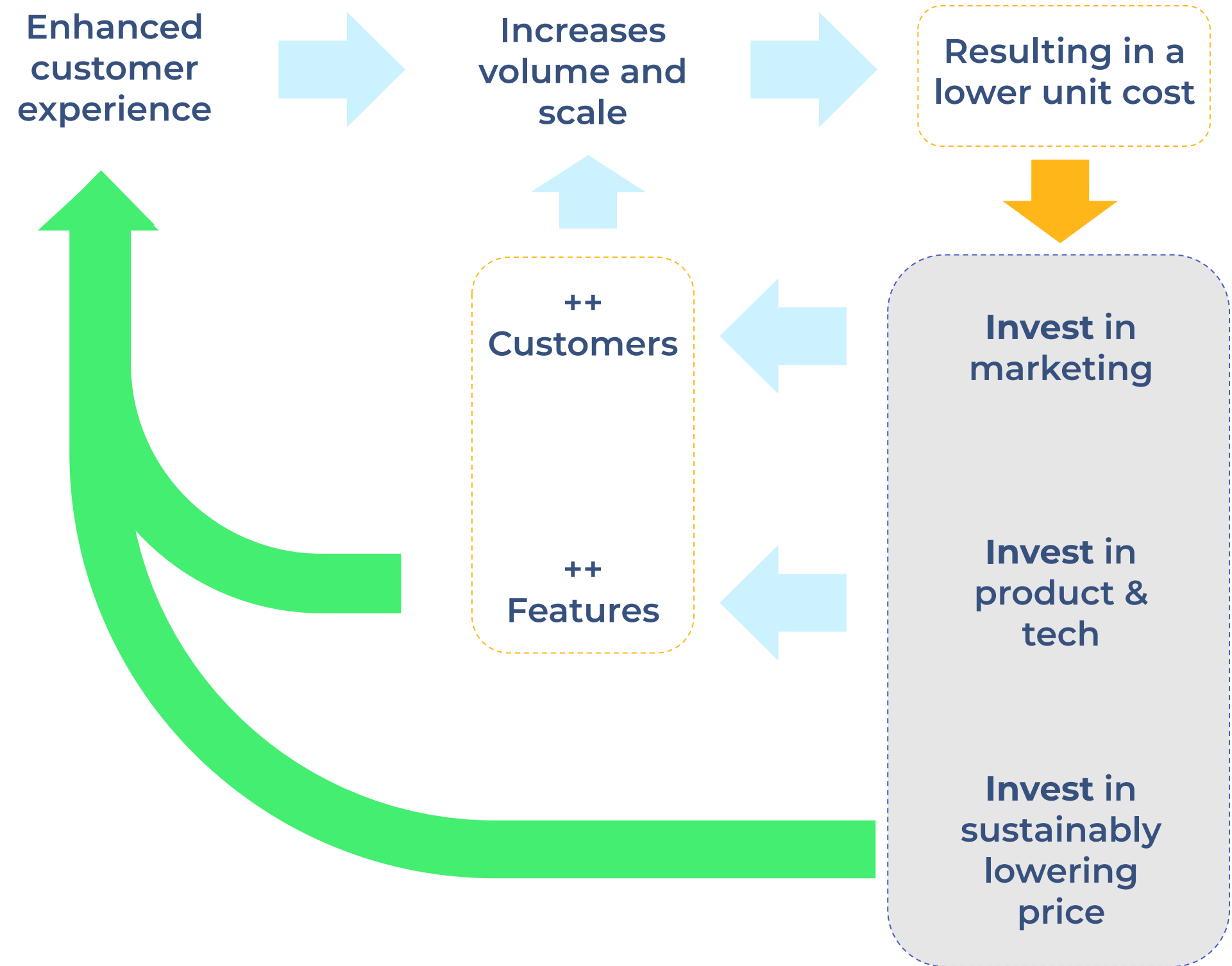
+52% YoY

Gross profit margin: 63%

*-5 ppts YoY largely a result of higher
fx volatility costs*

How we invest in growth.

Our investment choices



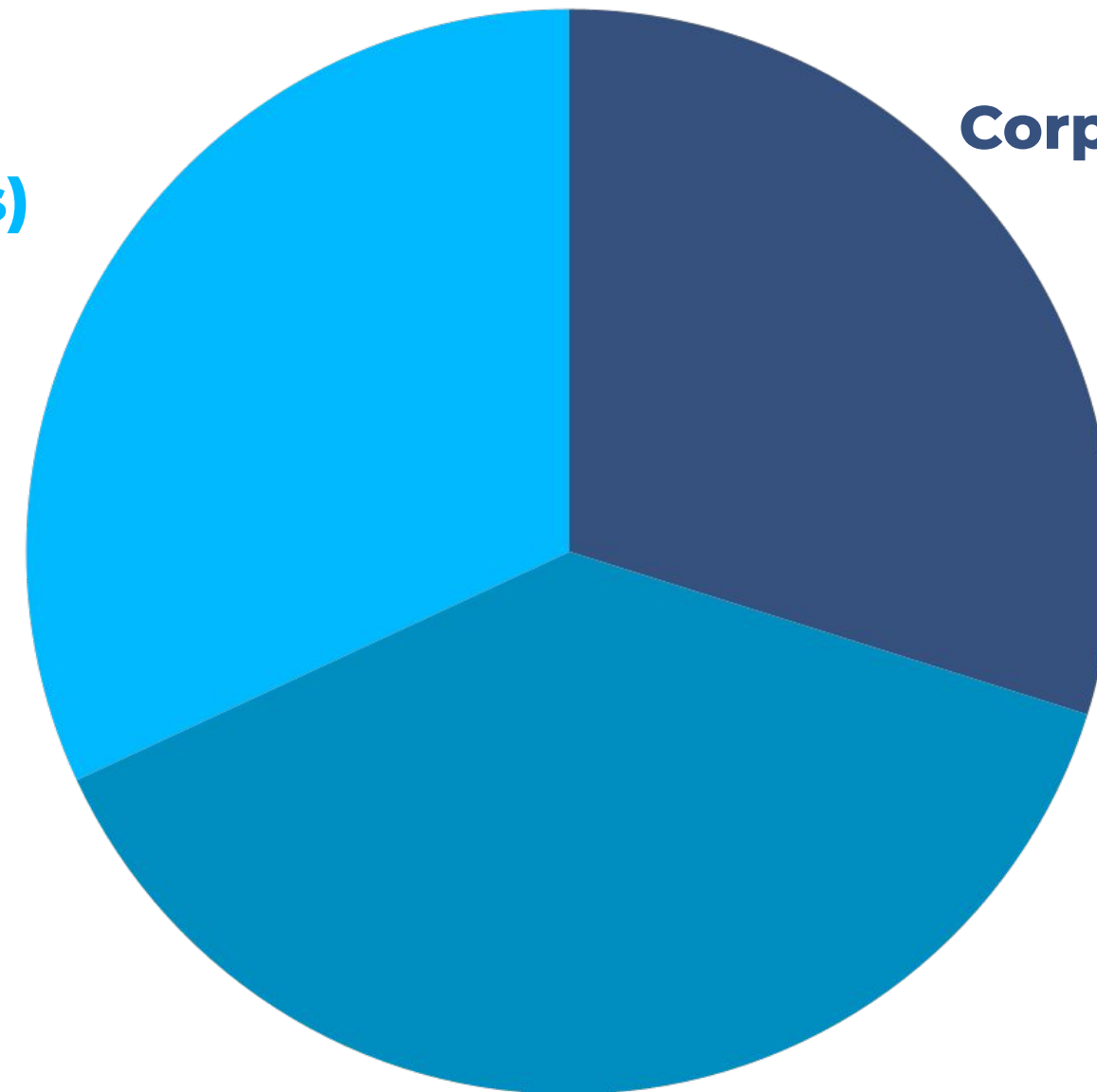
Wise reinvests back into the business in 3 major ways

The **majority** of our gross profit is invested in growth or flows to adjusted EBITDA.

Use of Gross Profit (H1 FY23)

Product Development (excl. vendors) & Marketing¹

Operations and Corporate Overhead (incl. vendors)²



Adjusted EBITDA

Notes: ¹Product Development and Marketing includes all employee related expenses allocated to Product, Engineering, Design, Banking, Compliance and Treasury and all expenses allocated to Marketing. ²Relates to all other administrative expenses above EBITDA including Product Development vendor costs.

We've **invested efficiently** since inception.

<£350m

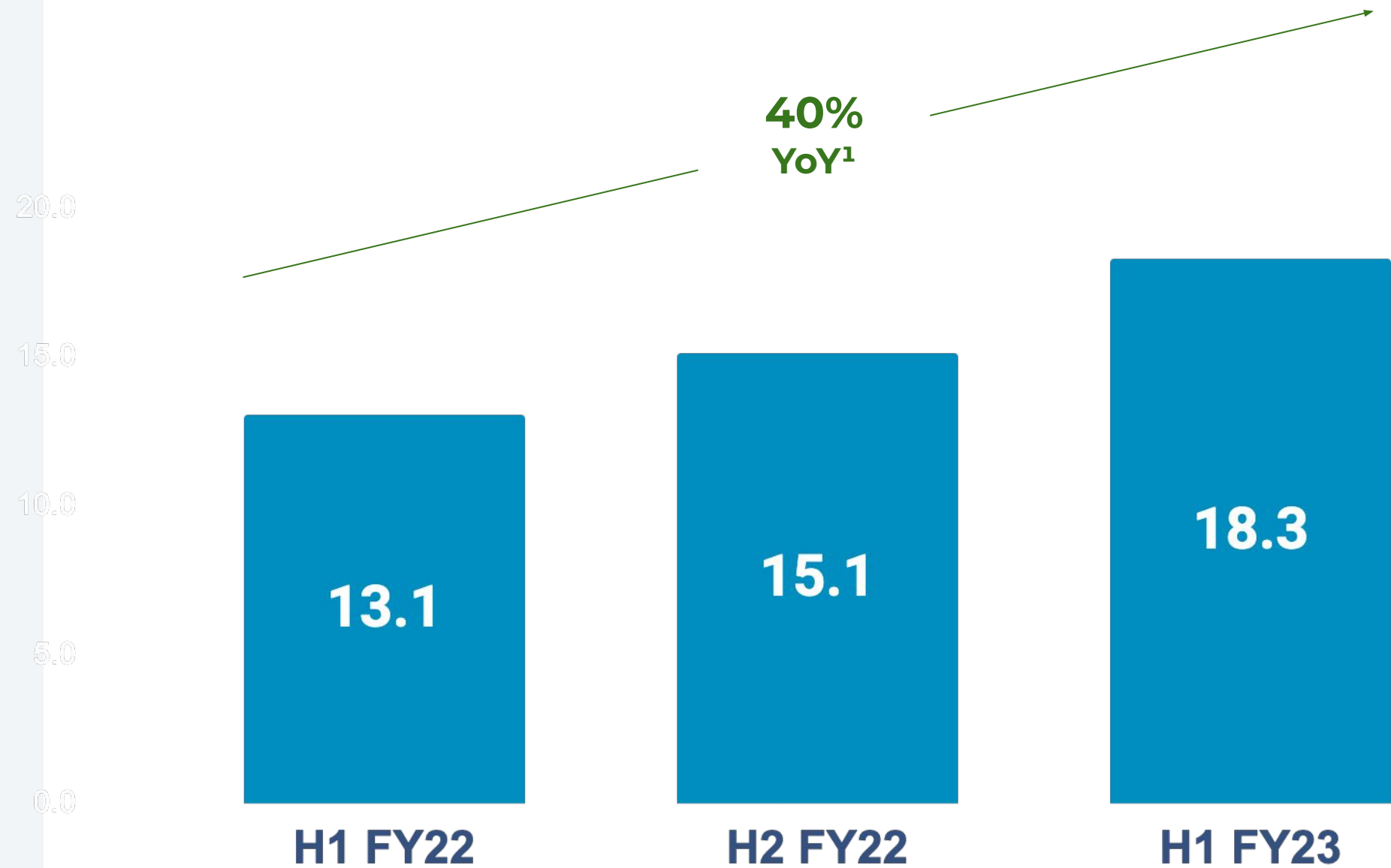
All time total investment in Product Development until end FY22.

~£525m

Current gross profit run rate¹ (2 x H1FY23).

We invested **c.40% more in paid marketing, at consistently high returns.**

Marketing spend (£m)



**Paid channels payback is < 9 months
... and improved in the period!**

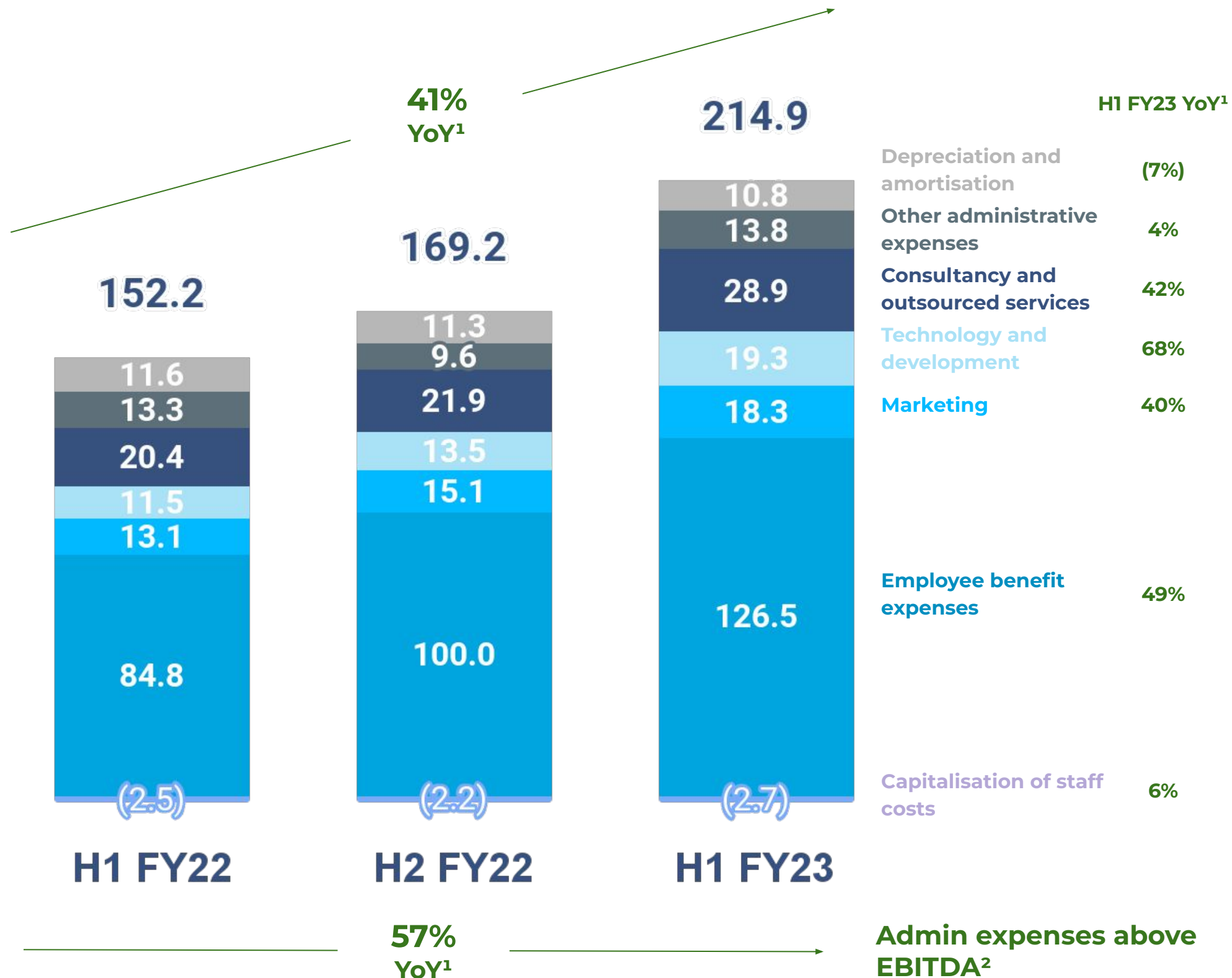
**Blended payback for all new
customers is 3 months**

Notes: ¹Comparison is H1 FY23 to H1 FY22.

**But still 70% of
new customers join through
word of mouth.**

Total expenses grew **41% YoY**.

Administrative Expenses (£m)



Notes: ¹Comparison is H1 FY23 to H1 FY22. ²Administrative Expenses adjusted for depreciation and amortisation (D&A), share-based compensation (SBC), capitalisation and exceptional costs related to listing.

Adjusted EBITDA (£m)

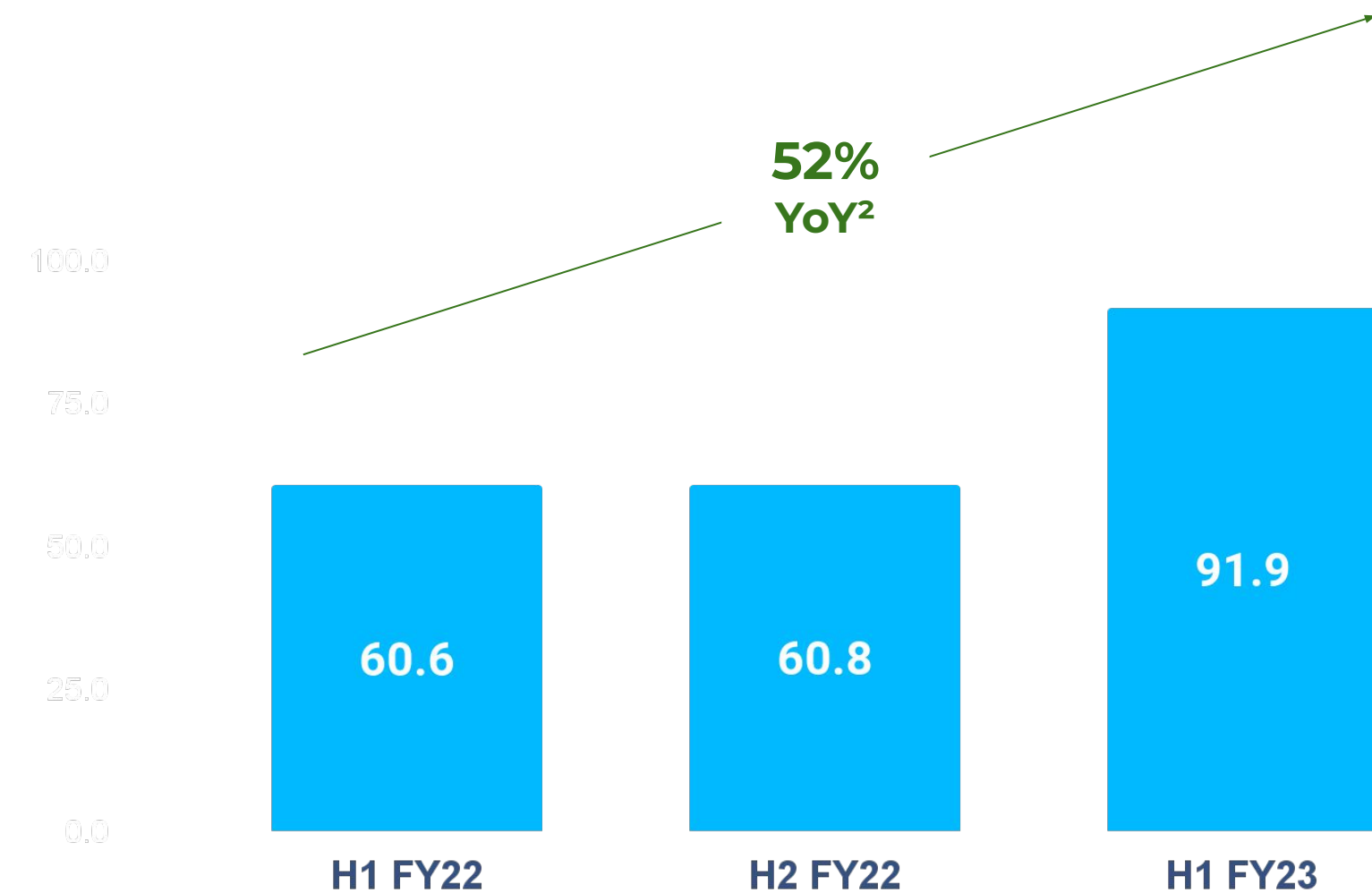
Margin (%)¹

24%

20%

22%

We generated
£92m of **adjusted**
EBITDA...



Notes: ¹Adjusted EBITDA as a proportion of total income.

²Comparison is H1 FY23 to H1 FY22.

...which turned
into **cash**.

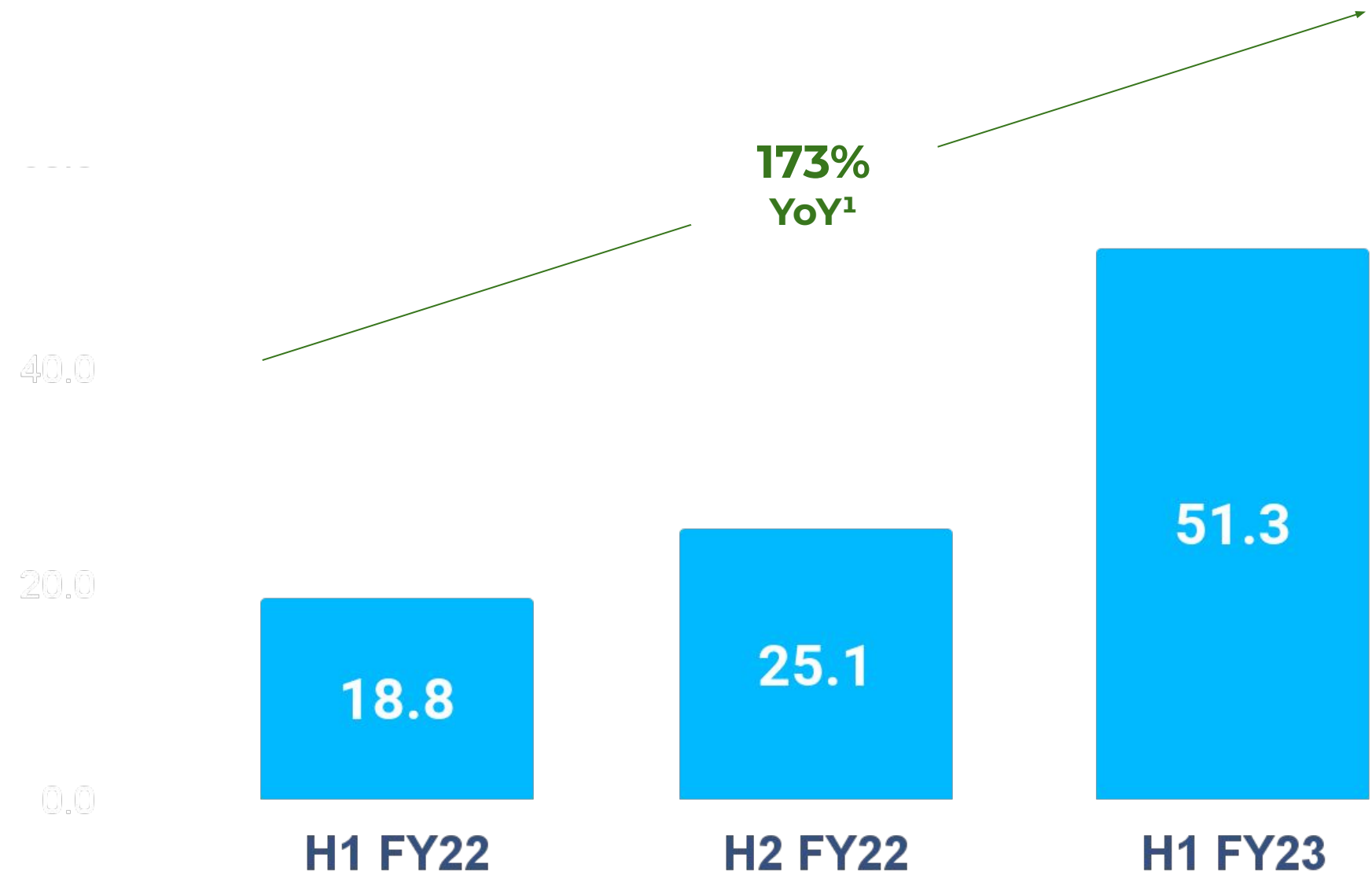
Free cash flow (£m)

	H1 FY22	H1 FY23	YoY ¹
Free cash flow	59.0	78.3	33%
<i>Free cash flow conversion²</i>	<i>97%</i>	<i>85%</i>	<i>(12%)</i>
Working capital and adjustments³	6.9	(6.1)	N/A
Free cash flow excl. working capital and adjustments	52.1	84.4	62%
Adjusted free cash flow conversion⁴	86%	92%	6%

Notes: ¹Comparison is H1 FY23 to H1 FY22. ²Free cash flow as a % of Adjusted EBITDA. ³Adjustments made up of exceptional and pass-through items. ⁴Free cash flow excluding working capital and adjustments as a % of Adjusted EBITDA.

And we're **highly profitable** on the bottom line.

Profit before tax (£m)



Note: ¹Comparison is H1 FY23 to H1 FY22.

At scale, growing fast and highly profitable.

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+49% YoY	+63% YoY	+52% YoY	+173% YoY
£78.3m			
Free Cash Flow			
+32% YoY			

Guidance.

Total Income

55-60%

Growth in FY23

>20%

Medium-term growth (CAGR)

Adjusted EBITDA margin

Maintained at or above

20%

over the medium-term

Onwards.

What we're doing...

Solving a massive customer problem

Rebuilding the infrastructure...

...which powers products that people and businesses love

And we're sustainable: we fund our own growth

What it means...

Huge addressable market opportunity

Deep competitive advantage

Word of mouth driving growth; highly engaged customers

Profitable, highly cash generative economics

Q&A



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