06 November 2024

Wise plc
Unaudited interim results for the six months ended 30 September 2024

Long term investments driving customer and volume growth

"We are pleased with the progress over the first six months of the year, with our key financial metrics maintaining a healthy growth trajectory as we continue investing in the infrastructure that will ultimately enable us to move trillions through our market-leading network.

As a result of these investments our infrastructure is developing quickly. This week we launched our sixth live direct connection to a domestic payment system, this time in the Philippines. This follows regulatory approvals to also integrate directly with the domestic payment systems in Brazil and Japan, taking the number of direct connections to eight once integrated.

Enhancing our infrastructure makes Wise increasingly efficient. 63% of transfers are now completed instantly and reducing unit costs allowed us to lower prices with the average cross border take rate at 62bps, 5bps lower than a year ago.

Our customers value the speed, convenience and price we offer, with over 70% of new customers joining Wise through recommendations by existing customers. This drove another six months of strong financial performance with YoY growth in active customers of 25%, underlying income of 19%, cross border volume of 19% and a 31% increase in customer holdings[1]."

- Kristo Käärmann, Co-founder and Chief Executive Officer

Highlights for the six months ended 30 September 2024[2]

We operate in a huge, expanding market, with a small but growing share

- Active customers increased by 25%; in H1 FY25 alone we helped 11.4m people and businesses move and manage their money around the world.
- Our customers moved £68.4bn with us in H1 FY25, an increase of 19% vs H1 FY24 (21% on a constant currency basis).

The value of our infrastructure is growing quickly, enhanced through our investments

- Instant payments delight our customers and make clear the quality of our network; 63% of payments were instant in Q2 FY25, 83% within an hour and 94% within 24 hours.
- Our operational capabilities and controls played a key role in receiving regulatory approval to directly integrate into the domestic payments systems in Brazil, Japan and the Philippines.

Customer centric product development driving an increasingly global proposition

- In the Philippines, alongside the launch of InstaPay, we also released the Wise Account as well as the ability to send money out of the country.
- Wise Platform welcomed nine new partners, including Nubank (Brazil), Qonto (France) and AbbeyCross (UK) during the period and this week we were also delighted to announce a new partnership with Standard Chartered.

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[1] Customer holdings is the total of the amount of customer balances in the Wise account as well as the amounts invested in the 'Assets' feature.
[2] All data is for the six months ended 30 September 2024, and comparisons provided are H1 FY25 vs H1 FY24, unless otherwise stated.

Financials - underlying basis[3]

	Half-year ended 30 September		
	2024	2023	**YoY Movement**
£m	**£m**	£m	**%**
Revenue	**591.9**	**498.2**	**19%**
Underlying interest income (first 1% yield)	70.5	57.1	23%
Underlying income	**662.4**	**555.3**	**19%**
Cost of sales	(152.9)	(160.7)	(5%)
Net credit losses on financial assets	(4.5)	(6.4)	(30%)
Underlying gross profit	**505.0**	**388.2**	**30%**
Administrative expenses	(366.7)	(296.5)	24%
Net interest income from corporate investments	15.9	7.3	118%
Other operating income, net	2.3	3.9	(41%)
Underlying operating profit	**156.5**	**102.9**	**52%**
Finance expense	(9.4)	(9.3)	1%
Underlying profit before tax	**147.1**	**93.6**	**57%**
Interest income above the first 1% yield	230.2	154.0	49%
Benefits paid relating to customer balances	(84.8)	(53.3)	59%
Reported profit before tax	**292.5**	**194.3**	**51%**
Income tax credit/(expense)	(75.2)	(53.7)	40%
Profit for the period	**217.3**	**140.6**	**55%**
Underlying basis of reporting - margins (%)			
Underlying gross profit margin	76.2%	69.9%	6.3%
Underlying profit before tax margin	22.2%	16.8%	5.4%
Adjusted EBITDA - as previously reported			
Adjusted EBITDA	325.7	241.1	35.1%
Adjusted EBITDA margin %	40.3%	36.7%	3.6%

[3] Underlying income and underlying profit before tax are alternative performance measures (APM) which are non-IFRS measures. See page 34 for more information and reconciliation to IFRS.

Growth Metrics

	H1 FY2025	H1 FY2024	YoY Movement
Active customers (thousand)	**11,367**	**9,120**	**25%**
Personal (thousand)	10,844	8,648	25%
Business (thousand)	523	472	11%
Cross border volume (£ billion)	**68.4**	**57.4**	**19%**
Personal (£ billion)	50.6	42.3	20%
Business (£ billion)	17.7	15.0	18%
Customer balances (£ billion)	**14.7**	**12.3**	**20%**
Personal (£ billion)	9.0	7.0	29%
Business (£ billion)	5.7	5.3	8%
Cross border revenue (£ million)	**419.1**	**384.4**	**9%**
Personal (£ million)	334.3	303.7	10%
Business (£ million)	84.8	80.7	5%
Card and other revenue (£ million)	**172.8**	**113.8**	**52%**
Personal (£ million)	130.1	83.5	56%
Business (£ million)	42.7	30.3	41%
Underlying interest income (first 1pct yield) (£ million)	**70.5**	**57.1**	**23%**
Personal (£ million)	42.5	32.1	32%
Business (£ million)	28.0	25.0	12%
Underlying income (£ million)	**662.4**	**555.3**	**19%**
Personal (£ million)	506.9	419.3	21%
Business (£ million)	155.5	136.0	14%
Interest income (above the first 1pct yield) (£ million)	**230.2**	**154.0**	**50%**
Personal (£ million)	138.4	86.6	60%
Business (£ million)	91.8	67.4	36%
Benefits paid relating to customer balances (£ million)	**(84.8)**	**(53.3)**	**59%**
Personal (£ million)	(51.3)	(31.0)	65%
Business (£ million)	(33.5)	(22.3)	50%
Cross-border take rate (%)	**0.62%**	**0.67%**	**-5 bps**

Note: Differences between ‘total’ rows and the sum of the constituent components of Personal and Business are due to rounding.

An update from Kristo Kaarmann, Co-founder and Chief Executive Officer

Our mission is to build the best way to move and manage the world's money.

Over the last six months we continued to make progress on our long term journey, serving 11.4m active customers, that's 2.8x growth over the last four years. This growth in customers has driven cross border volume to grow by 2.9x over the last four years and was the main driver behind a 3.4x increase in underlying income and a 7.7x increase in underlying profit before tax.

We also continued to develop our global payments network in the period, enabling more instant payments and lower pricing over time, whilst also delivering strong profitability and cash generation.

Wise has the potential to move trillions rather than billions around the world

A massive problem continues to exist for people and businesses around the world; moving and managing money internationally is still broken. It remains expensive, slow, inconvenient and opaque.

The opportunity that comes with solving this problem is huge. We have less than 5% and 1% share respectively in the expanding personal and Small-Medium Business (SMB) market segments. Including the large enterprise segment of the market, the cross border market across these three segments is estimated to be more than £27 trillion.

If we maintain our focus on this long-term opportunity, Wise has the potential to move trillions rather than billions around the world as 'the' network for the world's money for cross-border transfers, as well as being the market leader in providing people and businesses with an account that is truly international. With this opportunity will come increased expectations and scrutiny from regulators, as we become more important to local financial systems. Therefore a key part of achieving our potential will be continuing to invest in developing our global risk and financial crime infrastructure.

Wise is still very early in its journey and its potential is substantial. We are laser focused on delivering what's needed to get us there.

An infrastructure that enables the instant movement of money around the world at the lowest possible unit cost

We continue to deepen our infrastructure, enhancing how we operate across our network which spans over 160 countries, with 40 currencies.

We hold over 65 licences and have six direct connections to local payment systems currently live, both of which allow us to significantly simplify operations, increasing speed and reducing costs. Where we have not yet deepened our infrastructure with direct connections, we operate with a robust network with over 90 local bank gateways for redundancy to ensure the reliability of our service.

So far in this fiscal year we've been delighted to receive a number of additional regulatory approvals.

Firstly, in India, we secured approvals to further unlock outward transfers, removing a previous USD 5,000 cap. This allows us to improve our proposition and grow our customer share in India, which is expected to help us reduce the cost of sending to and from India over time.

Secondly, in Australia, we have been granted an Australian Financial Services Licence for Investments, enabling us to bring our investment product 'Assets' to Australia later this year.

In addition to these approvals, we were also delighted to be given approval in Brazil and Japan to begin integrating with their respective domestic payment systems. Once integrated, these will bring our tally of such integrations to eight having also recently launched the Philippines direct connection.

These connections give us full end-to-end control of the payment network. They are typically multi-year projects and complex integrations but once fully rolled out to all of our customers, they enable payments that are consistently instant and are expected to reduce bank and partner fees significantly.

As we shared in June, we're pleased that we're realising a return on our investments in our infrastructure. 63% of transfers are instant on our network. This means they go from source to destination account in less than 20 seconds end to end. This is something we are very proud of and is something we believe is unique to Wise. Our unit costs are also scaling, allowing us to invest in reducing prices. In Q2 FY25 our average cross border take rate was 8bps lower YoY at 59bps, entering Q3 FY25 slightly below this level.

Our investments in enhancing our infrastructure lead to outcomes like this in speed and price and we remain committed to investing in our infrastructure to further improve these over time.

It's reasonable to expect that in ten years, someone can transfer $10,000 across currencies for $10, compared to the current banks' price of $200-$400. We intend Wise to be the one operating these transactions at that price point, with our cost base brought down to $5 or less. It will be profitable and very valuable, when the cross-border volume on our platform is in the trillions.

We won't be able to achieve this level of efficiency overnight. Nor will the customer response be immediate as we iterate prices, but we believe it's inevitable that the lowest priced provider with the best experience will win the scale needed over time to become one of the most valuable providers of financial services in the world.

Our customer growth continues to be word-of-mouth led, thanks to us building products that customers love, at prices worth talking about

With the Wise Account, Wise Business, and Wise Platform, we serve millions of people, small businesses, financial institutions and enterprises all over the world.

With continued investment in features to make our customers' lives easier, combined with low cost, fast payments, the quality of our account speaks for itself. We consistently see around two-thirds of new customers join us through word-of-mouth from existing customers. This sustained virality allows us to acquire customers at a low cost, further reinforcing the strength of the platform.

As we've built and launched more features to help people and businesses move and manage their money, adoption of the account has continued to increase. In Q2 FY25, 53% of active personal customers used multiple features of the Wise Account, up from 44% in Q2 FY24. For businesses, this adoption rate was 60%, up from 58% in Q2 FY24.

More customers using the account features has led to an increase in customer holdings with Wise too. As at 30 September 2024 customers held £18.5bn with us, 31% higher than this time last year and this includes over £3.8bn of funds in the 'Assets' feature[4].

As we enhance our infrastructure, develop our products and reduce pricing, we see a greater number of Wise Platform partners choosing Wise to help them and their customers with their cross border needs.

In the last six months we began new Wise Platform partnerships with Nubank (Brazil), Qonto (France) and AbbeyCross (UK). Most recently we were delighted to announce a partnership with Standard Chartered to power the bank's cross-border payment service, SC Remit, enabling their customers in Asia and in the Middle East to send money in 21 currencies including USD, CAD, EUR, GBP, SGD, HKD, JPY in a matter of seconds.

We're confident in the outlook for the second half of the year and beyond
Over the last six months we've made important steps in the enhancement of our infrastructure which are going to contribute to further improvements to speed and unit cost over time. Wise will become increasingly faster, cheaper and more convenient: an ideal infrastructure partner via Wise Platform.

To make this vision a reality, now is the time to invest in long term growth.

We expect the investments in pricing in the first half of FY25 to move us closer to achieving our target underlying profit before tax margin range of 13-16% in H2 FY25, from an elevated position of 22% in the first half.

We are making very fast progress on our mission. Just over a year ago we had four direct connections and today we are very close to having twice this number live, with all the benefits that flow from this. With further investments planned, I'm more confident than ever that Wise is on the path to creating an exceptionally valuable company for customers and shareholders.

Kristo

[4] Funds held in the Assets feature are off balance sheet for accounting purposes.

A financial update from Emmanuel, our newly appointed CFO

Wise's mission is very clear, and we are investing in the infrastructure and products customers need to move and manage their money around the world. Over time this will enable Wise to become 'the' network for the world's money.

This strategy is working: over 11m customers used Wise for cross border transactions in the last six months, 25% more than the prior year, and with many customers increasingly using Wise as the solution for banking internationally.

This has resulted in a strong financial performance for the period with 19% underlying income growth and high levels of profitability with an underlying profit before tax margin of 22%. This margin was temporarily elevated above our target range of 13-16%, due to the timing of price investments which, having been made in H1, will reduce the margin towards our target range in H2 FY25.

More customers, using more products: the main driver of 19% underlying income growth

In the first six months, over 25% more active customers used Wise to send or convert money internationally. Of the 11.4m active customers in H1 FY25, 10.8m were personal customers (25% YoY) and 523k were business customers (+11% YoY).

Business customer growth has been lighter over the last year due to the impact of pausing of onboarding in the UK and EU in the second half of FY24. We have been open to new customers again in these markets since the beginning of FY25 and have seen some improvement in growth as a result.

Our customers sent or converted £68.4bn of volume in H1 FY25. This is a 19% increase on last year (21% increase on a constant currency basis), with growth in volumes continuing to be driven by higher numbers of active customers.

Compared to volume growth of 19%, revenue from cross border transactions grew 9% to £419.1m for the period, as we reinvested efficiency gains through lower pricing to drive further growth. This is only possible thanks to our long term investments in infrastructure and a relentless focus on efficiency. In doing so, we were able to reduce the cross border take rate 5bps compared to the prior year, from 67bps to 62bps.

Wise Account adoption is driving a wider use of products, higher rates of customer activity and retention. Card and other revenue (predominantly interchange revenue) increased by 52% to £172.8m, while customers balances held in the Wise Account grew 20% £14.7bn, the first 1% yield on which contributed £70.5m to underlying income in the period (up 23%, in line with average balances).

As a result, underlying income grew 19% to £662.4m, representing a CAGR of 36% over the last four years.

Underlying gross profit margin representing capacity for investment

Underlying gross profit grew 30% to £505.0m benefiting from higher revenue from active customer growth, Wise Account adoption and a temporarily higher price for cross border services ahead of reinvesting unit cost reductions.

The underlying gross profit margin was 76% in H1 FY25 as cost of sales as a proportion of underlying income reduced from 30% to 24% YoY in H1 FY25, driven by c.3ppt of efficiency gains due to operational improvements and c.3ppt variability in some cost types that were temporarily lower in the period, such as FX costs.

Much of the excess underlying gross profit margin, amount deemed to be sustainable, was reinvested into pricing reductions through the first half of the year, with a lower underlying gross profit margin therefore anticipated in H2 FY25.

Expense growth in line with business growth
Our underlying gross profit allows us to remain highly profitable while also allowing us to fund significant investment in our operational and corporate teams, and to fund investment in growth through product development, marketing, and improved levels of service.

Administrative expenses increased by 24% in H1 FY25 to £366.7m as we continue to invest in current and future growth opportunities. Within this, third party costs increased faster than employee benefit expenses as we continue to use a portfolio of specialist outsourcing providers for specific elements of servicing customers, allowing us to flex capacity up and down more quickly, at a lower cost, but with the same high standards being applied.

In line with our expectations, we have grown the number of Wisers to over 6,000 by the end of the first half of FY25. These Wisers help us on our mission; building products, improving our infrastructure, supporting our core functions and helping to attract and serve even more customers.

Highly profitable with limited reliance on interest income
In the first half of FY25 we generated an underlying profit before tax of £147.1m, a 57% increase over last year with an underlying profit before tax margin that remained elevated at 22%.

Our 'interest income above the first 1% yield' was £230.2m in the period, up 49% on the prior year as a result of the 23% growth in average customer balances and, on average, higher central bank rates.

In calculating our IFRS profit before tax, we add this additional interest income to our underlying profit before tax and deduct the value of 'benefits paid relating to customer balances' of £84.8m.

As per our interest income framework, of this £230.2m of interest income, it is intended for 20% (£46.0m) to be retained while aiming to return the remaining 80% (£184.2m) to customers. We partly achieved this with £84.8m being paid to customers in the period, leaving £99.4m which was incidentally retained, the majority of which relates to the UK where we are currently unable to directly pay interest to Wise Account holders under the terms of our licence.

Reported profit before tax increased significantly to £292.5m with earnings per share for the six months at 21.1p.

Strong and growing balance sheet
As at 30 September 2024, we held £15.9bn of cash and highly liquid investment grade assets, up 10% from £14.5bn at the end of FY2024. This includes assets in respect of the £14.7bn of

customer balances. It also includes £1.1bn of our ‘own cash’ (£1.1bn at the end of FY2024), with the increase from our operating performance largely offset by a reduction in our rolling credit facility drawings as we repaid the debt finance given our strong cash position.

We are well capitalised for the future and as at 30 September 2024, our Group eligible capital was £883.0m (excluding un-audited FY25 profits), significantly above our minimum regulatory capital requirements.

Our capital position, built through sustained profitability, enabled us to initiate a programme in FY23 to reduce the dilutive impact on share count that arises through issuing new stock to satisfy stock based compensation. We expect to deploy c.£70m through this programme in FY25, purchasing shares to cover new grants throughout the year and as at 30 September 2024 we have completed £34.6m of share purchases.

Our outlook for FY25 and beyond
We’re building a business with world class fundamentals with the potential to scale volumes from billions to trillions, generating exceptional value for both the customers and owners of Wise.

With the initiation of what we hope to be a progression of price reductions as we drive towards this mission, we continue to expect underlying income growth of 15-20% in both FY25 and over the medium term from FY24.

We also continue to target a medium term underlying profit margin of between 13-16%, a range that we expect to move closer to achieving in the second half of FY25.

Emmanuel Thomassin

UK listing reforms

In July, the FCA introduced reforms to the UK listing regime, replacing the premium listing segment with the Equity Shares (Commercial Companies) Category (ESCC) and revising the UK listing rules. Wise's listing was automatically transferred from the standard listing segment onto the Equity Shares (Transition) Category.

To be eligible to step up to the ESCC, in addition to needing FCA approval to transfer, Wise would also need to amend certain parts of its Articles of Association, subject to approval from shareholders.

The Board is consulting extensively with shareholders and will provide an update in due course.

Results presentation
A presentation of the half-year year results will be held at 9.30am GMT Wednesday, 6 November 2024 at Wise's London offices in Shoreditch. We invite you to join the live stream using this link: https://vimeo.com/event/4661398.

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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 Käärmann 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 2024, Wise supported around 12.8 million people and businesses, processing approximately £118.5 billion in cross-border transactions, and saving customers over £1.88 billion.

DISCLAIMER
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 "target", "believe", "expect", "aim", "intend", "may", "anticipate", "estimate", "forecast," "plan", "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.

Past performance cannot be relied upon as a guide to future performance and should not be taken as a representation that trends or activities underlying past performance will continue in the future, and the statements in this report speak only as at the date of this report. No representation or warranty is made or will be made that any forward-looking statement will come to pass and there can be no assurance that actual results will not differ materially from those expressed in the forward-looking statements.

Wise expressly disclaims any obligation or undertaking to update, review or revise any forward-looking statements contained in this report and disclaims any obligation to update its view of any risks or uncertainties described herein or to publicly announce the results of any revisions to the forward-looking statements made in this report, whether as a result of new information, future developments or otherwise, except as required by law.

The information contained in this report is not intended to provide, and should not be relied upon for, investment, tax, legal or financial advice. To the maximum extent permitted by applicable law and regulation, Wise disclaims all representations, warranties, conditions and guarantees, whether express, implied, statutory or of other kind. To the maximum extent permitted by applicable law and regulation, Wise shall not be liable for any loss, damage or expense whatsoever, whether direct or indirect, howsoever arising, whether in contract, tort (including negligence), strict liability or otherwise, for direct, indirect, incidental, consequential, punitive or special damages arising out of or in connection with this document, including (without limitation) any course of action taken on the basis of the same

Principal risks and uncertainties

The principal risks and uncertainties that the Group faces for the rest of the financial year are consistent with those previously reported in the Annual Report and Accounts 2024. For a more detailed overview of how we manage our risks at Wise, please refer to the 'Risk Management' section on pages 62 to 77 of the Annual Report.

Responsibility statement of the directors in respect of the interim financial statements

The directors confirm that these condensed interim financial statements have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and that the interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- an indication of important events that have occurred during the first six months and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related-party transactions in the first six months and any material changes in the related-party transactions described in the last annual report.

The directors of Wise plc are listed in the Annual Report and Accounts 2024, with the exception of the following change: Emmanuel Thomassin was appointed on 1 October 2024. A list of current directors is maintained at https://wise.com/owners/corporate-governance

On behalf of the Board of directors:

Kristo Käärmann, Director
Date: 6 November 2024

Independent review report to Wise plc

Report on the condensed consolidated interim financial statements

Our conclusion

We have reviewed Wise plc’s condensed consolidated interim financial statements (the “interim financial statements”) in the Unaudited interim results of Wise plc for the six month period ended 30 September 2024 (the “period”).

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom’s Financial Conduct Authority.

The interim financial statements comprise:

- the Condensed consolidated statement of financial position as at 30 September 2024;
- the Condensed consolidated statement of comprehensive income for the period then ended;
- the Condensed consolidated statement of changes in equity for the period then ended;
- the Condensed consolidated statement of cash flows for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the Unaudited interim results of Wise plc have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom’s Financial Conduct Authority.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, ‘Review of Interim Financial Information Performed by the Independent Auditor of the Entity’ issued by the Financial Reporting Council for use in the United Kingdom (“ISRE (UK) 2410”). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the Unaudited interim results and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed. This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the group to cease to continue as a going concern.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

The Unaudited interim results, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the Unaudited interim results in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority. In preparing the Unaudited interim results, including the interim financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Our responsibility is to express a conclusion on the interim financial statements in the Unaudited interim results based on our review. Our conclusion, including our Conclusions relating to going concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants
London
6 November 2024

Condensed consolidated statement of comprehensive income

For the half-year ended 30 September 2024 (unaudited)

		Half-year ended 30 September	
		2024	2023
	Note	**£m**	£m
Revenue	3	591.9	498.2
Interest income on customer balances	4	300.7	211.1
Benefits paid relating to customer balances	5	(84.8)	(53.3)
Cost of sales	6	(152.9)	(160.7)
Net credit losses on financial assets	6	(4.5)	(6.4)
Gross profit		**650.4**	**488.9**
Administrative expenses	7	(366.7)	(296.5)
Net interest income from corporate investments		15.9	7.3
Other operating income		2.3	3.9
Operating profit		**301.9**	**203.6**
Finance expense		(9.4)	(9.3)
Profit before tax		**292.5**	**194.3**
Income tax expense	8	(75.2)	(53.7)
Profit for the period		**217.3**	**140.6**
Other comprehensive income			
Items that may be reclassified to profit or loss:			
Fair value gain on investments, net		12.3	3.7
Currency translation differences		(7.8)	(1.4)
Total other comprehensive income		**4.5**	**2.3**
Total comprehensive income for the period		**221.8**	**142.9**
Earnings per share			
Basic, in pence	9	21.12	14.13
Diluted, in pence	9	20.73	13.39

Alternative performance measures		
Income[1]	807.8	656.0
Underlying income[2]	662.4	555.3
Underlying PBT[3]	147.1	93.6

[1] Income is defined as revenue plus interest income on customer balances, less interest expense on customer balances and benefits paid relating to customer balances.
[2] Underlying Income is a measure of income retained from customers. It is comprised of revenue from customers and the first 1% yield of interest income on customer balances that Wise retains.
[3] Underlying PBT is a profitability measure calculated as profit before tax using Underlying Income and excluding Benefits paid relating to customer balances.

All results are derived from continuing operations.

The accompanying notes form an integral part of these condensed consolidated financial statements.

Condensed consolidated statement of financial position

As at 30 September 2024 (unaudited)

	Note	As at 30 September 2024 £m	As at 31 March 2024 £m
Non-current assets			
Deferred tax assets		67.7	103.0
Property, plant and equipment		75.4	34.3
Intangible assets		5.6	6.5
Trade and other receivables		25.4	32.1
Total non-current assets		**174.1**	**175.9**
Current assets			
Current tax assets		2.3	4.0
Trade and other receivables		411.4	442.8
Short-term financial investments	10	4,029.6	4,033.9
Derivative financial assets		2.6	1.6
Cash and cash equivalents	11	11,889.0	10,479.2
Total current assets		**16,334.9**	**14,961.5**
Total assets		**16,509.0**	**15,137.4**
Non-current liabilities			
Trade and other payables	12	40.5	46.1
Provisions		3.9	2.3
Deferred tax liabilities		3.2	2.4
Borrowings	13	42.3	14.8
Total non-current liabilities		**89.9**	**65.6**
Current liabilities			
Trade and other payables	12	15,218.4	13,872.7
Derivative financial liabilities		4.1	1.6
Provisions		5.3	2.2

Current tax liabilities		7.6	6.0
Borrowings	13	10.1	209.4
Total current liabilities		**15,245.5**	**14,091.9**
Total liabilities		**15,335.4**	**14,157.5**
Equity			
Share capital		10.2	10.2
Equity merger reserve		(8.0)	(8.0)
Share-based payment reserve		281.8	306.5
Own shares reserve		(69.1)	(55.5)
Other reserves		(0.1)	(12.4)
Currency translation reserve		(11.6)	(3.8)
Retained earnings		970.4	742.9
Total equity		**1,173.6**	**979.9**
Total liabilities and equity		**16,509.0**	**15,137.4**

The accompanying notes form an integral part of these condensed consolidated financial statements.

Condensed consolidated statement of changes in equity

For the half-year ended 30 September 2024 (unaudited)

	Note	Share capital	Equity merger reserve	Share-based payment reserves	Own shares reserve	Other Reserves	Currency translation reserve	Retained earnings	**Total equity**
		£m	£m	£m	£m	£m	£m	£m	£m
At 1 April 2023		**10.2**	**(8.0)**	**247.4**	**(10.4)**	**(23.3)**	**3.2**	**357.8**	**576.9**
Profit for the period		-	-	-	-	-	-	140.6	**140.6**
Fair value gain on investments, net		-	-	-	-	3.7	-	-	**3.7**
Currency translation differences		-	-	-	-	-	(1.4)	-	**(1.4)**
Total comprehensive income for the period		**-**	**-**	**-**	**-**	**3.7**	**(1.4)**	**140.6**	**142.9**
Shares acquired by ESOP Trust		-	-	-	(31.6)	-	-	-	**(31.6)**
Share-based compensation expense		-	-	35.2	-	-	-	-	**35.2**
Tax on share-based compensation		-	-	16.8	-	-	-	-	**16.8**
Employee share schemes		-	-	(21.1)	5.5	-	-	16.0	**0.4**
At 30 September 2023		**10.2**	**(8.0)**	**278.3**	**(36.5)**	**(19.6)**	**1.8**	**514.4**	**740.6**
At 1 April 2024		**10.2**	**(8.0)**	**306.5**	**(55.5)**	**(12.4)**	**(3.8)**	**742.9**	**979.9**
Profit for the period		-	-	-	-	-	-	217.3	**217.3**
Fair value gain on investments, net	10	-	-	-	-	12.3	-	-	**12.3**

Currency translation differences	-	-	-	-	-	(7.8)	-	**(7.8)**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**12.3**	**(7.8)**	**217.3**	**221.8**
Shares acquired by ESOP Trust	-	-	-	(36.1)	-	-	-	**(36.1)**
Share-based compensation expense	-	-	31.2	-	-	-	-	**31.2**
Tax on share-based compensation	-	-	(23.5)	-	-	-	-	**(23.5)**
Employee share schemes	-	-	(32.4)	22.5	-	-	10.2	**0.3**
At 30 September 2024	**10.2**	**(8.0)**	**281.8**	**(69.1)**	**(0.1)**	**(11.6)**	**970.4**	**1,173.6**

The accompanying notes form an integral part of these condensed consolidated financial statements.

1. As at 30 September 2024, Called up share capital consists of 1,025,000,252 (31 March 2024: 1,024,777,252) class A ordinary shares of £0.01 each and 398,889,814 (31 March 2024: 398,889,814) class B Ordinary shares of £0.000000001 each.

2. During the period ended 30 September 2024, the Company issued and allotted 223,000 class A Ordinary shares of £0.01 related to share options granted to Non-Executive Directors of Wise under the Company's legacy incentive plans prior to the Company's admission to trading.

3. Wise continued the programme, that commenced in 2023, to purchase Wise shares in the market through the Employee Benefit Trust in order to reduce the impact of dilution from employee share award plans. During the period ended 30 September 2024, a total of 4,622,518 shares were purchased from the market at an average of £7.41 per share. The relevant directly attributable costs for these purchases of £0.2m has been expensed to equity.

Condensed consolidated statement of cash flows

For the half-year ended 30 September 2024 (unaudited)

		Half-year ended 30 September	
		2024	2023
	Note	**£m**	£m
Cash generated from operations	14	**1,830.0**	**1,630.8**
Interest received		251.2	144.4
Interest paid		(12.2)	(5.8)
Corporate income tax paid		(62.2)	(24.6)
Net cash generated from operating activities		**2,006.8**	**1,744.8**
Cash flows from investing activities			
Payments for property, plant and equipment		(11.7)	(3.0)
Payments for intangible assets		(1.0)	(1.5)
Payments for financial assets at FVOCI		(3,006.8)	(5,962.2)
Proceeds from sale and maturity of financial assets at FVOCI		2,986.2	5,540.7
Proceeds from sublease		-	0.1
Net cash used in investing activities		**(33.3)**	**(425.9)**
Cash flows from financing activities			
Funding relating to share purchases and employee share schemes		(35.2)	(29.4)
Proceeds from issues of shares and other equity		0.1	0.5
Proceeds from revolving credit facility	13	100.0	220.0
Repayments of revolving credit facility	13	(300.0)	(180.0)
Principal elements of lease payments	13	(4.1)	(4.5)
Interest paid on leases	13	(1.3)	(0.4)
Net cash generated (used in)/from financing activities		**(240.5)**	**6.2**
Net increase in cash and cash equivalents		**1,733.0**	**1,325.1**
Cash and cash equivalents at beginning of the period	11	**10,479.2**	**7,679.4**
Effects of exchange rate changes on cash and cash equivalents		(323.2)	4.4
Cash and cash equivalents at end of the period	11	**11,889.0**	**9,008.9**

The accompanying notes form an integral part of these condensed consolidated financial statements.

Notes to the interim condensed consolidated financial statements

For the half-year ended 30 September 2024 (unaudited)

Note 1. Summary of material accounting policies

1.1 General information

Wise plc (the ‘Company’) is a public limited company and is incorporated and domiciled in England (Registration number 13211214). These condensed financial statements for the six months ended 30 September 2024 comprise the Company and its subsidiaries (the ‘Group’). The principal activity of the Group is the provision of cross-border and domestic financial services. The address of its registered office is 6th Floor Tea Building, 56 Shoreditch High Street, London E1 6JJ.

These condensed consolidated interim financial statements do not comprise statutory accounts within the meaning of sections 434(3) and 435(3) of the Companies Act 2006. Statutory accounts for the year ended 31 March 2024 were authorised for issue by the Board of Directors on 13 June 2024 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006.

1.2 Basis of preparation and accounting policies

These condensed consolidated interim financial statements of the Group have been prepared in accordance with the UK-adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom’s Financial Conduct Authority.

The interim report does not include all of the notes of the type normally included in an annual financial report. Accordingly, the condensed consolidated interim financial statements should be read in conjunction with the Annual Report and Accounts for the year ended 31 March 2024, which has been prepared in accordance with UK-adopted international accounting standards and the requirements of the Companies Act 2006, and any public announcements made by Wise plc during the interim reporting period.

The accounting policies and presentation applied by the Group are consistent with those in the previous financial year.

Going concern

The condensed consolidated financial statements are prepared on a going concern basis as the Directors are satisfied that the Group has the available resources to continue in business for a period of at least 12 months from approval of the interim financial statements. In making this assessment, the Directors have considered severe downside scenarios to stress test the viability of the business. These downside scenarios covered reduction in revenues, profitability, cash position and liquidity as well as the Group’s ability to meet its regulatory capital and liquidity requirements.

The assessment indicated that the Group has sufficient liquidity to continue its operations and meet its financial obligations as they fall due for a period of at least 12 months from approval of the interim financial statements and remained above its minimum regulatory capital and liquidity requirements.

1.3 Critical accounting areas of judgement and estimation

In preparing these interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported figures. Management assessed that there were no material changes in the current period to the critical accounting estimates and judgements, as disclosed in the 2024 Annual Report and Accounts.

Note 2. Segment information

Description of segment

The Group is managed on the basis of a single segment. The information regularly reported to the Chief Operating Decision Maker ('CODM'), which is currently the Board of Directors of the Group, for the purposes of resource allocation and the assessment of performance, is based wholly on the overall activities of the Group. Based on the Group's business model, the Group has determined that it has only one reportable segment under IFRS 8, which is provision of cross-border and domestic financial services.

The Group's revenue, assets and liabilities for the reportable segment can be determined by reference to the statement of comprehensive income and the statement of financial position. The analysis of revenue by type of customer and geographical region is set out in note 3.

At the end of each reporting period, the majority of the non-current assets were carried by Wise's operations in the UK. Based on the location of the non-current asset, the following geographical breakdown of non-current assets is prepared:

	As at 30 September 2024 £m	As at 31 March 2024 £m
Non-current assets by geographical region*		
United Kingdom	70.3	40.5
Rest of Europe	18.4	13.9
Rest of the world	15.0	15.6
Total non-current assets	**103.7**	**70.0**

* Non-current assets exclude deferred tax assets and financial instruments.

Note 3. Revenue

	Half-year ended 30 September	
	2024	2023
	£m	£m
Revenue by customer type		
Personal	464.4	387.2
Business	127.5	111.0
Total revenue	**591.9**	**498.2**

The revenue split by customer type, personal or business, represents the underlying users of Wise products. Wise Account and standalone money transfers are attributed to personal, Wise Business to business, and Wise Platform is attributed to either, based on the ultimate customers of the partner that Wise is contracted with.

Disaggregation of revenues

The geographical market in the table below depends on the type of the service provided and is based either on customer address or the source currency.

	Half-year ended 30 September	
	2024	2023
	£m	£m
Revenue by geographical region		
Europe (excluding UK)	178.7	152.1
Asia-Pacific	127.5	102.1
North America	119.6	103.3
United Kingdom	109.6	96.2
Rest of the world	56.5	44.5
Total revenue	**591.9**	**498.2**

No individual customer contributed more than 10% to the total revenue in this or the prior period.

Note 4. Interest income on customer balances

	Half-year ended 30 September	
	2024	2023
	£m	£m
Interest income		
Interest income from cash at banks	111.4	66.7
Interest income from investments in money market funds (MMFs)	102.9	67.7
Interest income from investments in listed bonds	86.4	76.7
Total interest income	**300.7**	**211.1**

Note 5. Benefits paid relating to customer balances

	Half-year ended 30 September	
	2024	2023
	£m	£m
Benefits paid relating to customer balances		
Cashback (EU)	66.0	47.7
Interest (US)	18.8	5.6
Total benefits paid relating to customer balances	**84.8**	**53.3**

Note 6. Cost of sales and net credit losses on financial assets

Breakdown of expenses by nature:

	Half-year ended 30 September	
	2024	2023
	£m	£m
Cost of sales		
Banking and customer related fees	130.1	125.7
Net foreign exchange movements and other product costs	22.8	35.0
Total cost of sales	**152.9**	**160.7**
Net credit losses on financial assets		
Amounts charged to credit losses on financial assets	4.5	6.4
Net credit losses	**4.5**	**6.4**

Expected credit losses are presented as net credit losses within gross profit and subsequent recoveries of amounts previously written off are credited against the same line item.

Subsequent recoveries of amounts previously written off are immaterial in both current and prior reporting period.

Note 7. Administrative expenses

	Half-year ended 30 September	
	2024	2023
	£m	£m
Administrative expenses		
Employee benefit expenses	200.2	184.7
Consultancy and outsourced services	63.2	39.5
Other administrative expenses	39.9	20.9
Technology	31.5	23.9
Marketing	23.2	19.3
Depreciation and amortisation	8.7	9.7
Less: Capitalisation of staff costs	-	(1.5)
Total administrative expenses	**366.7**	**296.5**

Note 8. Tax

	Half-year ended 30 September	
	2024	2023
	£m	£m
Current income tax for the period	72.5	35.4
Deferred tax charge for the period	2.7	18.3
Total tax expense for the period	**75.2**	**53.7**

Income tax expense for the current half-year period is calculated representing the best estimate of the annual effective tax rate expected for the full year by geographical unit applied to the pre-tax income of the six month period, which is then adjusted for tax on exceptional items.

The effective tax rate for the half-year ended 30 September 2024 is 26% (half-year ended 30 September 2023: 28%). The rate remains marginally above the UK rate due to non-deductible employee option plans and differences in overseas tax rates.

The Organisation for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting published on 20 December 2021 introduced the Pillar Two model rules designed to address the tax challenges arising from the digitalisation of the global economy. The Pillar Two regulation provides for an international framework of rules aimed at ensuring that worldwide profits of multinational groups are subject to tax at a rate not lower than 15% in every jurisdiction in which a group operates.

The Group operates in the United Kingdom (amongst other locations), which has enacted new legislation to implement the global minimum top-up taxes. The first period for which enacted legislation is effective for the Group is the year ended 31 March 2025.

The Group has performed an assessment of the Group's exposure to Pillar Two income taxes. This calculation is based on the accounting data for the first half of fiscal year 2025. Based on the calculation, the Group does not expect any material top-up taxes under enacted or substantively enacted Pillar Two legislation. The Group will continue to monitor and assess the application of these rules to The Group.

Note 9. Earnings per share

	Half-year ended 30 September	
	2024	2023
Profit for the period (£m)	**217.3**	**140.6**
Weighted average number of Ordinary Shares for basic EPS (in millions of shares)	**1,029.1**	**995.1**
Plus the effect of dilution from share options (in millions of shares)	18.9	54.9
Weighted average number of Ordinary Shares adjusted for the effect of dilution (in millions of shares)	**1,048.0**	**1,050.0**
Basic EPS, in pence	21.12	14.13
Diluted EPS, in pence	20.73	13.39

Basic EPS has been calculated by dividing the profit attributable to the Group's owners by the weighted average number of ordinary shares outstanding during the period, including, for the period to 30 September 2024, the ordinary shares issuable for no consideration for which all conditions are satisfied (24.3m shares as at 30 September 2024).

Shares held by the Employee Share Ownership Plan (ESOP) Trust are deducted from both basic and diluted EPS calculations. At the end of the reporting period, there were 19.7m (30 September 2023: 28.9m) shares held in the ESOP Trust.

The diluted EPS calculation adjusts the weighted average number of shares used in the basic EPS calculation by assuming all potentially dilutive shares convert into ordinary shares. Rights granted to employees under employee share award plans, with a strike price and/or with conditions which have not yet been met, are considered to be potential dilutive shares and therefore have been included in the calculation of diluted EPS.

Note 10. Financial assets at fair value through other comprehensive income

Short-term financial investments are recognised as debt investments at FVOCI and comprise the following investments in listed bonds:

	As at 30 September 2024 £m	As at 31 March 2024 £m
Short-term financial investments- level 1		
Listed bonds	4,029.6	4,033.9
Total short-term financial investments	**4,029.6**	**4,033.9**

During the period, the following movements were recognised in other comprehensive income in relation to listed bonds:

	Half-year ended 30 September	
	2024	2023
	£m	£m
Debt investments at FVOCI		
Fair value gain recognised in other comprehensive income	15.0	4.9
Tax on listed bonds	(2.7)	(1.2)
Net fair value gain recognised in other comprehensive income	**12.3**	**3.7**

Note 11. Cash and cash equivalents

	As at 30 September	As at 31 March
	2024	2024
	£m	£m
Cash and cash equivalents		
Cash at banks, in hand and in transit between Group bank accounts	6,445.3	6,570.3
Cash in transit to customers	126.3	132.8
Investment into money market funds	5,317.4	3,776.1
Total cash and cash equivalents	**11,889.0**	**10,479.2**

Cash at banks, in hand and in transit between Group bank accounts include term deposits of £352.4m (2024: £285.8). Their settlement date is three months or less.

Of the £11,899.0m (31 March 2024: £10,479.2m) cash and cash equivalents at the period end, £1,061.2m (31 March 2024: £1,061.1m) is considered the corporate cash balance, which is not related to customer funds that are held in Wise accounts or collected from customers as part of the money transfer settlement process. Refer to the APM section for further details.

The Group is subject to various regulatory safeguarding compliance requirements with respect to customer funds. Such requirements may vary across the different jurisdictions in which the Group operates. As at 30 September 2024, the Group held £5,151.6m (2024: £5,290.5m) of customer funds as cash in segregated, safeguarding bank accounts at investment grade banking institutions and term deposits. The remainder of safeguarded customer deposits were held across highly liquid global money market funds (MMFs), treasury bonds and investment grade corporate paper, as allowed by local regulations. In addition during the period to 30 September 2024, the Group has introduced a hybrid approach to safeguarding customer funds by implementing Safeguarding via Comparable Guarantees with nine investment-grade sureties. The total value of the guarantees are £520.0m.

Note 12. Trade and other payables

	As at 30 September 2024 £m	As at 31 March 2024 £m
Non-current trade and other payables		
Accounts payable and accrued expenses	9.0	7.4
Other payables	31.5	38.7
Total non-current trade and other payables	**40.5**	**46.1**
Current trade and other payables		
Wise Accounts	14,688.2	13,261.0
Outstanding money transmission liabilities*	200.7	235.9
Payables to payment processors	137.0	216.8
Accrued expenses	87.2	76.3
Other payables	59.3	39.2
Other taxes	23.4	22.7
Deferred revenue	13.1	12.9
Accounts payable	9.5	7.9
Total current trade and other payables	**15,218.4**	**13,872.7**

* Money transmission liabilities represent transfers that have not yet been paid out or delivered to a recipient

Trade and other payables are unsecured unless otherwise indicated; due to the short-term nature of current payables, their carrying values approximate their fair value.

Note 13. Borrowings

	As at 30 September 2024 £m	As at 31 March 2024 £m
Current		
Revolving credit facility	-	202.7
Lease liabilities	10.1	6.7
Total current borrowings	**10.1**	**209.4**
Non-current		
Lease liabilities	42.3	14.8
Total non-current borrowings	**42.3**	**14.8**
Total borrowings	**52.4**	**224.2**

Debt movement reconciliation:

	Revolving credit facility £m	Lease liabilities £m	Total £m
As at 1 April 2024	**202.7**	**21.5**	**224.2**
Cash flows:			
Proceeds	100.0	-	**100.0**
Repayments	(300.0)	(4.1)	**(304.1)**
Interest expense paid	(12.0)	(1.3)	**(13.3)**
Non-cash flows:			
New leases	-	35.9	**35.9**
Interest expense	8.2	1.3	**9.5**
Foreign currency translation differences	-	(0.5)	**(0.5)**
Other	1.1	(0.4)	**0.7**
As at 30 September 2024	**-**	**52.4**	**52.4**

The Group retains its access to a £400.0m multi-currency debt facility offered by a syndicate of eight lenders, namely: HSBC Innovation Banking Limited, National Westminster Bank Plc, Citibank N.A., London Branch, JP Morgan Chase Bank N.A., London Branch, Goldman Sachs Lending Partners LLC, Barclays Bank Plc, Morgan Stanley Senior Funding Inc., and The Governor and Company of the Bank of Ireland ('the RCF'). The currency denomination, maturity date, interest rate, covenant and security terms of the RCF remain consistent with that disclosed in the Annual Report and Accounts 2024. The Group has complied with the financial covenants throughout the reporting period. During the period to 30 September 2024, the Group fully repaid the outstanding balance of this facility and the undrawn amount of the facility as at 30 September 2024 is £400.0m (31 March 2024: £200.0m).

During the period to 30 September 2024, the Group recognised £34.4m of lease liability, and the corresponding right of use of assets, for a new office facility that was previously disclosed as a capital commitment in the notes to the 2024 Annual Report and Accounts.

Note 14. Cash generated from operating activities

		Half-year ended 30 September	
		2024	2023
	Note	**£m**	£m
Cash generated from operations			
Profit for the period		217.3	140.6
Adjustments for:			
Depreciation and amortisation	7	8.7	9.7
Non-cash share-based payments expense		31.0	35.1
Foreign currency exchange differences		25.7	2.5
Income tax expense	8	75.2	53.7
Interest income and expenses		(307.2)	(209.3)
Effect of other non-monetary transactions		(0.6)	0.3
Changes in operating assets and liabilities:			
Increase in prepayments and receivables		(30.3)	(41.7)
Increase in trade and other payables		15.9	24.2
Decrease/(increase) in receivables from customers and payment processors		56.6	(80.2)
(Decrease)/increase in liabilities to customers, payment processors and deferred revenue		(86.7)	145.8
Increase in Wise accounts		1,824.4	1,550.1
Cash generated from operations		**1,830.0**	**1,630.8**

Note 15. Transaction with related parties

There have been no material changes to the nature or size of related party transactions since 31 March 2024.

Note 16. Commitments and contingencies

Apart from the recognition of the lease liability and the right of use of assets for a new office facility, as disclosed in note 13, there are no further material movements in the commitments as at 30 September 2024.

The Group does not have any significant contingencies as at 30 September 2024 and 31 March 2024.

Note 17. Events occurring after the reporting period

No material post balance events have occurred since 30 September 2024.

Alternative performance measures

The alternative performance measures ('APMs') used by the Group remain consistent with those disclosed in the Annual Report and Accounts 2024, unless otherwise noted, and should be viewed as supplemental to, but not as a substitute for, measures presented in the financial statements which are prepared in accordance with IFRS.

Underlying profit before tax

	Half-year ended 30 September	
	2024	2023
	£m	£m
Revenue	**591.9**	**498.2**
Underlying interest income (first 1% yield)	70.5	57.1
Underlying income	**662.4**	**555.3**
Cost of sales	(152.9)	(160.7)
Net credit losses on financial assets	(4.5)	(6.4)
Underlying gross profit	**505.0**	**388.2**
Administrative expenses	(366.7)	(296.5)
Net interest income from corporate investments	15.9	7.3
Other operating income, net	2.3	3.9
Underlying operating profit	**156.5**	**102.9**
Finance expense	(9.4)	(9.3)
Underlying profit before tax	**147.1**	**93.6**
Interest income above the first 1% yield	230.2	154.0
Benefits paid relating to customer balances	(84.8)	(53.3)
Reported profit before tax	**292.5**	**194.3**
Income tax credit/(expense)	(75.2)	(53.7)
Profit for the period	**217.3**	**140.6**

Free cash flow

	Half-year ended 30 September	
	2024	2023
	£m	£m
Underlying profit before tax	**147.1**	**93.6**
Underlying income	**662.4**	**555.3**
Underlying profit before tax margin	**22.2%**	**16.8%**
Corporate cash working capital change excluding collaterals	(27.3)	(1.2)
Adjustment for exceptional and pass-through items in the working capital	(0.1)	(1.8)
Depreciation and amortisation	8.7	9.7
Payments for lease liabilities	(4.1)	(4.5)
Capitalised expenditure - Property, plant and equipment	(11.7)	(3.0)
Capitalised expenditure - Intangible assets	(1.0)	(1.5)
Underlying free cash flow (UFCF)	**111.6**	**91.3**
UFCF conversion (UFCF as a % of Underlying profit before tax)	***76.0%***	***97.5%***
Adjustments to Profit before tax		
Interest income above the first 1% yield	230.2	154.0
Benefits paid relating to customer balances	(84.8)	(53.3)
Profit before tax	**292.5**	**194.3**
Free cash flow (FCF)	**257.0**	**192.0**
FCF conversion (FCF as a % of reported profit before tax)	*87.9%*	*98.7%*

Income

	Half-year ended 30 September	
	2024 **£m**	2023 £m
Revenue	591.9	498.2
Interest income on customer balances	300.7	211.1
Benefits paid relating to customer balances	(84.8)	(53.3)
Income	**807.8**	**656.0**

Corporate cash

The tables below show a non-IFRS view of the 'Corporate cash' metric that is used by Group management to monitor available liquidity. Corporate cash represents cash and cash equivalents that are not considered customer related balances.

Information presented in the table below is based on the Group's internal reporting principles and might differ from the similar information provided in IFRS disclosures:

	Half-year ended 30 September	
	2024	2023
	£m	£m
Corporate cash at beginning of period	**1,061.1**	**671.1**
Free cash flow	257.0	192.0
Net (repayments)/proceeds from the RCF	(200.0)	40.0
Funding relating to share purchases and employee share schemes	(35.2)	(29.4)
Other	(21.7)	37.4
Corporate cash at end of period	**1,061.2**	**911.1**

	As at 30 September	As at 31 March
	2024	2024
	£m	£m
Breakdown of corporate and customer cash		
Cash and cash equivalents and short-term financial investments	15,918.5	14,513.2
Receivables from customers and payment processors	212.8	287.7
Adjustments for:		
Outstanding money transmission liabilities and other customer payables	(382.8)	(479.4)
Wise customer accounts	(14,687.3)	(13,260.4)
Corporate cash at end of period	**1,061.2**	**1,061.1**

Adjusted and Underlying Adjusted EBITDA

	Half-year ended 30 September	
	2024	2023
	£m	£m
Profit for the period	**217.3**	**140.6**
Adjusted for:		
Income tax expense	75.2	53.7
Finance expense	9.4	9.3
Net interest income from operating assets	(15.9)	(7.3)
Depreciation and amortisation	8.7	9.7
Share-based payment compensation expense	31.0	35.1
Adjusted EBITDA	**325.7**	**241.1**
Income	**807.8**	**656.0**
Adjusted EBITDA margin	**40.3%**	**36.7%**
Interest income net of customer benefits	(215.9)	(157.8)
Underlying interest income	70.5	57.1
Underlying adjusted EBITDA	**180.3**	140.4
Underlying income	**662.4**	**555.3**
Underlying adjusted EBITDA margin	**27.2%**	**18.2%**