



Wise plc  
Q3 FY24 Trading Update  
16 January 2024

## ***Customer momentum continues to power growth; FY24 income guidance upgraded***

### **Customers love the Wise Account features, and this is driving active customer growth**

- Active customers grew 30% YoY to 7.5 million, driven by increased adoption of the Wise Account and multi-feature usage.
- Active personal customers increased 30% YoY to 7.1 million, and active business customers increased 23% YoY to 392k.
- 46% of Personal customers and 60% of Business customers now use multiple features (e.g., using their Wise card as well as sending money across borders).
- And this is important, because we know that customers that use multiple features transact more often and have higher retention levels.

### **This growth in multi-feature customers is driving the fundamentals of our financial performance, leading to a 40% increase in Income to £375.1m**

- Cross-border volume was £30.6bn, an increase of 16% YoY (18% on a constant currency basis).
  - Volume growth remains strong among customers sending <£10k per month, continuing to grow significantly faster than customers sending >£10k per month; as a result personal VPC for Q3 was 1% lower QoQ.
- Revenue increased 23% to £276.6m, supported by a 7bps increase in the 'other take rate' as a result of increased card spend.
- Wise Account balances increased 28% YoY to £12.9bn; gross yield on balances was 4.2% in Q3 FY24 (vs 3.8% in Q2 FY24), of which 1.1% (vs. 1.0% in Q2 FY23) of balances, or £33.7m, was returned to customers.

### **FY24 Income growth guidance upgraded to c.42-44% from previous guidance of 33-38%**

- Reflects the continued strong growth in active multi-feature customers, and higher levels of interest income.
- We continue to expect our adj. EBITDA margin in FY24 to remain elevated relative to our medium-term guidance of at or above 20% given the high net yield on customer balances.

"I am pleased to report another quarter of progress as we work towards our mission of building the best way to move and manage the world's money. We've sped up global USD payments by optimising payouts with one of our banking partners and expanded our Wise Interest Asset offering in seven European markets including France and Spain. Customers in these markets holding USD with Wise can now opt in to earn a return on these balances too. We also progressed with more platform partners, adding UK business bank; Allica Bank, leading digital travel platform; Agoda, and global spend management solution Payhawk among others. This progress speaks to the strength of our fundamentals, leading to continued strong financial performance. We saw our customer base grow by 30% supporting a 23% growth in revenue, and a 40% increase in Income.

These results are also testament to the depth of expertise of both leadership and the teams at Wise. I want to thank Harsh for leading the business while I took a sabbatical from September to December to spend time with my growing family. I'm excited to be back and to continue progressing on our mission."

**-Kristo Käärman, Co-founder and Chief Executive Officer**

	<b>Q3 FY24</b>	<b>Q3 FY23</b>	<b>YoY Movement</b>
Volume (£ billion)	30.6	26.4	16%
Revenue (£ million)	276.6	225.2	23%
Income (£ million)	375.1	268.7	40%
Average customer price	0.67%	0.66%	+1 bps
Instant transfers	61%	52%	+9 pps

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

Please see the appendix for further historical financial information.

### **Enquiries**

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### **About Wise**

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

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

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

### **FORWARD LOOKING DISCLOSURE 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 “forward looking”, “guidance”, “target”, “believe”, “expect”, “intend”, “may”, “anticipate”, “estimate”, “forecast”, “project”, “will”, “can have”, “likely”, “should”, “would”, “could” and any other words and terms of similar meaning or the negative thereof. These forward-looking statements are subject to risks, uncertainties and assumptions about Wise and its subsidiaries. In light of these risks, uncertainties and assumptions, the events in the forward-looking statements may not occur.

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.

## Appendix - Historical Financials

Quarterly	Q3 FY2022	Q4 FY2022	Q1 FY2023	Q2 FY2023	Q3 FY2023	Q4 FY2023	Q1 FY2024	Q2 FY2024	Q3 FY2024	QoQ Movement	Q YoY Movement	QoQ Movement Constant CCY	Q YoY Movement Constant CCY
<b>Customers (thousand)</b>	<b>4,348</b>	<b>4,588</b>	<b>4,997</b>	<b>5,484</b>	<b>5,793</b>	<b>6,125</b>	<b>6,670</b>	<b>7,232</b>	<b>7,512</b>	<b>4%</b>	<b>30%</b>	-	-
Personal (thousand)	4,095	4,319	4,711	5,182	5,475	5,784	6,307	6,847	7,120	4%	30%	-	-
Business (thousand)	253	269	286	302	319	340	363	385	392	2%	23%	-	-
<b>Volume per customer (£ thousand)</b>	<b>4.7</b>	<b>4.7</b>	<b>4.9</b>	<b>4.9</b>	<b>4.6</b>	<b>4.4</b>	<b>4.2</b>	<b>4.0</b>	<b>4.1</b>	<b>1%</b>	<b>(11%)</b>	-	-
Personal (£ thousand)	3.7	3.7	3.8	3.9	3.5	3.4	3.3	3.2	3.1	(1%)	(10%)	-	-
Business (£ thousand)	21.6	20.8	22.2	22.9	23.2	21.4	20.4	19.8	21.1	7%	(9%)	-	-
<b>Volume (£ billion)<sup>1</sup></b>	<b>20.6</b>	<b>21.4</b>	<b>24.4</b>	<b>27.0</b>	<b>26.4</b>	<b>26.7</b>	<b>28.2</b>	<b>29.2</b>	<b>30.6</b>	<b>5%</b>	<b>16%</b>	<b>4%</b>	<b>18%</b>
Personal (£ billion)	15.1	15.9	18.0	20.1	19.0	19.5	20.8	21.6	22.3	3%	17%	3%	20%
Business (£ billion)	5.5	5.6	6.3	6.9	7.4	7.3	7.4	7.6	8.3	9%	12%	8%	15%
<b>Customer balances (£ billion)</b>	<b>5.8</b>	<b>6.8</b>	<b>7.7</b>	<b>9.2</b>	<b>10.1</b>	<b>10.7</b>	<b>11.5</b>	<b>12.3</b>	<b>12.9</b>	<b>5%</b>	<b>28%</b>	-	-

1. Cross-border volume only.

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

Appendix - Historical Financials (continued)

Quarterly	Q3 FY2022	Q4 FY2022	Q1 FY2023	Q2 FY2023	Q3 FY2023	Q4 FY2023	Q1 FY2024	Q2 FY2024	Q3 FY2024	QoQ Movement	Q YoY Movement	QoQ Movement Constant CCY	Q YoY Movement Constant CCY
<b>Revenue (£ million)</b>	<b>149.8</b>	<b>153.8</b>	<b>185.9</b>	<b>211.5</b>	<b>225.2</b>	<b>223.5</b>	<b>239.5</b>	<b>258.7</b>	<b>276.6</b>	<b>7%</b>	<b>23%</b>	<b>6%</b>	<b>26%</b>
Personal (£ million)	114.7	118.4	144.4	164.8	173.7	173.4	186.4	200.8	213.1	6%	23%	5%	25%
Business (£ million)	35.1	35.4	41.5	46.7	51.5	50.1	53.1	57.9	63.5	10%	23%	9%	26%
<b>Interest income on customer balances (£ million)</b>	<b>1.0</b>	<b>1.4</b>	<b>3.9</b>	<b>18.4</b>	<b>46.4</b>	<b>71.5</b>	<b>95.7</b>	<b>115.4</b>	<b>132.2</b>	<b>14%</b>	<b>185%</b>	-	-
Personal (£ million)	0.5	0.7	2.0	9.6	24.9	38.7	53.1	65.6	76.0	16%	205%	-	-
Business (£ million)	0.5	0.7	1.9	8.8	21.5	32.8	42.6	49.8	56.2	13%	161%	-	-
<b>Interest income net of customer benefits (£ million)<sup>1</sup></b>	<b>(0.8)</b>	<b>(0.8)</b>	<b>1.2</b>	<b>17.5</b>	<b>43.5</b>	<b>56.0</b>	<b>71.4</b>	<b>86.4</b>	<b>98.5</b>	<b>14%</b>	<b>126%</b>	-	-
Personal (£ million)	(0.4)	(0.4)	0.6	9.1	23.2	29.7	39.0	48.7	56.9	17%	145%	-	-
Business (£ million)	(0.4)	(0.4)	0.6	8.4	20.3	26.3	32.4	37.7	41.6	10%	105%	-	-
<b>Income (£ million)<sup>2</sup></b>	<b>149.0</b>	<b>153.0</b>	<b>187.1</b>	<b>229.0</b>	<b>268.7</b>	<b>279.5</b>	<b>310.9</b>	<b>345.1</b>	<b>375.1</b>	<b>9%</b>	<b>40%</b>	-	-
Personal (£ million)	114.3	118.0	145.0	173.9	196.9	203.1	225.4	249.5	270.0	8%	37%	-	-
Business (£ million)	34.7	35.0	42.1	55.1	71.8	76.4	85.5	95.6	105.1	10%	46%	-	-
<b>Revenue Take rate (%)<sup>3</sup></b>	<b>0.73%</b>	<b>0.72%</b>	<b>0.76%</b>	<b>0.78%</b>	<b>0.85%</b>	<b>0.84%</b>	<b>0.85%</b>	<b>0.89%</b>	<b>0.90%</b>	<b>+1 bps</b>	<b>+5 bps</b>	-	-
Cross-Currency (%)	0.62%	0.61%	0.61%	0.63%	0.69%	0.67%	0.67%	0.67%	0.67%	+0 bps	-2 bps	-	-
Other (%)	0.11%	0.11%	0.15%	0.15%	0.16%	0.17%	0.18%	0.22%	0.23%	+1 bps	+7 bps	-	-

1. Comprises interest income on customer balances, interest expense on customer balances and benefits paid relating to customer balances.
2. Comprises revenue and interest income net of customer benefits.
3. Revenue as a % of Volume.

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