



# Full year results presentation FY22

## Money Without Borders

June 2022

# Agenda for the call

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

**2 Our FY22 financials** Matthew Briers (CFO)

**3 Q&A**

# Our mission.

Money without borders -  
instant, convenient, transparent  
and eventually free.

Powering money for people and  
businesses: to pay, to get paid, to  
spend, in any currency, wherever  
you are, whatever you're doing.

# Wise: Growing at scale, and profitable.

>70

**Countries** connected, customers can send money to

0.61%

**Average price** for customers in Q4

49%

Transfers are **Instant** **88%** within 24 hours

>13M

**Customers** around the world

71

**Net Promoter Score**

66%

**Customers** join through **word of mouth**

+40%

**Volume**  
£76bn

+33%

**Revenue**  
£560m

22%

**Adj.EBITDA margin**  
£121m

**1 Progress against our mission.**

# Moving money internationally is broken.

## TRADITIONAL BANKS

### Expensive

3-7% avg. fee<sup>1</sup>

### Slow

Up to 2-5 business days

### Inconvenient

Long, unfriendly CX

### Opaque

Less transparent with their rates with only 4%<sup>2</sup> of bank respondents identifying the true cost

Source: 2022 Edgar, Dunn & Company ("EDC") Market Study.  
Notes: <sup>1</sup>Average defined 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).<sup>2</sup> Survey of 4000 consumers.

# This problems persists in two massive markets

Personal X-border volume

**£2tn+**

SMB X-border volume

**£9tn+**

And we still have a **long** way to go...

**<4%**

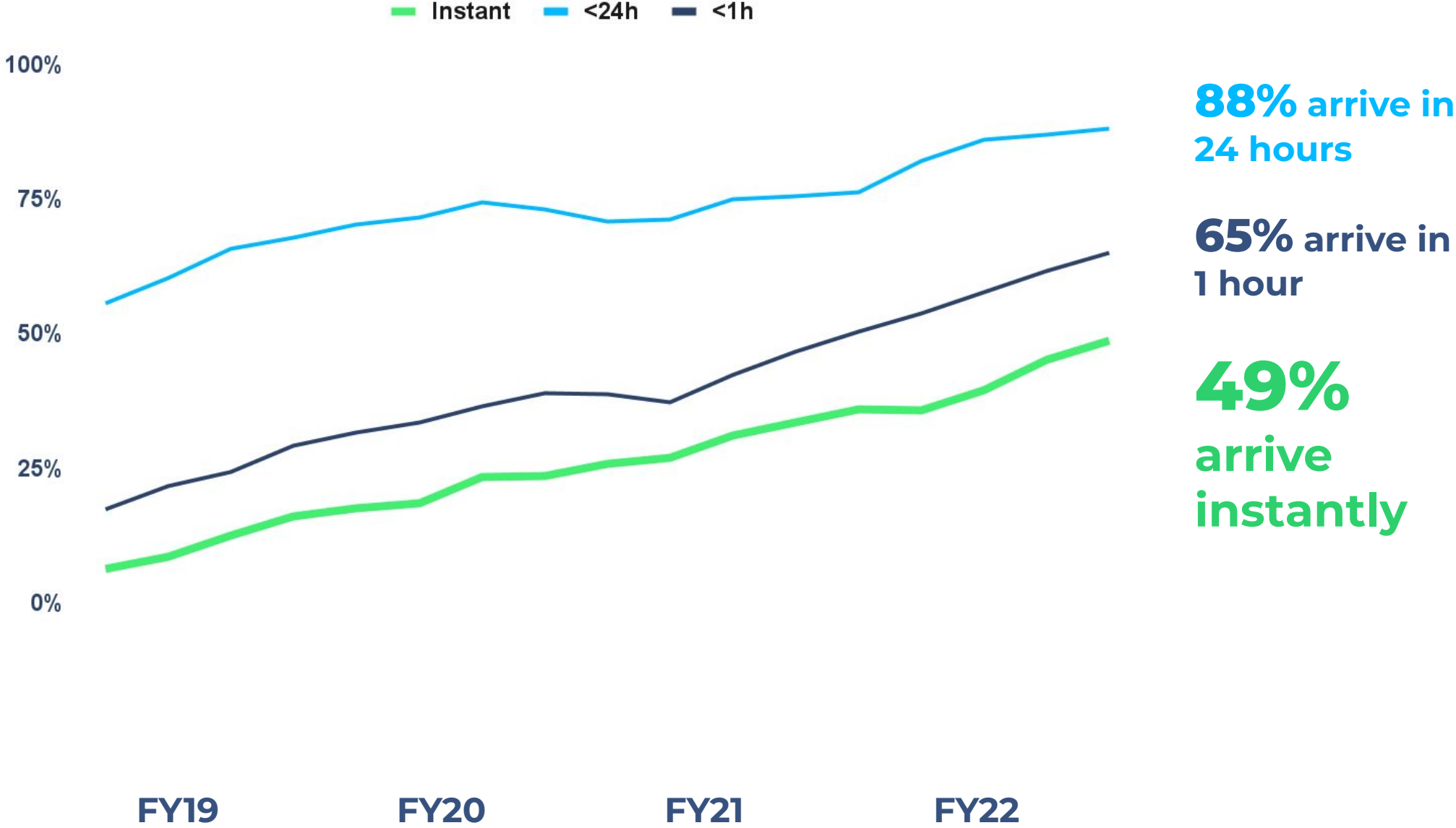
Wise Personal Market  
Share

**<1%**

Wise Business Market  
Share

Now our speeds are **faster than ever.**

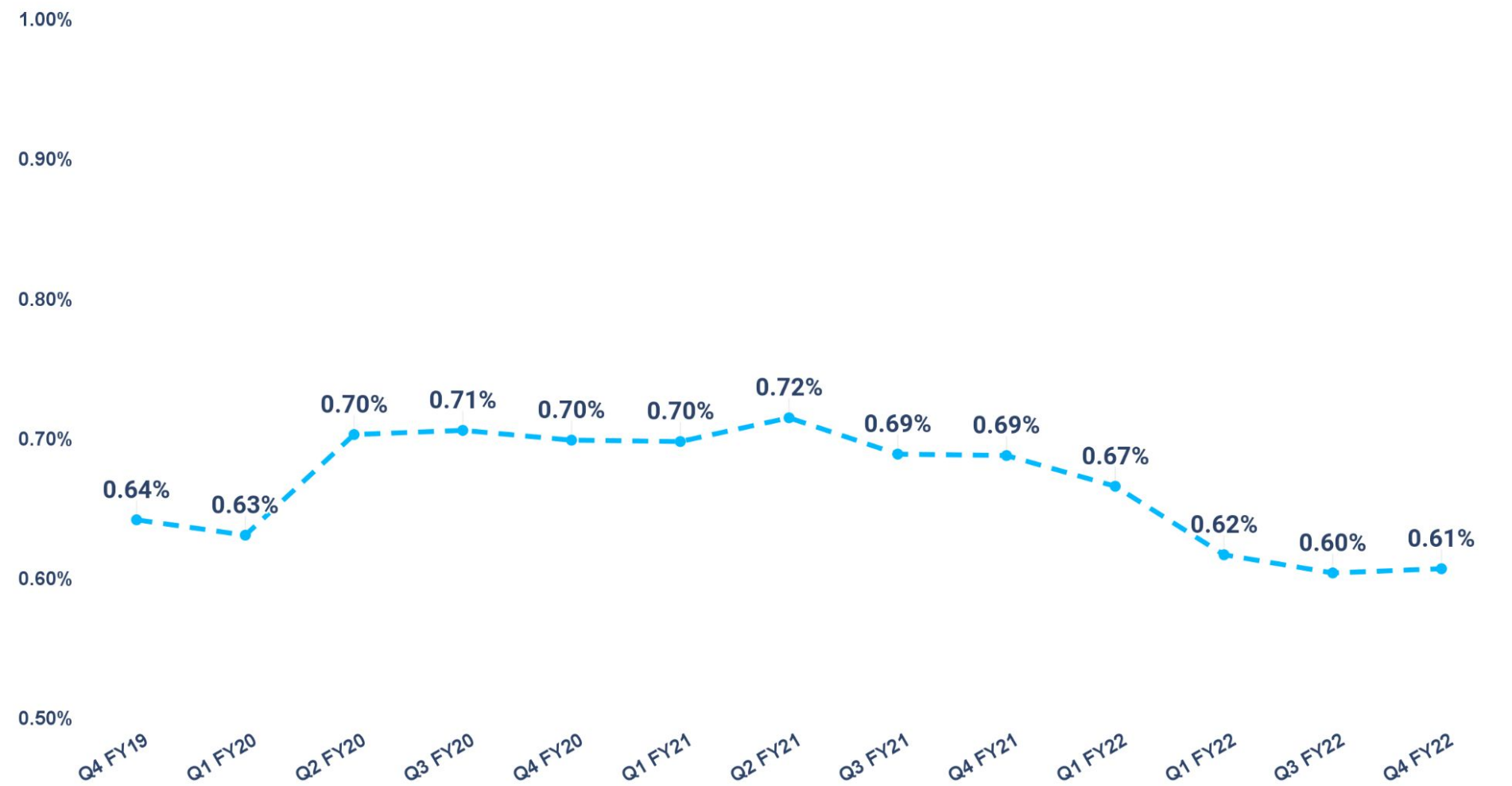
Source: Internal company data.





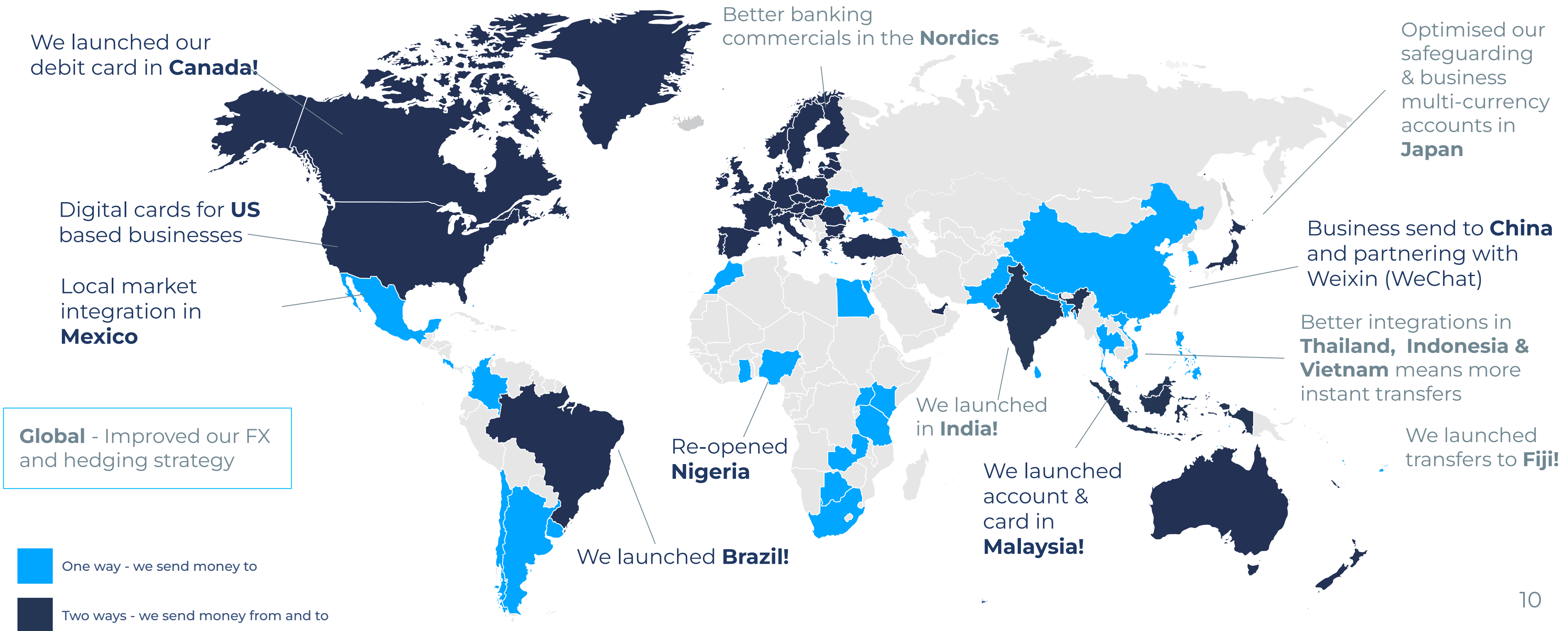
And we **lowered fees** for 2.5 million of our customers.

Average customer price (%)



Note: Average price eliminates route mix variance by tracking fees on a fixed representative basket of transactions.

# We are saving customers money **globally.**



**But international banking needs fixing too.**

## Problems.

**Sending money across borders**

**It is slow, it is expensive and it is hard to do.**

**International banking**

**International bank accounts do not really exist.**

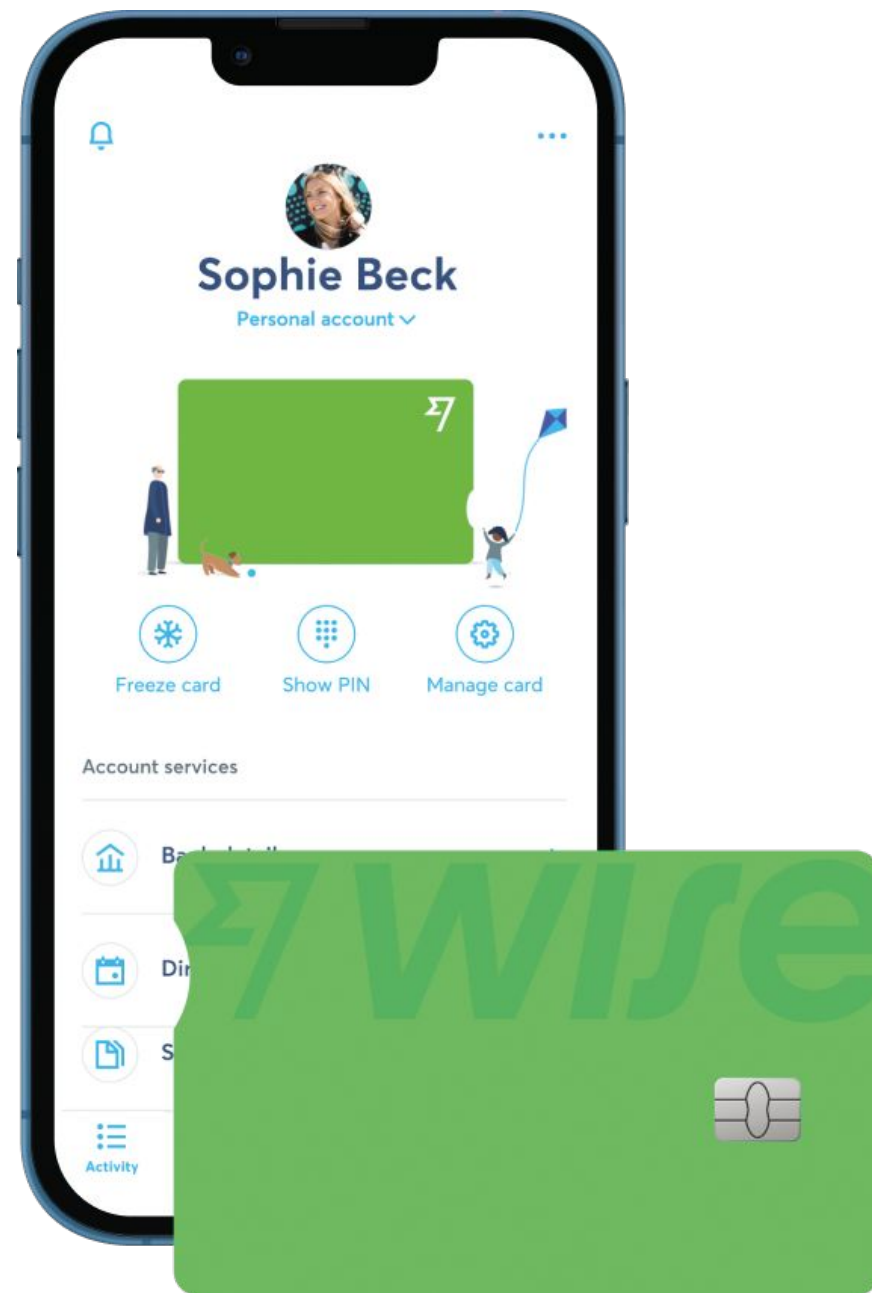
**Underlying technology**

**Infrastructure is antiquated and has not evolved in decades.**

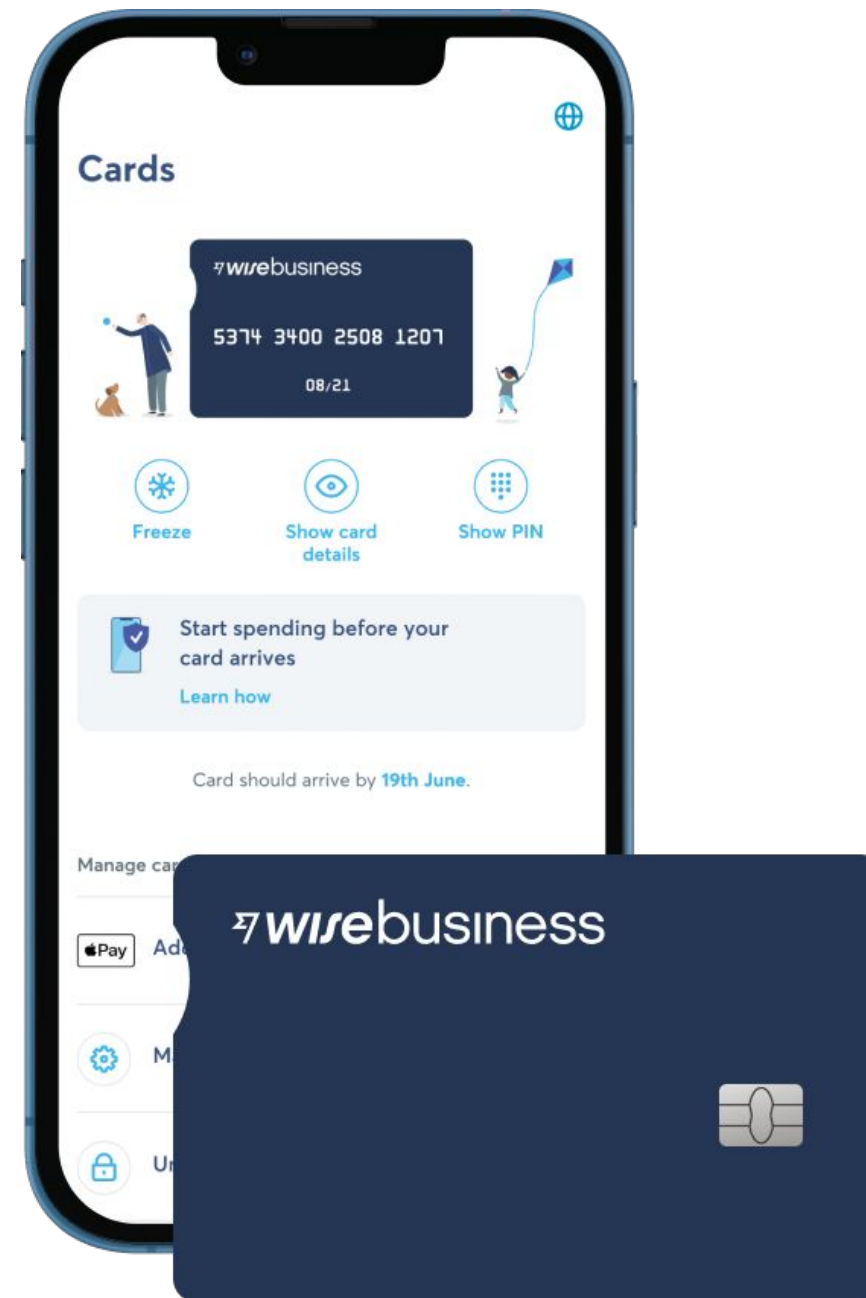
**Currently >280m immigrants, and businesses that export c.US\$18tn globally are underserved by a broken international banking system**

**We now have 3 products to serve this massive market.**

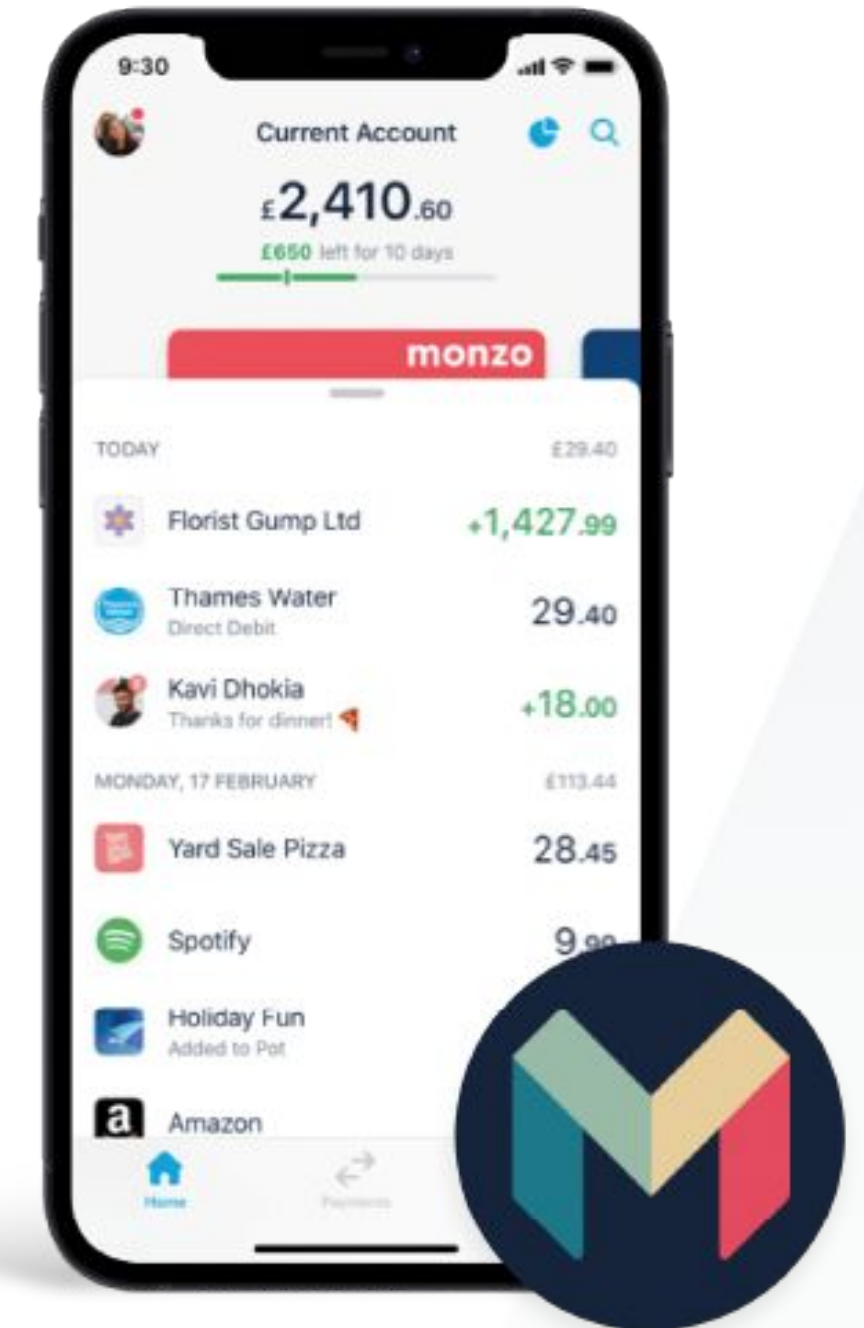
## Wise Account



## Wise Business

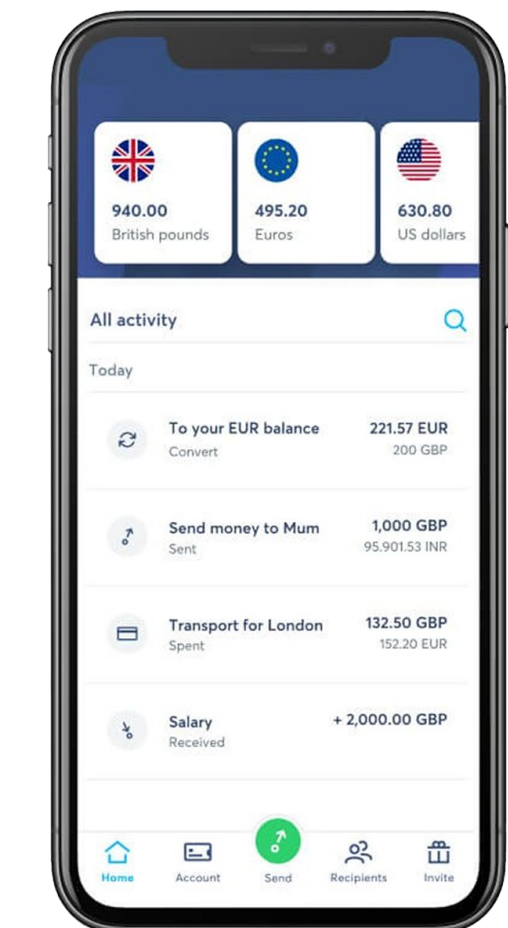
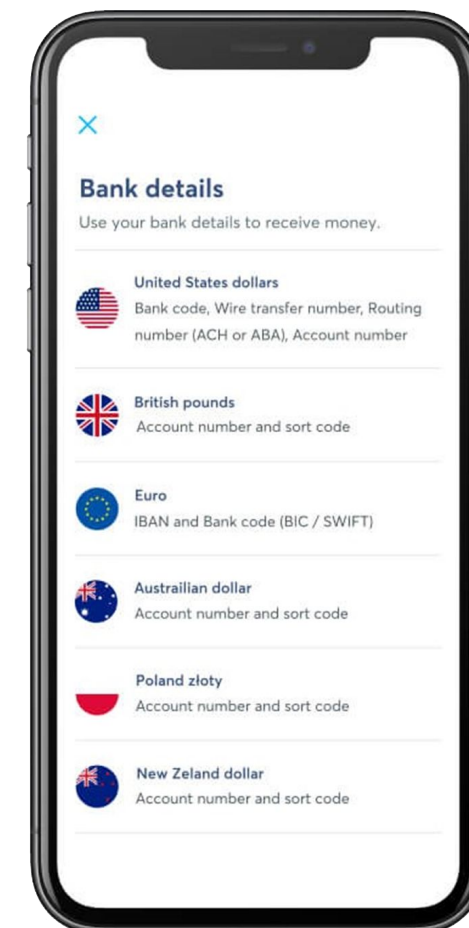
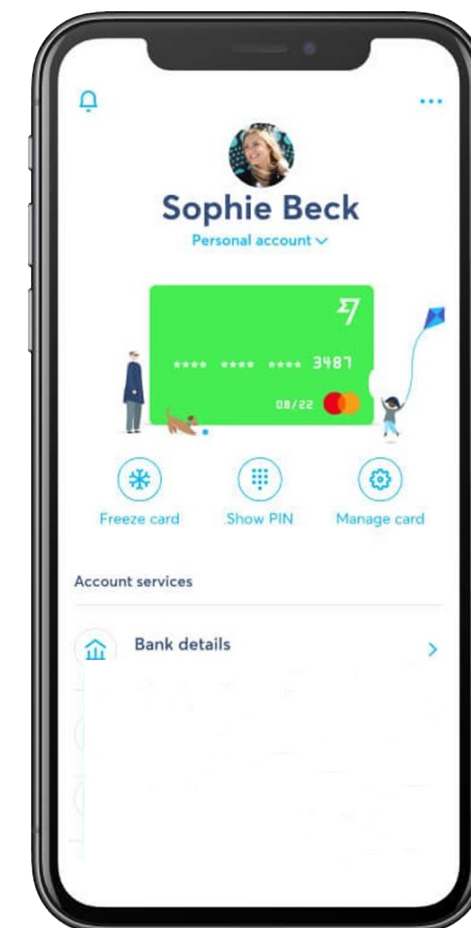
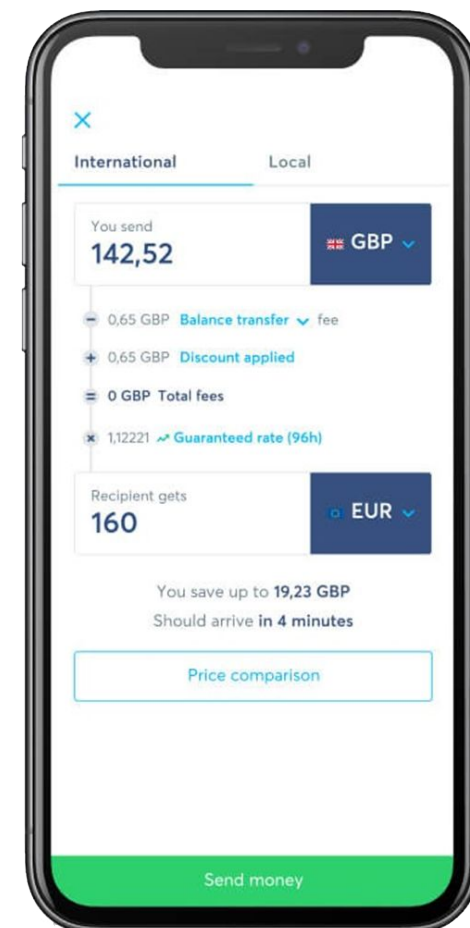
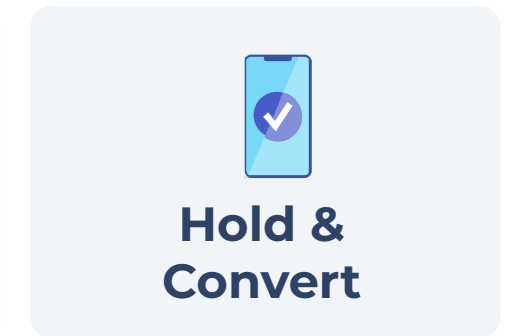
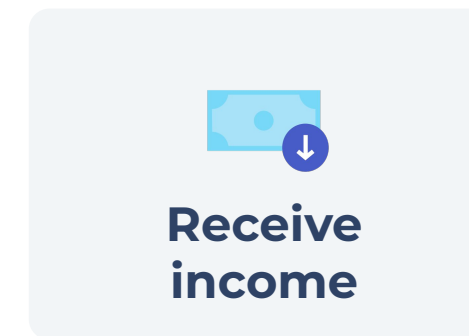
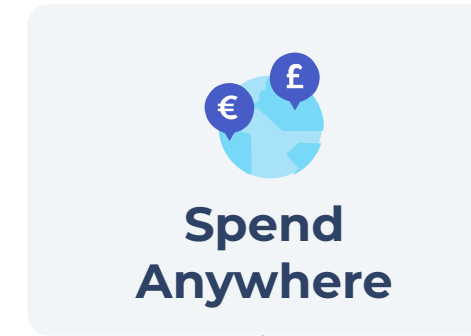
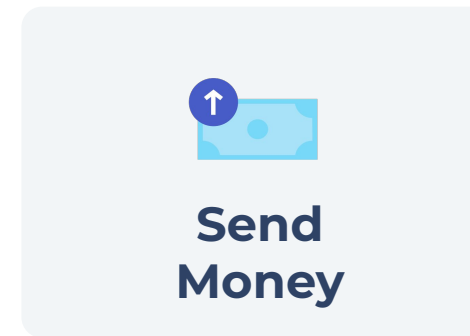


## Wise Platform



# Wise Account

Building the world's most **international** account for **people**.





# Wise Account

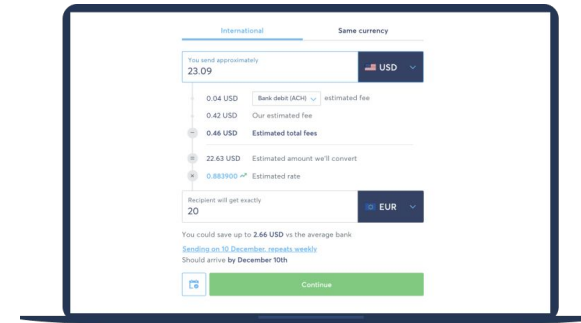
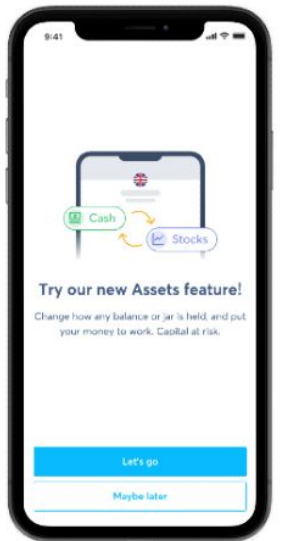
... launched in **Brazil**  
and **Malaysia**.



# Wise Account

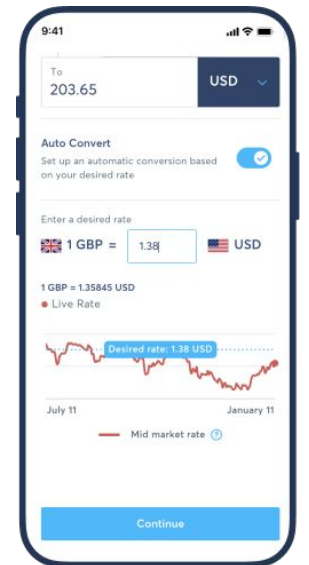
We've added **new features** that our customers are asking for.

**Assets:** invest in MSCI World Index, instant access to funds, grow your money



**Scheduled payments:** set automated recurring payments to send money, and pay bills abroad without needing to top-up each time

**Auto-convert:** set your currencies and desired rate - we will convert it when your rate is met in the market



## Some things we're working on next

- Faster and cheaper transfers in more currencies
- Local account details in more countries
- More assets to hold in more countries
- Customer rewards on spending

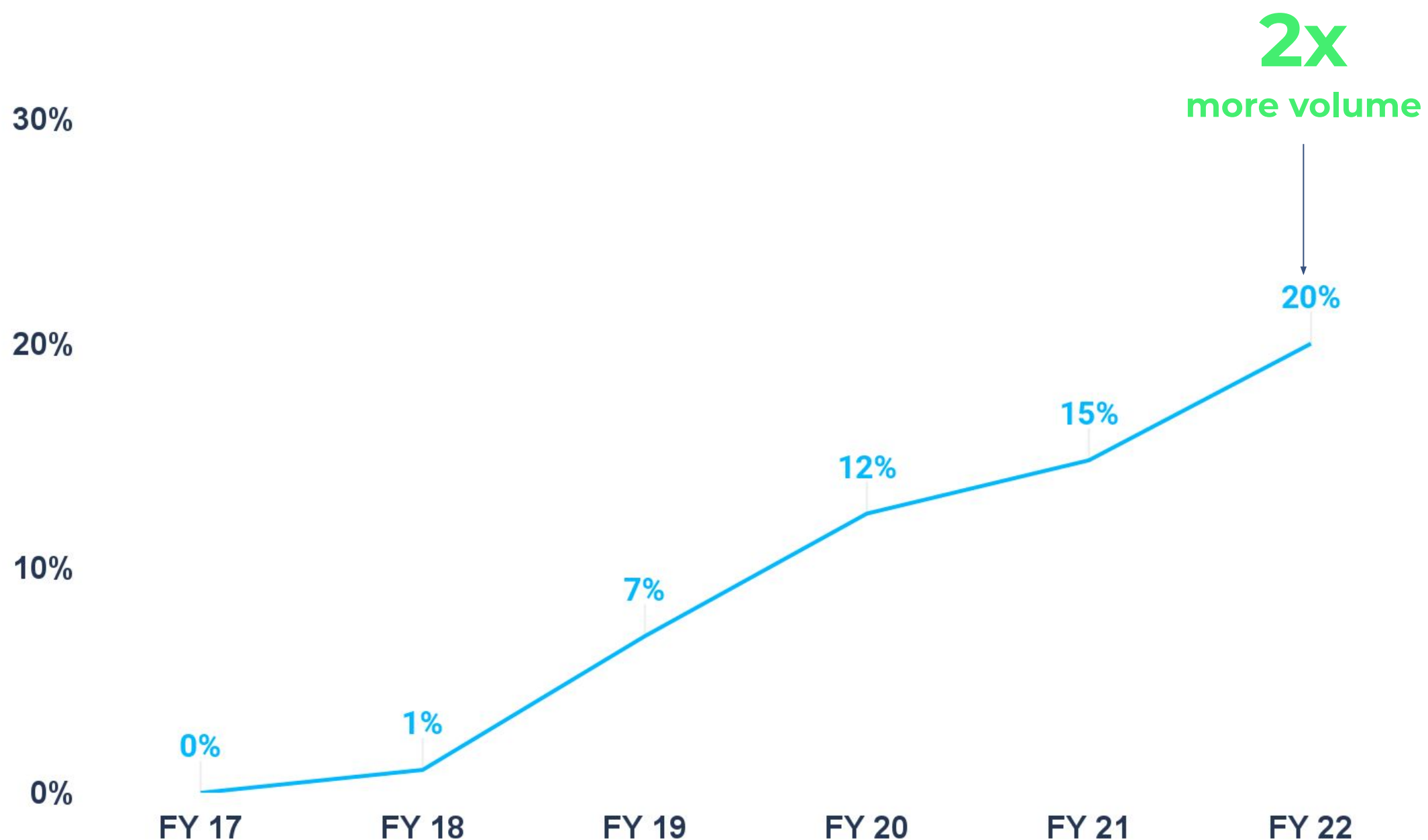


# Wise Account

It's **working**:  
Our customers are using us for more than sending money.

Note: (1) % of total active customers who have adopted more than 1 product in markets where the Wise Account and Card are available (Europe, United Kingdom, United States, Switzerland, Japan, Brazil, Canada, Malaysia, Singapore, New Zealand and Australia).  
Product defined as Send, Spend, Receive, Hold & Convert.

% of customers who use Wise for more than Send<sup>1</sup>



These customers send 2x more volume than send only customers

# Wise Business

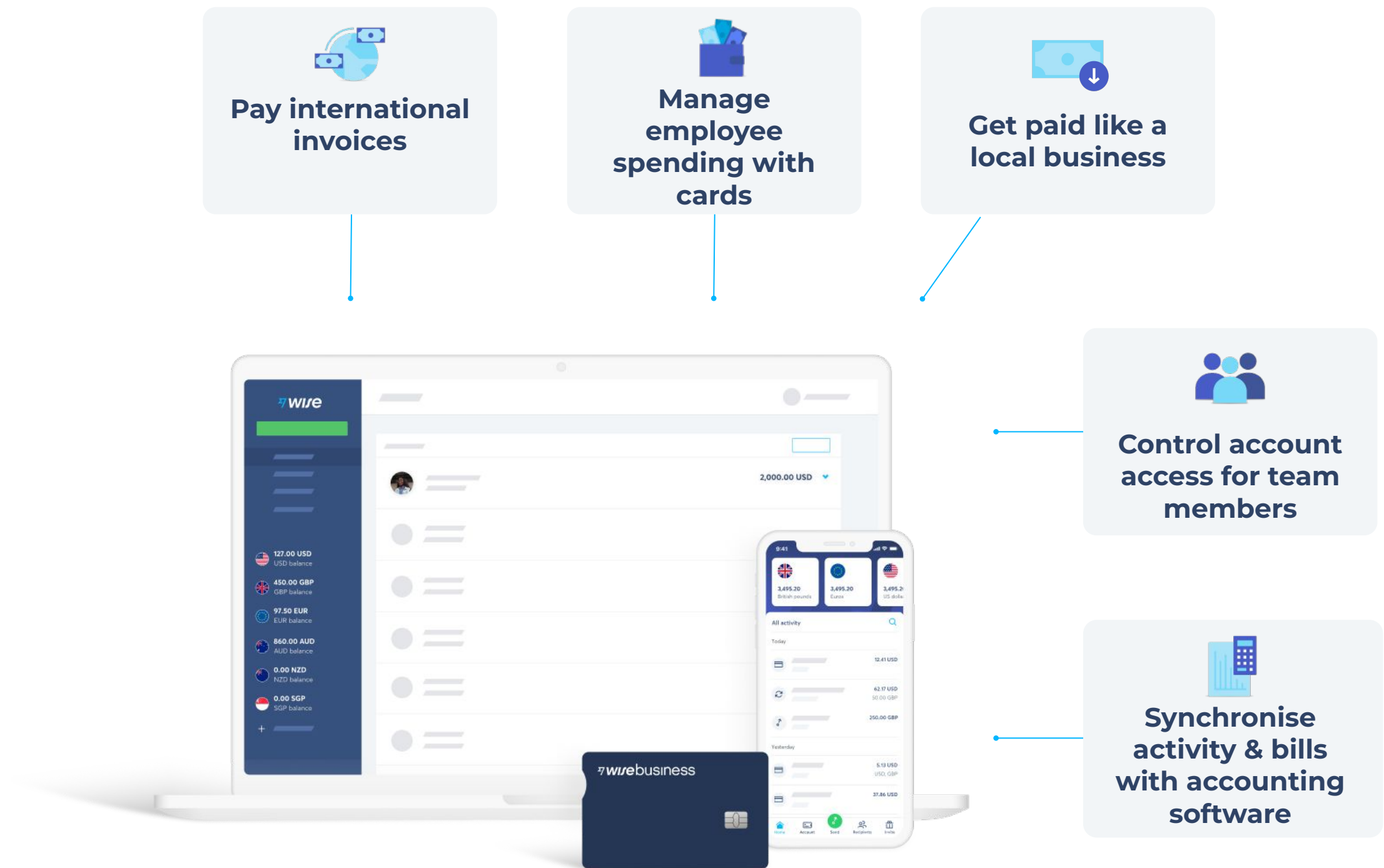
Our business customers **move more money.**

Source: Internal company data as of FY22.  
Notes: <sup>1</sup>Engagement is based on Active Rate.

	 Personal Customers	 Business Customers
Engagement <sup>1</sup>	✓ ✓	✓ ✓ ✓
Volume per customer	£8k	£48k
Revenue per customer	£62	£309
LTV	✓ ✓	✓ ✓ ✓

# Wise Business

Building the world's most **international account** for businesses.



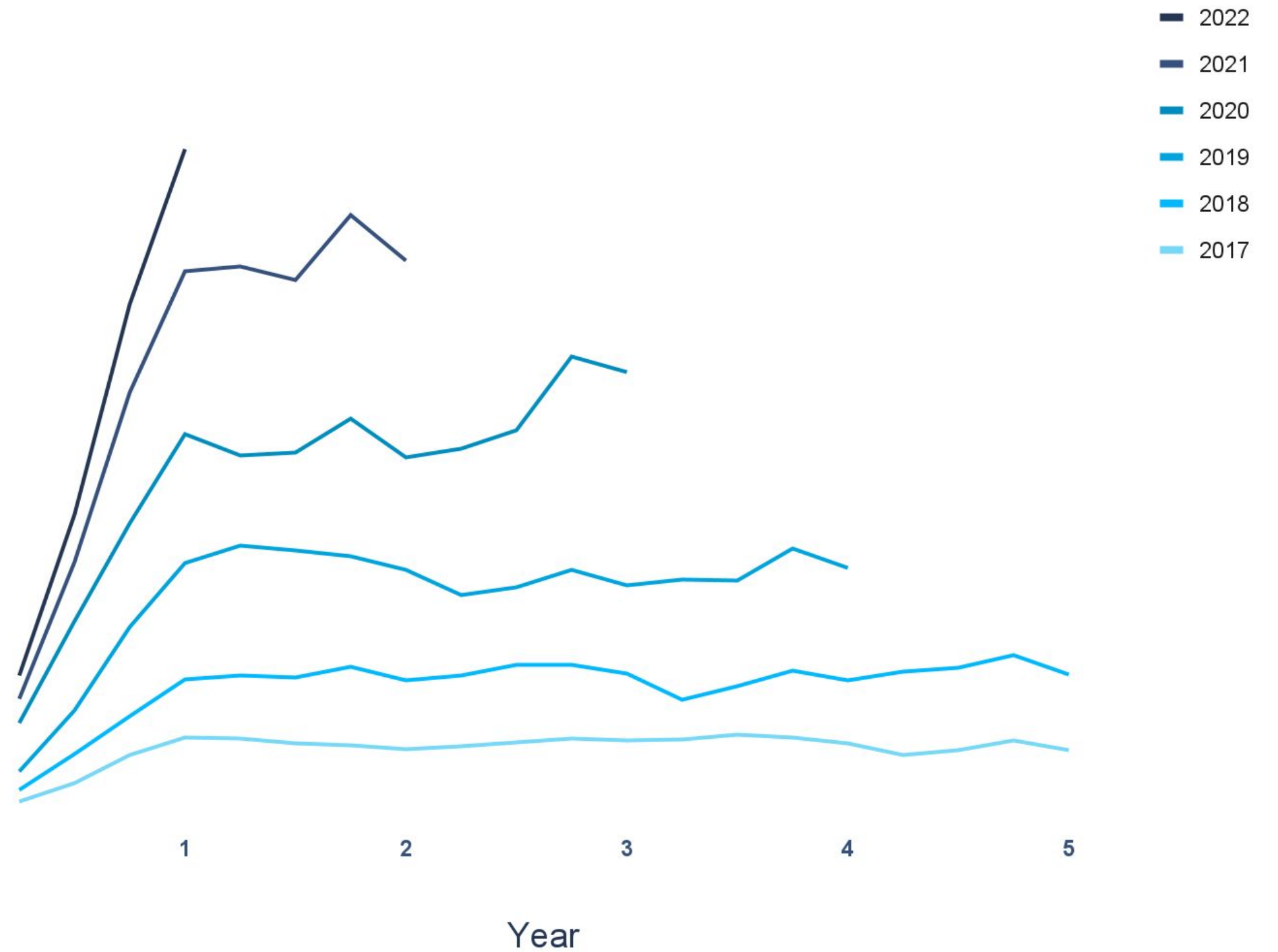
## What's next?

- Increased transfer limits (>£1 million)
- Enhanced expense and budget management tools

# Wise Business

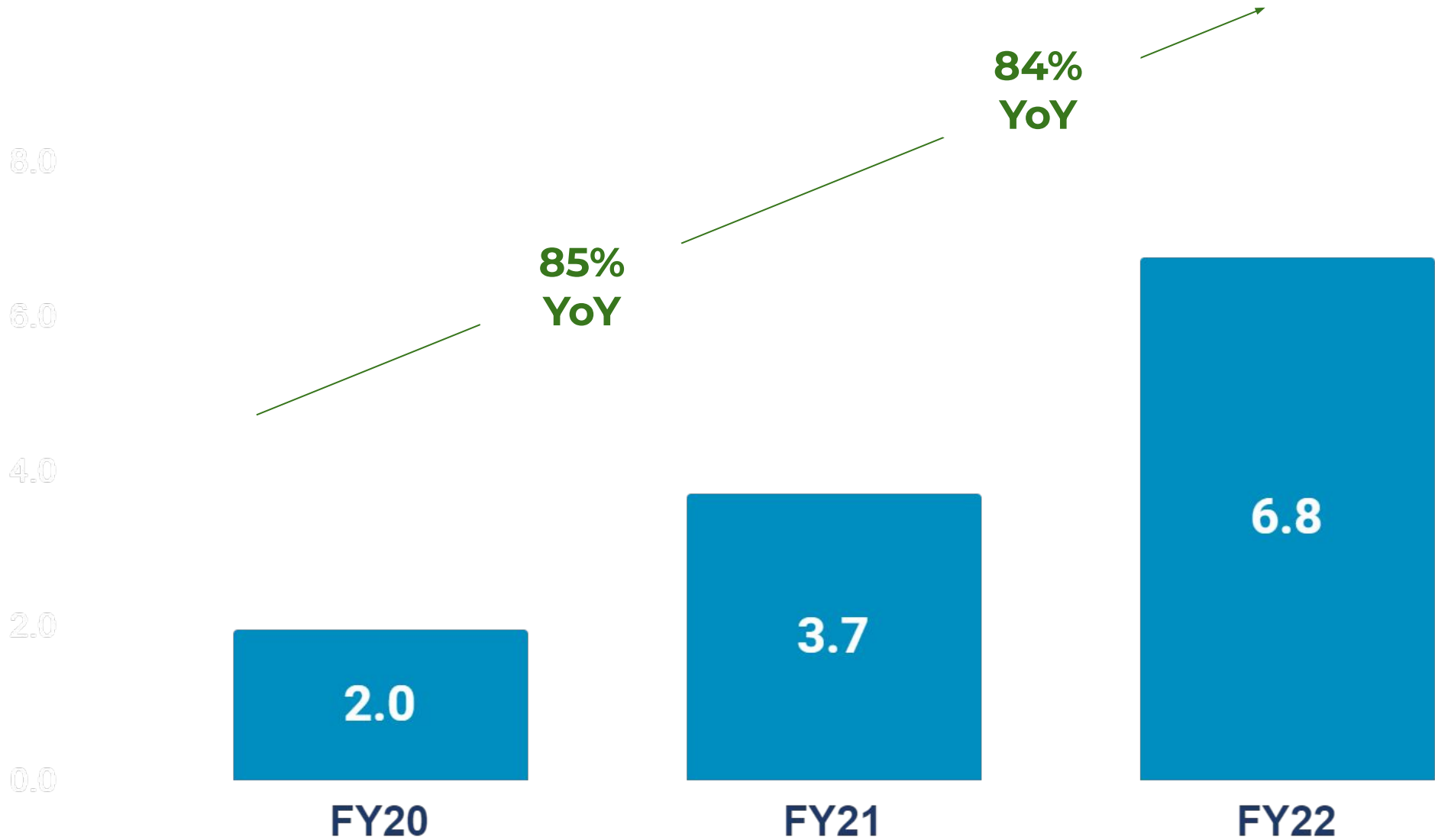
Enriching our product strengthens the customer relationship.

Wise Business Cohort Volumes (£b)



Customers are holding more deposits with us.

Wise total deposit balances (£bn)<sup>1</sup>



Notes: <sup>1</sup>includes account deposits for both Wise Account and Wise Business customers.

# Wise Platform

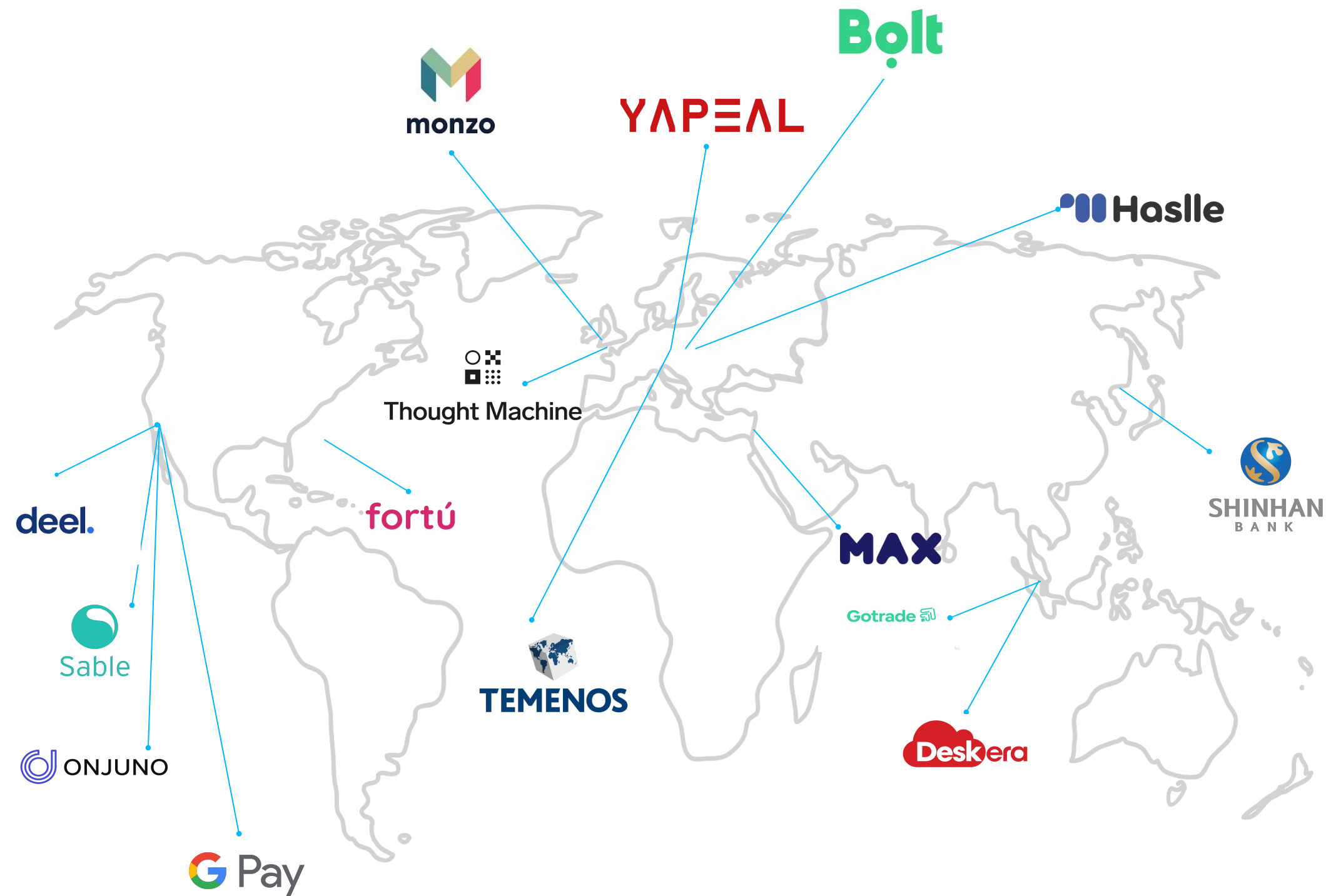
The magic of Wise  
**integrated** into  
enterprises and banks.



# Wise Platform

...across borders.

Wise Platform is attracting both traditional and high tech partners



**Scaling up can  
be hard, and  
we're building  
our teams.**

- We are currently onboarding **c.1 million customers every quarter** and scaling our operations teams to support this
- **We grew our team by c.950 Wisers** in FY22 and are actively hiring so that we have the right size and quality of teams
- These will help us **open up new geographies**



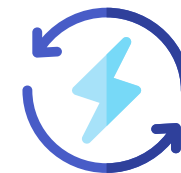
# We are **redefining** expectations.



Low cost and  
**Transparent**



1 in 2 transfers **instant**  
At scale greater than  
largest incumbent



**Sustainable** cost  
reductions supported by  
reinvestment of profits



Global KYC/AML **capability**

**Banks**

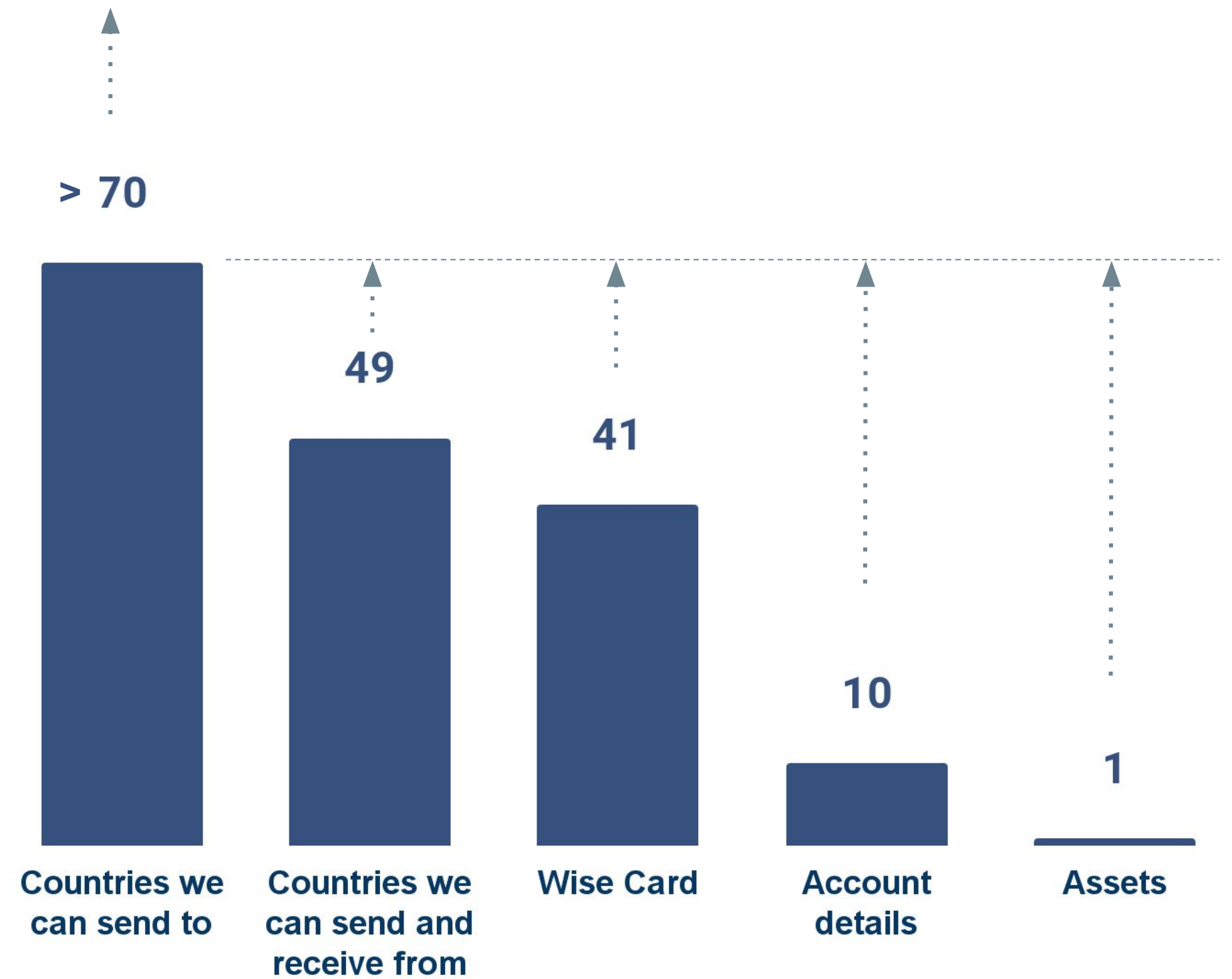
**Incumbent  
payment  
providers**

**Digital  
challengers**

**Decentralized  
clearing**

There is still more to build to serve our **customers** everywhere.

## Wise reach by number of countries



# Our products are working...

Our Products...

drive high advocacy...

more active customers...

and greater scale.

**Wise**  
Account

**71**

NPS<sup>1</sup>

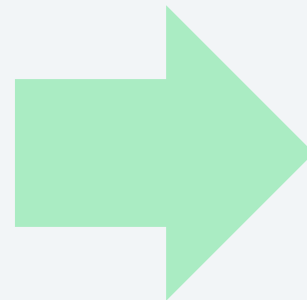
**24%**

YoY personal  
customer growth<sup>3</sup>

**£76bn**

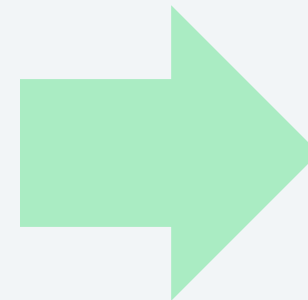
Volume<sup>4</sup>

**Wise**  
Business



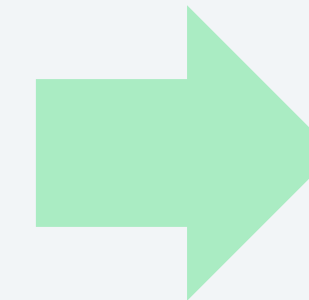
**66%**

WoM<sup>2</sup>



**34%**

YoY business  
customer growth<sup>3</sup>



**40%**

YoY Volume<sup>4</sup> growth

**Wise**  
Platform

Source: Internal company data.

Note: <sup>1</sup> Net promoter score ("NPS") referrals as of FY22. 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?".

<sup>2</sup>Word-of-mouth ("WoM") referrals as of FY22. WoM measures share of customers joining Wise after being referred or invited by someone they know.

<sup>3</sup>As of FY22

<sup>4</sup>As of FY22

# ② Our FY22 Financials.

Our **growth** and **profitability** allows us to reinvest for the long-term.

**£76bn**

Volume.

+40% y/y

**£560m**

Revenue.

+33% y/y

**£372m**

Gross profit.

+43% y/y

**£121m**

Adj. EBITDA

22% margin

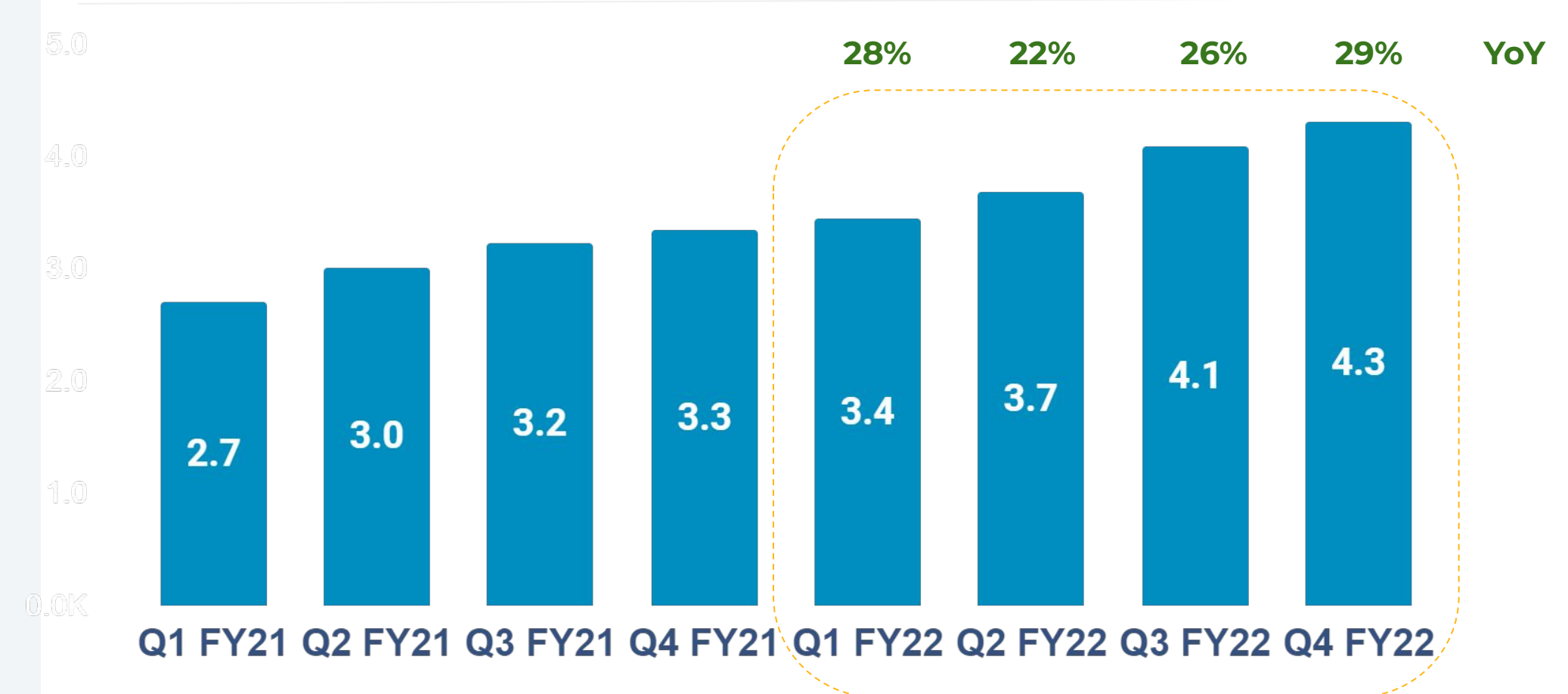
**£113m**

Free cash flow

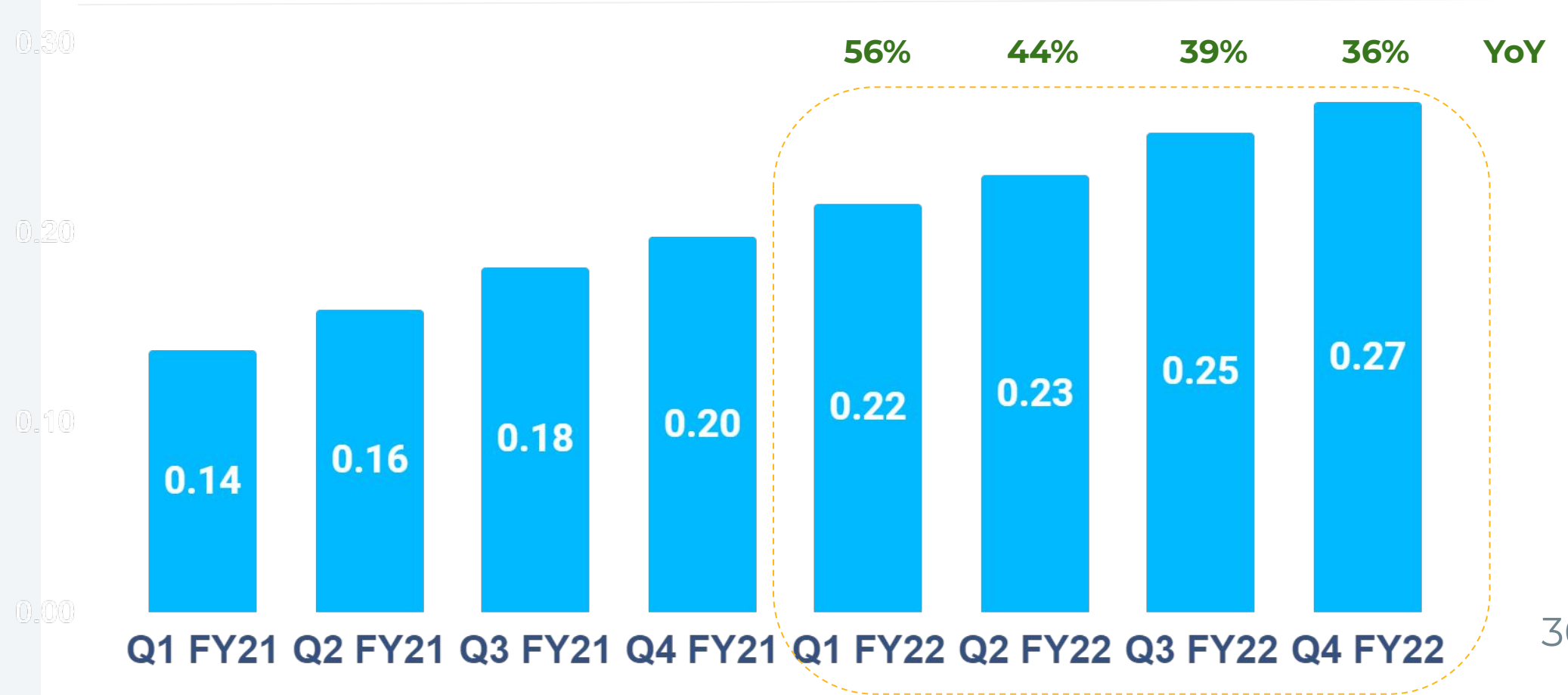
93% of Adj. EBITDA

More and more  
**Personal** and  
**Business**  
 customers use us  
 every quarter.

Active customers (m) - Personal



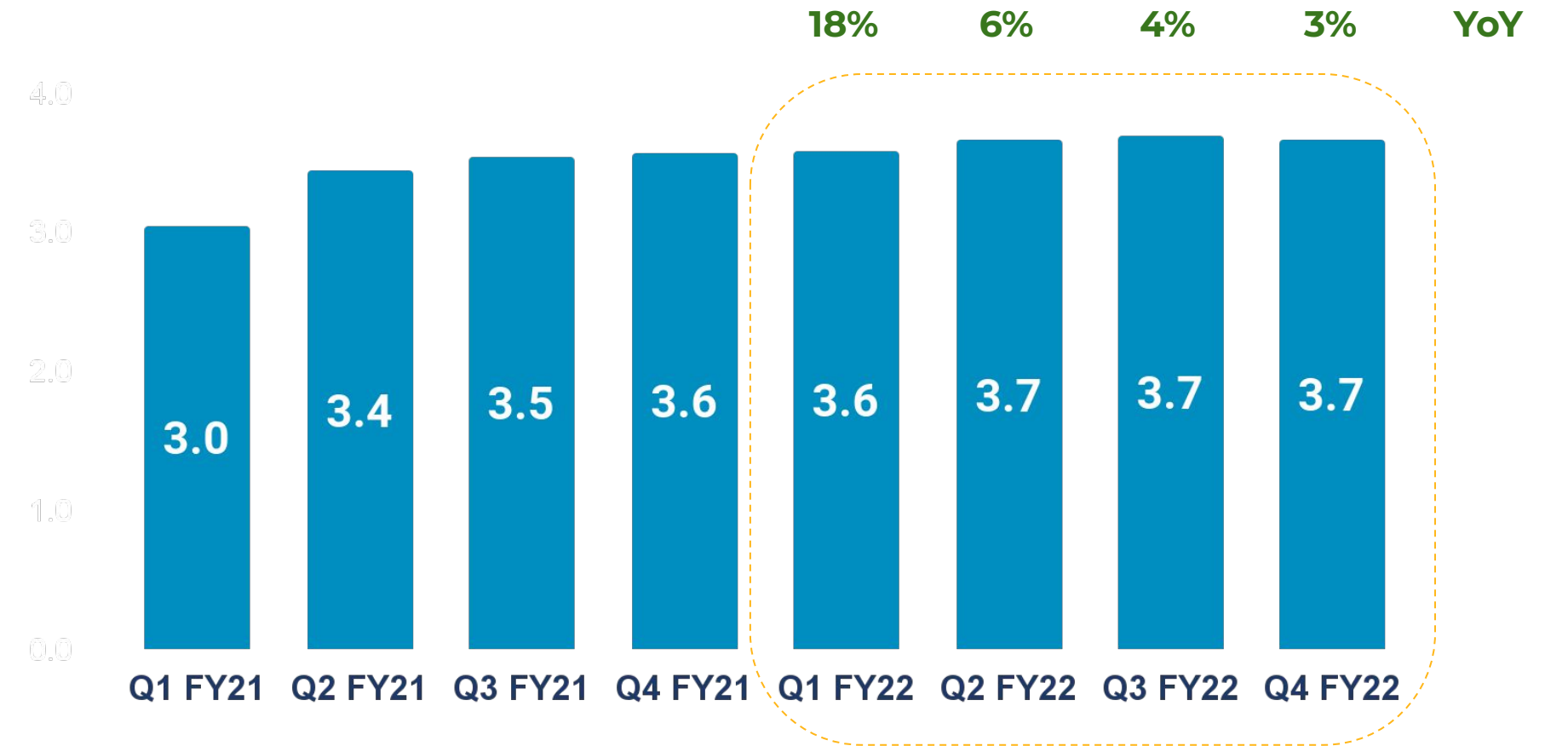
Active customers (m) - Business



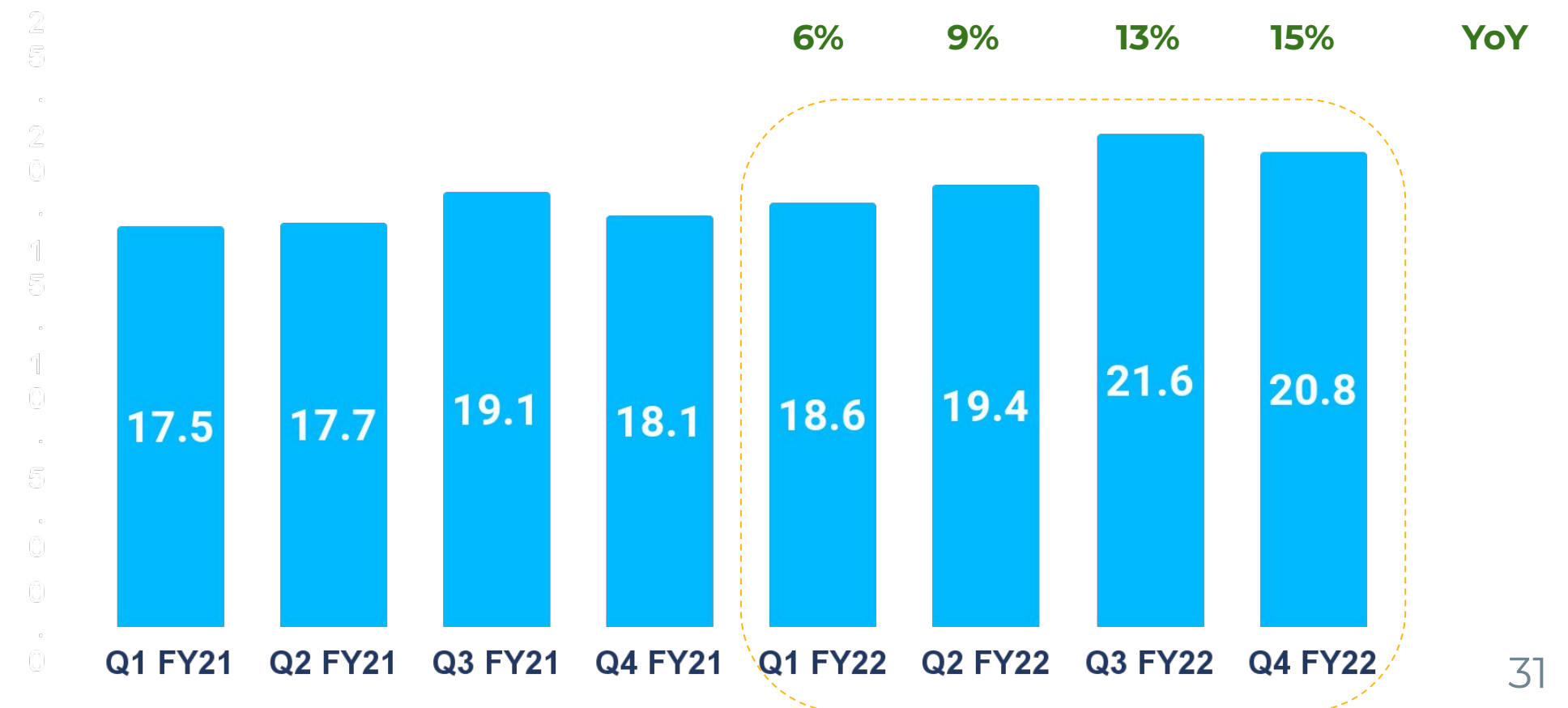
Note: Active customer defined as a customer who has completed a cross currency transaction in a given time period.

**Volume per customer increased this year too.**

**Volume per customer (£'000) - Personal**



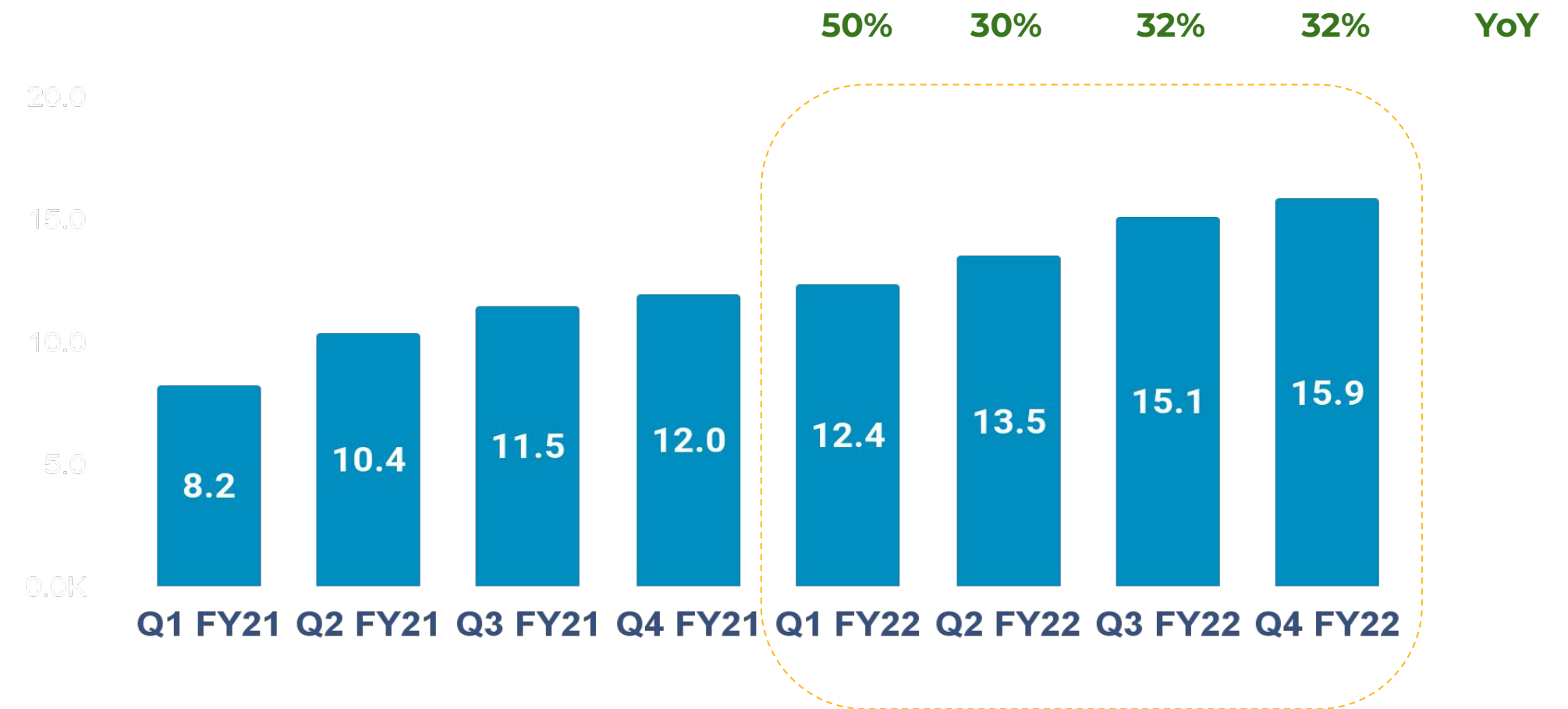
**Volume per customer (£'000) - Business**



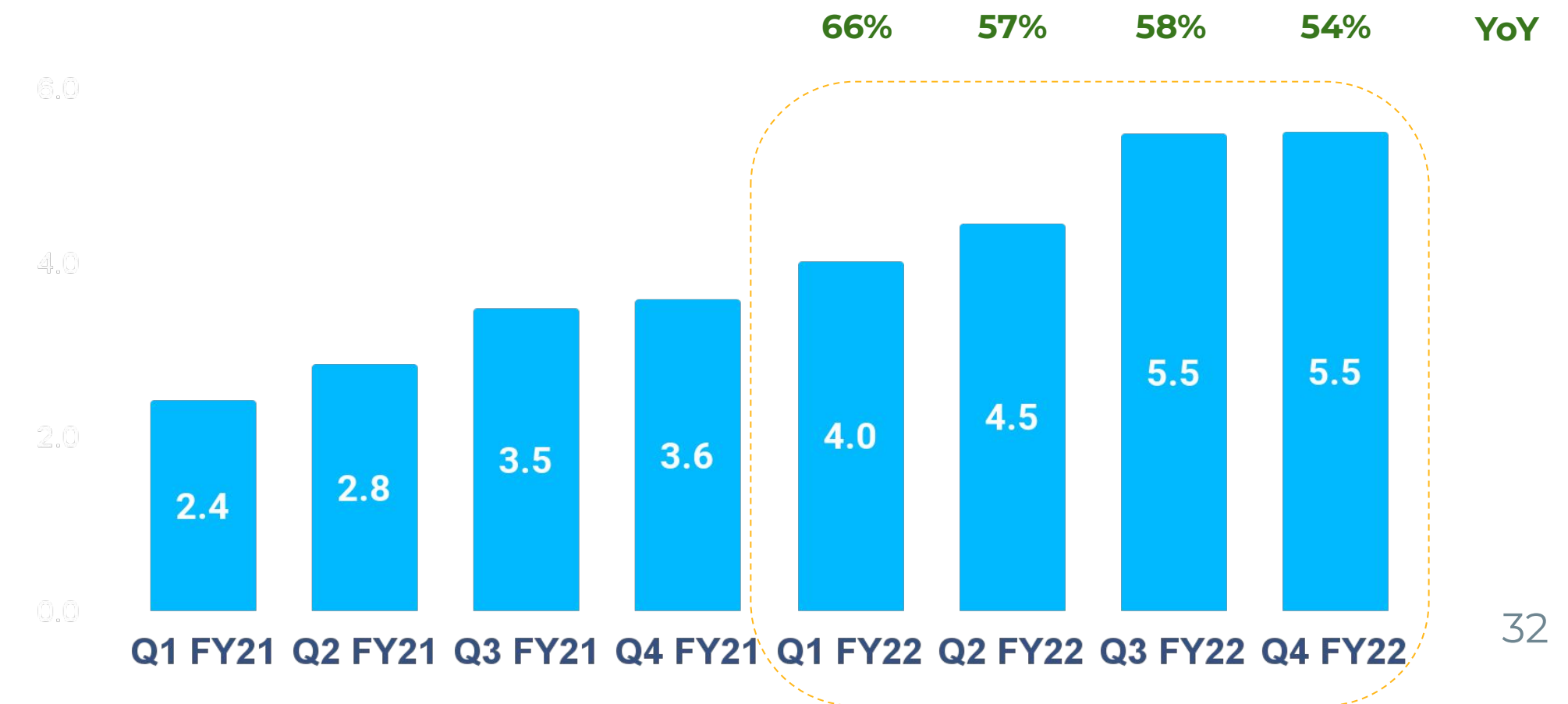
Note: Volume per customer defined as the average quarterly transaction volume of active customers per quarter.

**Strong momentum  
on volume growth  
in second half.**

### Volume (£bn) - Personal



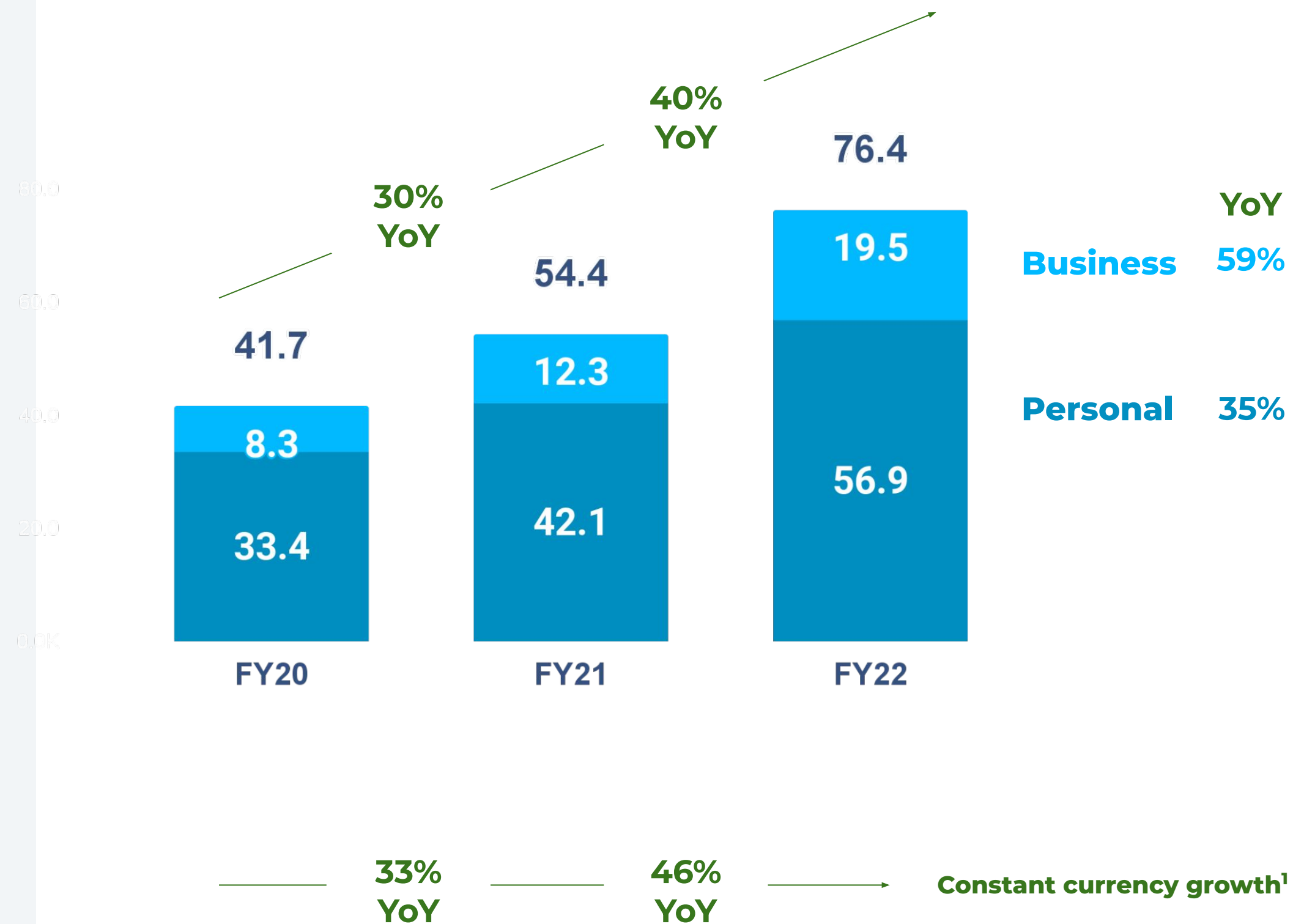
### Volume (£bn) - Business





**Volume grew 40% YoY.**

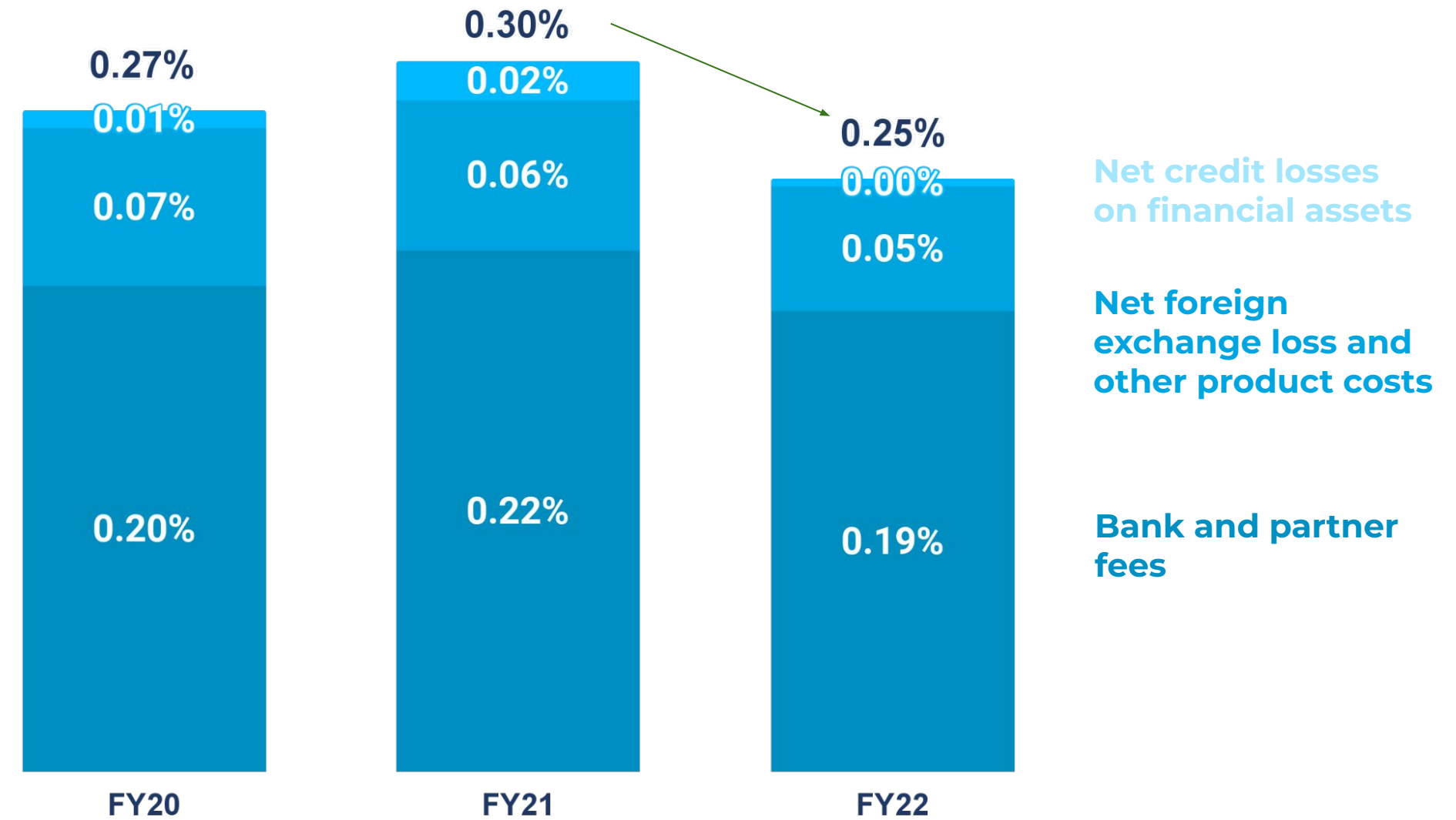
**Total volume (£bn)**



Notes: <sup>1</sup> Prior periods calculated using the FY22 average rate.

We made great progress in **reducing** our unit cost of sales.

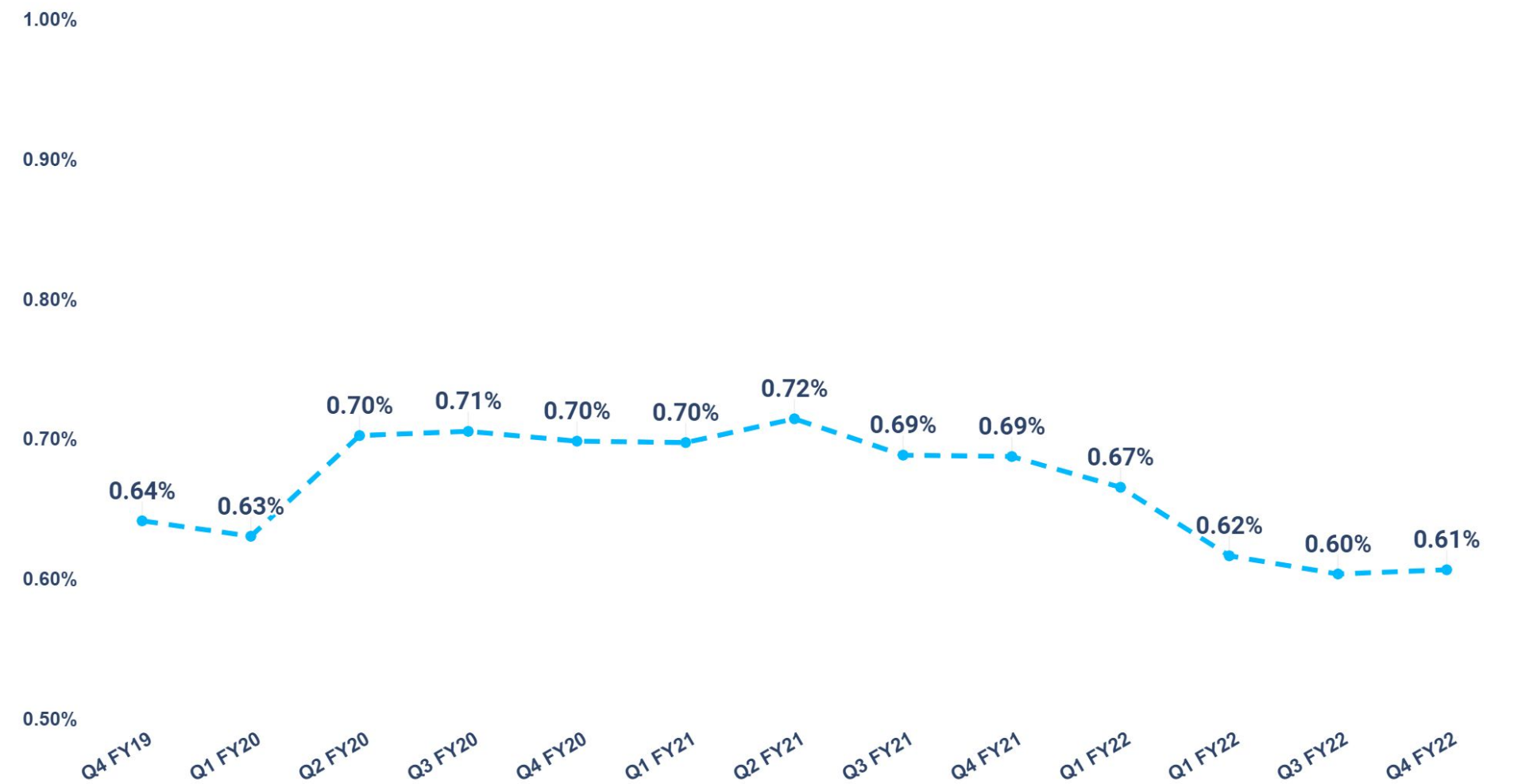
### Cost of sales as a function of volume (%)



We reinvested this to **improve our proposition;** enabling lower prices for customers.

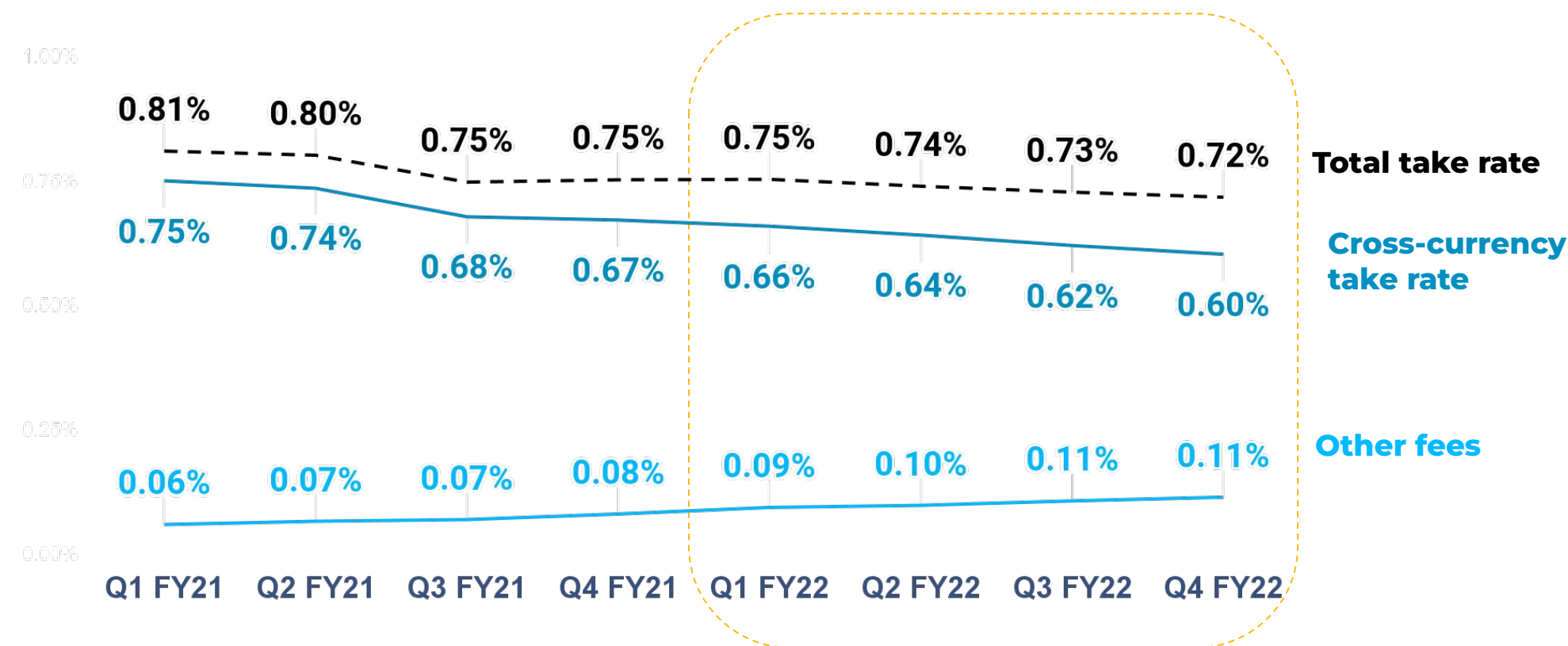
Note: Average price eliminates route mix variance by tracking fees on a fixed representative basket of transactions.

Average customer price (%)



## Take rate (%)

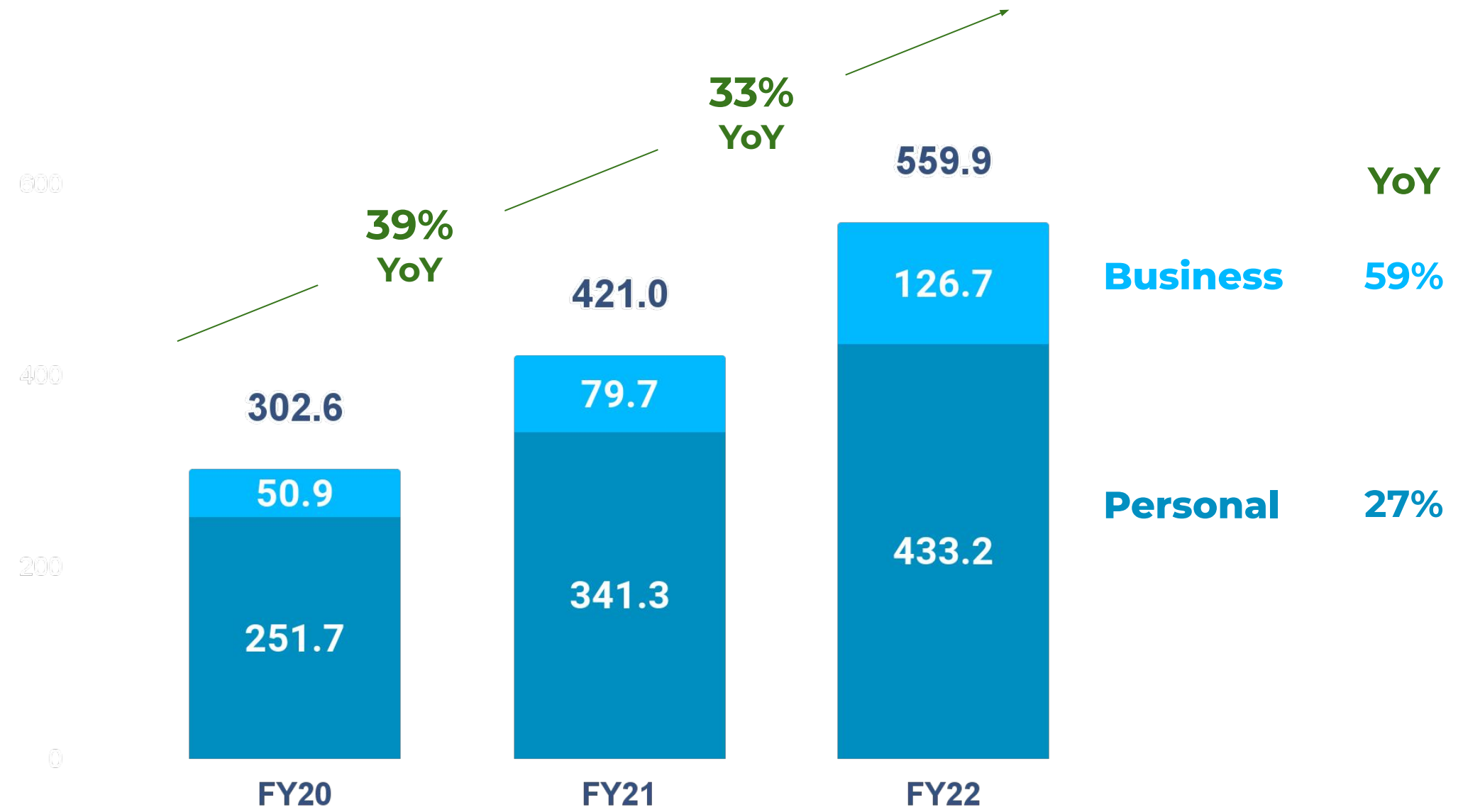
Customers using the Account drove an increase in **other fees** ... supporting overall take rate.



Note: Other fees refers to revenue from non cross volumes for example same currency transactions and interchange fees.

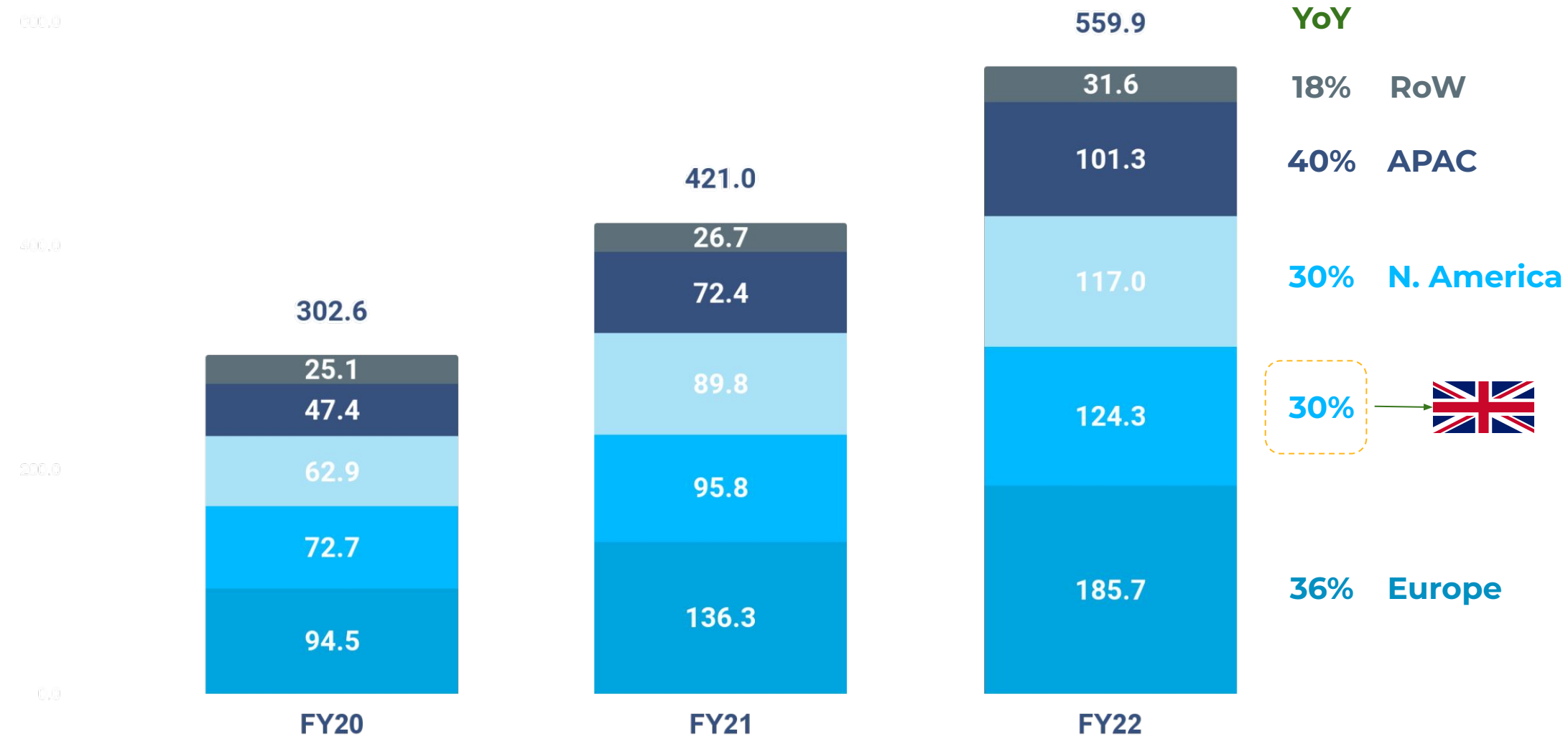
**Revenue grew  
33% YoY.**

Revenue (£m)



**Growth in all regions, with UK still growing at 30% y/y.**

### Revenue by Region (£m)



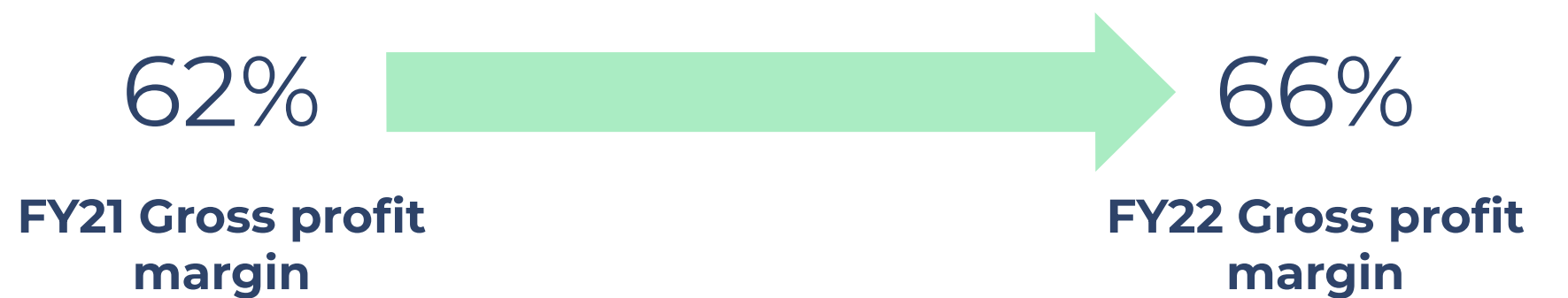
Note: "RoW" refers to rest of world.

Gross profit **grew**  
ahead of volume.

**£372m**

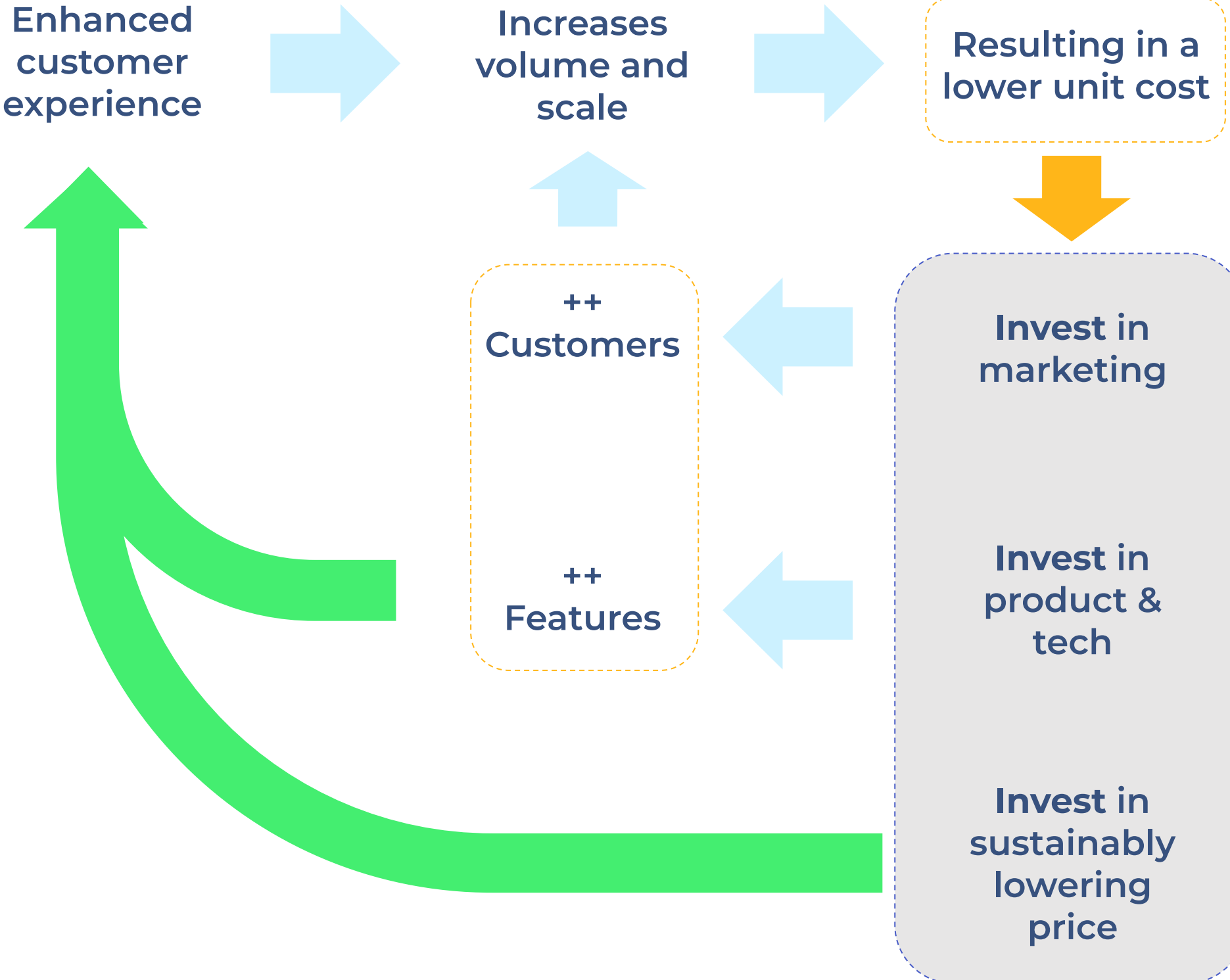
**FY22 Gross profit.**

+43% y/y



# How we invest in our growth.

## Our investment choices

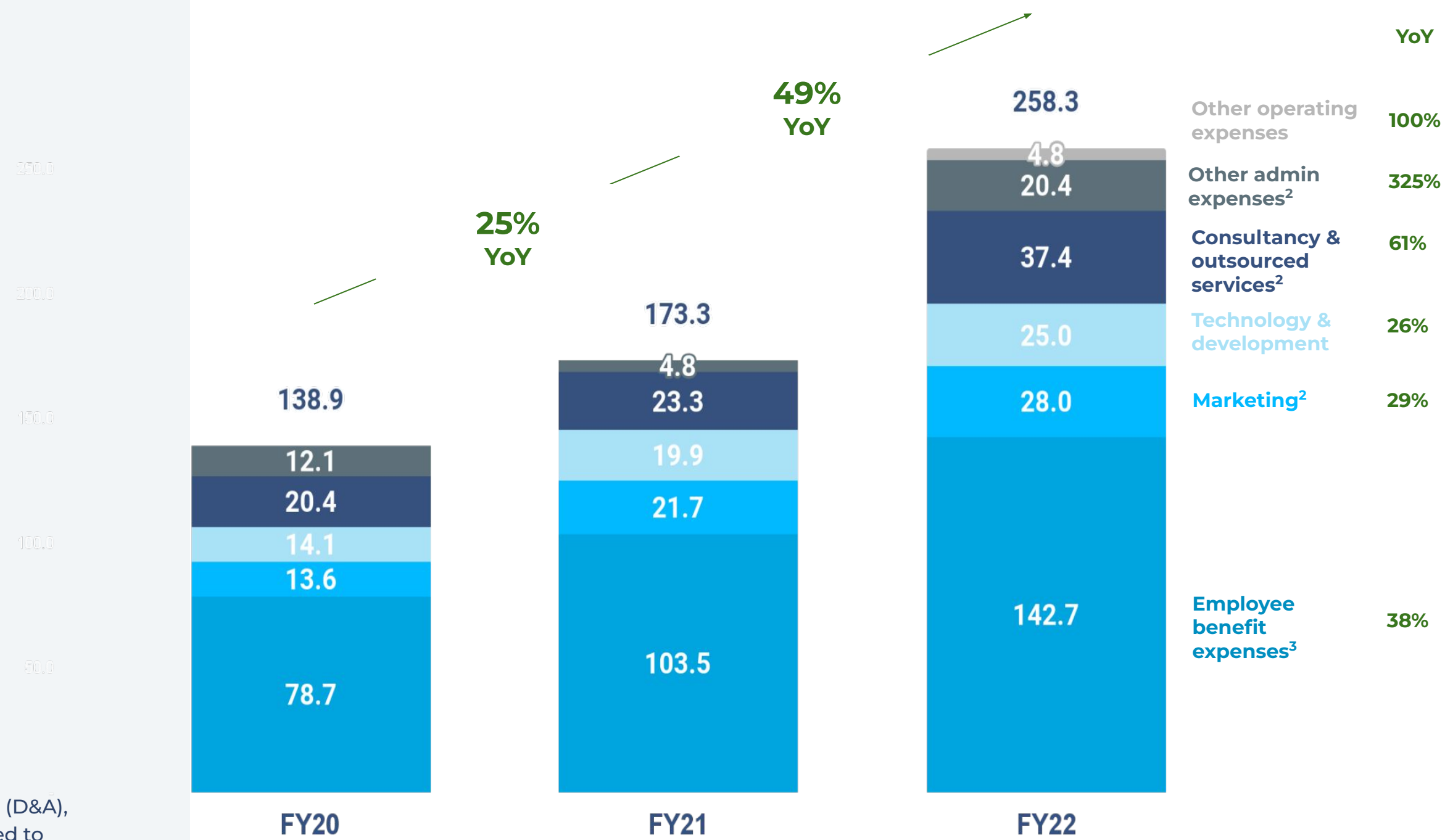


Wise reinvests back into the business in 3 major ways



Growing Wise involves **reinvestment** for the **long-term.**

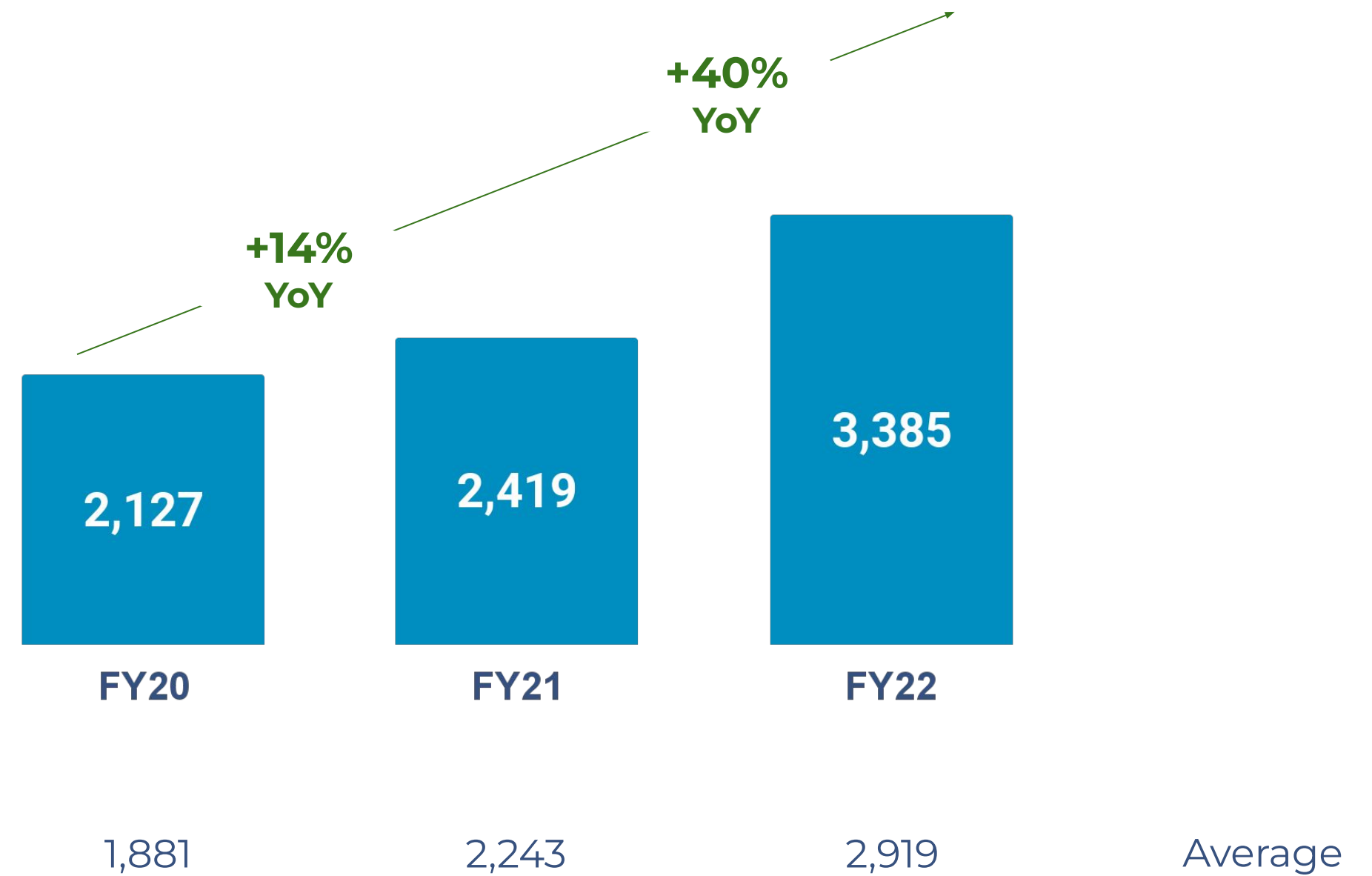
## Administrative Expenses<sup>1</sup> and Other Operating Expenses (£m)



Notes: <sup>1</sup>Administrative Expenses adjusted for depreciation and amortisation (D&A), share-based compensation (SBC), capitalisation and exceptional costs related to listing. <sup>2</sup>Other admin expenses, Consultancy & outsourced services adjusted for exceptional costs related to listing. <sup>3</sup>Employee benefit expenses adjusted for SBC.

## Number of Wisers<sup>1</sup>

**Our mission is now supported by almost 3,400 Wisers.**



Notes: <sup>1</sup>Employee (Wiser) headcount at the end of each financial year.

**We have  
increased our  
investment in  
marketing**

**£28.2m**

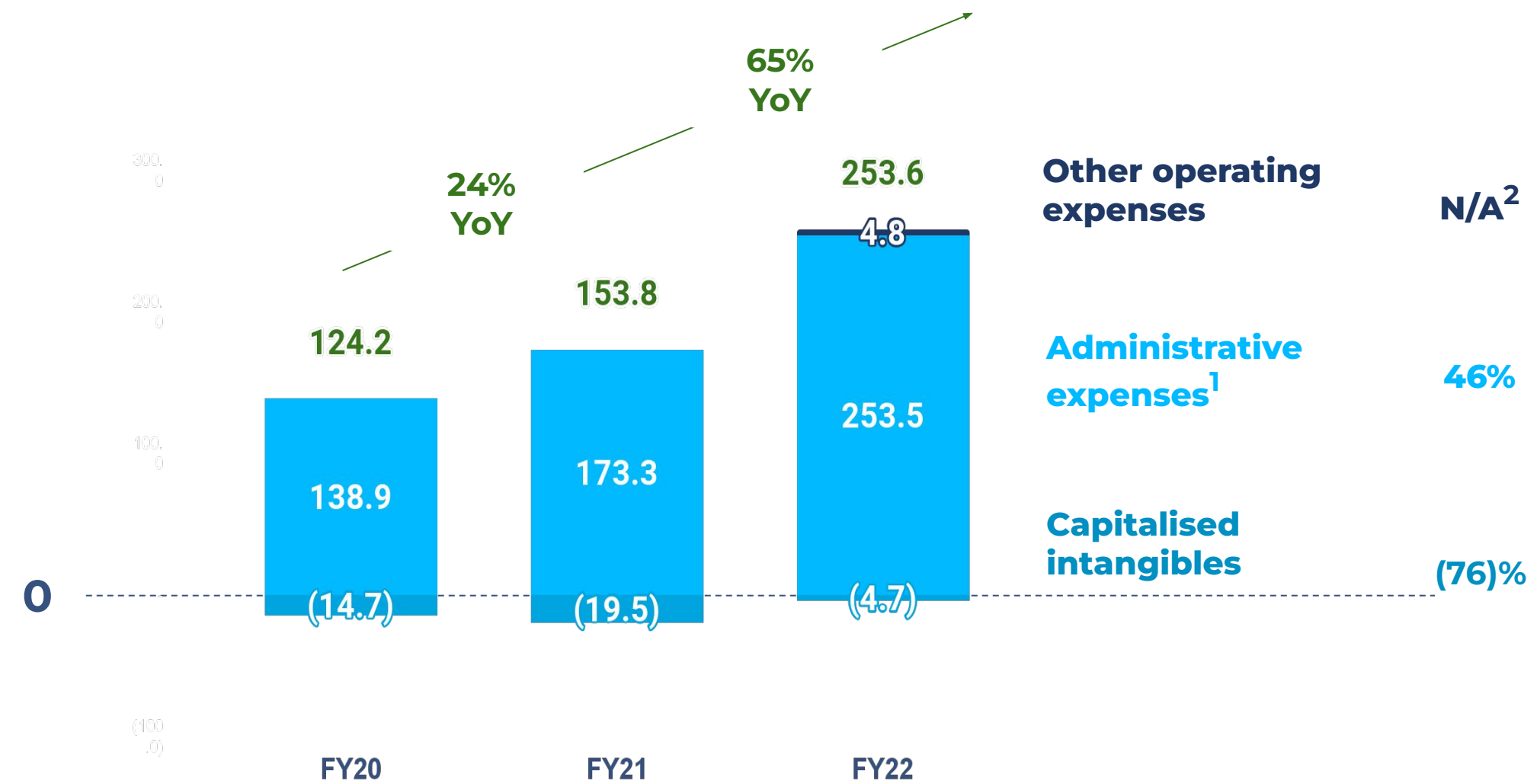
**FY22 marketing investment**

**+30% y/y**

**... but word of mouth  
continues to grow: 66% of new  
customers are still referred.**

Higher expense growth is in part driven by **lower capitalisation**.

## Administrative<sup>1</sup> and Other Operating Expenses (£m)<sup>1</sup>



Notes: <sup>1</sup>Administrative Expenses adjusted for D&A, SBC and exceptional costs related to listing. <sup>2</sup>No base in FY21 and therefore no growth rate calculated.

## Adjusted EBITDA (£m)

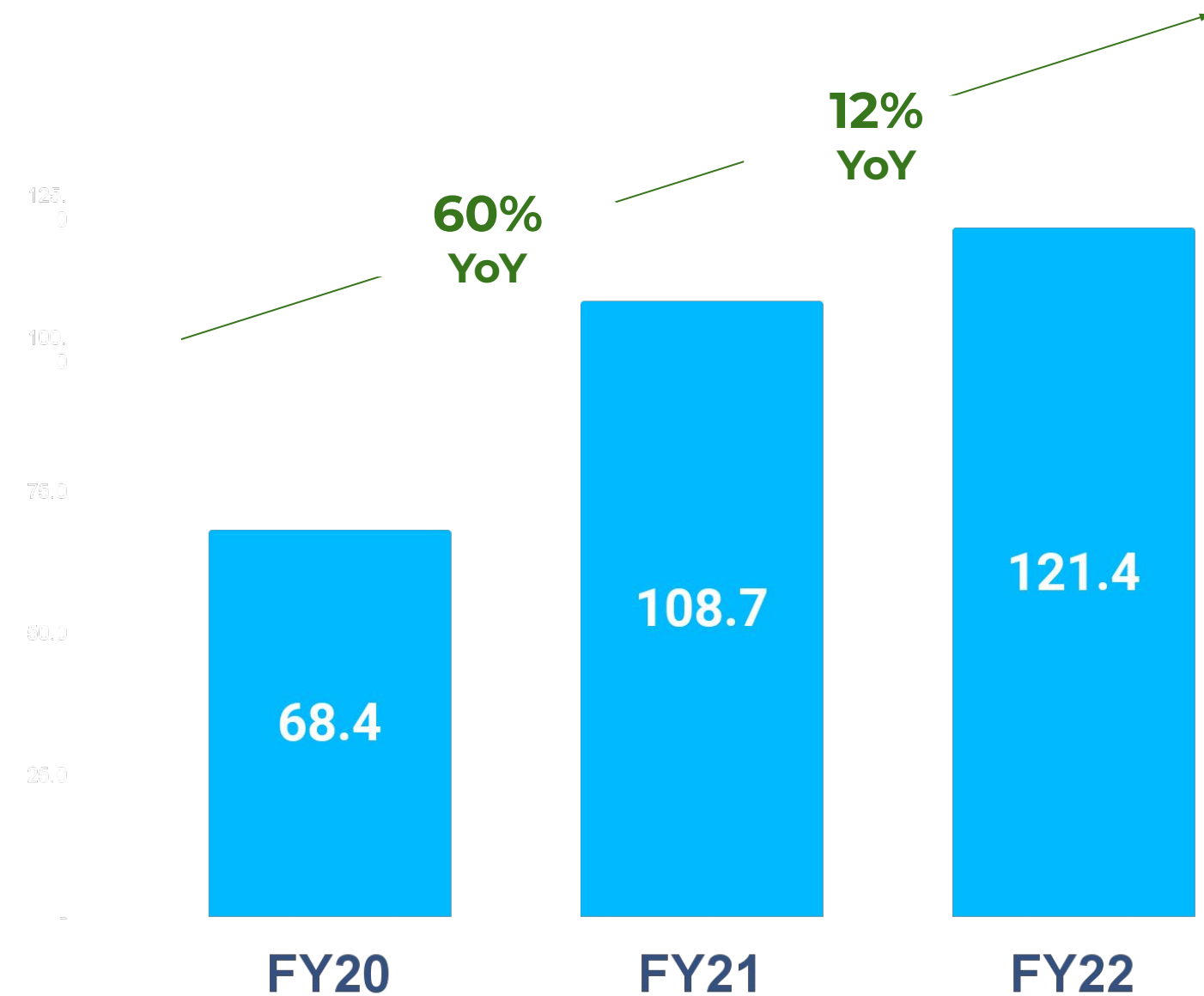
Margin (%)

23%

26%

22%

We're sustaining Adjusted EBITDA margin **at or above 20%**...



Revenue

Adj.  
EBITDA

*Capit-  
alisation*

Adj. EBITDA:  
*... add back  
capitalisation*

**FY22**

£560m

£121m

£(5)m

£117m

+33%

+12%

+31%

**FY21**

£421m

£109m

£(20)m

£89m

Our **growth** and **profitability** allows us to reinvest for the long-term.

**£76bn**

Volume.

+40% y/y

**£560m**

Revenue.

+33% y/y

**£372m**

Gross profit.

+43% y/y

**£121m**

Adj. EBITDA

22% margin

**£113m**

Free cash flow

93% of Adj. EBITDA

# Guidance.

## Revenue

**30-35%**

Growth in FY23

**>20%**

Medium-term growth (CAGR)

## Adjusted EBITDA margin

Maintained at or above

**20%**

over the medium-term



# 3 Onwards.

## **In summary...**

**Massive,  
growing  
opportunity**

**Superior  
product**

**Focused on  
long-term  
growth**

**Sustainable  
financial  
model**



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