



Wise plc  
Q1 FY24 Trading Update  
18 July 2023

### ***Good start to the year with continued strong customer growth***

- **33% YoY growth in quarterly active customers** to 6.7m, driven by strong customer retention and customer acquisition primarily through word of mouth.
- **Volumes increased 16% YoY to £28.2bn**, driven by the continued growth in active customers.
- **Revenue increased 29% YoY to £240m.**
- **Income grew 66% YoY to £311m** as a result of growth in active customers and higher interest income.
- **Wise account balances grew to £11.5bn** by the end of the quarter. On these balances we earned a gross interest income yield of 3.4% in Q1 FY24 (Q4 FY23: 2.8%) and the amount we were able to return to Wise account customers increased to 0.9% (Q4 FY23: 0.6%).
- **Outlook for FY24 unchanged:** Income growth of 28-33%, and adjusted EBITDA margin remaining elevated (vs. our medium term guidance of at or above 20%) as a result of higher levels of interest income net of customer benefits.

“This quarter we continued building our infrastructure and rolling out the account features that our customers need to live, work or manage their businesses across borders. We made our payments faster in Brazil, Australia and across a number of routes in Asia. Now 57% of payments on Wise are delivered in under 20 seconds. Our Assets ‘Interest’ feature is now available to customers in 11 countries, after launching in Germany, Sweden and Norway this quarter. We improved our offer in some existing markets too - customers in Europe now get more ‘Cashback’ on their balance, UK customers can get a 4.22% return on GBP held in Assets, and US customers can get a 4.12% return on their USD balances when they opt-in to earn interest.

“As our customer proposition continues to improve, more people and businesses are choosing Wise, and it is this growth in customer adoption that will underpin our long-term success. This quarter, we served 6.7 million active customers, an increase of 33% YoY, leading to 66% YoY growth in income.”

-Kristo Kaarmann, CEO and Co-Founder

	<b>Q1 FY2024</b>	<b>Q1 FY2023</b>	<b>YoY Movement</b>
Volume (£ billion)	28.2	24.4	16%
Revenue (£ million)	239.5	185.9	29%
Income (£ million)	310.9	187.1	66%
Average customer price	0.66%	0.61%	+5 bps
Instant transfers	57%	52%	+5 pps

You can read more about our progress in our quarterly Mission Updates on [wise.com](https://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 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.

Over 16 million people and businesses use Wise. In fiscal year 2023, Wise processed approximately £105 billion in cross-border transactions, 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	Q1 FY2022	Q2 FY2022	Q3 FY2022	Q4 FY2022	Q1 FY2023	Q2 FY2023	Q3 FY2023	Q4 FY2023	Q1 FY2024	QoQ Movement	Q YoY Movement
<b>Customers (million)</b>	<b>3.7</b>	<b>3.9</b>	<b>4.3</b>	<b>4.6</b>	<b>5.0</b>	<b>5.5</b>	<b>5.8</b>	<b>6.1</b>	<b>6.7</b>	<b>9%</b>	<b>33%</b>
Personal (million)	3.4	3.7	4.1	4.3	4.7	5.2	5.5	5.8	6.3	9%	34%
Business (million)	0.22	0.23	0.25	0.27	0.29	0.30	0.32	0.34	0.36	7%	27%
<b>Volume per customer (£ thousand)</b>	<b>4.5</b>	<b>4.6</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>(3%)</b>	<b>(13%)</b>
Personal (£ thousand)	3.6	3.7	3.7	3.7	3.8	3.9	3.5	3.4	3.3	(2%)	(14%)
Business (£ thousand)	18.6	19.4	21.6	20.8	22.2	22.9	23.2	21.4	20.4	(5%)	(8%)
<b>Volume (£ billion)<sup>1</sup></b>	<b>16.4</b>	<b>18.0</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>5%</b>	<b>16%</b>
Personal (£ billion)	12.4	13.5	15.1	15.9	18.0	20.1	19.0	19.5	20.8	7%	15%
Business (£ billion)	4.0	4.5	5.5	5.6	6.3	6.9	7.4	7.3	7.4	2%	17%
<b>Customer balances (£ billion)</b>	<b>4.3</b>	<b>4.9</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>8%</b>	<b>49%</b>

1. Cross-border volume only. On a constant current basis, cross-border volume is +7% QoQ and +20% YoY.

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	Q1 FY2022	Q2 FY2022	Q3 FY2022	Q4 FY2022	Q1 FY2023	Q2 FY2023	Q3 FY2023	Q4 FY2023	Q1 FY2024	QoQ Movement	Q YoY Movement
<b>Revenue (£ million)</b>	<b>123.5</b>	<b>132.8</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>7%</b>	<b>29%</b>
Personal (£ million)	96.9	103.4	114.7	118.4	144.4	164.8	173.7	173.4	186.4	8%	29%
Business (£ million)	26.6	29.4	35.1	35.4	41.5	46.7	51.5	50.1	53.1	6%	28%
<b>Interest income on customer balances (£ million)</b>	<b>0.6</b>	<b>0.8</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>34%</b>	<b>nm<sup>4</sup></b>
Personal (£ million)	0.3	0.4	0.5	0.7	2.0	9.6	24.9	38.7	53.1	37%	nm <sup>4</sup>
Business (£ million)	0.3	0.4	0.5	0.7	1.9	8.8	21.5	32.8	42.6	30%	nm <sup>4</sup>
<b>Interest income net of customer benefits (£ million)<sup>1</sup></b>	<b>(0.6)</b>	<b>(0.6)</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>28%</b>	<b>nm<sup>4</sup></b>
Personal (£ million)	(0.3)	(0.3)	(0.4)	(0.4)	0.6	9.1	23.2	29.7	39.0	31%	nm <sup>4</sup>
Business (£ million)	(0.3)	(0.3)	(0.4)	(0.4)	0.6	8.4	20.3	26.3	32.4	23%	nm <sup>4</sup>
<b>Income (£ million)<sup>2</sup></b>	<b>122.9</b>	<b>132.2</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>11%</b>	<b>66%</b>
Personal (£ million)	96.6	103.1	114.3	118.0	145.0	173.9	196.9	203.1	225.4	11%	55%
Business (£ million)	26.3	29.1	34.7	35.0	42.1	55.1	71.8	76.4	85.5	12%	103%
<b>Revenue Take rate (%)<sup>3</sup></b>	<b>0.75%</b>	<b>0.74%</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>+1 bps</b>	<b>+9 bps</b>
Cross-Currency (%)	0.66%	0.64%	0.62%	0.61%	0.61%	0.63%	0.69%	0.67%	0.67%	+0 bps	+6 bps
Other (%)	0.09%	0.10%	0.11%	0.11%	0.15%	0.15%	0.16%	0.17%	0.18%	+1 bps	+3 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.
4. "nm" indicates not measurable.

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