

Q3 FY2022 Trading Update

“I’m delighted that for the first time we’ve supported more than 4 million customers to complete cross-border transfers in a single quarter. We moved over £20bn; 38% growth on last year and 15% growth on the prior quarter.

We did this while continuing to make good progress on our mission to make moving and managing money across borders faster, easier, cheaper and more transparent for everyone, everywhere. We dropped prices, sped up payments, and expanded access to Wise’s products and features in more countries and through more partners.

Most notably, 45% of transfers were instant this quarter, and we launched the Wise card in Canada, Brazil, and Malaysia, with the Wise account also going live in Malaysia.”

Kristo Käärman, Co-Founder & CEO

Mission highlights for Q3 FY2022

| | Q3 FY2022 | Q3 FY2021 | YoY Movement | Q2 FY2022 | QoQ Movement |
|-----------------------------|------------------|------------------|---------------------|------------------|---------------------|
| Customer price ¹ | 0.60% | 0.69% | -9 bps | 0.62% | -2 bps |
| Instant transfers | 45% | 34% | +11 pps | 40% | +5 pps |

In line with our mission, growing volumes and reducing costs allows us to sustainably reduce prices for our customers whilst generating gross profits for reinvestment. Over the last year we dropped prices across 50 currencies, including 5 currencies in the most recent quarter. Our customer price is now 0.60% on average, 9bps lower than a year ago and 2bps lower than the previous quarter.

Wise customers are also benefiting from faster payments with 45% of all transfers delivered instantly this quarter, up from 40% in Q2. This was in part thanks to a constant focus on improving how we operate, in particular by speeding up security checks and resolving technical issues that were causing delays on payments sent to India.

In Q3, we launched the Wise Account and Card in Malaysia, and the Wise Card in Canada and Brazil. Business customers are now able to make payments to China from 8 currencies while Alipay users will now be able to send money to China from any supported Wise currency to an Alipay recipient.

Convenience is about providing access to Wise wherever it best suits our customers and we have made further progress in serving more customers through platform partners in the quarter. New partners include music royalty manager Eddy, armed forces credit union Andrews Federal, and invoice platforms Bilingo and Libeo.

1. Customer price is based on a fixed basket of representative currencies which reduces the effect from route mix and other factors, making it a more accurate representation of our progress in reducing the cost of international transfers over time.

Growth and Financial highlights

| | Q3 FY2022 | Q3 FY2021 | YoY Movement | Q2 FY2022 | QoQ Movement |
|---------------------------------|-----------|-----------|--------------|-----------|--------------|
| Volume (£ billion) ¹ | 20.6 | 15.0 | 38% | 18.0 | 15% |
| Revenue (£ million) | 149.8 | 111.9 | 34% | 132.8 | 13% |
| Take rate (%) ² | 0.73% | 0.75% | -2 bps | 0.74% | -1 bps |

1. Cross-border volume only

2. Revenue as a % of Volume

Q3 FY2022 was a strong quarter with over 4 million customers transacting on Wise. The number of active personal customers grew by 26% YoY to 4.1 million while the number of active business customers grew by 39% to 250k compared to the prior year.

Volume grew by 38% YoY and 15% QoQ to £20.6 billion, driven by growth in the number of active personal and business customers and a higher average volume per customer (VPC). Our business customers' VPCs are seasonally strong in Q3 but have nonetheless grown 13% YoY. This reflects that as our customers grow, so do their VPCs, as well as reflecting the increased adoption of the Wise Account and card.

Revenue grew by 34% YoY and 13% QoQ to £149.8 million, broadly in line with the rate of growth in volume. Our continuing efforts to engineer and optimise away costs to support sustainably lower prices for customers resulted in a lower take rate as expected, reducing to 0.73%, down 2bps YoY and 1bp QoQ. This reflects the price drops which are partially offset by incremental revenue from other sources beyond cross-border transactions.

Looking ahead, we continue to expect the take rate to be slightly lower in the second half of FY2022 compared to the first half as a result of price reductions. This is expected to be more than offset by higher volumes as we now anticipate revenue growth of c. 30% for FY2022 over FY2021. We continue to expect gross margin for FY2022 to be c.65-67%, subject to foreign exchange related costs continuing to remain broadly stable.

Please see the appendix for further historical financial information. Wise will release FY2022 results on 28 June 2022.

Analyst & Investor call

A call hosted by Matthew Briers (CFO) will be available for analysts and investors at 9am GMT this morning. Pre-registration and joining details can be found here:

<http://emea.directeventreg.com/registration/8767708>

Enquiries

Martin Adams - Head of Owner Relations

martin.adams@wise.com

Sana Rahman - Public Relations Lead

press@wise.com

Brunswick Group

Charles Pretzlik / Sarah West / Samantha Chiene

Wise@brunswickgroup.com

+44 (0) 20 7404 5959

About Wise

Wise is a global technology company, building the best way to move money around the world. With the Wise account people and businesses can hold over 50 currencies, move money between countries and spend money abroad. Large companies and banks use Wise technology too; an entirely new cross-border payments network that will one day power money without borders for everyone, everywhere. However you use the platform, Wise is on a mission to make your life easier and save you 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 profitable tech companies and is listed on the London Stock Exchange under the ticker, WISE.

11 million people and businesses use Wise, which processes over £6 billion in cross-border transactions every month, saving customers over £1 billion a year.

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 "target", "believe", "expect", "aim", "intend", "may", "anticipate", "estimate", "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. No representation or warranty is made or will be made that any forward-looking statement will come to pass. The forward-looking statements in this report speak only as at the date of this report.

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 FY2020 | Q2 FY2020 | Q3 FY2020 | Q4 FY2020 | Q1 FY2021 | Q2 FY2021 | Q3 FY2021 | Q4 FY2021 | Q1 FY2022 | Q2 FY2022 | Q3 FY2022 | QoQ Movement % | YoY Movement % |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|----------------|
| Customers (million) | 2.1 | 2.4 | 2.6 | 2.8 | 2.8 | 3.2 | 3.4 | 3.5 | 3.7 | 3.9 | 4.3 | 11% | 27% |
| Personal (million) | 2.0 | 2.3 | 2.5 | 2.6 | 2.7 | 3.0 | 3.2 | 3.3 | 3.4 | 3.7 | 4.1 | 11% | 26% |
| Business (million) | 0.09 | 0.10 | 0.12 | 0.13 | 0.14 | 0.16 | 0.18 | 0.20 | 0.22 | 0.23 | 0.25 | 10% | 39% |
| | | | | | | | | | | | | | |
| Volume Per Customer (£k) | 4.1 | 4.3 | 4.1 | 4.4 | 3.8 | 4.2 | 4.4 | 4.4 | 4.5 | 4.6 | 4.7 | 3% | 8% |
| Personal (£ thousand) | 3.4 | 3.6 | 3.4 | 3.7 | 3.0 | 3.4 | 3.5 | 3.6 | 3.6 | 3.7 | 3.7 | 1% | 4% |
| Business (£ thousand) | 18.4 | 19.3 | 19.2 | 18.6 | 17.5 | 17.7 | 19.1 | 18.1 | 18.6 | 19.4 | 21.6 | 12% | 13% |
| | | | | | | | | | | | | | |
| Volume (£ billion)¹ | 8.6 | 10.2 | 10.7 | 12.2 | 10.7 | 13.2 | 15.0 | 15.6 | 16.4 | 18.0 | 20.6 | 15% | 38% |
| Personal (£ billion) | 6.9 | 8.2 | 8.5 | 9.9 | 8.2 | 10.4 | 11.5 | 12.0 | 12.4 | 13.5 | 15.1 | 12% | 32% |
| Business (£ billion) | 1.7 | 2.0 | 2.2 | 2.4 | 2.4 | 2.8 | 3.5 | 3.6 | 4.0 | 4.5 | 5.5 | 23% | 58% |
| | | | | | | | | | | | | | |
| Revenue (£ million) | 57.3 | 74.5 | 79.6 | 91.2 | 86.3 | 105.9 | 111.9 | 116.9 | 123.5 | 132.8 | 149.8 | 13% | 34% |
| Personal (£ million) | 48.0 | 62.1 | 65.5 | 76.1 | 70.8 | 87.0 | 89.8 | 93.7 | 96.9 | 103.4 | 114.7 | 11% | 28% |
| Business (£ million) | 9.3 | 12.4 | 14.1 | 15.1 | 15.5 | 18.9 | 22.1 | 23.2 | 26.6 | 29.4 | 35.1 | 19% | 59% |
| | | | | | | | | | | | | | |
| Take rate (%)² | 0.66% | 0.73% | 0.75% | 0.75% | 0.81% | 0.80% | 0.75% | 0.75% | 0.75% | 0.74% | 0.73% | -1 bps | -2 bps |

1. Cross-border volume only
2. 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.