

## FT Partners Equity Research



### WISE PROPRIETARY COMPANY PROFILE

### The Only Global Investment Bank Focused Exclusively On FinTech

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## WISE TTM Price Performance



Price as of 03/17/23:

£5.52

Shares Out (mm):

1,025

Market Cap (mm):

£5,656

Beta (Avg. Since IPO):

1.4

52-Wk Range:

£2.85 - £7.32

Avg. Daily Vol (mm):

1.5

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## COMPANY OVERVIEW

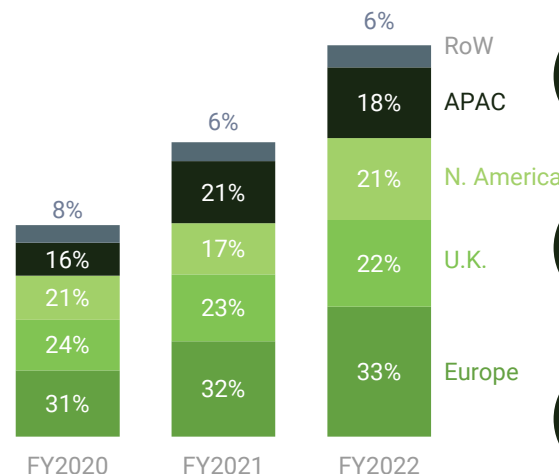
**Wise enables cross-border transactions servicing individuals, businesses, and financial institutions.**

**Wise accounts allow individuals to send/receive both cross-border and domestic transfers, as well as save and invest those funds.** Other features include scheduled or recurring payments and automatic conversion into specific currencies. The primary use case for Wise solutions by consumers is remittances, primarily among emigrants, expats, and foreign travelers.

**Wise Business provides branded cross-border payment solutions.** With Wise Business, the company also provides a suite of services, including spend management, payroll, accounts receivable, and supplier payments/accounts payable management.

Wise's long-term mission is to provide cross-border payment services that are instant, convenient, transparent, and eventually free (likely subsidized by other fee-bearing/interest-generating products).

## REVENUE BY REGION



## KEY DEBATES

1.

**Market Share:** Over the past decade, the remittance space has been characterized by the rapid growth of disruptive digitally-native providers (Wise, Remitly, WorldRemit), while incumbent providers (Western Union, Ria, Moneygram) have had to make significant investments in digital solutions and concede on price. Given the low-switching costs for the remittance space, digitally-native providers have continued to gain market share even as their relative advantages shrink. There is investor concern that as incumbent providers modernize their platform, differences between remittance providers become less relevant.

2.

**Growth Deceleration:** With F3Q23 results, Wise upgraded its FY23 guidance and now expects total income (transaction fees + NII) growth of 68% - 72% (55% - 60% previously). However, even with the updated guidance, implied growth for total income will decrease 2.6% QoQ in F4Q (based on consensus estimates for 69% growth in FY23) from +17.3% in F3Q. This represents the first quarter since being public that total income is expected to decline QoQ. We attribute recent weakness in the share price to investors pricing in a continually decelerating growth rate.

3.

**Customer Balances:** A large portion of Wise's F3Q23 total income beat was driven by higher-than-expected net interest income. While Wise does not disclose the balances in the quarter, we suspect the higher contribution from NII is the result of growing account balances and the higher rate environment. We believe the Street may continue to struggle modeling NII, as Wise rolls out new interest-bearing products that will weigh on the net interest margin.

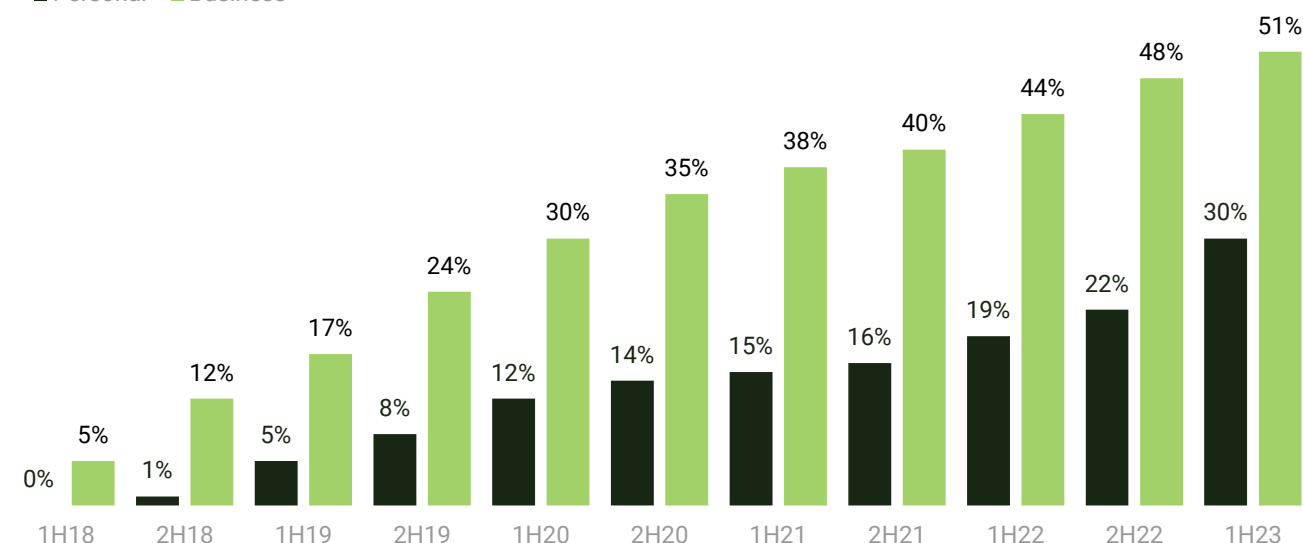
## REVENUE MODEL

**Wise reports total income in two segments:**

- Transaction Fees (93% of TTM Revenue):** Wise earns revenues from upfront fees it charges customers who use the platform (mobile or desktop) to send, spend, receive and hold money globally. The majority of these fees are earned when customers send or convert foreign currency. Wise's revenue is a function of its volumes and take rates, which are based on the fees it charges on cross-border payments. In addition, Wise earns fees on domestic same currency transactions, as when customers pay out to local currency bank accounts or spend domestically on their Wise debit cards. Wise also takes on cost-of-sales which includes bank and partner fees, as well as foreign exchange and other costs. The key metrics for the business include personal and business customer bases, volumes per customer, and the overall take rate. Over the trailing twelve months Wise generated 77% of its transaction revenue from "personal revenue" and 23% from "business revenue".
- Net Interest Income (7%):** Wise allows customers to purchase securities and invest funds through the Wise Account. Wise generates revenue from customer-held balances on the balance sheet. NII has grown to represent a larger portion of revenue, however, the contribution may be modestly offset with the launch of products that provide interest back to users.

## PERSONAL/BUSINESS CUSTOMERS USING 1+ PRODUCTS

■ Personal ■ Business



Source: Company filings



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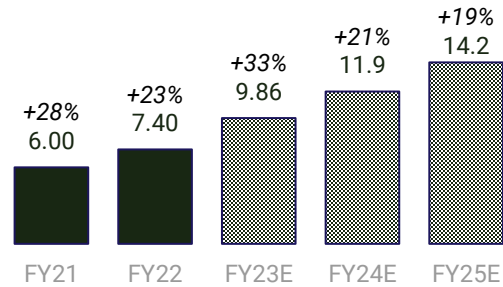
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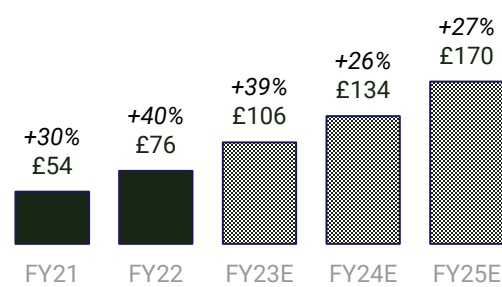
(£ in millions, except where otherwise noted)

HISTORICAL RESULTS & CONSENSUS FORECASTS<sup>(1)</sup>

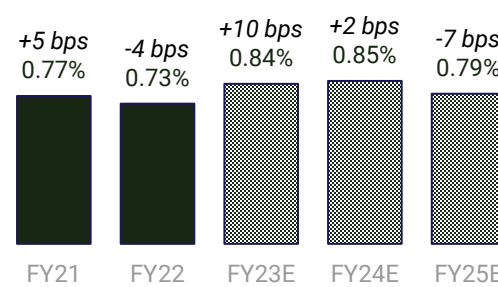
## Active Customers (mm)



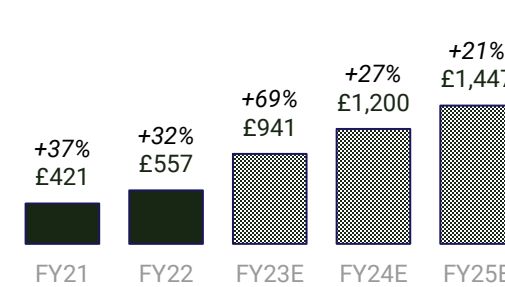
## Total Volume (bn)



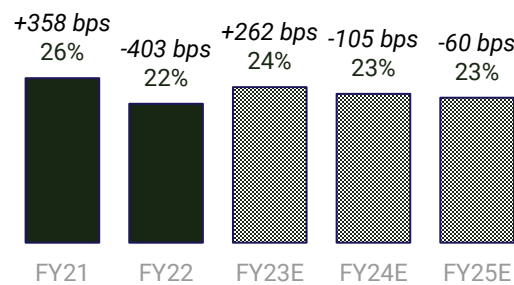
## Take Rate



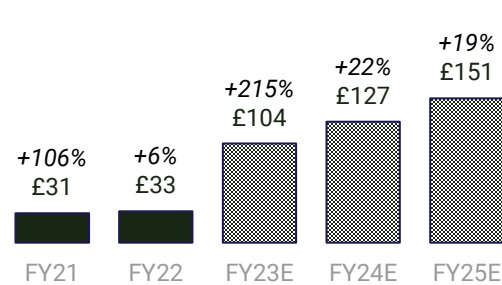
## Total Income



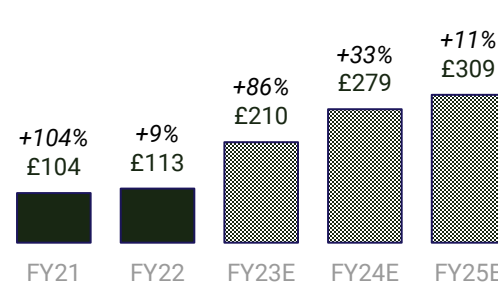
## Adjusted EBITDA Margin



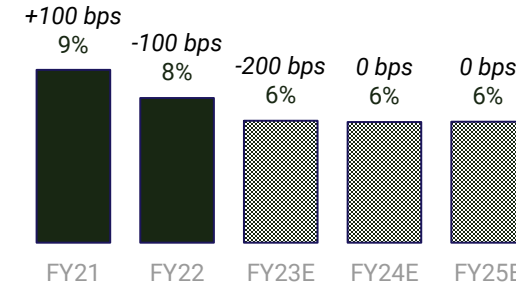
## Net Profit



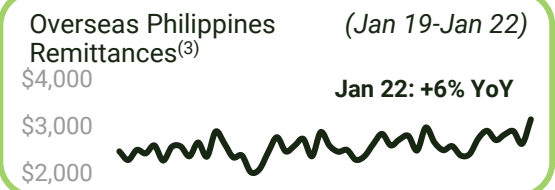
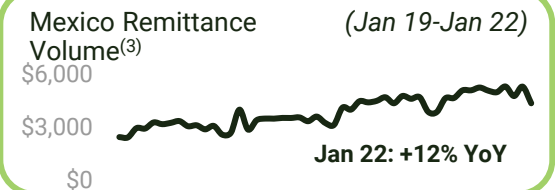
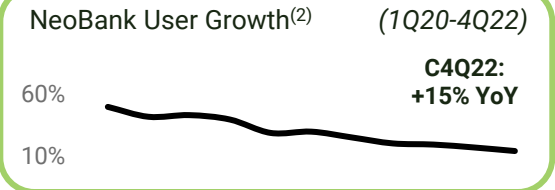
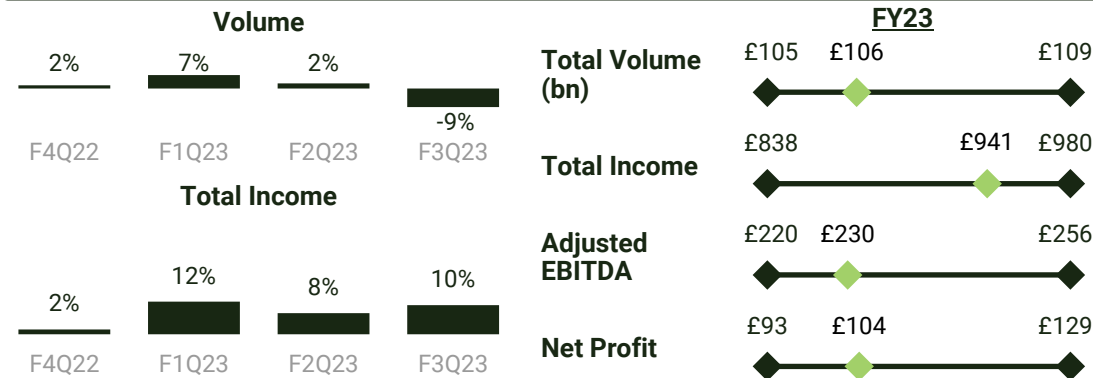
## Free Cash Flow



## SBC as % of Total Income



## INDUSTRY KPIs

SURPRISE HISTORY & FY23 CONSENSUS ESTIMATES<sup>(4)</sup>

## TOTAL ADDRESSABLE MARKET

## Personal Cross Border Volume

&lt;4% Wise Personal Market Share



£2tn TAM

## SMB Cross Border Volume

&lt;1% Wise Business Market Share



£9tn TAM

## Wise vs. Banks

7wise 0.64% Avg. Fee



3% - 7% Avg. Fee

Source: Company filings

1) Visible Alpha

2) Aggregate # of users: Venmo, CashApp, SoFi, MoneyLion, and Dave

3) Banco De Mexico/Bangko Sentral, in USD millions

4) FactSet Consensus Low/Average/High Range





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## VALUATION CONSIDERATIONS

### Relative Valuation:

While Wise is profitable and can be looked at on P/E, the combination of its high multiple and lack of profitable high-growth peers make EV/GP a better metric. As of March 20<sup>th</sup>, Wise trades at a 4x EV/GP, 7x below its 3-year average NTM EV/GP multiple of 11x. Wise also trades at a 3x premium to the Euro STOXX 50 relative to its 3-year average premium of 9x. **If Wise were to trade in-line with its peer group on an EV/GP basis when adjusted for growth, it would imply a 12-month forward price of £6.38 (16% upside).** Wise's premium is often attributed to a mix of its high-growth profile and geographic listing (due to the general lack of high-growth European tech stocks). Wise represents a compelling high-growth asset, but we recognize it operating in a commoditized end-market which could weigh on long-term growth and margin potential.

### DCF Scenarios:

**Scenario 1 – Current (£5.52, 0% upside):** This DCF outlines a reasonable combination of revenue growth and margin expansion to arrive at a 12-month forward price that matches the current share price. To arrive at the current share price 12-months from now, it requires a combination of 20%+ revenue growth in FY23/FY24/FY25 before decelerating to high-teens and gradually decelerating towards the terminal growth rate. Operating margins are also expected to gradually expand to a long-term rate of 40%+. The terminal FCF growth rate is 3%. Were shares of Wise to remain at the current price in 12-months, it would imply a 3.6x NTM EV/GP multiple (based on current STM consensus gross profit of £954mm).

**Scenario 2 – Cross Sell (£8.24, 49% upside):** The second DCF outlines a scenario where Wise maintains higher revenue growth over the near to medium-term from cross-selling products, driving higher consumer stored balances and more robust interest revenue. Margin estimates are marginally increased to account for the mix shift towards interest revenues. This scenario shows sustained 20%+ revenue growth through 2026 before decelerating towards the terminal rate. Long-term operating margins reach 45% in the long-term. This scenario points to a 12-month price of £8.24 (49% upside), which based on the current STM consensus gross profit implies a 6.6x NTM/GP.

**Scenario 3 – Competition (£4.20, 24% downside):** Part of Wise's strategy has been conceding on price to lower the overall cost of remittances for consumers, driving incremental volume/customer growth. As such, the third DCF outlines a scenario where other providers broadly match Wise on price, potentially leading to higher churn and/or increased CAC. In this scenario, revenue growth drops below 20% in 2024 and long-term operating margins reach 30%. This scenario points to a 12-month price of £4.20 (24% downside), which based on the current STM consensus gross profit implies a 2.1x NTM/GP.

## PEER GROUP TTM PRICE PERFORMANCE & VALUATION METHODOLOGIES

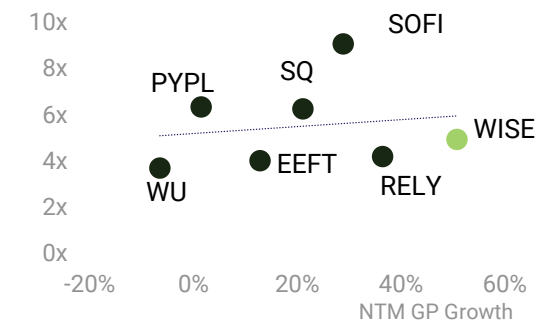
### EV/NTM GP & Avg. Since Listing



### NTM EV/GP vs. STOXX 50



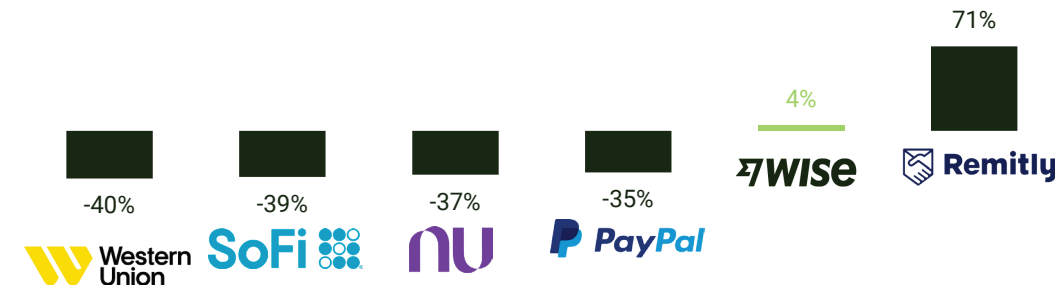
### NTM EV/GP & Peer Avg. vs. GP Growth



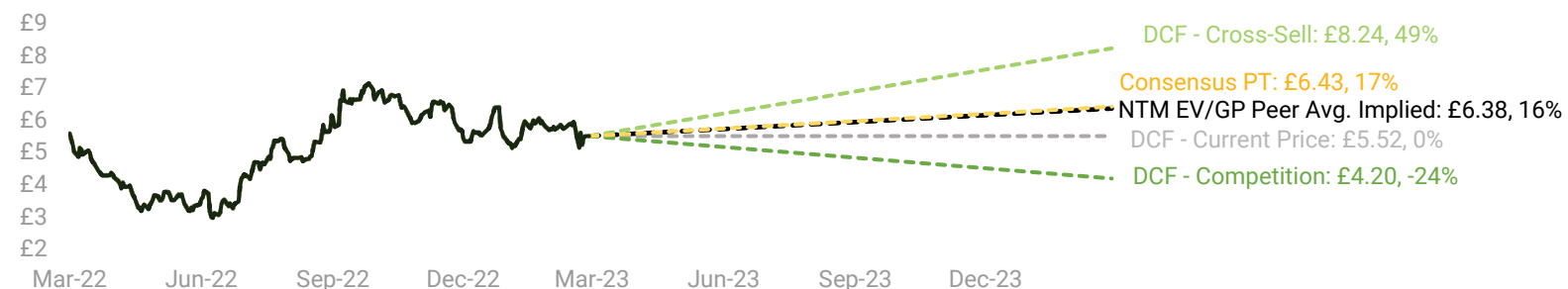
### DCF Assumptions<sup>(1)</sup>

10-Yr RFR	3.2%
Cost of Equity	11.1%
Cost of Debt	3.7%
WACC	10.8%
Beta	1.5
FCF Terminal Growth Rate	3.0%
SBC Terminal Growth Rate (All DCF's)	1.0%
Equity Value Reduction due to SBC	£1,058

### Select Peer TTM Price Performance



### Price Chart & 12M Forward Scenario Based Ranges



Source: Company filings; FactSet

1) SBC in millions



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## DECISION TREE INPUTS

To evaluate the potential outcomes and their valuation implications, the decision tree to the right is built around 1) changes in volume per customer (VPC) and 2) higher/lower net interest income (NII), as these are two key factors that have the most potential to surprise relative to consensus/buy-side estimates.

### Consensus Case:

The average consensus price target for Wise is ~£6.43 If shares if Wise were to trade at this price in 12-months it would imply a 4.5x EV/NTM gross profit multiple based on STM GP consensus of £954mm. This consensus price target implies 17% upside relative to the current share price.

### Upside Cases:

**(+) £7.39, 34% Upside:** This scenario assumes VPC returns to the ~£4,900 level present in F1/F2Q23 vs. current consensus expectations for ~£4,700 over the next two quarters before trending back upwards to ~£4,800. In this scenario, user count is held in-line with consensus estimates with the higher VPC flowing through into total volume. This implies 70% gross profit growth and 34% upside to the current share price with a 5.5x EV/GP multiple.

**(+-) £7.00, 27% Upside:** This scenario assumes recovery in VPC but a lower net yield than current expectations, while holding balance growth in-line with consensus expectations. If Wise does share back a greater portion of interest, it is likely overly punitive to decrease growth of customer balances relative to expectations as it would likely have the opposite effect. However, this scenario also does not point to multiple contraction/expansion as variations in NII so far have not driven material multiple rerating. Therefore, the higher interest revenue is accounted for in gross profit growth but does not result in a higher/lower multiple. This implies 57% gross profit growth and 27% upside to the current share price with a 5.5x EV/GP multiple.

**(++) £7.63, 38% Upside:** The best-case scenario assumes the higher level of VPC while increasing the amount of customer balances held on the platform at a ~80bps net yield. This implies 78% gross profit growth and 38% upside to the current share price with a 5.5x EV/GP multiple.

### Downside Cases

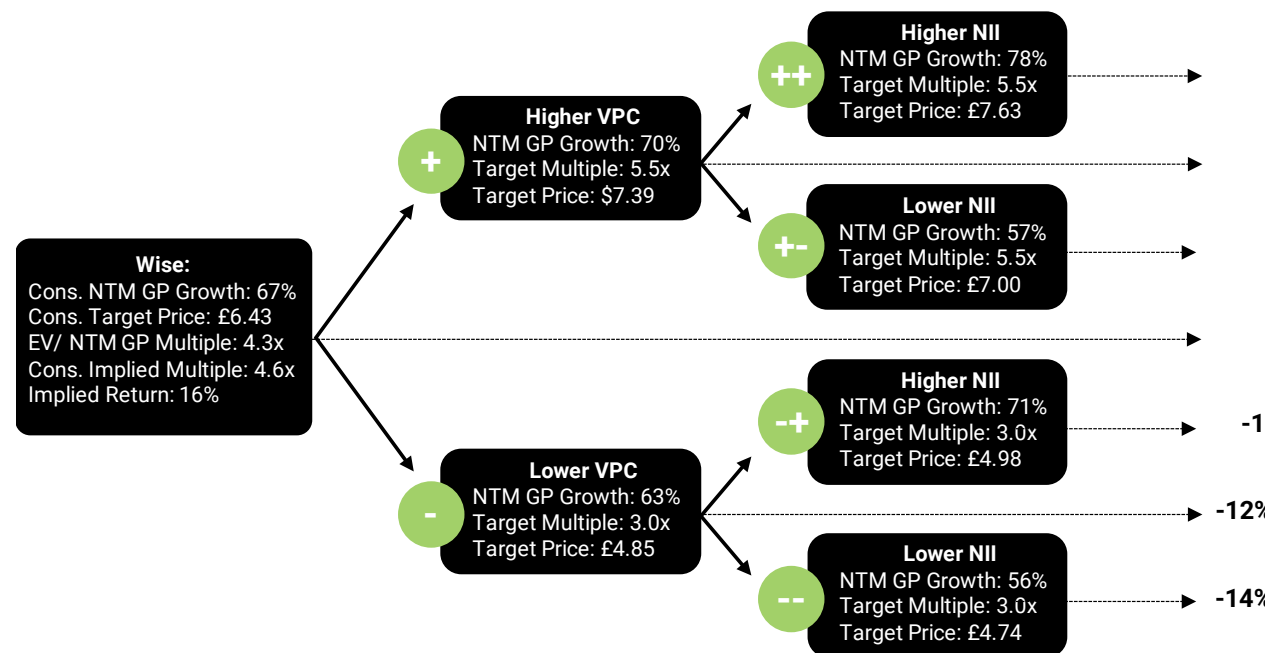
**(-) £4.85, 12% Downside:** This scenario assumes VPC does not recover and stays at the most recently reported ~£4,500 level with the impact of this flowing through to lower volume. This implies 63% gross profit growth and 12% downside to the current share price with a 3.0x EV/GP multiple.

**(-+) £4.98, 10% Downside:** This scenario assumes the lower level of VPC persisting, but customer balances held on the platform grow faster at a ~80bps net yield. This implies 71% gross profit growth and 10% downside to the current share price with a 3.0x EV/GP multiple.

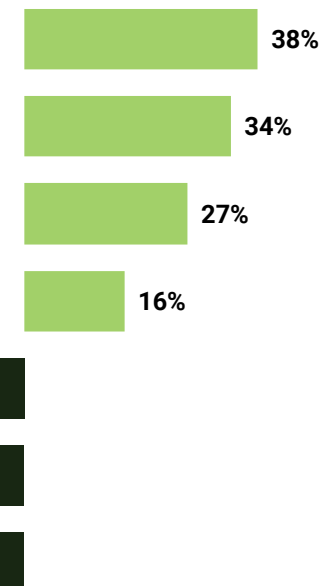
**(--) £4.74, 14% Downside:** The worst-case scenario sees lower VPC persisting, while Wise shares back a greater portion of the yield with customers than current expectations while holding balance growth in-line with consensus expectations. This implies 56% gross profit growth and 14% downside to the current share price with a 3.0x EV/GP multiple.

## DECISION TREE & CONSENSUS OUTLOOK

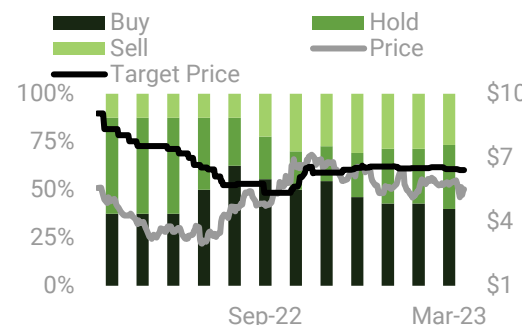
### Outcome Tree & Reward/Risk



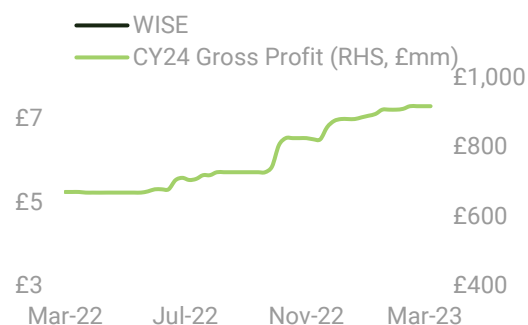
### 12-Month Price Return



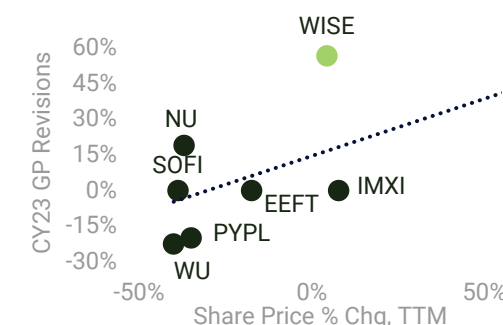
### Sell-Side Ratings Distribution



### Price Performance vs. Est. Revisions



### Est. Revisions vs. Price Change, TTM<sup>(1)</sup>



Source: Company filings, FactSet

1) SOFI revision reflects contribution profit



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## F3Q23 EARNINGS CALL RECAP

**Takeaway:** Wise reported its F3Q23 trading update on January 17th and shares closed down 11%. This was attributed to relatively weak personal volume per customer through the quarter and a consensus miss on personal and business volumes. Although total income beat by 10%, this was driven by higher-than-expected net interest income. The updated guidance also implies a QoQ decrease in total income, which represents the first instance since Wise went public. We recognize that Wise has maintained a significant valuation premium which likely has not gone unnoticed.

**Results Recap:** Wise released its F3Q23 trading update, reporting £26.4bn in total volumes with personal volumes of £19bn, missing total volume expectations by 9%. Personal and business revenues totaled £174mm/£51mm missing estimates by 11%/2%, respectively. The revenue beat was driven by a total transaction take rate of 85bps, 8bps above consensus expectations and +7bps QoQ. Management attributed 2bps of the take rate expansion to higher prices, with the remaining 5bps attributed to mix shifts in product and payment size. Wise also reported total income (revenue + NII) of £269mm, +10% above consensus expectations of £243mm. This beat was primarily driven by net interest income of £44mm vs. analyst expectations for £25mm.

**Guidance Recap:** With results, Wise upgraded its FY23 guidance and now expects total income growth of 68% - 72% compared to previous guidance of 55% - 60%. Management also expects adjusted EBITDA margins for F2H23 to be higher than 22% but maintains its medium-term target for adjusted EBITDA margins at or above 20%.

## Incremental From the Call:

- **Guidance/Outlook:** The increase in top-line guidance implies an incremental ~£70mm relative to the previous guidance midpoint (8% higher at the midpoint and 6% above pre-print consensus). On EBITDA, management also provided additional commentary that the F4Q23 EBITDA margin will be sufficiently ahead of 22%. We attribute the strong margins to the NII outperformance flowing through to EBITDA. We understand management's reluctance to deviate from its provided EBITDA margin range of 20%, as we expect contributions from NII to potentially decrease as Wise launches/updates products to pay interest to customers.
- **4Q Deceleration:** According to the updated guidance, implied growth for total income will decrease 2.4% in 4Q from +17.3% in 3Q. This represents the first quarter since being public that QoQ total income is expected to decrease. While management did not comment on the exact drivers of this, we expect F4Q will experience similar headwinds on personal volume per customer, as management disclosed that much of the incremental decrease in personal VPC was concentrated from customer cohorts sending \$10,000 or more in volumes, predominately focused on discretionary spend denominated in USD. This cohort represents a considerable amount of platform volumes (anywhere between 25% and 50%) and is particularly sensitive to volume pull-forwards during times of interest rate volatility.
- **Net Interest Income:** The 10% top-line beat on total income was primarily driven by higher-than-expected net interest income. Management disclosed that the company will continue to rollout new products that may offset interest income. We believe the Street may continue to struggle modeling the contribution from interest income as Wise generates interest from 1) customer held balances on the BS and 2) a "management" fee for the interest products where consumers move funds off Wise's balance sheet and into a fund.
- **Share Repurchases:** The company received regulatory approval for share repurchases aimed to offset the dilutive impact of stock-based compensation. Although management did not disclose the total amount approved, it did report that the company intends to purchase up to £10mm through the remainder of FY23. While this currently represents an immaterial portion of S/O, management commented that the regulatory approval is a first step and that the company has a healthy eligible capital balance.

## F3Q23 REPORTED VS. CONSENSUS

Line-Item	Actual	Consensus	Abs.▲	%▲
<b>Personal Customers</b>	<b>5.50</b>	<b>5.51</b>	<b>-0.01</b>	<b>0%</b>
<i>growth (% , yoy)</i>	34%	34%		
<b>Business Customers</b>	<b>0.32</b>	<b>0.32</b>	<b>0.00</b>	<b>1%</b>
<i>growth (% , yoy)</i>	28%	27%		
<b>Total Customers</b>	<b>5.80</b>	<b>5.83</b>	<b>-0.03</b>	<b>0%</b>
<i>growth (% , yoy)</i>	33%	34%		
<b>Personal Volume</b>	<b>£19.0</b>	<b>£21.4</b>	<b>-£2.45</b>	<b>-11%</b>
<i>growth (% , yoy)</i>	26%	42%		
<b>Business Volume</b>	<b>£7.4</b>	<b>£7.6</b>	<b>-£0.18</b>	<b>-2%</b>
<i>growth (% , yoy)</i>	35%	38%		
<b>Total Volume</b>	<b>£26.4</b>	<b>£29.0</b>	<b>-£2.63</b>	<b>-9%</b>
<i>growth (% , yoy)</i>	28%	41%		
<b>Average Volume Per Customer</b>	<b>£4,552</b>	<b>£5,010</b>	<b>-£458</b>	<b>-9%</b>
<i>growth (% , yoy)</i>	-4%	6%		
<b>Total Transaction Revenue</b>	<b>£225</b>	<b>£223</b>	<b>£2.17</b>	<b>1%</b>
<i>▲ in % (bps, yoy)</i>	50%	49%		
<b>Net Interest Incomes</b>	<b>£43.5</b>	<b>£24.9</b>	<b>£18.6</b>	<b>75%</b>
<i>% of total income</i>	16%	10%		594bps
<b>Total Income</b>	<b>£269</b>	<b>£243</b>	<b>£25.5</b>	<b>10%</b>
<i>growth (% , yoy)</i>	79%	62%		

FY23 Guidance	Old	New	+/-	Cons.	+/-
<b>Total Income</b>	<b>£864 - £891</b>	<b>£936 - £958</b>	<b>8%</b>	<b>£897</b>	<b>6%</b>
<i>% Growth</i>	55% - 60%	68% - 72%	1,250bps	61%	892bps

Source: FactSet, Visible Alpha, Company filings



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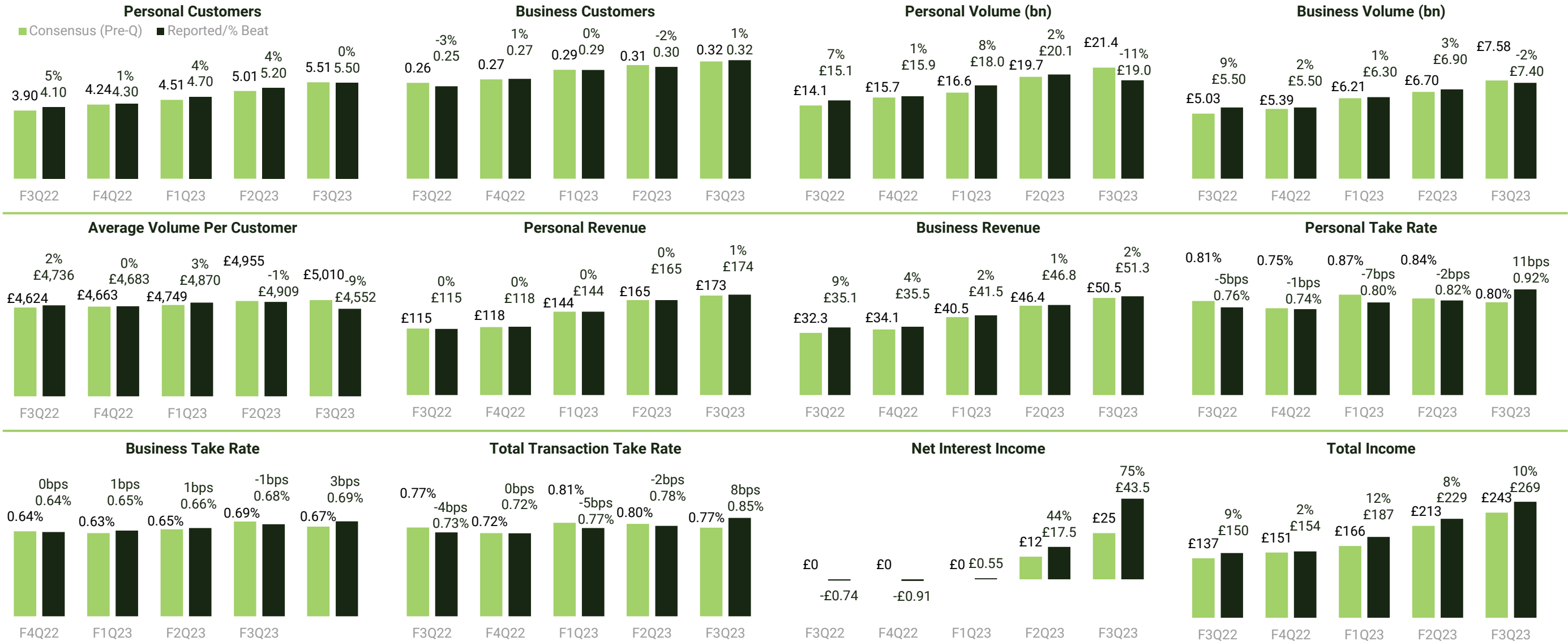
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## REPORTED VS. CONSENSUS



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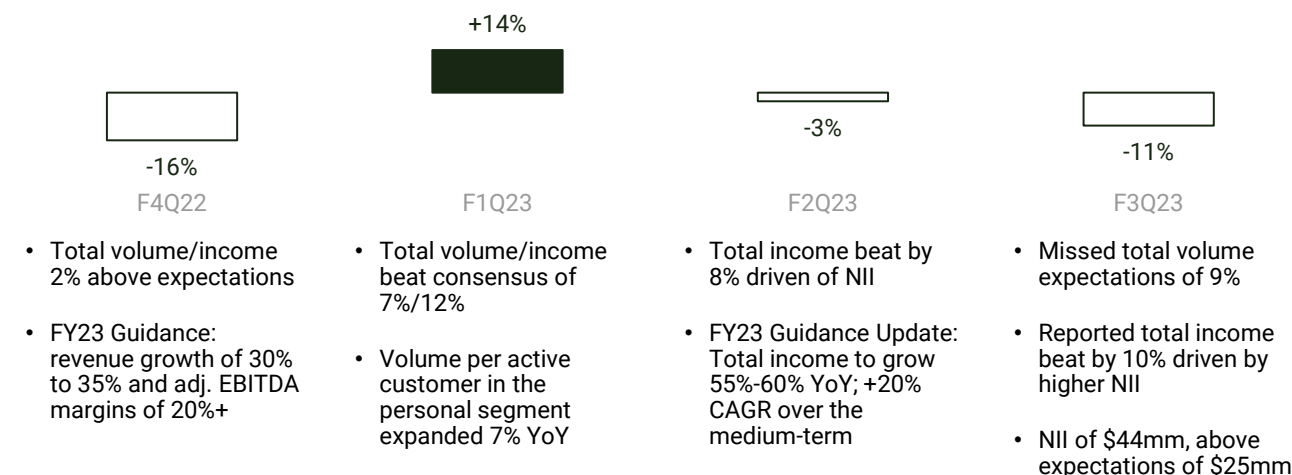
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## F2H23 EARNINGS OUTLOOK

Wise is expected to announce its F2H23 update on April 28th, 2023. Going into the print, the following topics will likely be in focus:

- **Total Income:** With F3Q23 results, Wise raised its FY23 total income growth guidance 8% at the midpoint to 68% - 72%, implying £947mm for the fiscal year. This exceeded pre-quarter estimates for the fiscal year by 6%, as consensus expected top-line growth of 61% YoY to £897mm. With results, consensus has largely reflected the updated guidance and now anticipates top-line YoY growth of 70% to £945mm. This remains in-line with management forecasts. The updated guidance implies QoQ total income decline for the first time since going public, decreasing 2% from F3Q23 to £262mm.
- **Net Interest Income:** Consensus is forecasting a 22% QoQ decline in net interest income to £34mm in F4Q23. We believe this result is unlikely and represents potential upside to upcoming results, considering the trends in customer balances and the prevailing interest rate environment. Last quarter, the company exceeded consensus expectations for total income by 10%, largely driven by better-than-expected net interest income (£44mm vs. £25mm consensus estimate) and higher prices in the personal segment (+11bps vs. consensus estim.). Wise has benefitted from higher interest rates while maintaining the majority of the economics due to a lack of interest-earning products offered to customers. The company did not provide an exact timeline for the rollout of these products, but disclosed it expects adj. EBITDA expansion for F2H23 (above 22% realized in F1H23). We believe this would imply at least one more quarter of elevated net interest income before Wise begins returning a greater portion of interest back to its customers. Additionally, the Bank of England recently raised its benchmark interest rate 50bps to 4.0%, its highest level since 2008. This, coupled with the slow rollout of interest-earning products, would imply net interest income acceleration, counter to consensus forecasts. While we see potential for upside to NII, higher NII drove the F3Q beat, and the stock did not react positively. This is likely do to the fact that investors don't view NII as a core part of the business, and fundamental performance and execution in the core business is what is most critical.
- **Foreign Exchange Rates:** GBP/USD exchange rates saw significant volatility in Wise's F3Q23, with the GBP trading near parity by the end of September 2022 before recovering in F4Q22, resulting in management highlighting the swings in VPC. Specifically, management stated that with volatile rates in prior periods, volume was "pulled forward" increasing VPC in 1H and weighing on VPC in F3Q. At the same time, management was uncertain whether the impact is expected to last through F4Q. Wise stated this trend was particularly pronounced with customer cohorts sending large volumes (>\$10,000) denominated in USD, with relative discretion over when transfers are made, and that this cohort represents anywhere between 25%-50% of platform volumes. In F4Q GBP/USD exchange rates have mostly stabilized. Therefore, VPC is likely to stabilize in F4Q, and in the event average volumes remain depressed, it is more likely to be attributed it to weakness in the core consumer than FX dynamics.

## POST-RESULTS ONE-DAY ALPHA VS. NASDAQ



## NET INTEREST INCOME SENSITIVITY (REVENUE IMPLICATIONS)

Customer Balances	Net Yield					
	0.40%	0.45%	0.50%	0.55%	0.60%	
	£5,918	-2.5%	-1.9%	-1.4%	-0.8%	-0.3%
	£6,657	-1.9%	-1.3%	-0.7%	-0.1%	0.6%
	£7,397	-1.4%	-0.7%	0.0%	0.7%	1.4%
	£8,137	-0.8%	-0.1%	0.7%	1.4%	2.2%
	£8,876	-0.3%	0.6%	1.4%	2.2%	3.0%

Customer Balances	Net Yield					
	0.40%	0.45%	0.50%	0.55%	0.60%	
	£5,918	£524	£527	£529	£532	£535
	£6,657	£527	£530	£533	£537	£540
	£7,397	£530	£533	£537	£541	£544
	£8,137	£532	£537	£541	£545	£549
	£8,876	£535	£540	£544	£549	£553

Source: Company filings; FactSet





## WISE TTM Price Performance



Price as of 03/17/23:

£5.52

Market Cap (mm):

£5,656

52-Wk Range:

£2.85 - £7.32

Shares Out (mm):

1,025

Beta (Avg. Since IPO):

1.4

Avg. Daily Vol (mm):

1.5

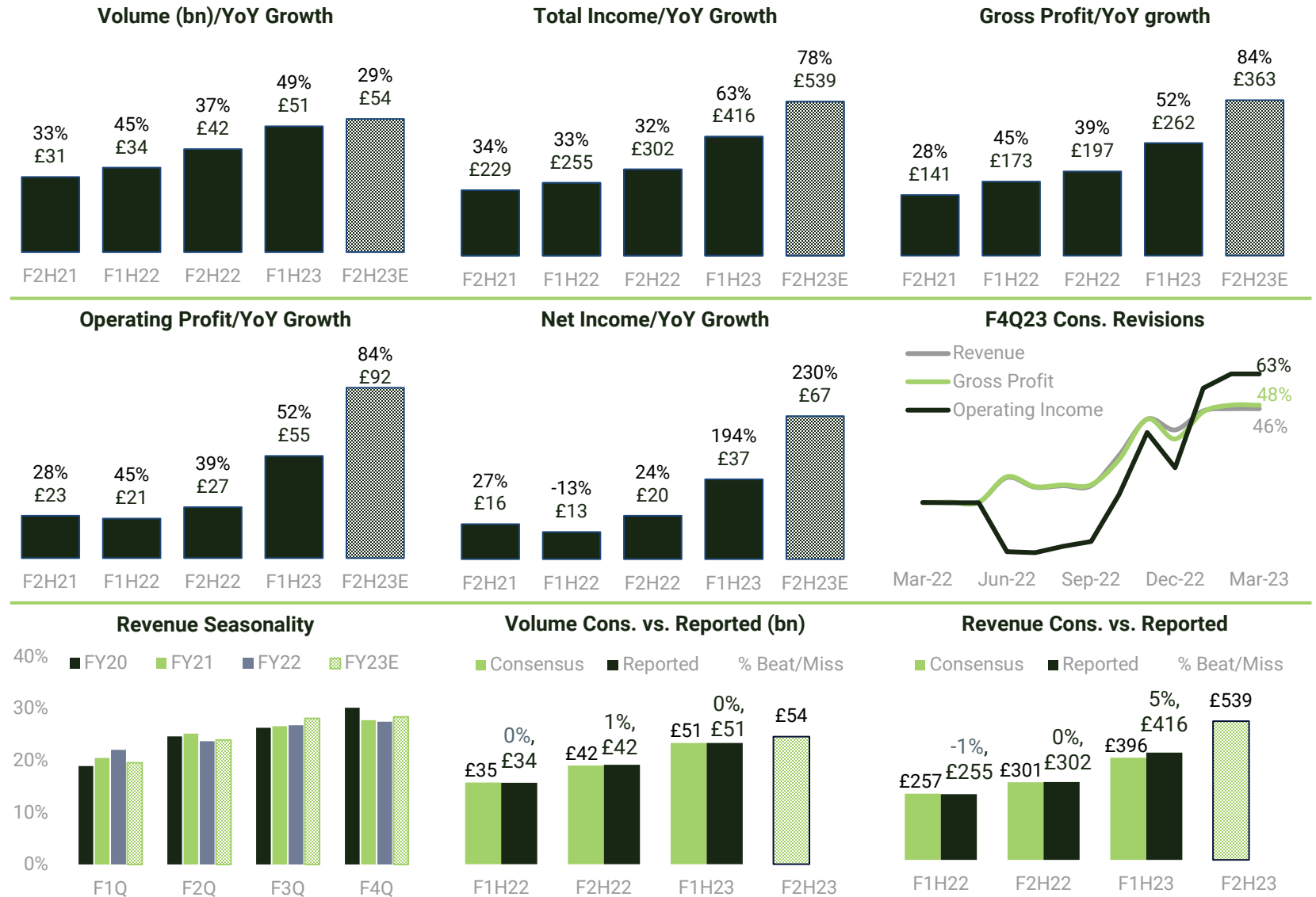
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(£ in millions)

## 2H23 CONSENSUS ESTIMATE RANGES

	Low	Average	High
<b>Total Volume - Personal (bn)</b>	<b>£39</b>	<b>£40</b>	<b>£43</b>
<i>growth (% , yoy)</i>	25%	28%	40%
<b>Total Volume - Business (bn)</b>	<b>£15</b>	<b>£15</b>	<b>£16</b>
<i>growth (% , yoy)</i>	33%	37%	46%
<b>Total Volume (bn)</b>	<b>£54</b>	<b>£54</b>	<b>£55</b>
<i>growth (% , yoy)</i>	28%	29%	32%
<b>Business Revenue</b>	<b>£98</b>	<b>£103</b>	<b>£106</b>
<i>growth (% , yoy)</i>	39%	45%	51%
<b>Personal Revenue</b>	<b>£350</b>	<b>£356</b>	<b>£367</b>
<i>growth (% , yoy)</i>	50%	53%	58%
<b>Net Interest Income</b>	<b>£17</b>	<b>£85</b>	<b>£104</b>
<i>growth (% , yoy)</i>	NA	NA	NA
<b>Total Income</b>	<b>£456</b>	<b>£539</b>	<b>£564</b>
<i>growth (% , yoy)</i>	51%	78%	86%
<b>Cost of Sales</b>	<b>£145</b>	<b>£188</b>	<b>£201</b>
<i>growth (% , yoy)</i>	41%	82%	95%
<b>Gross Profit</b>	<b>£336</b>	<b>£363</b>	<b>£396</b>
<i>Gross Margin (% of Revenue)</i>	74%	67%	70%
<b>Total Operating Expenses</b>	<b>£248</b>	<b>£267</b>	<b>£290</b>
<i>growth (% , yoy)</i>	46%	58%	71%
<b>Operating Income</b>	<b>£78</b>	<b>£92</b>	<b>£122</b>
<i>Operating Margin (% of Revenue)</i>	17%	17%	22%
<b>Net Income</b>	<b>£55</b>	<b>£67</b>	<b>£92</b>
<i>Net Income Margin (% of Revenue)</i>	12%	12%	16%

## SEMI-ANNUAL CONSENSUS ESTIMATES &amp; OPTION ACTIVITY



Source: Company filings

1) FactSet



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## QUESTIONS FOR MANAGEMENT

### Fundamentals:

- 1) Where does management see the long-term operating margins for the business? What is the roadmap to get there?
- 2) How does management plan on managing expenses in the current environment? Is the priority investing in growth or for near-term incremental savings?
- 3) The updated total income guidance for FY23 implies a sequential decline in revenue, what is driving this slowdown? Is it the weaker macro environment or increased competition, a combination of both, or other factors?

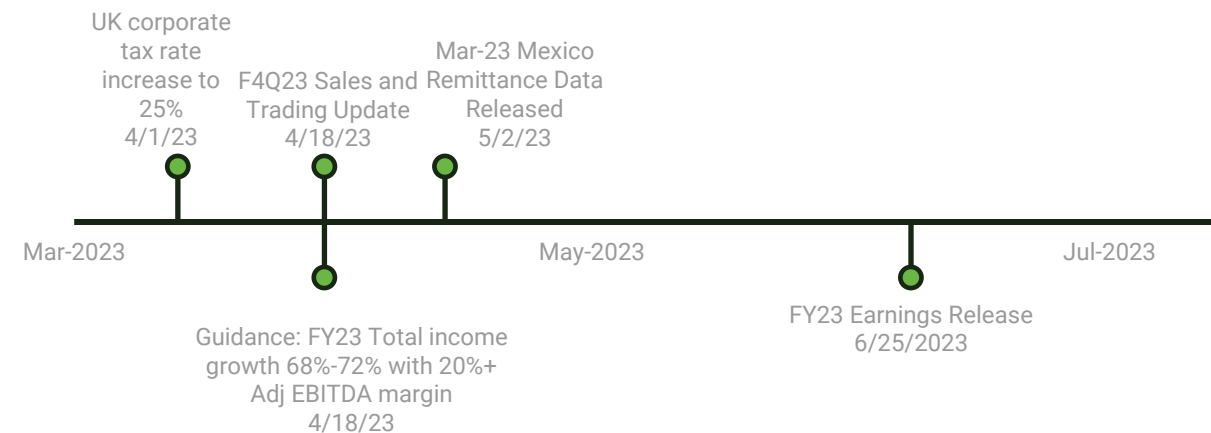
### General:

- 4) How much of an impact is the shift in the interest rate environment expected to have on the business? Particularly surrounding Wise Account Balances?
- 5) With newly acquired customers, where are they primarily coming from? Is Wise winning customers from other digitally native providers or the more traditional players in the space?
- 6) Does management have any data it can share on engagement levels with the app? How frequently are consumers interacting with the company's products?
- 7) Can management discuss the customer acquisition strategy. Is the focus on expanding on the corridors Wise already serves, going deeper in existing corridors, or a mix of both?
- 8) How should investors think about the impact to NII now that interest is being provided to some customers on their stored balances?

### Products:

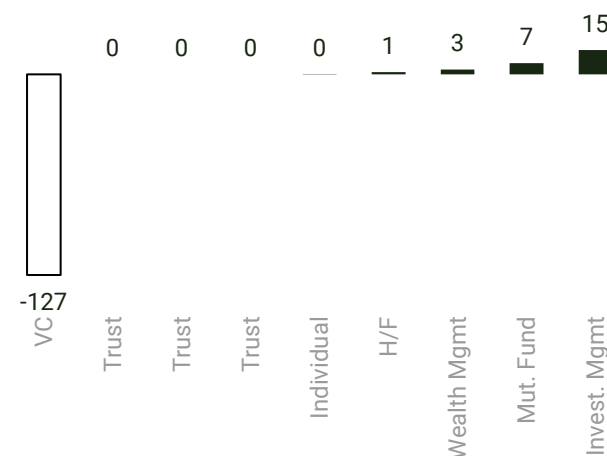
- 9) What is the timeframe for rolling out products that provide interest back to customers in other geographies, given it is only available in the U.K currently?
- 10) The Wise Business product supports small businesses that may not get the same levels of support from their traditional bank. How will the company keep businesses using the product as they grow?
- 11) Can management elaborate on the attach rate on the card product? What type of consumers does Wise see adopting that product the most?

## POTENTIAL CATALYSTS

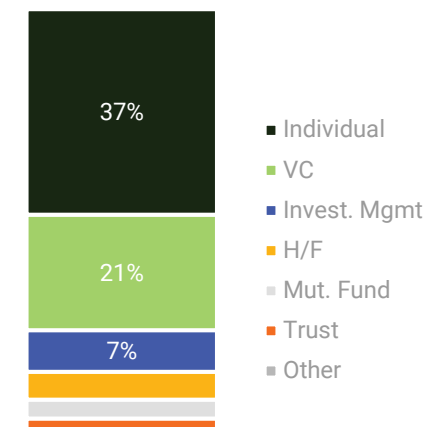


## SHAREHOLDER ANALYSIS

### Six-Month Position Changes (mm)



### Ownership Breakdown



Source: Company filings; FactSet



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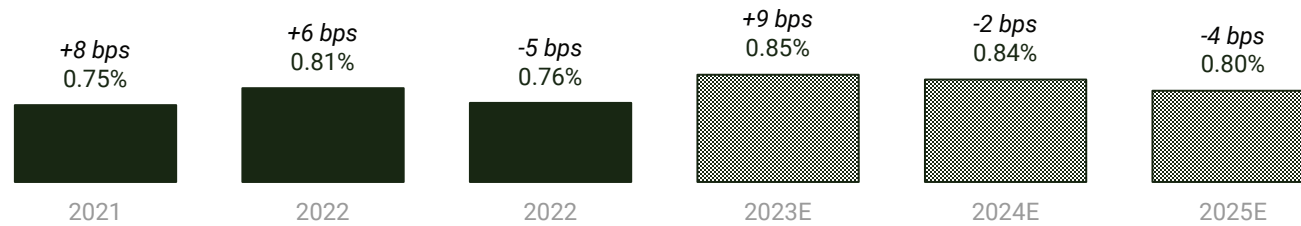
Avg. Daily Vol (mm):

1.5

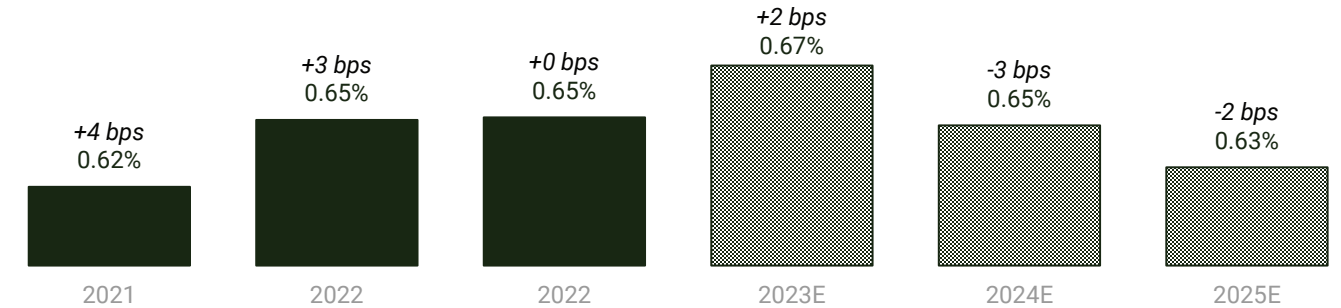
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## COMPANY RATIOS/MARGIN ANALYSIS

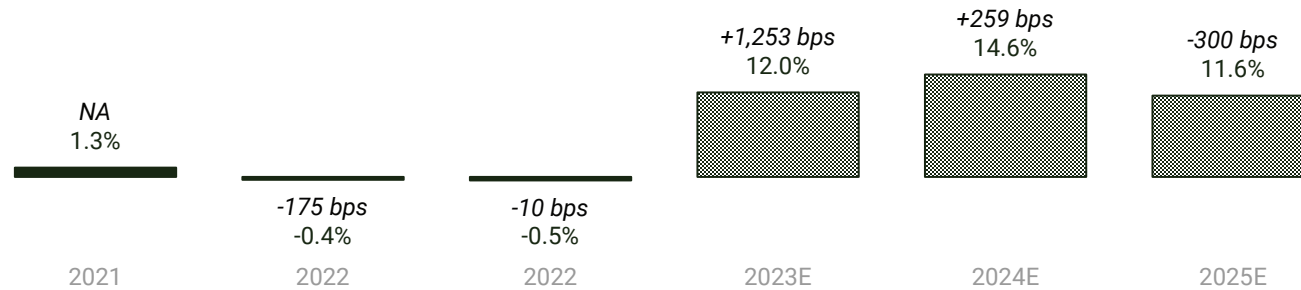
## Personal Take Rate



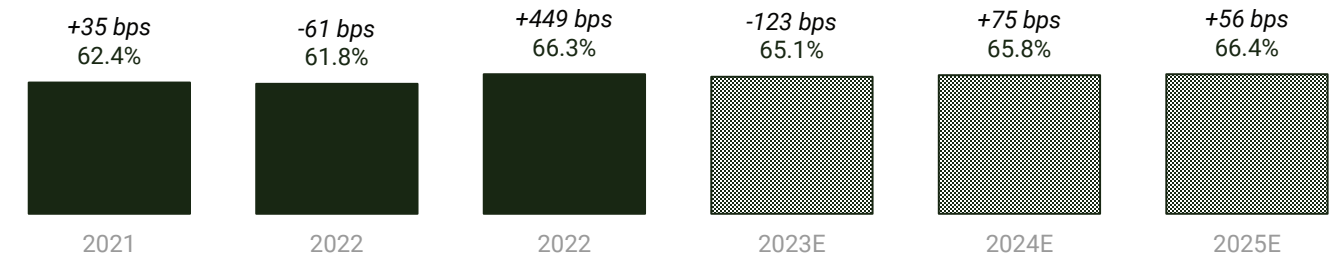
## Business Take Rate



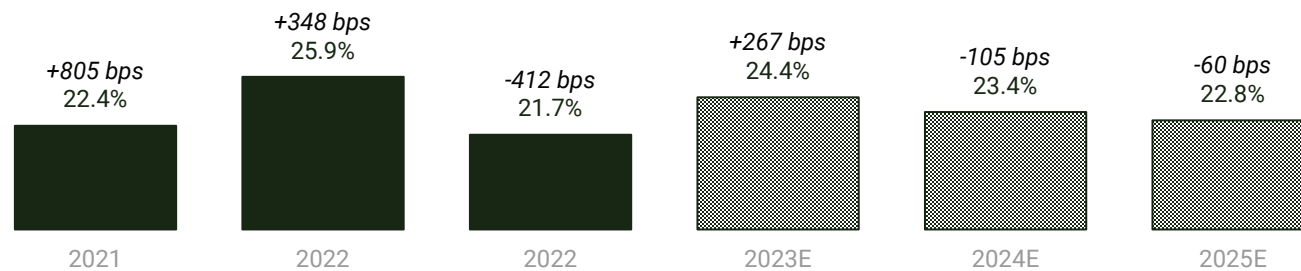
## Net Interest Income as a % of Total Income



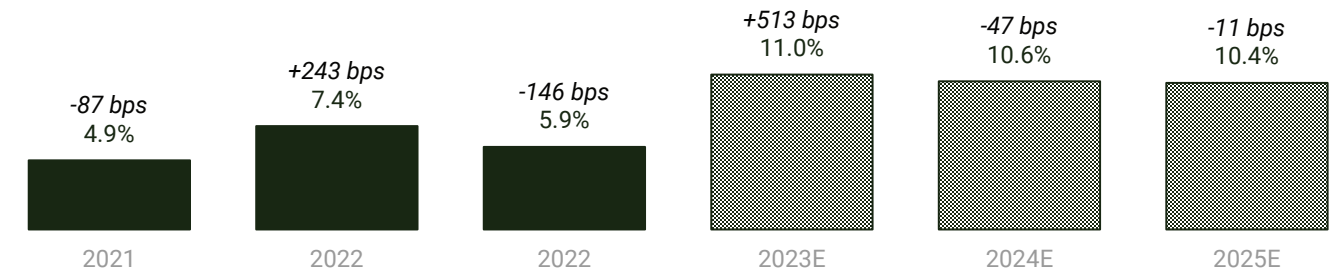
## Gross Margin



## Adjusted EBITDA Margin



## Net Income Margin



Source: Company filings; FactSet



# WISE TTM Price Performance



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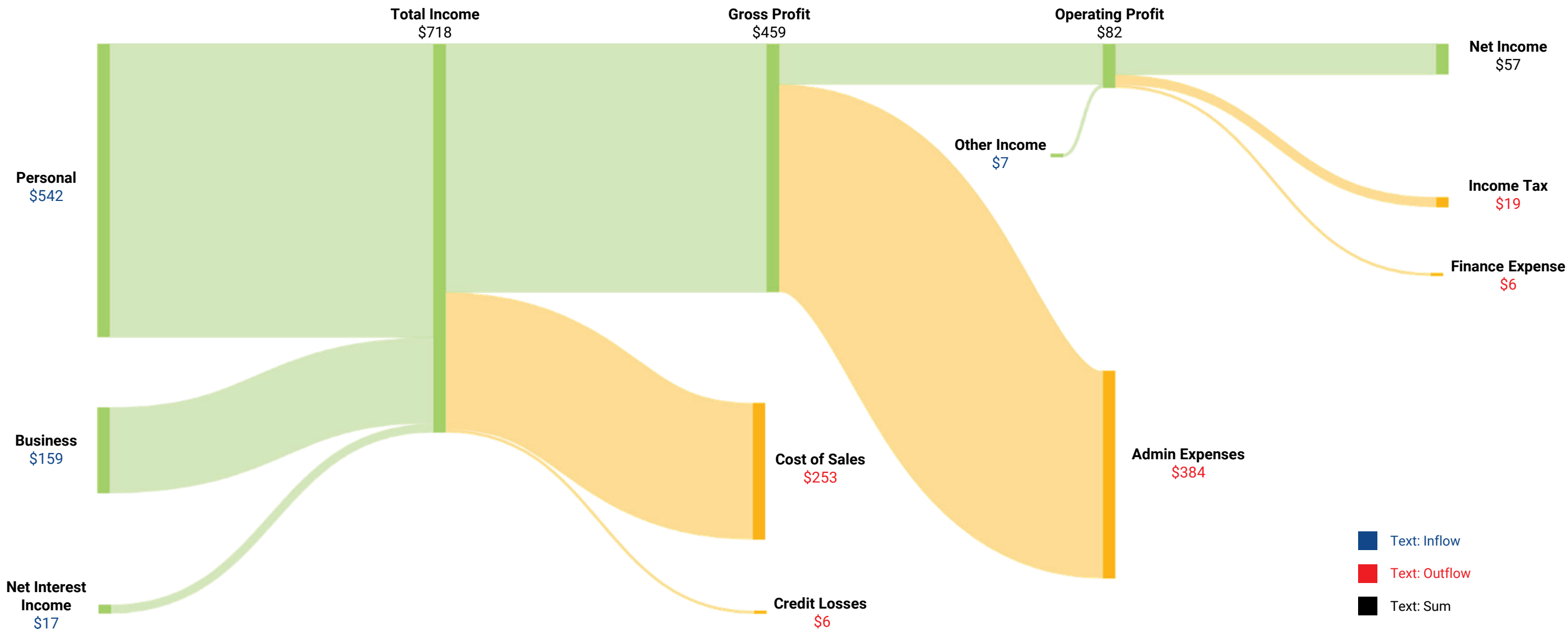
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1.5

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(£ in millions)

## P&L VISUALIZATION – TTM



Source: Company filings; FactSet  
1) Represents H2FY22 – H1FY23





## WISE TTM Price Performance



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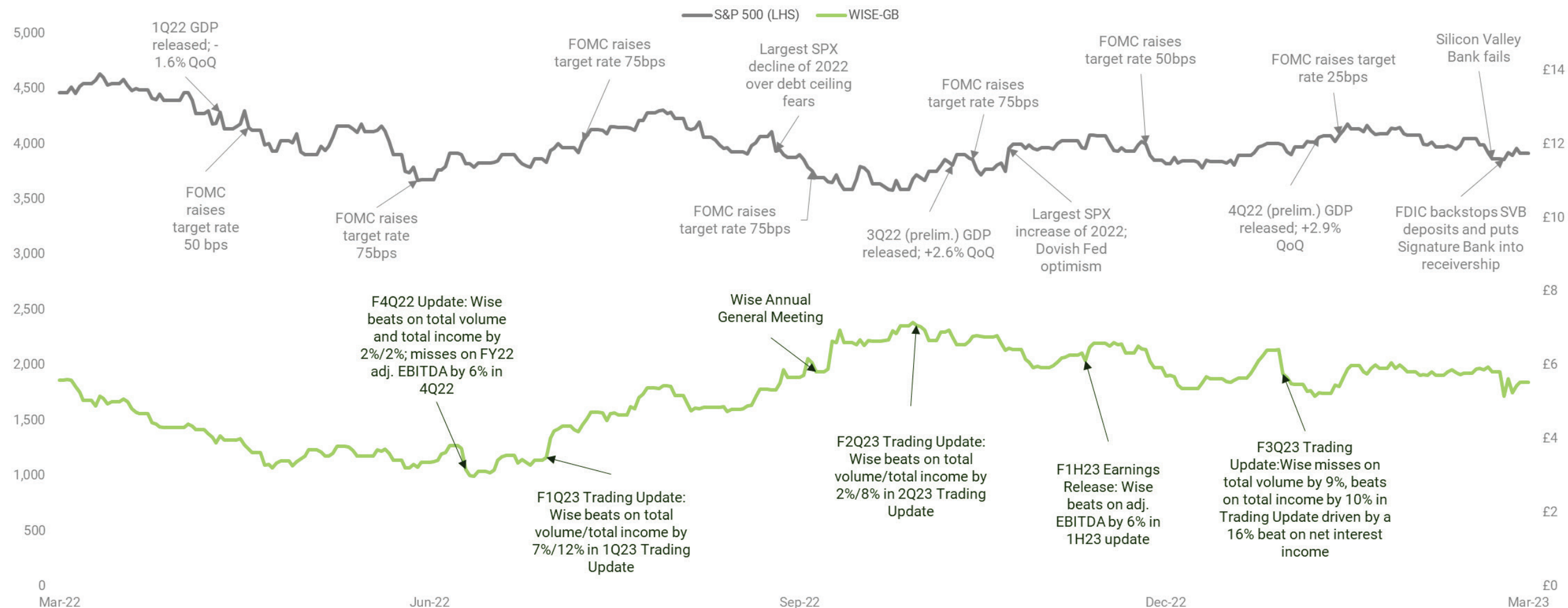
1.4

Avg. Daily Vol (mm):

1.5

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## PRICE PERFORMANCE WITH COMMENTARY VS. S&P 500



Source: Company filings; FactSet

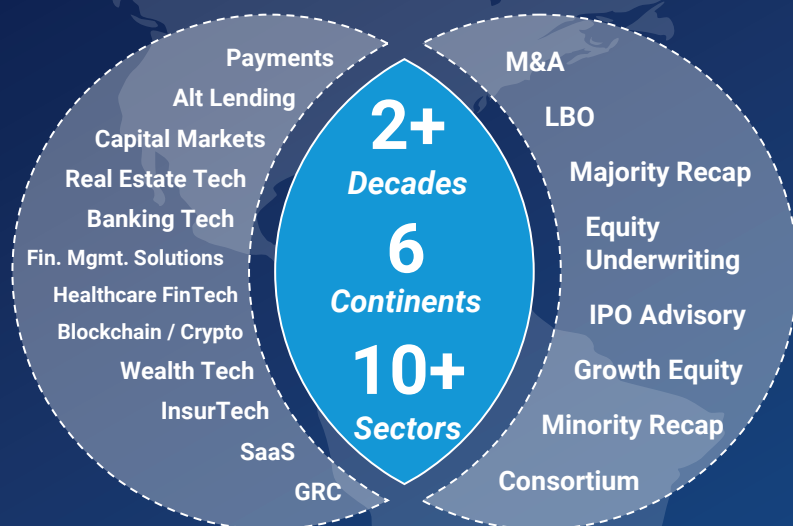
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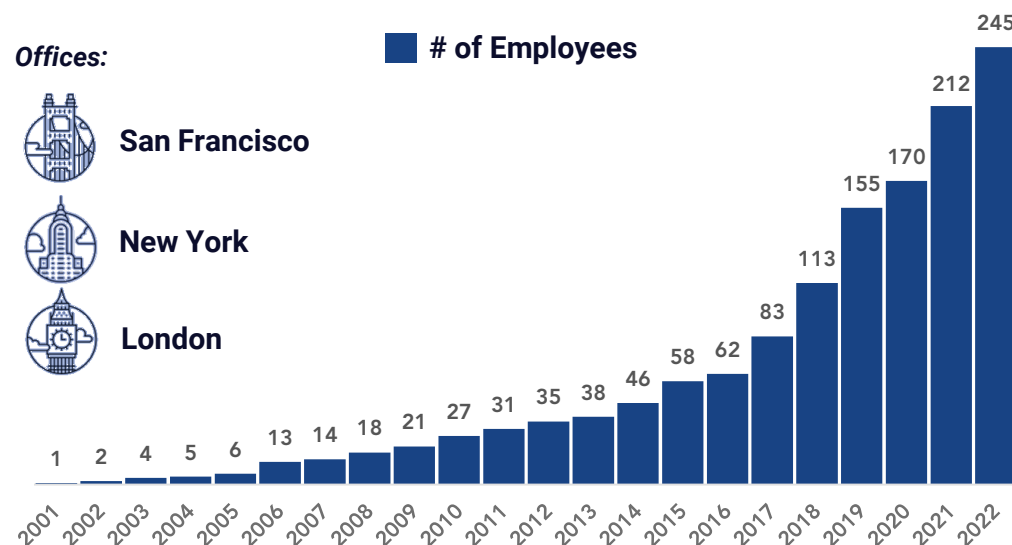
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## M&A Advisory



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**Steve McLaughlin** | Founder, CEO & Managing Partner

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