



FY19

RESULTS PRESENTATION

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DOLLAR ESTIMATES

All references to dollars, cents or \$ in this presentation are to Australian currency, unless otherwise stated.



**Our vision is to
bring financial
wellness to all
Australians.**

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1.

Note from the CEO.

Note from the CEO.

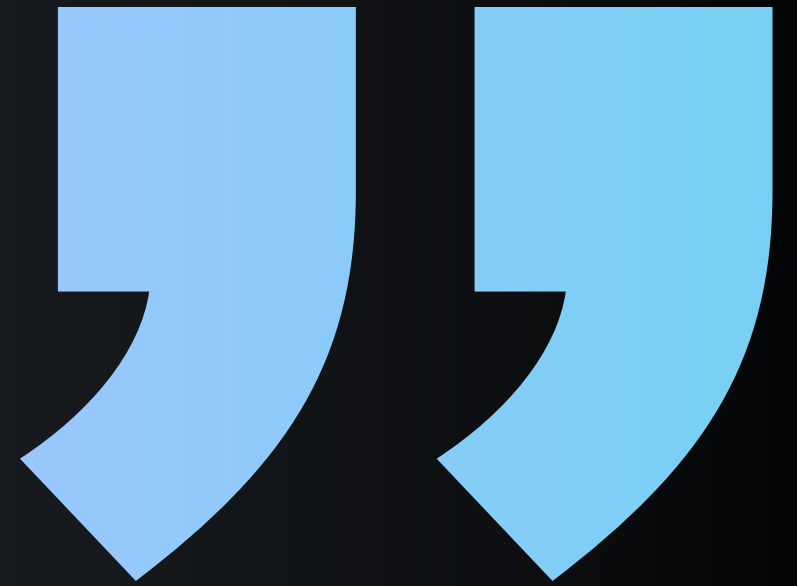
2019 has been a pivotal year for Wisr as we execute our strategy to redefine and reinvent what a consumer lending company can be. Our unique business model and approach to this sector we believe sets us apart, and 2019 has delivered strong proof points that we are setting out on the right track.

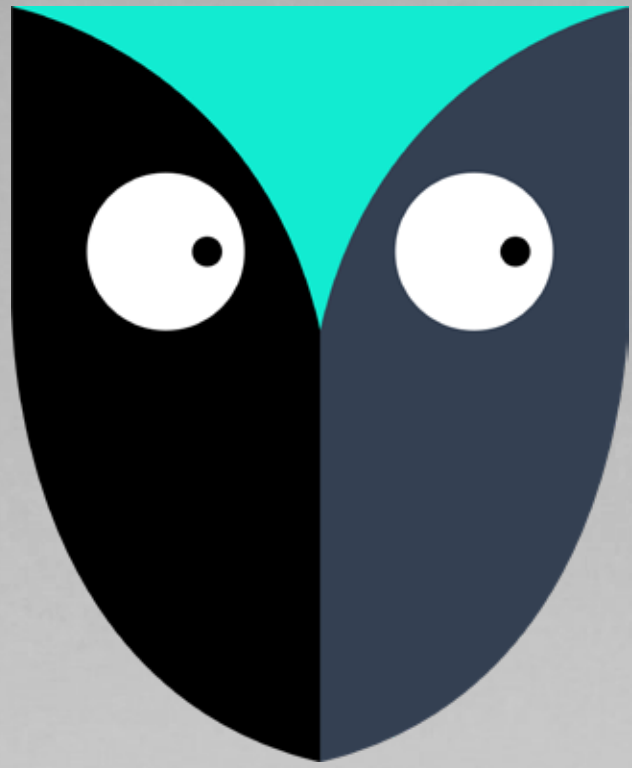
The team has delivered an outstanding set of results across all of our key metrics, with almost \$110m in total loans written, the establishment of a unique ecosystem of financial wellness products and tools bringing tens of thousands of Australians to Wisr, and delivering major B2B partnerships.

This is all due to the incredible hard work, commitment and continued pursuit of excellence demonstrated everyday by the entire Wisr team, and i would like to sincerely thank them for everything that they do.

There remains a truly significant opportunity in the Australian market for Wisr to build a company of scale, purpose and profitability in a way that hasn't been done before, and we're excited about the path ahead of us.

ANTHONY NANTES
CEO, Wisr





2.

The Wisr opportunity.



Wiser is reinventing what a consumer lending company can be.

1

A Purpose-led company, which will be known for focusing on the financial wellness of Australians (we aim to own the financial wellness space).

2

A globally unique and innovative business model and ecosystem that redefines what a consumer lending company can be (not a me-too model), in order to win long term in consumer lending in Australia.

3

Innovative distribution channels that will provide access to millions of Australians (the rails), delivering **market leading unit economics and margin for the company**.

4

More credit products and innovative financial wellness features to extend on the proof points shown throughout FY19.

5

A brand new experience for Australian finance consumers, with deep, data rich relationships with customers (like a bank has), without being a bank. Delivering smarter, fairer credit products along with data driven platforms to take advantage of the opportunities emerging with data in banking and finance.

There's never been a better time to build a purpose-led business in consumer finance.

Global trends.

	USA	UK	Australia
FINTECH ONLINE LENDING LAUNCHED	2006	2006	2014
MARKET SHARE AT YEAR 3	0.5% (2009)	0.5%	0.5% (2017)
MARKET SHARE AT YEAR 4	Market Share at year 4 1% (2010)	2%	1% (2018)
MARKET SHARE AT YEAR 6	4% (2012)	5%	?
MARKET SHARE AT YEAR 11	38% (2018)	25%	?

Local factors.

OPEN BANKING

POSITIVE CREDIT REPORTING

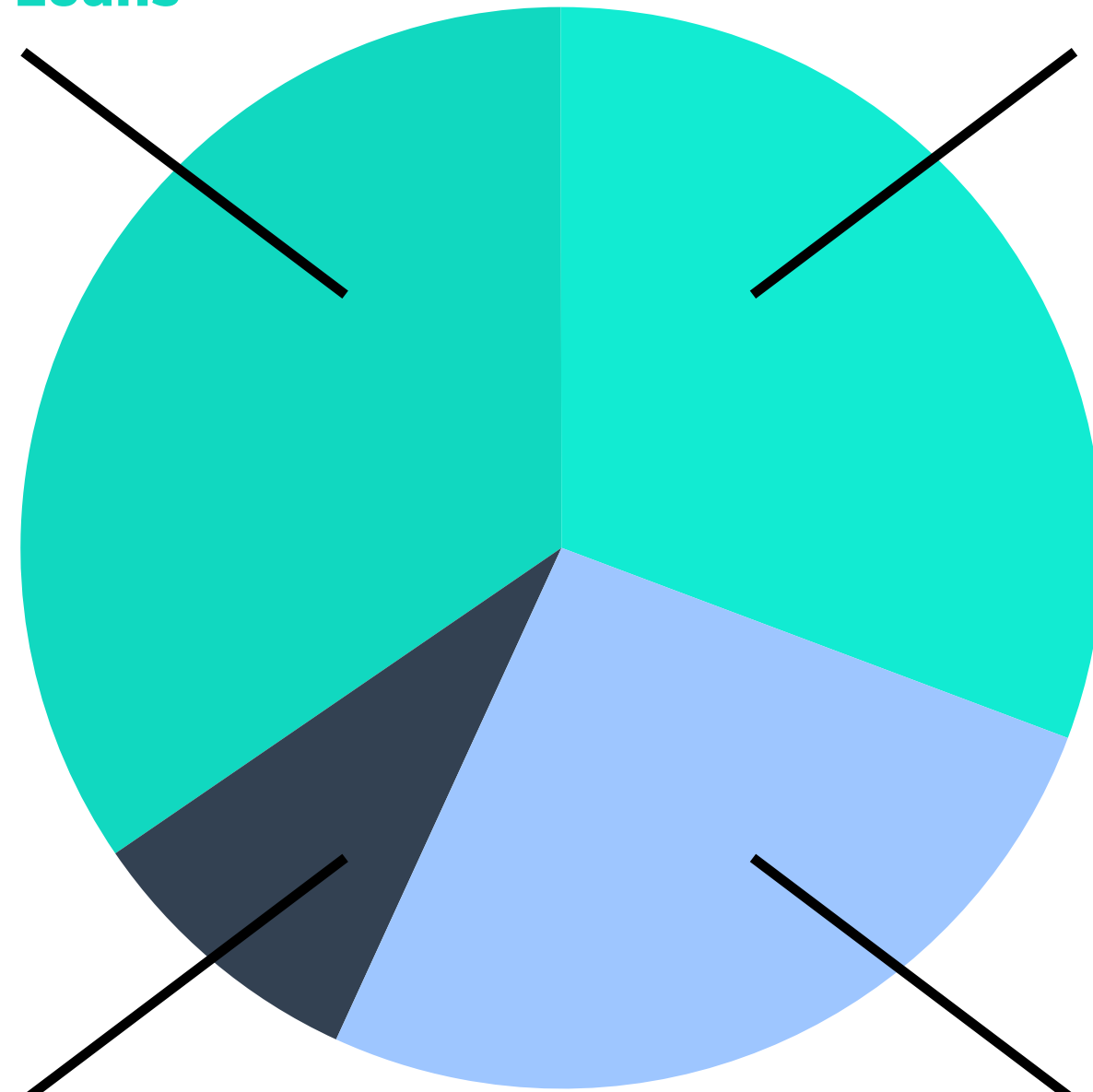
ROYAL COMMISSION

Source: USA: Transunion, Fact vs Fiction: Fintech lenders research report, 2018, AUS: Cambridge Alternative Finance research report, 2017

4.4 million applications for consumer credit expected in the next six months.

1.53M
Personal Loans

1.36M
Credit Cards



374,000
Auto Loans

1.15M
Home Loans

A Significant opportunity exists for Wisr.

Approximately 3 million personal loan applications expected per annum.

0.22%
(CURRENT WISR PENETRATION)

Wisr personal loan applications in FY19 as a share of potential expected personal loan applications.



Business momentum.



LOAN BOOK GROWTH

- Proprietary end-to-end origination platform
- Operational and marketing efficiency
- Ability to rollout new lending services
- Wisr Secured Vehicle Finance product launching in FY20



WISR ECOSYSTEM

- Launched WisrCredit and Wisr App B2C products
- Introduced over 60,000 new customers into the Wisr Ecosystem
- Launched Wisr@Work and Wisr@Co to enable strategic partnerships



DIVERSIFIED DEBT FUNDING

- Capital light platform play to date
- Highly scalable
- Hybrid model in FY20 to significantly improve loan unit economics



STRATEGIC PARTNERSHIPS

- Highly scalable distribution of Wisr Ecosystem
- Founding partnerships with Smartgroup (ASX:SIQ) and HCF
- Opportunity size in the millions of potential customers





3.

Business update.



FY19 Highlights.

2019 has been a pivotal year for Wisr as we execute our strategy to redefine and reinvent what a consumer lending company can be.

Our unique business model and approach to this sector we believe sets us apart, and 2019 has delivered strong proof points that we are setting out on the right track.



Operating revenue up 91%, increased to \$3.0M (FY18 \$1.6M)



Loan origination volume up 281%, increased to \$68.9M (FY18 \$18.1M)



Marketing expense down 4%, decreased to \$1.46M (FY18 \$1.52M)



The Company is well capitalised with \$16.8M net assets including \$12M cash as at 30 June 2019



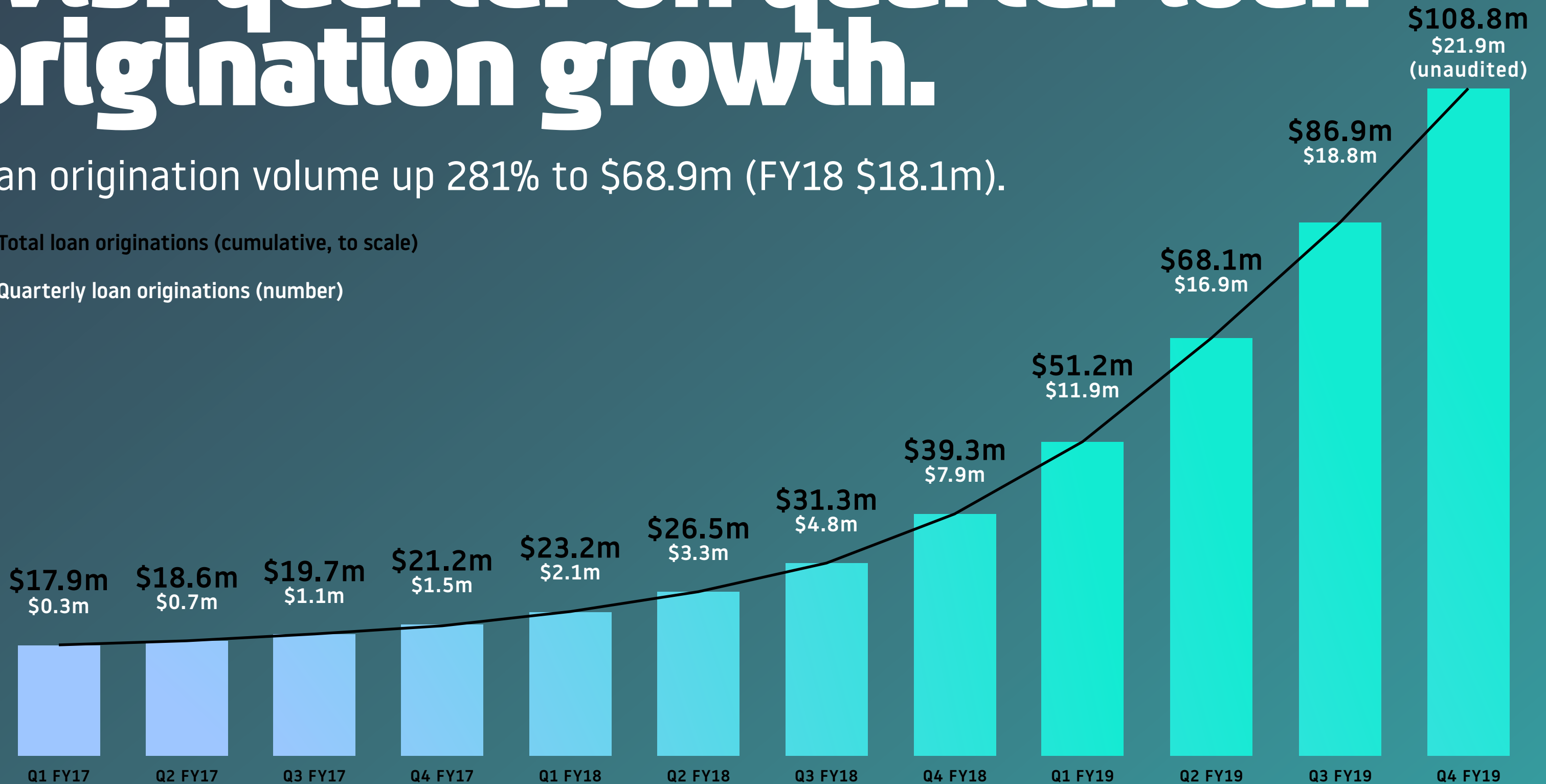
Raised \$15M, net of costs, in an oversubscribed capital raise in H2FY19

Wiser quarter on quarter loan origination growth.

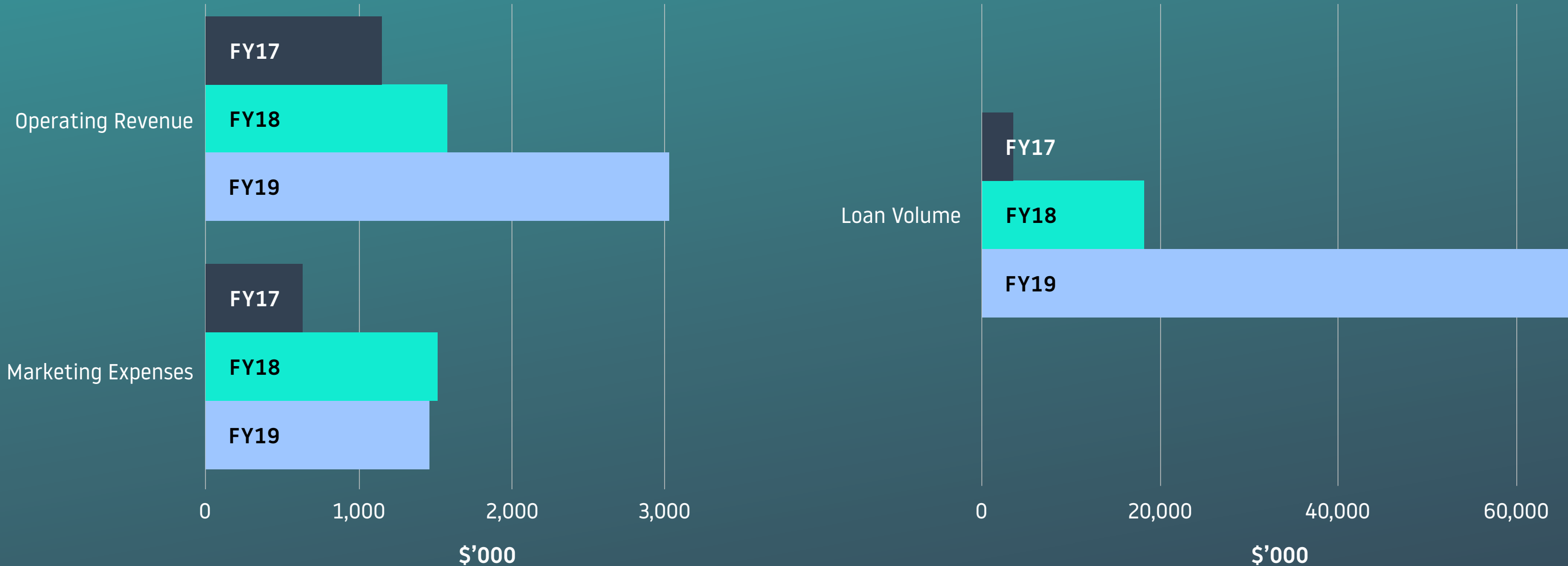
Loan origination volume up 281% to \$68.9m (FY18 \$18.1m).

■ Total loan originations (cumulative, to scale)

■ Quarterly loan originations (number)



Building market leading unit economics.



EFFICIENCY AND MARGIN IMPROVEMENT

Wisr continued the efficient scaling of its core personal loans business, delivering 281% loan volume growth and 91% revenue growth despite reducing marketing spend by 4%.

Wizr Ecosystem highlights.

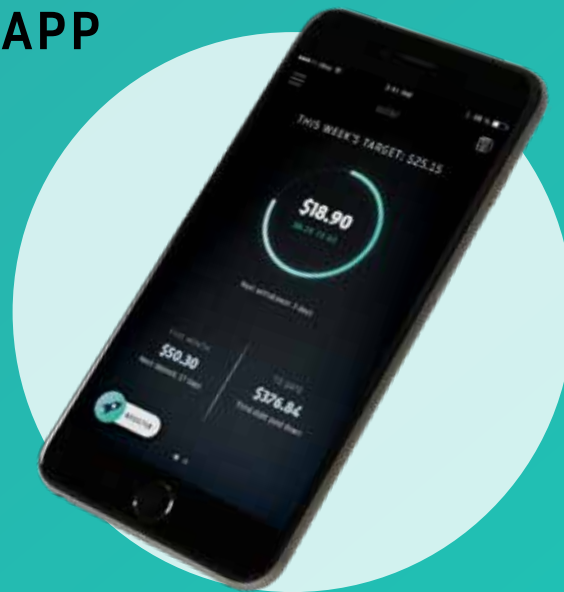
In FY19 Wizr delivered on the preliminary rollout of the Wizr Ecosystem, acquiring over 60,000 Australians to June 30 2019 into its channels. The Wizr Ecosystem includes the launch of a number of individually powerful, and collectively unique products aligned to financial wellness.

WISRCREDIT



- Launched WizrCredit, Australia's first and only credit score comparison site
- 32,000+ compared their credit score in FY19
- Over 40% of users fall in the top credit tiers

WISR APP



- Launched Wizr App to deliver more financial wellness and encourage debt reduction for more Australians
- 25,000+ Wizr App downloads in its first few months of launch
- Wizr App reached the top 10 in finance on The App Store

PARTNERSHIPS



- Launched Wizr@Work and Wizr&Co B2B2C partnership models
- Strategic partnership announcements including Smartgroup, HCF and an industry super fund
- Distribution of Wizr products to potentially millions of Australians

Our growth strategy.

1

SHORT TERM

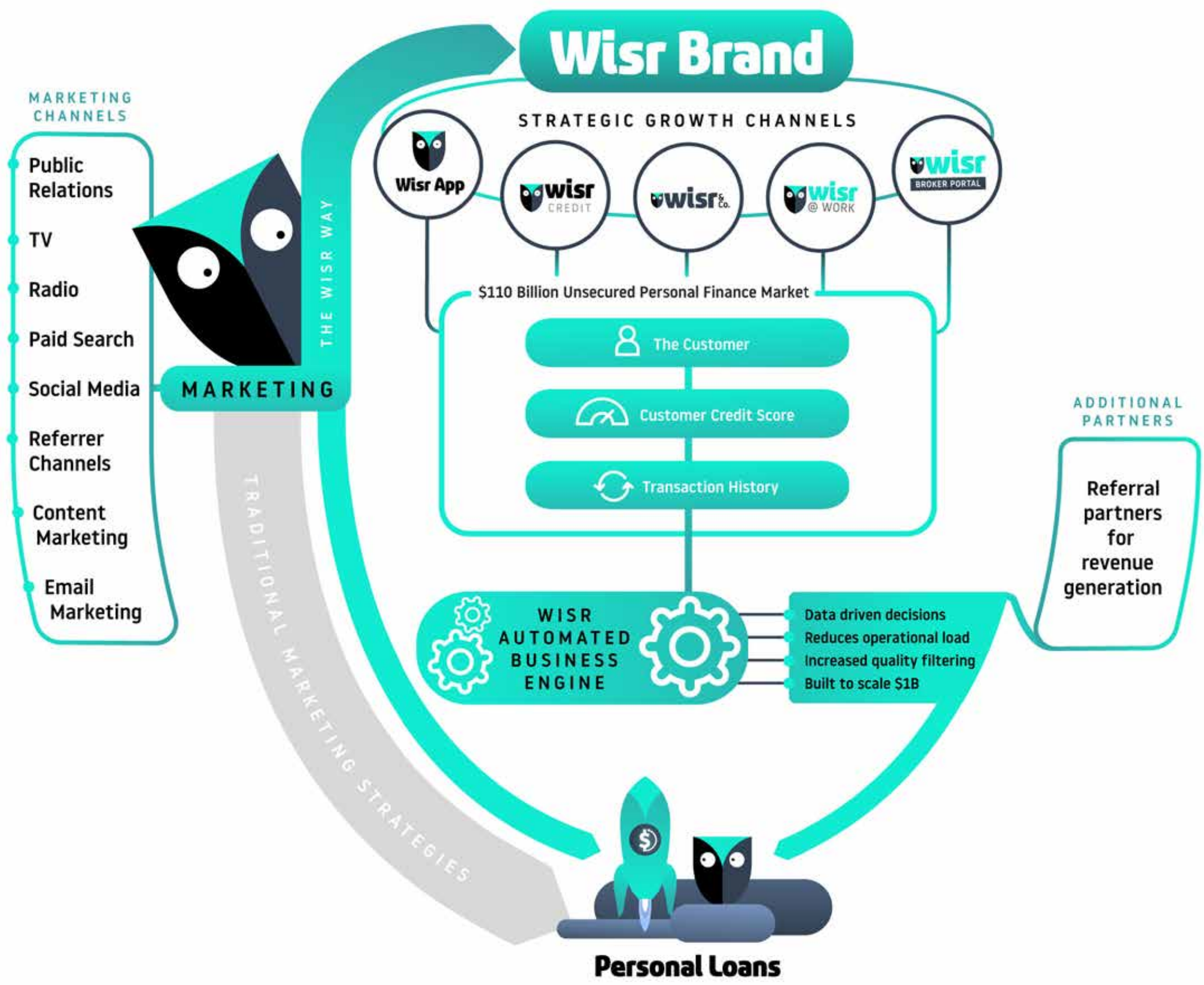
- Continue to win in our competitive channels through superior tech, a strong brand, go-to-market strategy, customer experience, price point and capability of our highly-talented team – but continually monitor loan unit economics and not chase short-term non-viable loan origination growth (i.e. not spending into ineffective channels to chase loan growth).
- We will aggressively protect capital, credit quality and loan unit economics and grow the company safely.

2

LONG/MEDIUM TERM

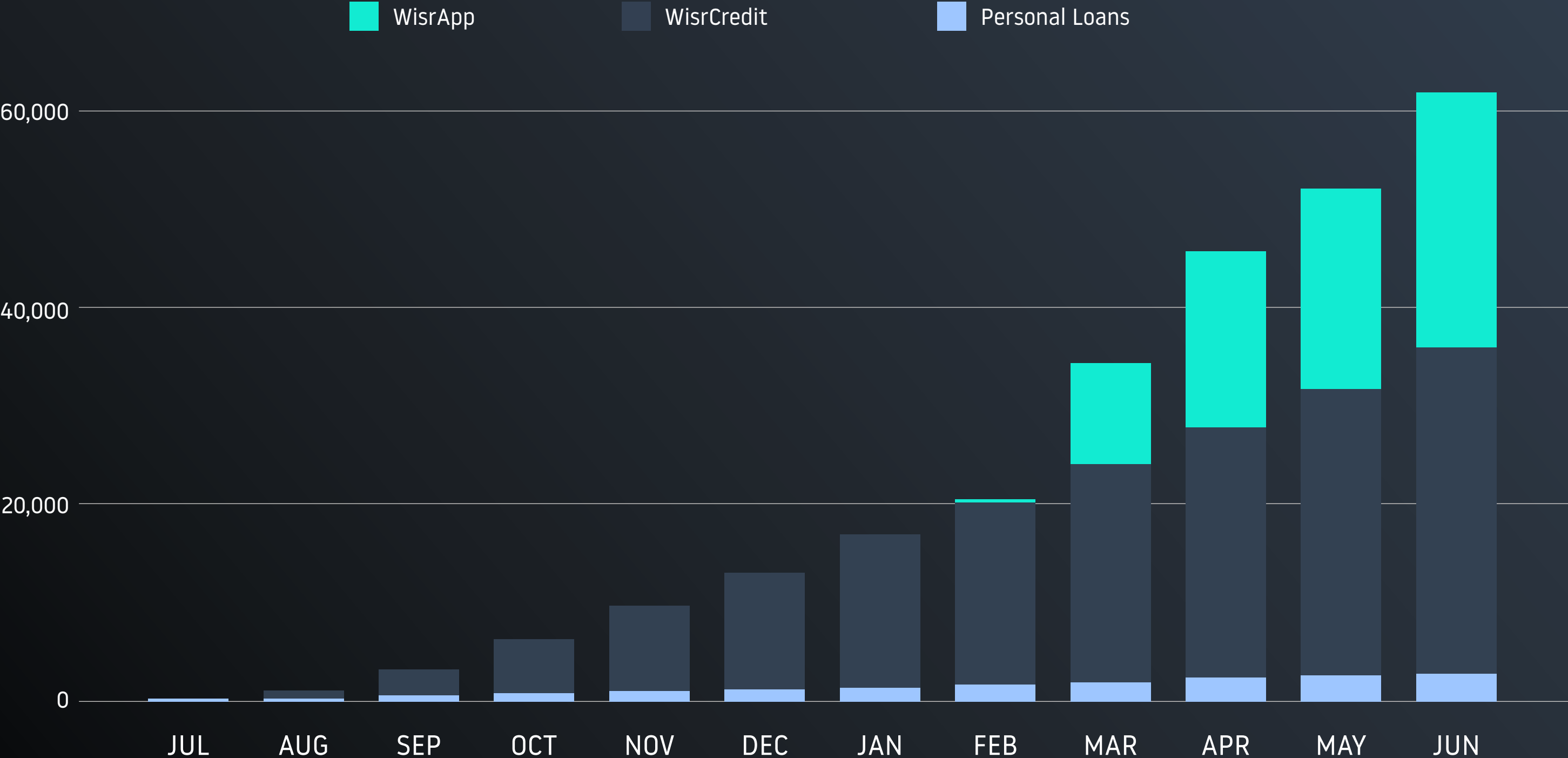
- Continue to aggressively ramp the build of our defensible distribution channels as core assets, to provide us with competitive advantage and allow us to win long term.
- Utilise the rich data from our channels to drive increased margin, best in class loan unit economics and conversion to credit products.
- Build our strategic partnerships channel to provide access to the Wisr Ecosystem for millions of Australians.





The Wisr Ecosystem.

Over 60,000 Australians entered the Wisr Ecosystem in FY19.



Source: Wisr data August 2019

Customer value proposition.

THE WISR ECOSYSTEM PROVIDES AN ALL ENCOMPASSING FINANCIAL WELLNESS EXPERIENCE TO SUPPORT CUSTOMERS THROUGH EVERY STAGE OF ACCESSING CREDIT.

ENQUIRE

Customers enter into the Wisr Ecosystem through WisrCredit a free credit score comparison platform. It is the only platform of its kind that pulls multiple scores from multiple bureaus for a consumer. Eligible prime customers can check their Wisr borrowing power through a 2 minute rate estimate which doesn't impact their credit score.

All users are provided access to a range of content and programs which help build financial capability and general credit worthiness.

BORROW

A wisr personal loan compared to a Big 4 bank is on average at a lower rate (can be up to 5% p.a. lower) with significantly faster turnaround time from application to settlement, superior UX and digital experience, and vastly higher customer satisfaction (NPS of 60+) compared to the Big 4 banks.*

PAY IT BACK

Customers can stay on top of repayments and fast track their repayments using Wisr App, a smartphone application which rounds up everyday transactions (like a morning coffee) to the nearest dollar and puts it against a debt of their choice. In the case of a Wisr personal loan, a customer can pay back their loan as soon as they like with no early repayment or hidden fees.

ONGOING

Customers can build their financial capability and confidence ongoing through the use of WisrCredit. The platform will continue to evolve through data driven personalisation, with new features and functions aimed to deliver increased financial wellbeing.



☆☆☆☆☆

Consolidated all my debt. Now I don't have to worry about any payments dates. Once a month direct debit is very convenient.

– RANJAN

☆☆☆☆☆

Fast, efficient, friendly & fantastic interest rates.

– PAULA

☆☆☆☆☆

Simple process to get the finance, service has been good, communication is always there to remind me a payment is coming up, and I could not beat the interest rate anywhere else.

– JOSHUA

☆☆☆☆☆

You guys rock!!

– DEBBIE

One of Australia's most recognised fintechs.



AUSTRALIAN LENDING AWARDS



AUSTRALIAN BANKING INNOVATION AWARDS 2019



AUSTRALIAN BANKING INNOVATION AWARDS 2019



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AUSTRALIAN BANKING INNOVATION AWARDS 2019



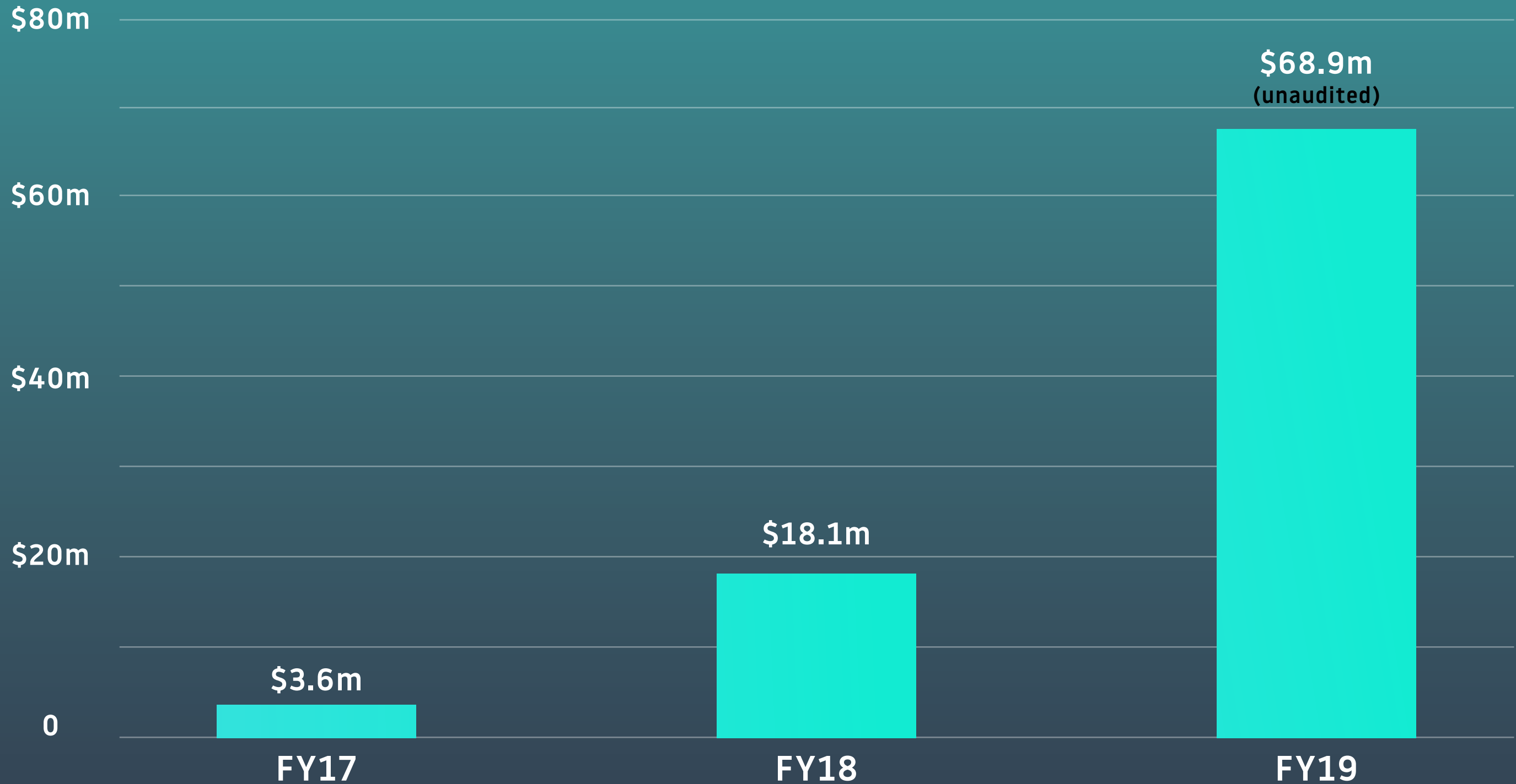


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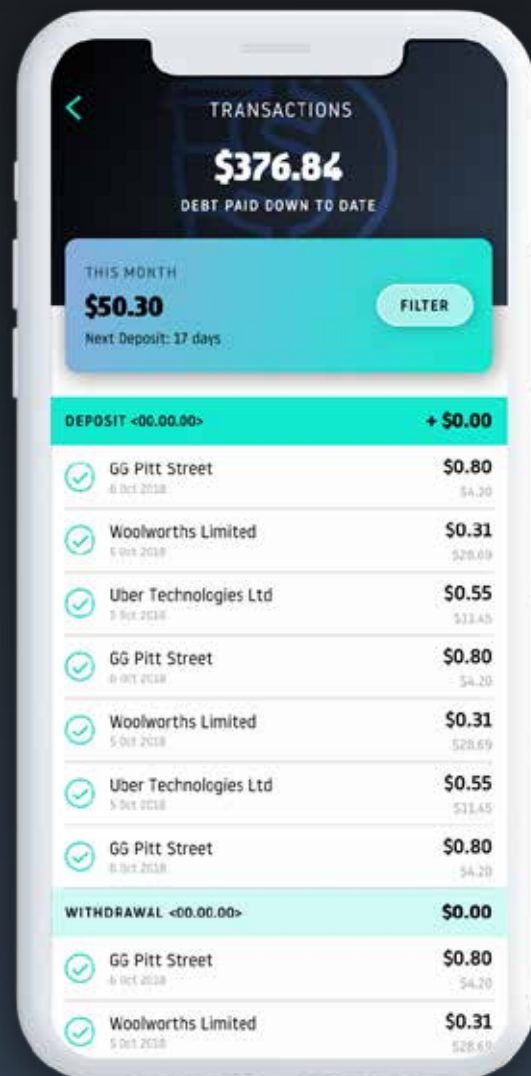
FY19 preliminary results.



Year on year loan origination growth.



Using customer transaction data for better outcomes.



WISR INTELLIGENT CREDIT ENGINE
(ICE)

- Keeps us ahead of regulatory changes
- Reinforces our commitment to ethical, responsible lending
- Automatically verify income and liabilities
- Identify undisclosed liabilities
- Faster verifications
- Deeper understanding of the customer

Credit quality.

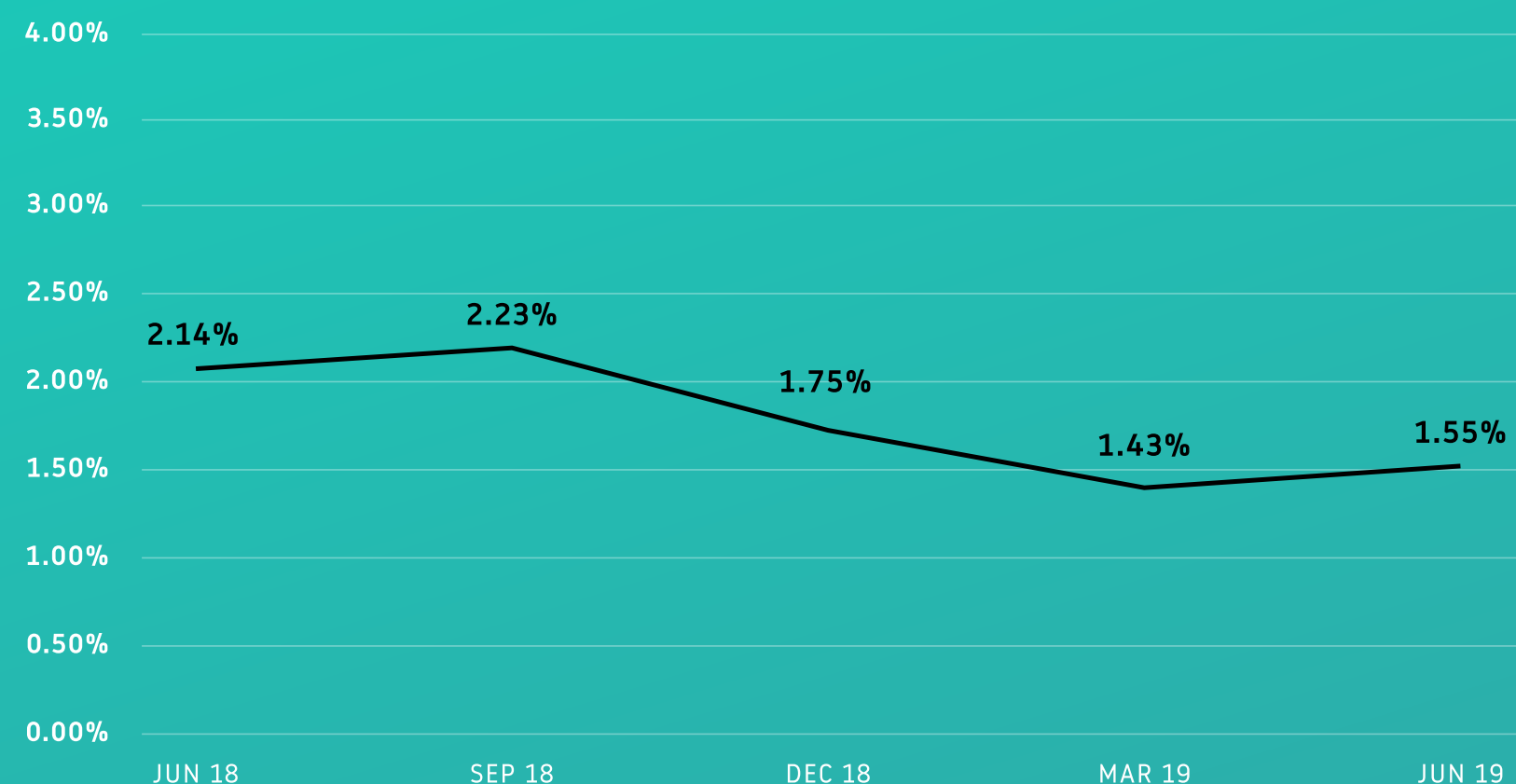
CREDIT

- Notwithstanding that Wisr currently runs an off-balance sheet funding model, it reports credit performance for its originated loan book.
- Wisr operates within the prime consumer lending space.
- Credit quality has remained consistently strong with 90+ day delinquencies at 30 June 2019 of 1.55%.

PROVISION FOR EXPECTED CREDIT LOSS

- AASB 9 Financial Instruments, adopted for the first time in FY19, requires loan receivable provisions to be calculated on an expected credit loss basis using a three-stage process which factors in variables including historical performance, macroeconomic conditions and risk assessment.
- No adjustment to opening balances was deemed necessary.
- The majority of the loan receivables of \$6.3m at 30 June 2019 are available for sale to off-balance sheet funding partners.
- A \$235k expected credit loss provision was raised at 30 June 2019.

90+ DAY DELINQUENCIES



Debt funding model.

SIGNIFICANTLY IMPROVING WISR MARGINS, WITH ROOM TO GROW.

FY16 TO FY17 - ORIGINS

- Peer to Peer model origins
- Retail Fund
- Difficult to scale
- Low margin

FY18 TO FY19 - WISR 1.0

- Initial wholesale funding
- Capital light
- Platform play
- Scalable
- Off balance sheet
- Low margin
- Management fee structure

FY20 ONWARDS - WISR 2.0

- Hybrid model including WISR 1.0
- Diversification of debt funding models through new structures and facilities
- NIM Model
- Significantly improved loan unit economics
- Provides clear runway for growth
- Provides avenue for WISR to launch more lending products



Profit & loss.

- Operating income increase of 91% on FY18 driven by growth in loan origination volume. Key revenue items are loan establishment fees and management fees on loan book. The FY18 operating income includes full interest margin earned on balance sheet loan receivables prior to the commencement of wholesale funding in FY18.
- Loss before income tax in FY19 of \$(7.4)m (FY18: \$(6.2)m).
- Other income increase of 194% on FY18 includes Tax R&D Grant along with the write-back of a previously booked Funder Fee expense.
- Employee benefits expense increase of 32% on FY18 driven by headcount growth from circa 33 to 52.
- Marketing expense decrease 4% on FY18 while delivering 91% revenue income and 281% loan volume growth.
- Customer processing costs increase of 462% on FY18 includes both loan processing costs which saw higher volume and also the costs of acquiring customers into the Wisr Ecosystem.
- Loan asset impairments and write-offs increase of 195% on FY18 due to \$108k over provision write back in FY18. Adoption of AASB 9 in FY19.

PROFIT AND LOSS	(\$'000)	(\$'000)		
Revenue	FY19	FY18	Change \$	Change %
Operating income	3,043	1,591	1,452	91%
Other income	681	232	449	194%
Expenses				
Employee benefits expense	(5,025)	(3,801)	(1,224)	32%
Depreciation and amortisation expense	(68)	(24)	(44)	186%
Marketing expense	(1,465)	(1,521)	56	-4%
Customer processing costs	(1,173)	(209)	(964)	462%
Loan asset impairments and write-offs	(236)	(80)	(156)	195%
Property lease costs	(167)	(129)	(38)	29%
Other expenses	(1,650)	(1,166)	(484)	42%
Finance costs	(148)	(42)	(107)	257%
Share based payment expense	(1,197)	(1,058)	(139)	13%
Loss before income tax	(7,405)	(6,208)	(1,198)	19%

Balance sheet.

- Cash of \$12m at 30 June 2019 sees the Company well capitalised on the back of an oversubscribed capital raise of circa \$15m in H2FY19. The cash figure excludes liquid loan receivables discussed below.
- Total loan receivables of \$6.3m at 30 June 2019 are predominantly held for sale to off-balance sheet funding partners eg. \$1.8m of loan receivables were sold on 2 July 2019.
- Intangible assets of \$0.6m at 30 June 2019 represents the commenced capitalisation of Wisr Ecosystem assets in FY19 including WisrCredit and Wisr App.
- The secured note of \$2m at 30 June 2019 is a working capital facility for funding loan origination prior to loan sales to funding partners.
- Net assets of \$16.8m at 30 June 2019 see the Company in a strong position for FY20.

	(\$'000)	(\$'000)
	FY19	FY18
ASSETS		
Current assets		
Cash and cash equivalents	11,993	1,549
Loan receivables	4,641	1,557
Trade and other receivables	620	326
Other assets	551	553
Total current assets	17,805	3,985
Non-current assets		
Loan receivables	1,677	2,074
Property, plant and equipment	15	41
Intangible assets	580	-
Other financial assets	518	518
Total non-current assets	2,790	2,633
TOTAL ASSETS	20,595	6,618
LIABILITIES		
Current liabilities		
Trade and other payables	1,442	1,346
Employee benefits	380	240
Convertible notes	-	373
Secured note	2,000	-
Funder fee and performance fee accrual	-	-
Total current liabilities	3,822	1,959
TOTAL LIABILITIES	3,822	1,959
NET ASSETS	16,773	4,659

Cash flow.

- Cash flows from operating activities highlight the off-balance sheet loan funding model i.e. in FY19 \$(66)m Net of lending and repayments represents loan origination and \$65m Net proceeds from sale of loans represents subsequent loan sales.
- Net cash used in operating activities of \$(9.2)m in FY19 versus \$(2.2)m in FY18 is distorted by the \$4.0m difference in FY18 between Net of lending and repayments and Net proceeds from sale of loans. The difference is due to an initial loan sale of circa \$4m in October 2017 when wholesale funding commenced.
- Net cash used in investing activities of \$(0.6)m in FY19 represents the initial capitalisation of Wisr Ecosystem assets including WisrCredit and Wisr App.
- Net cash from financing activities of \$20.3m in FY19 versus \$0.2m in FY18 highlights the two successful capital raises in FY19.

	(\$'000)	(\$'000)
	FY19	FY18
Cash flows from operating activities		
Net of lending and repayments	(66,172)	(14,885)
Net proceeds from sale of loans	65,264	18,860
Payments to suppliers and employees (inclusive of GST)	(9,122)	(6,297)
Interest received	48	43
Management fees received	660	168
Interest and other finance costs paid	(138)	(44)
Proceeds from R&D tax incentive	234	-
Net cash used in operating activities	(9,227)	(2,155)
Cash flows from investing activities		
Payments for property, plant and equipment	-	-
Payments for investments	-	(18)
Payments for technology assets	(622)	-
Net cash used in investing activities	(622)	(18)
Cash flows from financing activities		
Proceeds from issue of shares	19,740	600
Costs of raising capital paid	(989)	-
Repayment of convertible notes	(327)	(299)
Proceeds from borrowings	2,000	-
Transaction costs related to loans and borrowings	(131)	(59)
Net cash from financing activities	20,293	242
Net decrease in cash and cash equivalents	10,444	(1,930)
Cash and cash equivalents at the beginning of the financial year	1,549	3,479
Cash and cash equivalents at the end of the financial year	11,993	1,549



5.

FY20 outlook.



Business evolution.



PHASE 1: FY17-18 **“FOUNDATIONS”**

- Build market leading proprietary technology to manage end-to-end customer experience.
- Build the right team to deliver the 5 year vision.
- Utilise a low margin, capital light off balance sheet funding model to scale.
- Demonstrate we can write \$100M+ in personal loans, with strong credit performance.

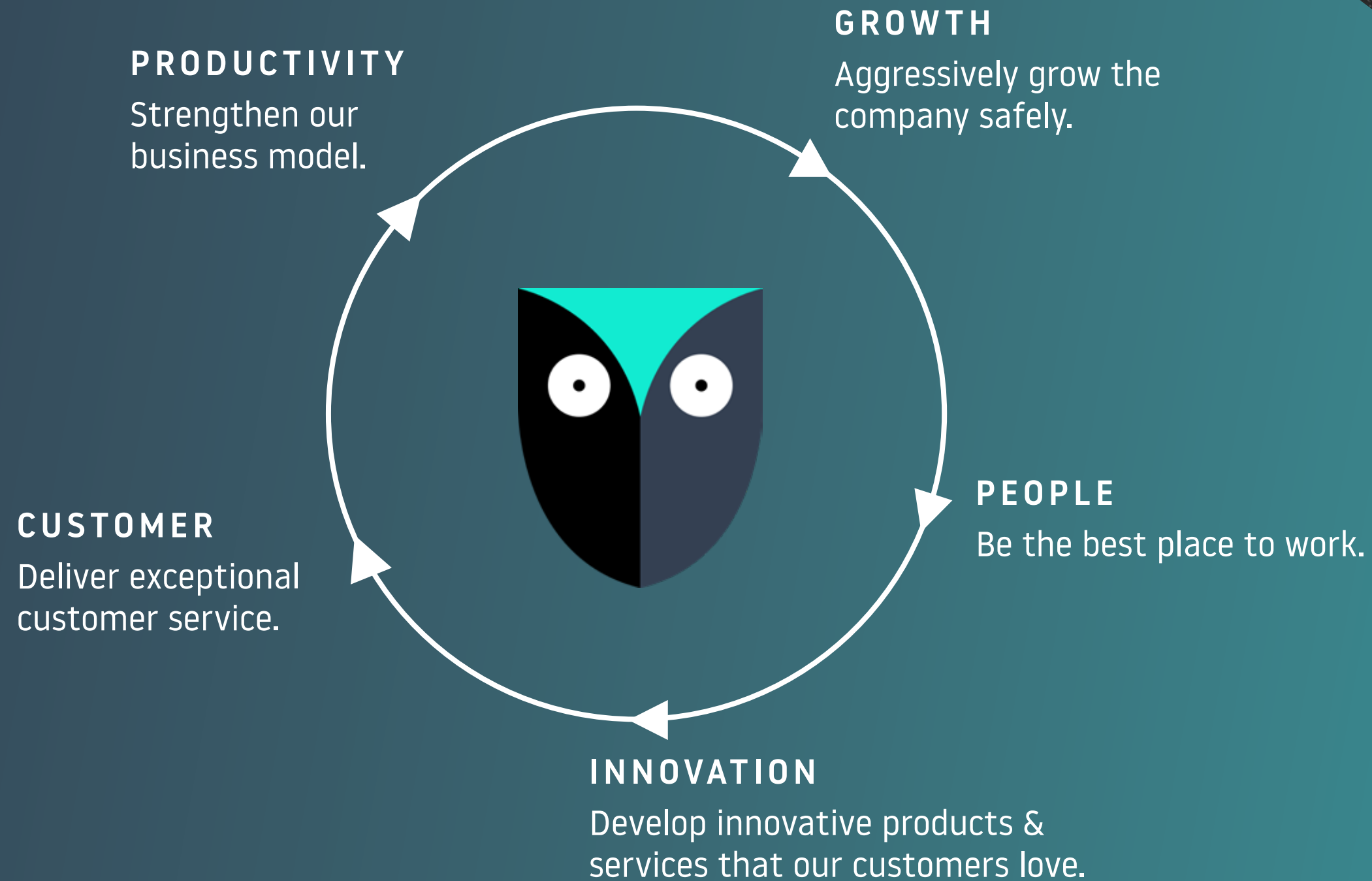
PHASE 2: FY19 **“CREATING THE NEO-LENDER MODEL”**

- Create a strong brand that resonates in market .
- Build the beginning of the financial wellness Wisr Ecosystem.
- Demonstrate we can attract tens of thousands of Australians into the Wisr Ecosystem at effective acquisition cost levels.
- Demonstrate we can scale the Company effectively and efficiently.
- Extend the team and culture to build the high performance outcomes required.

PHASE 3: FY20+ **“SCALING THE COMPANY”**

- Diversify our funding structure to significantly increase margin.
- Activate B2B2C channels with strategic partners to reach millions of Australians.
- Aggressively build the Wisr Ecosystem platforms to scale.
- Continue to innovate features and products to remain market leading.
- Launch the Wisr Secured Vehicle Finance product to increase total addressable market.

Strategic pillars.



Outlook: FY20 and beyond.

With an unwavering commitment to improving the financial wellness of all Australians, Wisr is building a purpose-led business delivering a smarter, fairer alternative to the millions of Australians who apply for a personal loan each year.

Fusing the best of emerging fintech with the operational reliability of a traditional lender, Wisr will continue to deliver exceptional customer experiences and a business model that is scalable and built to deliver long term profitability in FY20 and beyond.



KEY PRIORITIES FOR FY20

ORIGINATION GROWTH

- Efficiently scale the core lending business and grow originations.
- Maintain credit quality and improve loan unit economics to deliver a greater share of revenue per loan for Wisr.
- Launch Wisr Secured Vehicle Finance product to increase total addressable market.

DEBT FUNDING

- Diversification of debt funding models through new structures and facilities, whilst maintaining capital-light attributes.

FINANCIAL WELLNESSECOSYSTEM

- Evolution of the Wisr experience to incorporate all financial wellness touch-points.
- Expansion of the Wisr App across Android and web platforms.
- Launch of Financial Wellness platform through WisrCredit.
- Building on the ecosystem with the launch of new features and customer outcomes in financial wellness.

PARTNERSHIP DISTRIBUTION

- Activate existing strategic partnerships to deliver the Wisr Ecosystem to millions of Australians.
- On-board more strategic partners who share our vision to deliver financial wellness to Australians.

PEOPLE

- Hire superstar talent to help deliver on our vision.
- Continue to bring diversity and inclusion throughout all hiring areas.
- Extend on the existing high performance culture.

smarter,

fairer,

WILSR

Australia's first neo-lender

