



ASX RELEASE

Wisr neo-lender strategy delivers accelerated growth

Total loans reach \$163.8m, loan funding facility delivering increased margin and \$33.5m capital raise

Sydney, 31 January 2020 - Wisr Limited (ASX: WZR) (ACN 004 661 205) (“Wisr”, or the “Company”) is pleased to announce its business update and Appendix 4C for the 3 months ending 31 December 2019. Wisr achieved a number of key strategic milestones as it continues to deliver on the Wisr Financial Wellness Ecosystem (**Wisr Ecosystem**) business strategy.

Key highlights

- Wisr originated \$31.6 million in new loans in Q2FY20, a 36% increase when compared to the previous quarter (Q1FY20)
- H1FY20 originations of \$54.9 million saw a 90% increase when compared to H1FY19, and a 35% increase when compared to H2FY19
- Total loan originations \$163.8 million at 31 December 2019
- New funding facility operational from 15 November 2019, with an approximate tripling of average margin when compared to previous loan unit economics
- Company well capitalised for growth after receiving commitments to raise \$33.5 million in January 2020 via a placement of approximately 181 million ordinary shares
- Over 120,000 Australians have been introduced to the Wisr Ecosystem
- Over 54,000 Wisr App downloads and app users paying down almost \$365,000 worth of debt since launch
- Reappointment of Anthony Nantes, to the Company’s role of Chief Executive Officer (CEO), with new contract terms for the coming three-year period
- Appointment of former Commonwealth Bank of Australia (CBA) General Manager of Unsecured Risk, Joanne Edwards, to the Company’s newly created role of Chief Risk and Data Officer
- Wisr received four new award finalist nominations across innovation, consumer lending and technology and won an award for Highly Commended CEO of the Year at The CEO Magazine Global 2019 Executive of the Year Awards

COMMENTARY:

In the quarter ending 31 December 2019, new Wisr loan originations totaled \$31.6 million, a 36% increase. Wisr has now reached \$163.8 million in total loan originations at 31 December 2019.

Anthony Nantes, Chief Executive Officer, Wisr said, “This quarter is a continuation of the Company’s significant 2019 achievements with the new loan funding facility becoming operational in November. This has approximately tripled the average margin to Wisr on each loan written compared to previous loan unit economics and is a critical part of Wisr’s strategy to further accelerate growth.”



Wisr quarter on quarter loan origination growth.

Loan origination volume up 36% in Q2FY20 at \$31.6m (Q1FY20 \$23.2m).

- Total loan originations (cumulative, to scale)
- Quarterly loan originations (number)



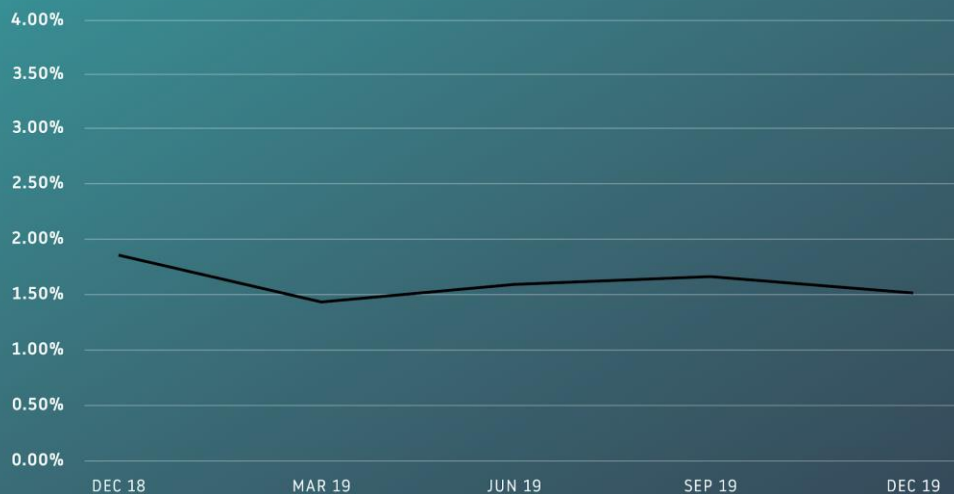
“As we continue to redefine what’s possible for a consumer lending company, our numbers are showing that consumers are looking for a fairer deal and a smarter alternative, when it comes to personal finance. Our ability to offer loans through a purpose-led model is proving to be a real differentiator in the market.”

“2020 will see substantial changes coming to the

financial services space and Wisr is primed to take advantage of those changes while creating sustainable growth in line with risk appetite. These results are made possible through the development of existing and new partnerships and the talented Wisr team,” finished Mr. Anthony Nantes.

Wisr continues to deliver strong credit quality with 90+ day arrears at 30 December 2019 of 1.51%.

90+ day delinquencies (%).





4C COMMENTARY:

Per item 4.6, cash and cash equivalents at the end of Q2FY20 was \$10.2m.

The loan warehouse program became operational on 15 November 2019, with an approximate tripling of the average margin when compared to previous loan unit economics. Until 15 November 2019, the Company continued to make use of the off-balance sheet wholesale funding model which has been in place since Q2FY18. This is represented by Appendix 4C item 1.1(a) where loans are originated on to balance sheet and item 1.1(b) where they are sold to off-balance sheet funding partners.

The loan warehouse has changed the Appendix 4C reporting as detailed below:

- Item 2.5, net movement in customer loans of \$22.2m represents the loan receivables balance in the loan warehouse at 31 December 2019
- Item 3.5, proceeds from borrowings of \$22.5m represents drawn funding in the loan warehouse
- Item 5.4, restricted cash of \$1.9m represents cash held in the loan warehouse for funding loan receivables

BUSINESS HIGHLIGHTS:

Former Commonwealth Bank of Australia (CBA) General Manager of Unsecured Risk, Joanne Edwards, was appointed to the Company's newly created role of Chief Risk and Data Officer, effective 13th January 2020.

The new role was created to focus on credit risk optimisation and data analysis of Wisr's rapidly scaling loan book and Wisr Ecosystem and extending the Company's competitive advantage with industry changes such as Open Banking and Comprehensive Credit Reporting.

Mr Anthony Nantes said, "Joanne is a widely respected leader of multiple disciplines ranging from credit risk, product management through to data and analytics and strategic project delivery. To have someone of Joanne's calibre join Wisr after almost a decade in Australia's leading unsecured lending bank, is a truly exciting opportunity for the business, our stakeholders and customers."

Capital raise

Wisr received commitments to raise \$33.5 million via a placement of approximately 181 million ordinary shares (**Placement**), on 16 January 2020. The Placement was well supported and completed with the support of new and existing institutional and sophisticated investors.

The Company will issue shares for the Placement in two tranches. Settlement of Tranche 1 of the capital raise, for circa 92 million shares has occurred and Tranche 2 for circa 89 million shares will be issued pursuant to shareholder approval, to be sought at a general meeting to be held in March 2020.

Mr Anthony Nantes said, "We are very pleased with the strong support we have received for the capital raise. The Placement result acknowledges the strong support for the Wisr strategy and vision from our valued existing and new investors."



“Wisr will use the proceeds of the Placement to support the scaling of the core lending business, the ongoing development of the Wisr Ecosystem, attracting the best talent from across industries in Australia and strengthen the balance sheet. Through our unique strategy and commitment to purpose, we look forward to making a positive and sustained impact as we grow our market share of the \$110 billion consumer lending market,” finished Mr. Anthony Nantes.

Secured Vehicle Finance

In Q1FY20 Wisr announced a secured vehicle finance product to increase the total addressable market. This product was soft launched during the quarter through selected distribution channels. The product is now revenue generating for the business and will be rolled out more broadly across Wisr’s full range of distribution channels in late Q3FY20 and Q4FY20.

Wisr Ecosystem

The Company’s Wisr Ecosystem business strategy revolves around developing a platform to scale and grow through a unique combination of financial wellness products that complement its core lending business. In Q2FY20 the Company progressed a number of initiatives that further strengthen this Wisr Ecosystem strategy.

Wisr@Work and Wisr&Co.

The Company’s B2B distribution strategy, Wisr@Work and Wisr&Co., continued to evolve across the quarter. The Company continued late stage pilots and discussions with a number of partners and will announce further information as details are finalised.

Wisr App

Debt reduction smartphone application Wisr App continued to grow with over 54,000 downloads since launch. Wisr App connects to a user’s everyday transaction account, rounding-up purchases to the nearest dollar and automatically paying the funds off a nominated debt - i.e. any credit card or mortgage debt with the majority of Australian banks and consumer finance providers. The app has helped users pay down almost \$365,000 and will continue to evolve and develop through investment, which will be accelerated following the recent capital raise.

WisrCredit

Following a major platform release in Q2FY20, credit score comparison service WisrCredit now provides one of the most comprehensive credit score services in Australia to its customer user base of over 70,000. Drawing comprehensive credit report data from two major bureaus, alongside the propriety offering from Wisr, the platform will continue to develop to leverage opportunities with the incoming Open Banking regime and the rollout of Comprehensive Credit Reporting.



Industry recognition

In Q2FY20 Wistr continued to claim industry recognition across leadership, innovation and technology. Wistr received four finalist nominations in the quarter for the Australian Lending Awards 2020, won a Bronze Women in Finance Award and took home Highly Commended CEO of the Year at The CEO Magazine Global 2019 Executive of the Year Awards.

Wistr also presented a business update at the Macquarie Emerging Leaders Forum, ASX CEO Connect and Finance News Network CEO Showcase.

Highly commended, CEO Magazine Executive of the Year Awards - CEO of the Year, Anthony Nantes
Finalist, Australian Lending Awards 2020 - Best Unsecured Personal Lender
Finalist, Australian Lending Awards 2020 - Best Customer Experience
Finalist, Australian Lending Awards 2020 - Best Lending Innovation
Finalist, Australian Lending Awards 2020 - Best Specialist Lender



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This announcement has been approved in accordance with the Company's Continuous Disclosure Policy and authorised for release by the Board.

For further investor enquiries, please contact:

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**About Wisr Limited**

Wisr (ASX: WZR) is Australia's first neo-lender with a commitment to the financial wellness of all Australians, through providing a smarter, fairer and wiser collection of financial products and services. Wisr provides a unique financial wellness eco-system underpinned by consumer finance products, the Wisr App to help Australians pay down debt, WisrCredit.com.au the country's only credit score comparison service, combined with content and other products that use technology to provide better outcomes for borrowers, investors and everyday Australians.

For more information visit www.wisr.com.au