



ASX RELEASE

Wisr Accelerates Organic Revenue Growth by 350% on pcg *Deloitte Technology Fast 50 finalist continues to aggressively grow market share*

Sydney, 29 January 2021 - Wisr Limited (ASX: WZR) (ACN 004 661 205) ("Wisr", or the "Company") is pleased to provide a trading update for the quarter ending 31 December 2020 (**Q2FY21**).

Wisr has continued the previous quarter's step-change momentum, delivering an accelerated Q2FY21 of new loan originations, revenue growth and loan book quality metrics.

Q2FY21 Highlights:

Loan volume and revenue

- Operating revenue up: record quarter of \$5.9m¹ for Q2FY21, a 43% increase on Q1FY21 and a 350% increase on Q2FY20
- New loan originations up: record growth of \$83.8m, a 35% increase on Q1FY21 (\$61.9m) and a 165% increase on Q2FY20 (\$31.6m)
- Total loan originations now \$390.5m as at 31 December 2020

Capital

- Strongly capitalised with \$29.0m in cash and liquid loan assets as at 31 December 2020
- Wisr Warehouse upsized to \$250m of committed funding, with further Wisr Warehouse expansion in Q3FY21 to meet future loan funding requirements

Credit Performance

- Strong and improving credit performance: reduction in 90+ Day arrears from 1.01% (Q1FY21) to 0.79% as at 31 December 2020, validates the Company's risk governance and lending model
- Loan book growth with improved credit quality: record Q2FY21 average credit score of 757 (Q1FY21 732), reinforcing the Company's ability to attract Australia's most creditworthy customers

Wisr Ecosystem (Proprietary Channel) continues to scale

- 47,900+ new Wisr profiles created, taking total profiles to 345,475 as at 31 December 2020
- On track to grow to more than 1m customer profiles at proven low acquisition cost in near term

¹ Revenue unaudited



BUSINESS GROWTH COMMENTARY:

Mr. Anthony Nantes, Chief Executive Officer, Wisr said, *“This quarter’s results continue the acceleration of growth from previous quarters, delivering an exceptional 43% growth in revenue, with a 350% increase compared to this same period last financial year.”*

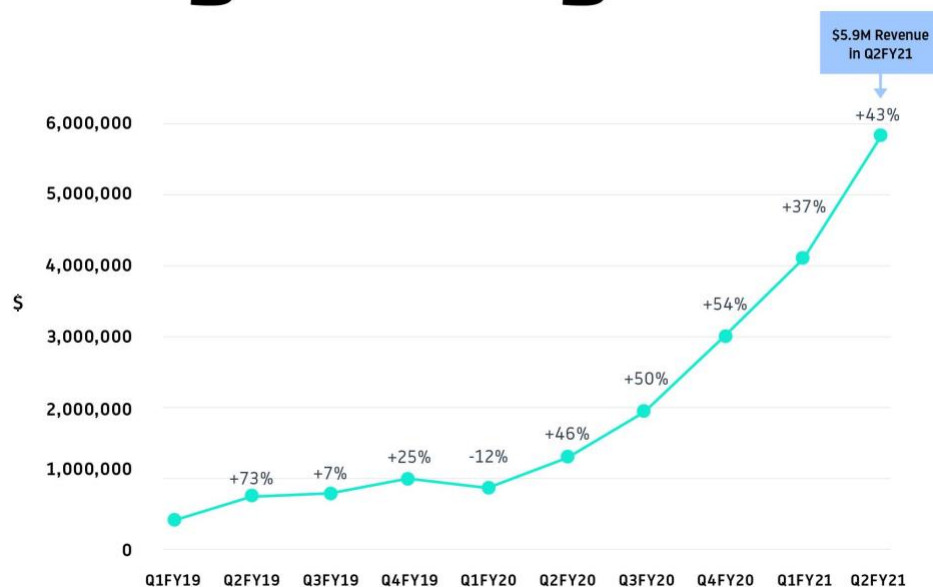
“Importantly, the last six months have seen a significant step-change in operating capability. These investments were planned at the time of our January 2020 capital raise but deferred in response to COVID-19. Pleasingly, these investments in talent and technology have now been made, meaning that increases in operating cost base will be more incremental in the medium term, resulting in significant operating leverage as revenue continues to grow strongly in-line with the growth of our loan book.”

Mr. Nantes continued, *“With all the foundations now firmly in place, our very strong exit run rate and continued improvements in all key metrics has us well placed to deliver a highly profitable business as we scale towards our medium-term target of a \$1B loan book.”*

“Wisr continues to attract Australia’s most creditworthy customers with our purpose-led business model, headlined by rates lower than a big bank, with no monthly or early repayment fees and the only app in Australia to help customers pay their loan down faster.”

“We aim to aggressively grow market share with an innovative business model that gives us multiple levers for growth in the coming quarters, and beyond, as we build a company with significant impact in this market.” finished Mr. Nantes.

Strong revenue growth.



Wisr’s record of delivering quarterly record growth continued with Q2FY21 new loan originations of \$83.8m, a 35% increase on Q1FY21 and a 165% increase on Q2FY20. The Company has now reached \$390.5m in total loan originations since inception, the most recent \$50m written in less than 2 months.



The fourth full quarter under the Wistr Warehouse funding model continues to deliver superior unit economics and significant operating benefits for the Company with \$5.9m in operating revenue, a 43% increase on Q1FY21 and a 350% increase on Q2FY20.

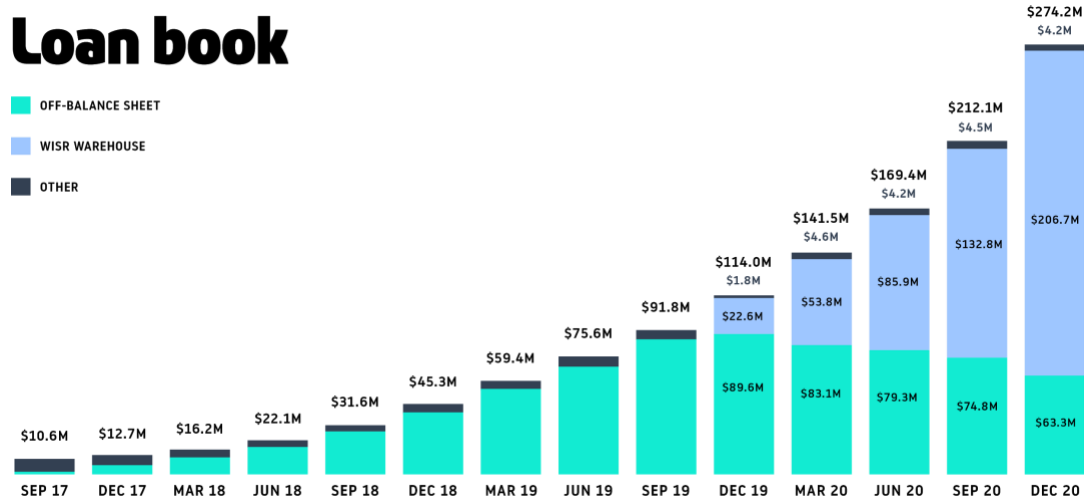
Following the Company's Q1FY21 step-change growth in loan originations and continued strong loan book performance, the Wistr Warehouse loan funding facility was upsized to \$250m in Q2FY21. Further Wistr Warehouse expansion to meet loan funding requirements will be announced in Q3FY21.

LOAN BOOK, RISK AND COVID-19 EXPOSURE COMMENTARY:

“Our ability to attract Australia’s most creditworthy customers, as demonstrated by our 90+ day arrears of 0.79% and average credit score of 757, is a strong validation that our business model, proprietary technology and funding capability is being noticed by Australians who want better financial products and services,” said CEO, Anthony Nantes.

“As more prime borrowers leave the banks, there is a huge opportunity in front of us to grow market share in-line with our risk appetite. Our strong loan and revenue growth, commitment to responsible lending and best-in-class credit performance has the Company in prime position to continue our record growth across all key financial metrics over the coming quarters, and beyond.” finished Mr. Nantes.

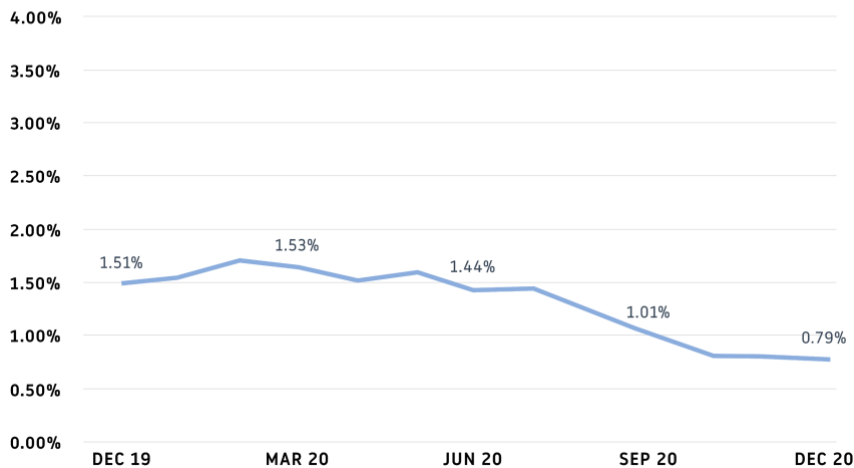
The Company's loan book continues to significantly grow with prime credit customers, with a Q2FY21 average credit score of 757 (Australian average credit score is circa 600²), Q1FY21 average was 732.



² According to data supplied by Equifax



90+ day arrears



Wistr's market leading credit performance continued with 90+ day arrears falling to 0.79% (from 1.01% in Q1FY21) as at 31 December 2020. The improvement came from the strength of Wistr's credit decisioning engine, in combination with the launch of secured vehicle loans and Australia's macroeconomic recovery. The roll-off of government stimulus and payment deferrals are not expected to have any material impact on this metric.

Customers under COVID-19 hardship assistance



As of 31 December 2020, \$1.96m or 0.71% of the total loan portfolio are on a COVID-19 related payment arrangement, a 58% decrease compared to \$4.6m or 2.2% in Q1FY21. The \$1.96m includes \$0.9m from the Wistr Warehouse, representing 0.45% of the Wistr Warehouse portfolio balance.

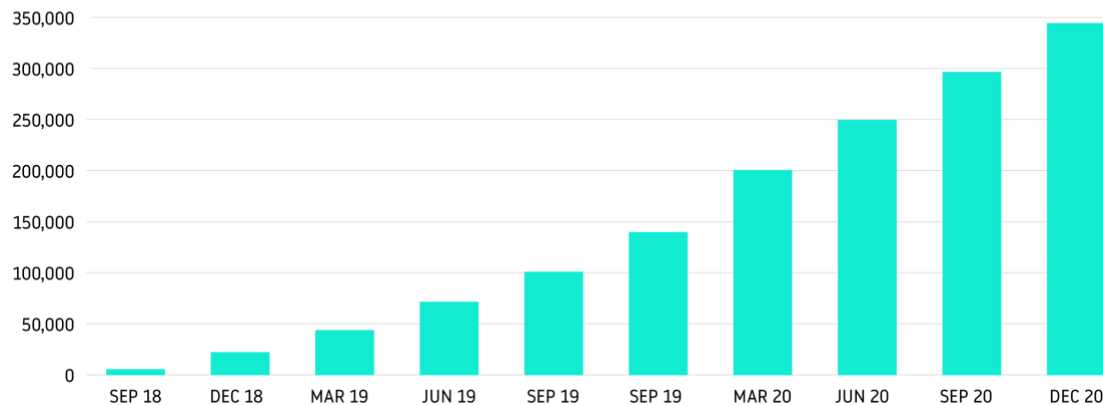
COVID-19 financial assistance requests have now stopped, with zero requests in December 2020. Standard financial assistance requests have returned to pre-COVID-19 levels.



WISR ECOSYSTEM UPDATE:

Australians continued to join the Wistr Ecosystem with over 47,900 new Wistr profiles created in Q2FY21, taking the total to 345,475 profiles as at 31 December 2020.

Wistr customer profiles



APPENDIX 4C QUARTERLY ACTIVITY REPORT COMMENTARY:

Per item 1.10, the net cash used in operating activities was \$(2.6)m in Q2FY21 which was broadly flat compared to \$(2.5)m in Q1FY21. Growth in quarterly loan volume and revenue of 35% and 43% respectively was offset by a significant investment in operating capability.

Per item 1.3(c), advertising and marketing costs for Q2FY21 were \$(1.4)m which was a 17% increase on Q1FY21. This increase is due to a one-off investment into a new brand campaign and brand assets, which are expected to have a 3-4 year life-span and deliver improved unit economics (specifically CAC) over the coming quarters.

Per item 1.3(e), staff costs for Q2FY21 were \$(3.2)m which was a 21% increase on Q1FY21. The last six months have seen a significant step-change in operating capability. These investments were planned at the time of the January 2020 capital raise but deferred in response to COVID-19. Increases in operating cost base will be significantly more incremental in the medium term resulting in material operating leverage as revenue continues to grow strongly in-line with the growth of our loan book.

Per item 4.6, cash and cash equivalents at the end of Q2FY21 was \$27.4m. Note the following:

- Since the Wistr Warehouse became operational in November 2019, Wistr has contributed \$10.7m at 31 December 2020 in Class 4 notes which are invested into loan receivables
- In addition to the \$27.4m, there were circa \$1.6m of loans on balance sheet available for sale as at 31 December 2020

Item 6.1 relates to salary payments to the Board of Directors.



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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 of Directors.

For further investor enquiries, please contact:

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About Wizr Limited

Wizr (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. Wizr provides a unique financial wellness eco-system underpinned by consumer finance products, the Wizr App to help Australians pay down debt, WizrCredit.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.wizr.com.au