

ASX RELEASE

WZR announces 140% revenue growth pcp and Appendix 4C

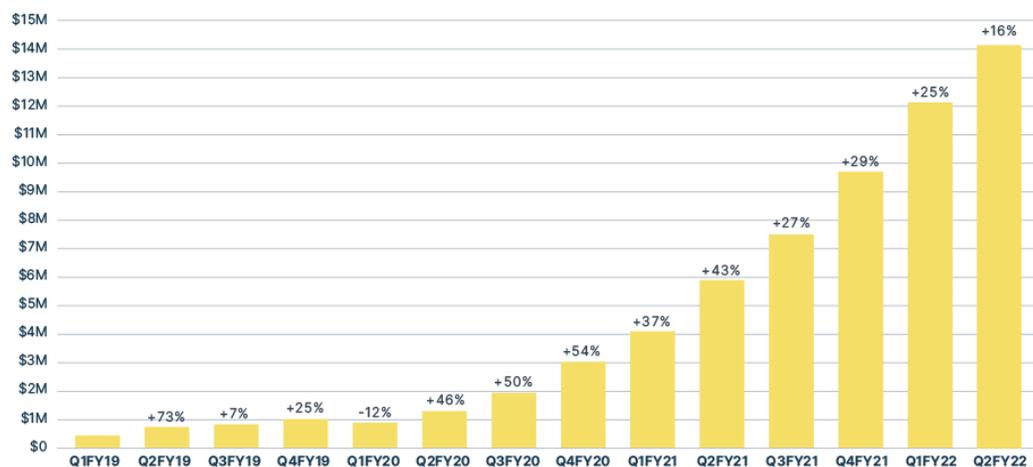
Wisr delivers maiden quarter of positive operating cash-flow and Cash EBTDA

Sydney, 28 January 2022 - Wisr Limited (ASX: WZR) (ACN 004 661 205) (“Wisr”, or the “Company”) is pleased to provide the Quarterly Activities Report for the maiden positive operating cash-flow and Cash EBTDA quarter ending 31 December 2021 (Q2FY22).

Q2FY22 Highlights:

- Revenue up: record \$14.1M¹, a 140% increase on Q2FY21 (\$5.9M) and a 16% increase on Q1FY22 (\$12.1M)
- 22 consecutive quarters of loan growth: \$136M originations in the quarter, a 62% increase on Q2FY21 (\$84M), in the seasonally weaker December quarter
- Secured vehicle loans (SVL): \$48M for the quarter, a 129% increase on Q2FY21 (\$21M)
- Wisr Secured Vehicle Warehouse loan book of \$161M as at 31 December 2021
- \$879M in total loan originations as at 31 December 2021 (125% growth from pcp), bringing Wisr’s wholly-owned loan book (warehouse, securitised and balance sheet) to \$562M, an increase of 168% on pcp
- Successful refinancing of Wisr Warehouse mezzanine investor AOFM by one of Australia’s leading credit investors, IFM Investors (“IFM”)
- Wisr Financial Wellness Platform grows by 60% on pcp, with 46K+ profiles added in Q2FY22
- Appointment of former Deutsche Bank Director Cathryn Lyall to the position of Non-Executive Director, effective 01 January 2022, bringing 34 years of experience across finance, banking, government and fintech in Australia and the United Kingdom
- Oliver Bladek, to join Wisr Executive Leadership as Chief Operating Officer

WISR REVENUE GROWTH



¹ Revenue unaudited

CEO COMMENTARY:

Mr Anthony Nantes, Chief Executive Officer, Wisr, said, *“It’s been a record quarter for the company. We’ve delivered a maiden cash flow positive quarter on the back of 140% revenue growth, compared to the same period last year, demonstrating the underlying strength in our unit economics and scalability of our platform. We continued our unbroken track record of 22 consecutive quarters of new loan growth. These results have us well on track to deliver our medium-term target of a wholly-owned \$1B loan book this calendar year.”*

“Our treasury capability, market-leading unit economics, and prime loan book have been validated further by the introduction of one of Australia’s largest institutional fund managers, IFM, as a mezzanine investor in the Wisr Warehouse.”

“Our proprietary Financial Wellness Platform is resonating with the consumer sentiment shift we’ve seen throughout the pandemic as more Australians put their financial wellbeing front of mind. We also know that our ability to attract and retain Australia’s top talent is also key to our competitive advantage. At the end of the month, we will be welcoming Oliver Bladek to the role of Chief Operating Officer, following Mathew Lu’s sabbatical departure.”

“As we take Wisr’s growth to the next level, we’re excited to have someone of Oliver’s calibre and experience on the Executive Leadership Team as we accelerate our revenue, path to profitability and operating leverage into H2 and beyond. I want to thank Mathew for his significant contribution to Wisr’s success and unwavering commitment over the last four years. He is a key part of the phenomenal growth that we have achieved and the outstanding outcomes the company has delivered on behalf of our stakeholders and customers. We wish him well as he takes this time to spend with his young family.” finished Mr Nantes.

LOAN ORIGINATIONS



Wisr’s loan origination delivered growth in the seasonally weaker December quarter to \$136M, Q1FY22 (\$132M), and a 62% increase on Q2FY21 (\$84M). The month of December contains 20% fewer trading days, and this year was further impacted by Omicron-related disruptions. A new milestone of \$50M per month in loan originations reached in November 2021, which put the quarter on track for strong growth prior to the December slow down.

Wisr’s loan book boasts industry-leading margins, offering the opportunity to increase the addressable market up and down the credit spectrum. With Wisr’s strong balance sheet and completion of recent funding transactions, now is the optimal

time for the Company to address these opportunities. Together with the launch of new products, Wisr is well-placed to continue its strong growth in loan originations in the year ahead.

Funding and Capital

WISR LOAN BOOK GROWTH[^]



- Strongly capitalised with \$26.9M in unrestricted cash and \$18.4M in liquid loan assets as at 31 December 2021
- Wisr’s wholly-owned loan book (warehouse, securitised and balance sheet) is now \$562M, an increase of 168% on pcp
- Note c. \$18.4M of loans held on balance sheet to optimise returns on the Company’s strong cash balance and can be sold into the Wisr Warehouse as required

The tier-one global fund manager IFM has replaced AOFM as the mezzanine funder in the Wisr Warehouse. IFM will sit alongside existing mezzanine funder MA Financial Group. The deal provides

significant external validation of Wisr’s business operations, underwriting capability, loan book quality and high-quality assets.

90+ DAY ARREARS

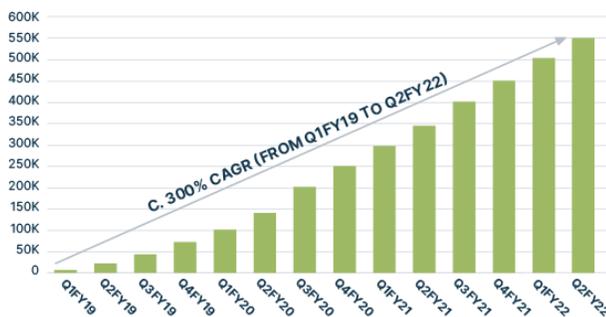


Strong Credit Performance

90+ Day arrears consistently low 0.81% as at 31 December 2021.

Writing prime quality credit and attracting Australia’s best customers, Wisr’s strong credit performance continued with 90+ day arrears at 0.81% as at 31 December 2021.

WISR FINANCIAL WELLNESS PLATFORM PROFILES



Wisr Financial Wellness Platform

The Wisr Financial Wellness Platform continued to grow with more than 46K new profiles created in Q2FY22, taking the total to over 551K profiles at quarter-end. The Wisr App has now paid off over \$3.1M in debt through round-ups and boosters.

Governance and New Executive Leadership Appointments

As previously advised to the market, the WISR Board is committed to adding appropriate talent as the Company grows in scale and complexity. The Board welcomes former Deutsche Bank Director Cathryn Lyall to the position of Non-Executive Director, effective 01 January 2022. Cathryn's distinguished 34-year career in the Australian and British Financial Services sectors makes her an ideal addition to the WISR Board.

After four years of exceptional service, Chief Operating Officer (COO) Mathew Lu will be leaving WISR on sabbatical to spend time with his young family.

The Company has appointed former NDIA Deputy CEO, Oliver Bladek, to COO, effective 31 January. Oliver has an 18+ year track record of designing and delivering growth transformations to improve businesses' performance and culture. Before joining the NDIA, Oliver supported Westpac in its agile transformation and spent 15 years with McKinsey & Company. He also led the firm's organisation practice in Australia and New Zealand.

Oliver's experience in developing high-performing teams that focus on the customer will support WISR as it continues to grow into a company of significant scale and impact.

APPENDIX 4C QUARTERLY ACTIVITY REPORT COMMENTARY:

CASH EBTDA	Q2FY22	Q1FY22
Revenue	\$14.1M	\$12.1M
Opex	\$(8.4)M	\$(13.3)M [^]
Loan write-offs	\$(1.1)M	\$(1.0)M
Finance costs	\$(4.2)M	\$(3.3)M
Cash EBTDA	\$0.4M	\$(5.5)M

[^]Includes one-off Olympics & Brand spend

WISR continues its path to profitability, with \$14.1M in operating revenue, a 140% increase on Q2FY21 (**\$5.9M**) and a 16% increase on Q1FY22 (**\$12.1M**). The revenue growth and continued scaling of the business also delivered a maiden positive Cash EBTDA of \$0.4M for Q2FY22 (Q1FY22: \$(5.5)M).

Per item 1.3(c), advertising and marketing spend normalised in Q2FY22 to \$2.2M (Q1FY22: \$5.5M), following the significant one-off uplift in Q1FY22 driven by the Olympics & Brand campaign.

Per item 1.10, net cash from operating activities for Q2FY22 was \$1.3M (Q1FY22: \$(5.7)M), which is the maiden positive outcome driven by revenue growth and continued scaling of the business.

Per item 5.1, unrestricted cash at the end of Q2FY22 was \$26.9M. In addition, there were \$18.4M of loans on-balance sheet available for sale as at 31 December 2021.

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

KMP Remuneration

Following a market benchmarking exercise and business performance review, the Company's Board has adjusted the CEO's remuneration in line with market practice. The Company seeks to attract and retain high-quality talent by remunerating its executives fairly and reasonably. With effect from 1 December 2021, the CEO's base remuneration has been increased to



\$550,000 exclusive of superannuation. He will remain entitled to participate in the Company's long and short-term incentive schemes.

Annual General Meeting

Notice is hereby given that the Company's Annual General Meeting of shareholders will be held on Wednesday 23 November 2022 at 2 p.m. (AEDT). The closing date for the receipt of nominations from persons wishing to be considered for election as a director is 5 October 2022.

-ends-

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:

Vanessa Chidrawi
Company Secretary
E: investor@wisr.com.au

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 Platform underpinned by consumer finance products, the Wisr App to help Australians pay down debt, multiple 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

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Wisr Limited

ABN

80 004 661 205

Quarter ended ("current quarter")

31 December 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	13,308	24,832
1.2	Management fee income	173	379
1.3	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(1,676)	(3,914)
	(c) advertising and marketing	(2,175)	(7,703)
	(d) leased assets	-	-
	(e) staff costs	(3,943)	(8,590)
	(f) administration and corporate costs	(611)	(2,599)
1.4	Dividends received (see note 3)	-	-
1.5	Interest received	5	7
1.6	Interest and other costs of finance paid	(3,812)	(7,111)
1.7	Income taxes paid	-	-
1.8	Government grants and tax incentives	-	280
1.9	Other (provide details if material)	-	-
1.10	Net cash from / (used in) operating activities	1,269	(4,419)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(41)	(130)
	(d) investments	-	(1,169)
	(e) intellectual property	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
(f) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material) Net movement in customer loans	(87,934)	(180,414)
2.6 Net cash from / (used in) investing activities	(87,975)	(181,713)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	(148)
3.5 Proceeds from borrowings	105,368	170,609
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	(504)	(571)
3.8 Dividends paid	-	-
3.9 Other (provide details if material) Payments for right of use asset	(167)	(329)
3.10 Net cash from / (used in) financing activities	104,697	169,561

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	57,848	92,410
4.2 Net cash from / (used in) operating activities (item 1.10 above)	1,269	(4,419)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(87,975)	(181,713)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	104,697	169,561
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	75,839	75,839

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	26,862	30,670
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (restricted cash)	48,977	27,178
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	75,839	57,848

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	52
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	756,191	551,194
7.2 Credit standby arrangements	-	-
7.3 Other (corporate card)	235	-
7.4 Total financing facilities	756,426	551,194
7.5 Unused financing facilities available at quarter end		205,232
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
<p>The facilities in 7.1 are as follows:</p> <ul style="list-style-type: none"> - Wisr Warehouse of \$350m with NAB as senior funder, a cost of funds of circa 3.5%, senior maturity in November 2022 and secured against the loan receivables it funds - Wisr Freedom Trust securitisation with a current balance of \$159.7m (amortising loan book) and day one weighted average margin of circa 1.5% + 1 month BBSW - Wisr Secured Vehicle Warehouse of \$225m with NAB as senior funder, Revolution as mezzanine funder, a drawn cost of funds of circa 2.3% over BBSW, maturity in October 2022 and secured against the receivables it funds. - Unsecured Head Co loan facility of \$21.5m, with \$6.5m drawn, 9.5% pa coupon and maturity in May 2023 <p>In Q1FY18, an off-balance sheet wholesale funding agreement was entered into structured around the whole loan purchase of Wisr originated assets. The balance as at 31 December 2021 was circa \$33.6 million. Wisr continues to manage this loan book but is not using the facility to fund loans at present.</p>		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.10)	1,269
8.2 Cash and cash equivalents at quarter end (item 4.6)	75,839
8.3 Unused finance facilities available at quarter end (item 7.5)	205,232
8.4 Total available funding (item 8.2 + item 8.3)	281,071
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
<i>Note: if the entity has reported positive net operating cash flows in item 1.10, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
Wisr notes Item 8.3 above is utilised for loan funding as opposed to operating expenses	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 January 2022

Authorised by: The Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.