



## ASX RELEASE

# Wisr delivers 38% month on month loan growth and 50% increased revenue for Q4FY20

Sydney, 28 July 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 30 June 2020 (“Q4FY20”).

Wisr delivered a number of growth records for the quarter, including an increase in revenue of 50%<sup>1</sup> compared to Q3FY20. The Company’s rapid response to COVID-19 conditions, and exceptionally low exposure to high-risk sectors, has seen the Wisr Financial Wellness Ecosystem (**Wisr Ecosystem**) business strategy continue to grow at pace in Q4FY20.

### Highlights:

#### Loan volume and revenue

- Record \$19.1 million in loan originations delivered in June surpasses \$13.8 million in May, with 38% growth month-on-month
- Loan origination run-rate now 45% above pre-COVID levels (February 2020), with weekly settled loan volume exceeding \$5 million for the first time
- The second full quarter operating under the Wisr Warehouse funding model, delivering \$2.9<sup>1</sup> million of operating revenue for Q4FY20, a 50% increase on Q3FY20 and a 188% increase on Q4FY19
- Total loan originations of \$244.9 million at 30 June 2020, with \$42.2 million in new loans originated in Q4FY20, a 92% increase on Q4FY19
- Loan book continues to grow in size and quality metrics, with a Q4FY20 average credit score of 723 (Australian average credit score is circa 600<sup>2</sup>), reinforcing the prime nature of the Company’s loan book, customer base and business model

#### Capital

- Wisr is strongly capitalised with \$40.0 million in cash and liquid loan assets at 30 June 2020, positioning the Company very well through COVID-19 and beyond
- \$40.0 million includes \$4.7 million in restricted cash and circa \$2 million in liquid loan assets held on balance sheet and available for sale

#### Loan funding

- Wisr retains the strong support of all its funders, with the vast majority of loans being funded by the Wisr Warehouse
- An increase in committed funding into the Wisr Warehouse from \$95 million to \$150 million, which in combination with the off-balance sheet facility provides ample lending runway
- Total portfolio arrears are stable with 90+ Day arrears of 1.44% at 30 June 2020, well below internal risk appetite triggers and Wisr Warehouse parameters

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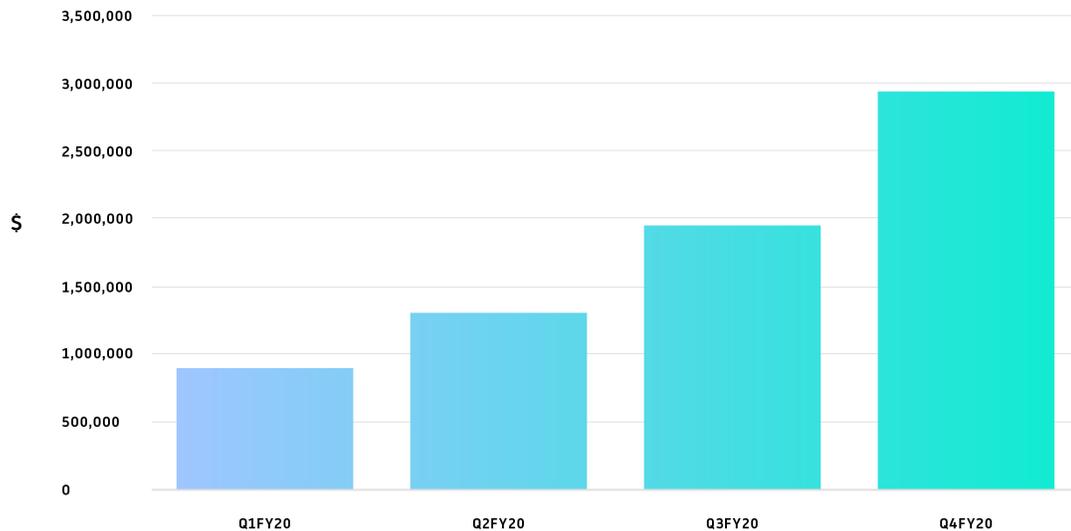
<sup>1</sup> Revenue unaudited

<sup>2</sup> According to data supplied by Equifax



- The Australian Office of Financial Management has approved an initial investment of \$30.8 million into the Wisr Warehouse through the Structured Finance Support Fund. The investment will be alongside existing senior and mezzanine financiers and will support the Wisr Warehouse up to \$200 million

## New model driving significant revenue growth

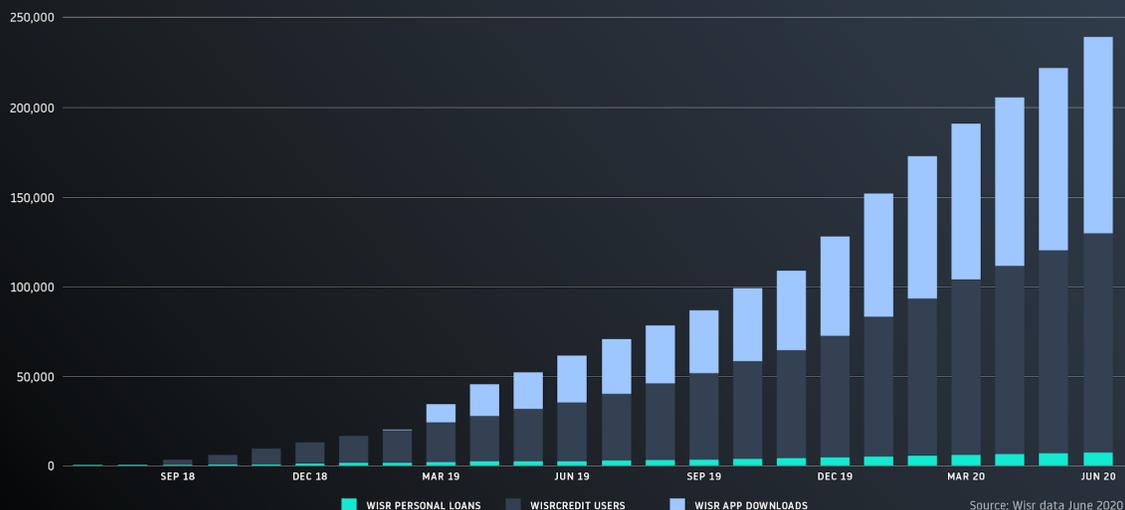


### Wisr Ecosystem

- Over 239,000 Australians have been introduced to the Wisr Ecosystem as at 30 June 2020
- Full launch of Secured Vehicle product in Q1FY21 as previously announced

## The Wisr Ecosystem.

Over 239,000 Australians entered the Wisr Ecosystem.





## STRONG GROWTH AND BUSINESS MODEL COMMENTARY:

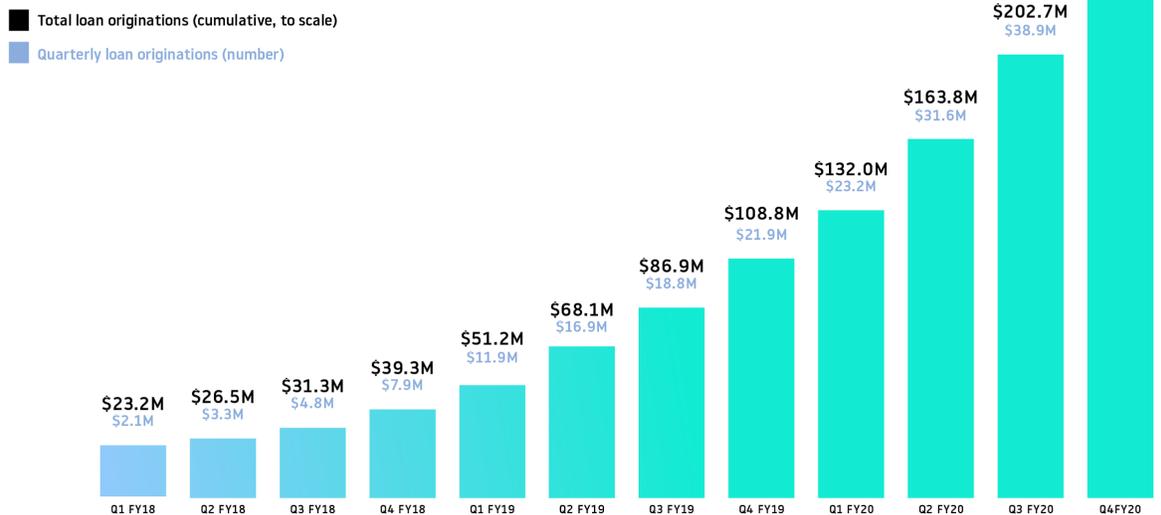
Despite taking a prudent approach to the COVID-19 situation, including a tightened credit policy and reduced risk tolerance, Wisr delivered record results in Q4FY20. In the quarter ending 30 June 2020, new Wisr loan originations totaled \$42.2 million, a 9% increase on Q3FY20 and a 92% increase on Q4FY19. The Company has now reached \$244.9 million in total loan originations since inception.

Q4FY20 was the second full quarter operating under the Wisr Warehouse funding model and delivered significantly improved unit economics and operating benefits, including \$2.9 million in unaudited operating revenue, a 50% increase on Q3FY20 and a 188% increase on Q4FY19.

Mr. Anthony Nantes, Chief Executive Officer, Wisr said, “Despite maintaining a significantly tighter credit policy in response to COVID-19, as well as taking a prudent approach to loan origination, Wisr has achieved significant loan origination growth and revenue uplift for the quarter.”

“It’s a strong validation of our fintech business model, proprietary technology, and high-performance culture that we can continue to grow and responsibly lend to our customers to help them consolidate, refinance, purchase, and fulfil their needs through the Wisr Ecosystem in these uncertain times.”

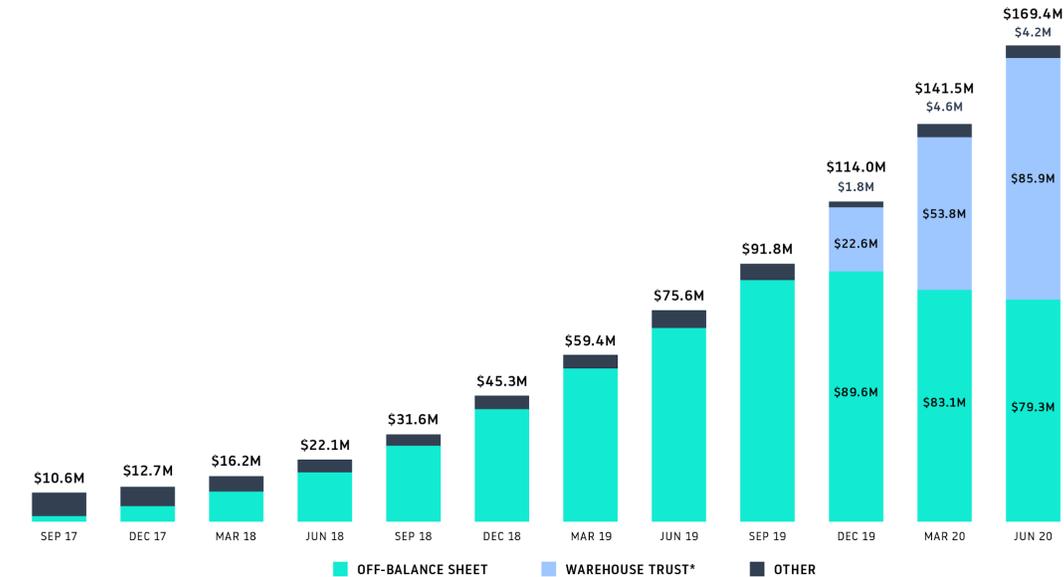
# Loan origination growth



“Wisr’s business model is focused on the best borrowers in Australia and Wisr’s purpose-led model is a real differentiator in the market. Our numbers are showing that consumers are looking for a fairer deal and a smarter alternative when it comes to personal finance. Our unique Wisr Ecosystem strategy provides us with a strong platform to scale and grow, as well as enabling us to really help our customers, and we will continue to do so during these rapidly changing times” finished Mr. Nantes.



## Consistent growth of high quality loan book



As announced on 16 July, the Australian Office of Financial Management has approved an initial investment of \$30.8 million into the Wizr Warehouse through the Structured Finance Support Fund. The investment will sit alongside existing senior and mezzanine financiers and will support the Wizr Warehouse up to \$200 million.

The \$30.8 million is approved by the Delegate under the *Structured Finance Support (Coronavirus Economic Response Package) Act 2020 (Cth)*.

Wizr is well placed to continue lending, operations and growth of its financial wellness products through COVID-19 disruption and post recovery.

### APPENDIX 4C QUARTERLY ACTIVITY REPORT COMMENTARY:

Per item 5.5, cash and cash equivalents at the end of Q4FY20 was \$38.0 million. Note the following:

- Since the loan warehouse facility became operational in November 2019, Wizr has contributed \$4.5 million in Class 4 notes which are invested into loan receivables
- In addition to the \$38 million, there were circa \$2 million of loans on balance sheet available for sale at 30 June 2020

Item 6.1 relates to salary payments to the Board of Directors and a \$1.7k payment to a Director related party as an interest payment for their capital participation in the Wizr secured note.

### LOAN BOOK AND COVID-19 EXPOSURE COMMENTARY:

The loan book continues to grow, with a Q4FY20 average credit score of 723 (Australian average credit score is circa 600<sup>3</sup>), the highest average in the Company's history, reinforcing the business model and prime nature of the Company's loan book, and customer base.

<sup>3</sup> According to data supplied by Equifax



Taking a prudent approach to loan origination growth in Q4FY20, Wisr continued its tightened credit policy while retaining its market-leading approach to responsible lending and credit performance.

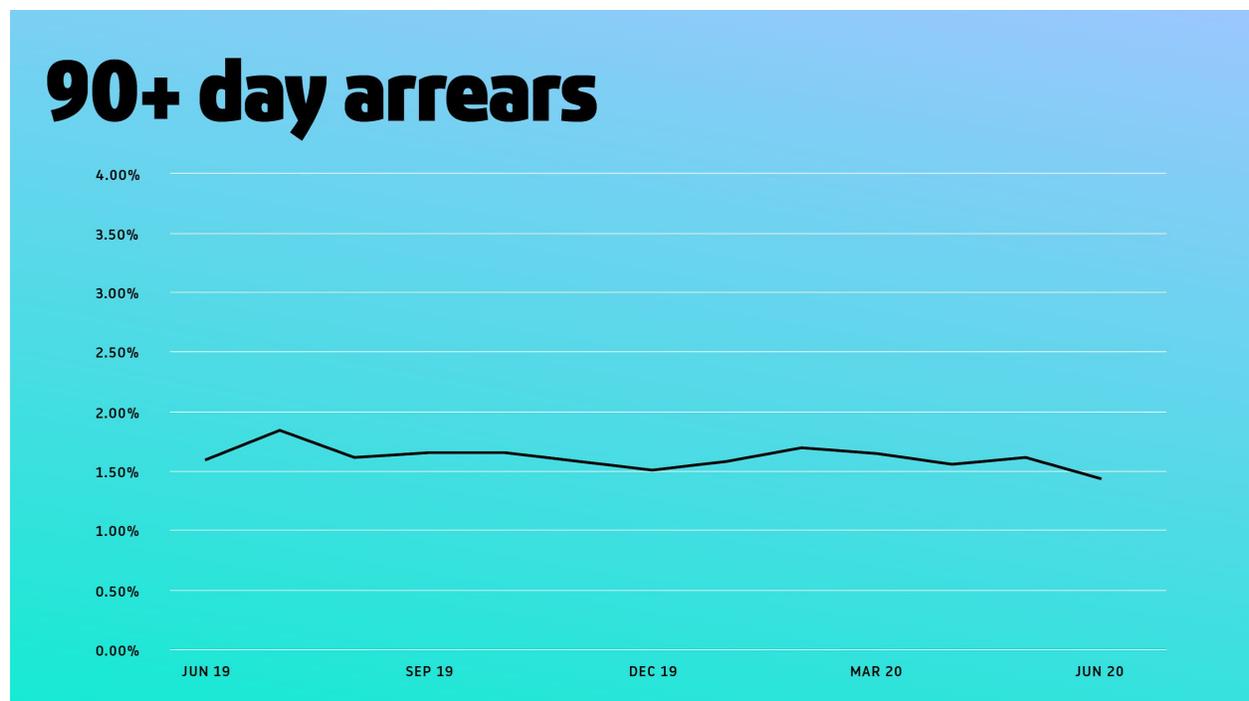
As of 30 June 2020, \$10.8 million or 6.4% of the total portfolio loan balance are on a COVID-19 related payment arrangement. This includes \$3.7 million from the Wisr Warehouse, which represents 4.3% of the Wisr Warehouse portfolio balance. Pleasingly, for those customers recently reaching the end of their COVID-19 deferral periods, 75% have caught up or resumed repayments. There was also a significant reduction in financial assistance requests in June, returning this metric to pre-COVID-19 levels.

“Wisr’s rapid response to COVID-19 and the changes implemented to our intelligent credit decisioning process clearly shows our ability to continue to lend prudently, in what is a challenging economic environment,” said CEO, Anthony Nantes.

“Our customer-centric approach to responsible lending has seen a 75% recovery rate for COVID-19 hardship customers and they will continue to be supported through the Wisr Ecosystem, as we help them improve their financial wellbeing.”

“Our purpose-led and agile fintech business model has the Company well-positioned for growth through these rapidly changing times, setting Wisr up for a strong revenue growth trajectory over the coming quarters,” finished Mr. Nantes.

Strong total portfolio credit performance continued with 90+ day arrears of 1.44% as at 30 June 2020.





## Wisr Ecosystem Updates

The Company’s B2B distribution strategy, Wisr@Work and Wisr&Co continues to grow, with the successful completion of the pilot Wisr@Work Financial Wellness program with Guild Super, our first partner in the important superannuation sector. Wisr’s new pilot program with one of Australia’s leading member healthcare charities also continues to progress, as well as Wisr@Work partner support initiatives to help alleviate the financial stress of companies and employees due to COVID-19. The Company continues late stage pilots and discussions with a number of new partners.

### FY20 Awards:

The Company continues to receive significant recognition for its purpose led, innovative business model and impact on the Australian market. A selection of awards this year include:

- 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
- Deloitte APAC Technology Fast 500 2019 - #367
- RateCity Gold Award 2020 New Car Loan Lender
- AFR Fastest 100 Growing Companies 2020 - #78
- Financial Times High-Growth Companies Asia Pacific 2020 - #275



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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 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](http://www.wisr.com.au)