



ASX RELEASE

## Wisr Chief Executive Officer Contract Extension, Vesting of Directors' Performance Rights and Escrow Arrangements

Sydney, 17 December 2019 - Wisr Limited (ASX: WZR) (ACN 004 661 205) ("Wisr", or the "Company") is pleased to announce that a three-year contract extension has been agreed with CEO Anthony Nantes, on the terms set out below. The Company also announces the formalisation of escrow arrangements relating to director and KMP performance rights, and the vesting of directors' performance shares.

### 1. CEO CONTRACT EXTENSION

Since joining the Company in 2016 as CEO, Anthony Nantes has pivoted the business from a peer-to-peer lender to a highly successful neo-lender, reinventing what a consumer lending organisation can be, while driving value for staff, customers and shareholders, as demonstrated by the Company's recent announcement that it had reached \$150 million in total lending.

*For more information on the performance of the CEO, see "Appendix 1" below.*

In a highly competitive market, the best interests of the shareholders require retention of a high-performance team. In the view of the Board, retaining and incentivising Anthony Nantes is a major strategic imperative at this stage of the Company's growth, and at the very least for the next three years. As a part of its recent remuneration strategy process, the CEO's contract has been designed to align interests, encourage retention and incentivise Anthony to continue this level of performance.

*For more on the remuneration strategy, see "Appendix 2" below.*

Wisr Chairman, John Nantes said: "Since his appointment as CEO, Anthony's leadership of Wisr has been transformative, taking the Company from approximately \$6 million market capitalisation in 2016 to well over \$100 million today. He has raised ~\$25 million in capital from some of Australia's leading investors and exceeded all other key metrics. It's an incredible turn-around, with hundreds of thousands of Australians interacting with the Company, allowing it to become one of the fastest-growing lenders of its kind and one of the fastest-growing ASX-listed tech stocks. It is the Board's view that Anthony is one of the best CEOs in this space in Australia, and a tremendous asset to the organisation. We are pleased we are able to secure his tenure and ongoing commitment to the Company for another three years, with contract terms aligned to the creation of shareholder value."

Mr Anthony Nantes said: "It is a privilege to lead Australia's only neo-lender as we approach a year of growth. I would like to thank the Board, our shareholders, our immensely talented Wisr team and of course, our amazing customers for their continued support as we create a purpose-driven business that genuinely focuses on helping everyday Australians access smarter, fairer credit. We are on track to deliver our FY20+ strategy with the diversification of our funding structures achieved with the NAB debt funding facility, approximately tripling the average margin on each loan written for Wisr from 15 November onwards."

### CEO Contract Terms:

Mr Nantes' contract was renewed on 17 December 2019, for a period of three years. The key terms of the contract are as follows;

- Effective date of 1 July 2019
- Fixed remuneration of \$290,000 per annum, exclusive of superannuation



- Mr Nantes is eligible to receive a short-term incentive (**STI**) of up to \$50,000 in respect of each six-month period, subject to the achievement of key performance indicators as agreed by the Board of Directors from time to time, assessed in the sole discretion of the Board and paid following the Board's approval of the Company's audited accounts for the relevant period
- Mr Nantes is eligible to participate in the Wistr Limited Equity Incentive Plan (**Plan**) and be granted up to 36,660,000 Performance Rights, which would vest in tranches if the following VWAP20 and minimum employment terms are met:

VWAP20	14.5 cents	16.73 cents	19.24 cents	24 cents	30 cents	38 cents
<b>No. to vest:</b>	6,500,000 <small>(testing commencement date 1 July 2019)</small>	8,150,000 <small>(testing commencement date 1 July 2020)</small>	10,010,000 <small>(testing commencement date 1 July 2021)</small>	3,500,000 <small>(testing commencement date 1 July 2019)</small>	3,500,000 <small>(testing commencement date 1 July 2019)</small>	5,000,000 <small>(testing commencement date 1 July 2019)</small>

- In addition to the provisions of the Plan rules, the vesting and exercise of all Performance Rights are subject to:
  - there being no audit or investigation conducted by or on behalf of ASIC nor the ACCC; and no audit, investigation, suspension, cancellation or negative endorsement of any AFSL held by any Group Company and there is no suspension, cancellation or negative endorsement of any AFSL;
  - the Group complying with the terms of any enforceable undertaking imposed on any Group Company by ASIC, the ACCC or any other government agency or regulatory body;
  - in the opinion of the Board, there being no material breach by the CEO of the Company's Corporate Code of Conduct or Anti-Money Laundering Compliance Programme;
  - no successful enforcement action being brought by ASIC against the Company;
  - in the opinion of the Board, there has been no material misstatement with regard to the Company's financial results lodged with ASX or material failure in risk management.
- If at any time any of the conditions above are not satisfied, no unvested Performance Rights shall vest and no vested Performance Right may be exercised until the satisfactory resolution of the underlying matter, inquiry or audit (as determined by the Board in its absolute discretion)
- If there is an adverse finding against, or an adverse outcome on, any Group Company or the business conducted by the Group in relation to any inquiry, investigation, audit or allegation by ASIC, the ACCC or any government agency or regulatory body, the Board may (in its absolute discretion) elect to cancel some or all of the Performance Rights granted.
- The Company may, as a result of the Board becoming aware of any serious misconduct such as the above, determine that the CEO should not have received some or all of the benefits paid or provided to him under the short-term incentive and/or the long-term incentive scheme (**Overpayment**).
- The CEO must repay any Overpayment to the Company on terms to be agreed between the him and the Company.
- Either party may terminate the Employment by providing the other twelve months' written notice.

## 2. ESCROW ARRANGEMENTS:

In a further indication of their commitment to the long-term growth and stability of the Company, the Company's directors and key management personnel, *viz.* the CEO and CFO, have entered into escrow agreements with the Company. The escrow agreements provide that trading locks will be placed on any shares to be issued as part of the holder's remuneration, or upon the vesting of performance rights or options granted as remuneration, for a period ending twelve months after the holder ceases to be a director or employee of the Company.



### 3. VESTING OF DIRECTORS' PERFORMANCE RIGHTS

At the Company's Annual General Meeting held on 26 November 2019, shareholders approved the grant of Performance Rights to each of Messrs John Nantes, Chris Whitehead and Craig Swanger, in accordance with the Company's Performance Rights Plan. The Performance Rights were issued to directors as part of their respective remuneration packages, in order better to align their interests with those of shareholders.

The Performance Rights vest in tranches if, the volume-weighted average price of the Company's shares traded on ASX over any 20-day period (**VWAP20**) exceeds the prices specified in the table below at any time between 1 September 2019 and 30 June 2022 (**Testing Period**), subject to the director remaining on the Company's Board.

VWAP	14.5 cents	16.73 cents	19.24 cents	38 cents
<b>No. of Performance Rights that will vest:</b>				
<b>Mr Nantes</b>	1,920,000	2,390,000	2,880,000	3,080,000
<b>Mr Swanger</b>	1,920,000	1,330,000	1,600,000	1,710,000
<b>Mr Whitehead</b>	1,060,000	1,330,000	1,600,000	1,710,000

As the VWAP20 exceeded \$0.145 for a period ending on 13 December 2019, the first tranche of Performance Rights has vested, and accordingly shares will be issued to each of the directors as follows<sup>1</sup>:

Mr J Nantes: 1,920,000  
Mr C Swanger: 1,920,000  
Mr C Whitehead: 1,060,000.

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

#### For more information, 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 WisrApp 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)

<sup>1</sup> As noted in the CEO Contract terms and the Remuneration Strategy context in Appendix 2, the 14.50c vesting test also applies to the CEO and other KMPs (CFO).



## APPENDIX 1 FURTHER COMMENTARY REGARDING WISR CEO'S CONTRACT EXTENSION

Under Anthony Nantes' leadership, Wizr has achieved key strategic milestones as it continues to deliver on the Wizr Financial Wellness Ecosystem (Wizr Ecosystem) business strategy, including:

- Building a committed and high performing team and culture committed to the Company's purpose of financial wellness for its customers
- Originating more than \$150 million in personal loans, and approaching \$150 million annual run rate based on daily settlement growth
- Delivering a transformational partnership with NAB through a debt warehouse announced in Q2FY20
- Designing and launching multiple market-leading financial wellness innovations with the Wizr App, WizrCredit, Wizr@Work and Wizr&Co products
- Delivering significant product upgrade with the major release of the WizrCredit platform to deliver deeper insights and features to leverage comprehensive credit reporting data for customers, setting a new standard in the Australian market
- Introducing over 86,000 Australians to the Wizr Ecosystem and Wizr App users paying down almost \$314,000 worth of debt since launch
- The Company being well capitalised with \$10 million cash and \$2.8 million liquid loan assets at 30 September 2019
- Further extending the range of lending products, with the successful launch of a secured vehicle finance product generating first revenue in Q1FY20.

Wizr has become one of the most recognised Fintechs in Australia with 29 industry nominations and multiple award wins. Most recently, Anthony was recognised for his achievements by being named "Highly Commended CEO of the Year" at The CEO Magazine Global 2019 Executive of the Year Awards.

Mr John Nantes, Wizr Chairman, commented: "Anthony has implemented an agenda of strategic change and growth, driven by Wizr's purpose-led model. His dedication to significant and sustained improvement across every area of the Company, from technology and product development to the Company's culture, is evident in Wizr's ongoing achievement and success. The Board's decision to extend Anthony's contract is a resounding endorsement of his leadership and clear strategy for Wizr's future."

Anthony Nantes said: "2020 will see substantial changes coming to the financial services space and Wizr is primed to take advantage of those changes while creating sustainable growth in line with risk appetite. Fusing the best of emerging fintech with the operational reliability of a traditional lender, Wizr will continue to deliver exceptional customer experiences and a business model that is truly innovative, scalable, purpose-led and built to deliver long-term value and profitability. I'm very honoured to be leading Wizr on that journey for the coming years."



## APPENDIX 2 REMUNERATION STRATEGY CONTEXT

The Company has redesigned its remuneration strategy, aligning with ASX Corporate Governance Principles, the practice of comparable peers and globally recognised best practice. The remuneration of the CEO, other KMPs and the directors have been aligned, while reflecting different roles and responsibilities. This alignment then extends into the equity and STI incentive programs for senior management and the broader team.

This remuneration strategy involves the following core elements:

1. Three-year remuneration structures for KMPs and directors to ensure retention and alignment with shareholders. Two-year remuneration for senior management, and one year STI structure for the balance of the team, but all with aligned KPIs.
2. Benchmarking of overall remuneration for KMPs and Directors to ASX150-250 range targeted over the three-year period, but with cash components in line with WISR's current position at around ASX300 ranking and reflecting that the Company is still cashflow negative.
3. KMPs (CEO and CFO) have aligned fixed remuneration; CEO has 50% higher STI limit; and then LTI (at current value) set to take CEO and CFO to total cost benchmarks set against the ASX150-250 per the above.
4. Directors' total remuneration is then set as a ratio to CEO, with that ratio benchmarked against ASX150-250 group. No STI for Directors, per standard market practice and alignment principles. Cash component kept to minimum market levels with the balance in LTI per point 2 above.
5. All LTIs divided into four similarly valued tranches, with the first three tranches set against a benchmark of 15% p.a. total shareholder return, and the final tranche being 200% total shareholder return. The share price triggers are 14.50c, 16.73c, 19.24c and 38.00c, with the details including minimum service periods for each tranche disclosed in previous announcements.
6. Voluntary escrow arrangements for KMPs and Directors that prevent any selling of any performance rights issued for a minimum of 12 months after the final service date for that individual. While this is not common practice, the KMPs and Directors felt that this is appropriate to align interests with shareholders and noted that it is increasingly common global practice.
7. Malus provisions set at a high standard for the ASX, along with a commitment to rapidly implement any applications of principles such as APRA's BEAR standards to the broader financial services or ASX domains.