



ASX RELEASE

March 2020 Business Update

Sydney, 17 March 2020 - Wisr Limited (ASX: WZR) (ACN 004 661 205) (“Wisr”, or the “Company”) is pleased to provide a business update to the market, in response to the changing macroeconomic outlook.

Highlights:

Loan volume

- Still accelerating, with over \$31.6 million in loans written in Q3FY20 to 13 March 2020, at an average credit score of 706 (Australian average credit score is circa 600¹), reinforcing the prime nature of the Company’s credit and high-quality customers
- Q3FY20 on track for 15% - 25% quarter-on-quarter growth
- Wisr total loan originations on track to break through \$200 million in coming weeks (\$195.4 million as at 13 March 2020)

Capital

- Tranche 2 of the \$36.5 million January 2020 capital raise vote complete, and will settle this week
- This is in addition to \$10.2 million cash as at 31 December 2019
- The Company is now very strongly capitalised, with multiple years of operating runway and many levers for a reduction in discretionary growth spend, if required

Loan funding

- Wisr’s business model is focused on the most prime personal loan borrowers in Australia
- Wisr’s loan warehouse facility now drawn to \$80 million, with strong support from funders, giving Wisr significant lending runway
- Facility is expandable to \$200 million, leaving significant headroom
- Senior debt tenor through to November 2021
- The Company has limited exposure to historical (pre-November 2019) book performance, given previous off-balance sheet funding model
- On balance sheet loan warehouse facility 30+ Day arrears of 0.24% and 90+ Day arrears of 0% as at 29 February 2020

COVID-19

- While the Company has yet to see any tangible impact on its business, in response to the evolving COVID-19 situation:
 - The Company conducted an “all-of-company” work from home day on 12 March 2020, with no disruption to normal business operations
 - A review is being undertaken of credit policy and proprietary decision engine rules in line with changes to economic forecasts, and likely COVID-19 impacts
 - The Company’s Fintech business model is well placed to rapidly adjust to changing economic conditions

¹ According to data supplied by Equifax



Wisr quarter on quarter loan origination growth.

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



Business Update:

The strongly supported January 2020 capital raise has now been completed, with Tranche 2 of approximately 89 million shares to be issued following a successful vote at the 13 March 2020 shareholder meeting. With \$10.2 million of cash as at 31 December 2019 and a subsequent \$36.5 million raised in January 2020, the Company is very well capitalised.

Wisr has also increased the drawn level in the loan warehouse facility to \$80 million, an increase on the initial \$50 million after going live in mid November 2019. This staged drawdown approach allows the Company to access the facility in line with near term loan funding requirements, without incurring unnecessary line fees on a fully drawn facility. The loan warehouse facility has a two-year senior tenor until November 2021, and the Company will continue to draw down on this facility in line with operational need.

The Wisr Financial Wellness Ecosystem continues to rapidly attract thousands of Australians, with growth above management expectations and forecasts.

Update on COVID-19:

While the Company has yet to see any tangible impact on its business, in response to the evolving COVID-19 situation the Company has undertaken a range of actions and measures to prepare and adjust rapidly to any change in economic outlook.

Underpinned by the Company's Potential Economic Downturn Strategy, we are considering prudent changes to the Company's credit policy to ensure we continue to grow safely and maintain our



market-leading credit performance, including a review of origination parameters, approaches to potential pockets of industry-specific risk, and portfolio management strategies for customers who may encounter difficulties.

The Company has also conducted and completed stress testing scenarios to model potential outcomes and determine the resources, technology, business model change and capital needed to support the business through an extended economic downturn. Pleasingly, this process reinforced the Board's confidence in the strength of the business, underpinned by our well capitalised balance sheet following the recent equity raise.

The Company also carried out a highly successful test of Wisr's remote operations capability on Thursday 12 March 2020, which saw the Company process a record day of loan originations, without a single staff member in head office. This successfully demonstrated our ability to continue to deliver our services to prime Australian borrowers whilst ensuring the safety and wellbeing of our staff, and is a strong validation of our Fintech business model and proprietary technology.

The Company maintains limited exposure to historical loan book performance, given the off-balance sheet loan funding model utilised until mid-November 2019. The current on-balance sheet loan warehouse facility has 30+ Day arrears of 0.24% and 90+ Day arrears of 0% as at 29 February 2020.

Commentary:

Wisr CEO, Anthony Nantes said, "Whilst the Australian economic outlook has changed, Wisr is very strongly capitalised, with a business model able to rapidly adjust to changes in economic outlook. We are writing prime quality credit, which historically performs well through a credit cycle. We have a strong and committed team and the Company is well structured to withstand and succeed through any potential economic softening. We have demonstrated our ability to work remotely without impact to the business, as the wellbeing of our staff remains paramount, and we will continue to leverage our market leading technology, purpose-driven business model and strong partnerships to build a sustainable business that positively impacts everyday Australians."

"Wisr will continue to responsibly lend to our customers to help them consolidate, refinance, purchase, and fulfil their needs where appropriate. We will continue to educate our customers through the Wisr Financial Wellness Ecosystem, help them understand and manage their credit capability, and we will continue to help our customers reduce debt through our Wisr app which has already helped thousands of Australians." finished Mr. Nantes.

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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 Wiser Limited

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