**5 June 2025**

**Wise plc**
**Results for the financial year ended 31 March 2025**
**Update on listing review**

"Our growth over the past financial year is a testament to the team's laser focus on our vision to build money without borders. We moved £145.2 billion across borders for 15.6 million people and businesses, a 23% increase compared to last year. This growth has been generated by the investments we've made in our underlying infrastructure, delivering lower fees and faster speeds for our customers: we reduced our take rate by 14bps over the year, to 53bps in Q4 FY2025. More customers also benefited from instant payments, with approximately 65% of transactions being completed in under 20 seconds.

We will accelerate our investments to improve the customer experience and to increase our share of the huge c.£32 trillion market opportunity. Powered by our new payments infrastructure that is fundamentally faster, cheaper, and more reliable than the traditional correspondent networks, we're well on our way to handle trillions, not just billions, and become 'the' global network for the world's money.

As part of our next step on that journey, today we are announcing our intention to dual list our shares in the US and UK. We believe the addition of a primary US listing would help us accelerate our mission and bring substantial strategic and capital market benefits to Wise and our Owners. These include helping us drive greater awareness of Wise in the US, the biggest market opportunity in the world for our products today, and enabling better access to the world's deepest and most liquid capital market. A dual listing would also enable us to continue serving our UK-based Owners effectively, as part of our ongoing commitment to the UK. The UK is home to some of the best talent in the world in financial services and technology, and we will continue to invest in our presence here to fuel our UK and global growth."

*Kristo Käärmann, Co-founder and Chief Executive Officer*

**Highlights for the twelve months ended 31 March 2025**

**Strong growth in volume as Wise progresses towards moving trillions**

- 23% increase in cross-border volume to £145.2bn driven by customer growth and greater adoption of the Wise account.
- 15.6m active customers served in FY2025 (+21% YoY), with Personal customers growing by 22% and Business customers up 11%.
- More customers continue to adopt multiple features within their Wise account; this is now around 50% of our personal and 60% of business customers. Customers are now holding more than £21.5bn (+33% YoY) through the account (cash and Assets).

**Growing fast and profitably**

- Customer growth, account adoption and higher interest rates drove underlying income up 16% YoY to £1.4bn (FY2024 £1.2bn) and revenue up 15% to £1.2bn, (FY2024 £1.1bn). After accounting for costs and reinvestment, we generated £282m of underlying profit before tax (FY2024 £242m +17%), equivalent to an underlying profit before tax margin of 21%.
- Reported profit before tax rose to £565m (FY2024 £481m, +17%) with basic earnings per share of 40.37p (FY2024 34.20p, +18%).

**Investments made in FY2025 will contribute to future growth**

- We continued to enhance our infrastructure; we are now connected to the domestic payment system in the Philippines (InstaPay) and received equivalent regulatory approvals in Brazil (PIX) and Japan (Zengin), which will increase our direct connections to eight once live.
- We operationalised a new licence in India (AD-II) to remove historical transfer caps to further unlock outward transfers. In Australia, 'Interest' is now live, allowing more customers to earn an interest-like return by holding their money in government-guaranteed assets.
- Operational efficiencies and a significant effort to reduce prices for our customers enabled a reduction in the cross-border take rate of 14bps from Q4 FY2024 to Q4 FY2025, while 65% of payments are now instant.
- For businesses, we made it even easier to receive money, introducing Quickpay, our QR-code feature and expanded the coverage of currencies to >20.
- The value of our infrastructure has been recognised with some of the world's leading banks, including Morgan Stanley and Standard Chartered, choosing to partner with Wise.

**Accelerating investment to serve as much of this huge, under-served market as possible**

- We have committed to investing around £2 billion over the next two years, across infrastructure, marketing and products, to capture even more of the substantial opportunity that exists for Wise.
- We are maintaining our guidance that, over the medium term, we expect to operate to an underlying profit before tax margin of 13-16%; for FY2026, we expect to be around the top of this range.
- We continue to expect underlying income growth of 15-20% CAGR over the medium term and for FY2026.

**Next stage of Wise's journey with proposed dual listing of its shares in the US and UK**

- The Board has concluded its review of our listing arrangements and, having assessed in detail the optimal listing structure to accelerate our vision and maximise value for our stakeholders, we intend to transfer our primary listing from the equity shares (transition) category on the London Stock Exchange ("LSE") to a US stock exchange, and to maintain a secondary listing on the LSE. This would allow Wise's shares to trade on both a US stock exchange and the LSE.
- The new listing arrangements are expected to include a structure that aligns with US market practices including those of our US-listed tech peers, which we believe allows us to remain laser-focused on delivering our mission, thus creating long-term value for shareholders.
- We believe the transfer of our primary listing would bring a number of benefits to Wise and our Owners, including:
    - Expanding the pool of investors able to invest in Wise, in particular US domestic institutional and retail investors, the largest global constituent of investors, many of whom are currently unable to hold our shares. Wise is a global business with a vision for as many people and businesses to use our products as possible. We apply this same vision to our Owner base, and want to enable as many people as possible to benefit from the value we create.
    - Increasing trading liquidity in our shares to give current and prospective Owners greater flexibility and opportunity to buy and hold our shares.
    - Providing a potential pathway to inclusion in major US indices, further enhancing liquidity and demand for Wise shares. While Wise is not initially expected to be eligible for these indices, a US primary listing provides the opportunity to work towards this inclusion.

  - Helping to accelerate our growth in the US and advance our mission. We believe a primary US listing would significantly enhance our profile among potential customers, including for Wise Platform — the US is home to over 4,000 banks, including several of the world's largest.
  - It would also more closely align us with major growth opportunities in the US. The US is the world's largest economy and the biggest market opportunity in the world for our products today.
  - By maintaining a listing in the UK, we would allow existing and future Owners continued access to Wise stock in the UK.
- Our confidence in UK talent and the tech ecosystem here remains undimmed. One-fifth of our employees are based in the UK and we plan to continue hiring and investing in our UK team to fuel our growth in the UK and abroad.
- Wise intends to call a shareholder meeting in the coming weeks for our Owners to vote on the proposal. Full details of the proposal will be included in the shareholder circular to be published on or around 26 June 2025 ahead of the meeting.

**Preliminary results for the financial year ended 31 March 2025**
**5 June 2025**

**Financials - underlying basis**

| **£m** | **2025 £m** | 2024 £m | **YoY Movement %** |
|---|---|---|---|
| **Revenue** | **1,211.9** | **1,052.0** | **15%** |
| Underlying interest income (first 1% yield) | 150.4 | 120.7 | 25% |
| **Underlying income** | **1,362.3** | **1,172.7** | **16%** |
| Cost of sales | (328.1) | (307.4) | 7% |
| Net credit losses on financial assets | (9.1) | (12.5) | (27%) |
| **Underlying gross profit** | **1,025.1** | **852.8** | **20%** |
| Administrative expenses | (768.6) | (615.9) | 25% |
| Net interest income from corporate investments | 33.3 | 19.7 | 69% |
| Other operating income, net | 7.1 | 5.7 | 25% |
| **Underlying operating profit** | **296.9** | **262.3** | **13%** |
| Finance income | 0.7 | - | 100% |
| Finance expense | (15.5) | (20.5) | (24%) |
| **Underlying profit before tax** | **282.1** | **241.8** | **17%** |
| | | | |
| Interest income above the first 1% yield | 443.9 | 364.5 | 22% |
| Benefits paid relating to customer balances | (161.2) | (124.9) | 29% |
| **Reported profit before tax** | **564.8** | **481.4** | **17%** |
| Income tax expense | (148.1) | (126.8) | 17% |
| **Profit for the year** | **416.7** | **354.6** | **18%** |
| | | | |
| **Underlying Free Cash Flow (UFCF)** | | | |
| Underlying free cash flow (UFCF) | 332.7 | 247.0 | 34.7% |
| *UFCF conversion (UFCF as a % of Underlying profit before tax)* | *117.9%* | *102.1%* | *15.8%* |
| | | | |
| **Earnings per share** | | | |
| Basic, in pence | 40.37 | 34.20 | 18.0% |
| Diluted, in pence | 39.73 | 33.73 | 17.8% |

**Preliminary results for the financial year ended 31 March 2025**
**5 June 2025**

**Growth Metrics**

| | FY25 | FY24 | YoY Movement (%) |
|---|---|---|---|
| **Active customers (thousands)[1]** | **15,566.1** | **12,838.2** | **21%** |
| Personal (thousands) | 14,868.7 | 12,212.4 | 22% |
| Business (thousands) | 697.30 | 625.80 | 11% |
| **Cross - border volume (£ billion)[2]** | **145.2** | **118.5** | **23%** |
| Personal (£ billion) | 106.4 | 87.2 | 22% |
| Business (£ billion) | 38.8 | 31.3 | 24% |
| **Customer balances (£ billion)[3]** | **17.1** | **13.3** | **29%** |
| Personal (£ billion) | 10.5 | 7.9 | 34% |
| Business (£ billion) | 6.6 | 5.4 | 21% |
| **Assets under custody (£ billion)[4]** | **4.5** | **2.9** | **52%** |
| **Customer holdings (£ billion)** | **21.5** | **16.2** | **33%** |
| **Underlying income (£ million)[5]** | **1,362.3** | **1,172.7** | **16%** |
| Personal (£ million) | 1,040.5 | 884.4 | 18% |
| Business (£ million) | 321.8 | 288.3 | 12% |

Note: Differences between 'total' rows and the sum of constituent components are due to rounding.

[1] Total number of unique customers who have completed at least one cross-border transaction in the given period.
[2] Cross-border volume only.
[3] Customer balances do not include Assets Under Custody which are not recognised on the balance sheet.
[4] Amounts invested by customers in the Assets feature
[5] Underlying income is an alternative performance measure comprising revenue, first 1% of gross yield of interest income on customer balances, and any interest expense on customer balances. It does not include interest income above the first 1% gross yield or benefits paid on customer balances.

**Preliminary results for the financial year ended 31 March 2025**
**5 June 2025**

## An update from Kristo, our Co-founder and CEO

## Becoming the network for the world's money

Dear Wise Owners,

Fourteen years ago, we set out with a simple but ambitious vision: our money should work the same abroad as it works at home. Paying someone in another currency shouldn't cost us extra. It shouldn't be more expensive to use our cards when travelling. It should be as cheap and convenient for businesses to sell to their clients abroad as it is to sell at home. Money should work without borders.

Guided by this singular vision, we have built the next generation cross-border money infrastructure that today powers payments from over 50 countries, and a company that moved £145 billion for over 15 million people and businesses in the last year alone – saving them around £2bn in fees along the way.

The size and value of the opportunity was self-evident when we listed in 2021 — Wise's direct listing was the biggest listing of a tech company on the London Stock Exchange to date.

As our lives become more digital, our financial relationships will extend across borders even more. People work, spend and invest internationally. Businesses now hire and sell everywhere. These cross-border payments already add up to £32 trillion moved across borders each year.

We started with fixing overseas transfers and went on to develop the international Wise account for a truly borderless banking experience for our customers, and now also make this infrastructure directly available to banks through our APIs. We're working to handle trillions, not just billions, and become 'the' global network for the world's money.

Our growth over the past year is a testament to the Wise team's laser focus on our long-term goals. In FY2025, we moved £145.2 billion across borders for 15.6 million people and businesses. These are well over double the number of active customers and volume from just four years ago when we listed. And, in what might be the strongest reflection of the trust that we're building with our customers, our customer holdings grew 5.7x to £21.5 billion during the same four-year period.

As a result of this growth in customers, volume and balances, underlying income grew to £1.36 billion in FY2025, up 16% (18% in constant currency) from last year, and more than triple compared to four years ago. And underlying profit before tax grew to £282.1 million, up 17% from last year — nearly 7 times more compared to four years ago.

### Unique and powerful new infrastructure

International payments outside of Wise feel broken, because the financial infrastructure they are running on hasn't been fit for purpose for decades. We are building a new global payments network that directly connects local banks and payment systems at both ends of every transaction, bypassing the traditional correspondent networks used by banks and other payment services, eliminating costly intermediaries and outdated processes.

We are becoming increasingly experienced at building the direct connections with domestic payment systems, refining and accelerating our integration process. During the year we went live with InstaPay in the Philippines, marking our sixth direct integration to date. We were granted access to Japan's payments system, Zengin and secured the licence to access Brazil's instant payments system, PIX.

The number of transfers arriving to recipients instantly, in less than 20 seconds, is an indicator of the experience this new infrastructure gives to our direct customers, but also the customers of our Wise Platform clients. The proportion of instant transfers increased from 49% three years ago to 65% this year.

We expanded our global licensing footprint, closing the year with over 70 licences. In India, we operationalised our new licence, removing a previous USD 5,000 transaction cap. And in Australia, we were granted a license for investment services, allowing Australians to earn a return on their Wise Account balances held in government-guaranteed assets.

We grow because our customers tell everyone about Wise. They do it because the products work amazingly compared to their past experience with banks. And the products are so great because we invest so much in the infrastructure beneath it.

**Account for a truly international experience**

About £32 trillion moves across borders, split across individuals, businesses and large enterprises. We serve each of these customer groups through our three products: the Wise Account for personal customers, Wise Business for small and medium-sized businesses and Wise Platform for banks and other enterprises.

We brought Wise to more countries and groups, and added more features for existing customers to make their international banking experience more satisfying and therefore even easier to recommend.

We launched Wise for Mexican nationals, and went live with the Wise Account and card for personal customers in the Philippines. We also brought Wise Business to Hong Kong and Brazil, and launched Invoicing and QuickPay for businesses globally.

Finally, we continued to roll out Assets with return-earning accounts for both personal and business customers in more countries, including Australia, bringing the number of countries Assets is now live in to 30 since we first launched in the UK in September 2021.

This year was a year of significant progress for Wise Platform. We partnered with two of South America's largest financial services providers, Nubank and Itaú Unibanco as well as global banks, like Morgan Stanley and Standard Chartered. These partnerships speak to the speed, scale and reliability of the infrastructure and network we have built over the last 14 years.

**Leading on price in an increasingly transparent market**

It's clear that whoever builds the lowest-cost, highest-quality infrastructure will move the world's money.

Supported by our scale, our discipline in cost optimisation and servicing expenses, this year, our global take rate reduced from 0.67% to 0.53% in Q4 FY2025 — our lowest to date.

It's never been cheaper to use Wise, but we are not done. New customers consistently switch to Wise because our fees are radically lower than traditional banks. They're doing the smart thing for their wallets: global banks collect an estimated £200 billion annually in hidden retail cross-border fees. That won't last. As technology continues to evolve, these fees will come down, and Wise is leading the charge.

External forces are also working in our favour. We see signs that financial conduct regulators will not tolerate banks charging hidden cross-border fees to retail consumers. The EU has already legislated against hidden fees, and some more forward-thinking banks are also adopting more transparent pricing. As retail banks increase transparency and follow our lead in reducing prices, plus more digital first options enter the market, our cost discipline remains ever more important in retaining our long-term competitive advantage.

We expect that in the future world of transparent fees, people and business owners will be even more actively looking for cheaper alternatives; it will then be too late for banks to start competing. Indeed, the price drops we put into place at the start of the year are already having an effect, positively impacting growth in larger volume transactions.

**Our approach to compliance and combating financial crime**

Like all banks and financial services companies, there is a risk that bad actors may try to use our services for their financial crime such as fraudulent activity. To mitigate this risk, we need to be technologically a step ahead of the bad actors.

We invest heavily behind this. Today, around a third of our global team is dedicated to preventing financial crime, keeping our customers safe, and helping to ensure that we are in compliance with the requirements of the over 70 regulatory licences we maintain globally. We also work in collaboration with regulators and crime-fighting authorities around the world to prevent any misuse of our services. Given an ever evolving landscape, we regularly assess and review our systems to identify and address any potential gaps, and take into account regulator input, to enhance our strategies and technologies to adapt to new threats to help ensure the highest standards of compliance and security.

We see financial crime prevention as a native function of our money moving infrastructure. It will be a competitive advantage in a world, where threats grow in sophistication faster than most institutions can improve their countermeasures.

**Customer driven financial results**

Our growth is fast and sustainable, with capital generation allowing us to comfortably reach our profitable medium-term targets and invest continuously towards the massive, long term opportunities still ahead of us.

The value we are creating is evident in the strong growth over the last 3 years. We see this in active customers, which grew by 28% CAGR to 15.6 million, in our cross-border volumes, which grew by 24% CAGR to £145.2 billion, and in our customer holdings, which grew by 47% CAGR to £21.5 billion.

In order to continue on this path, we will continue to invest in a return-led and disciplined manner in product, in pricing, in servicing and in marketing. As announced in our recent Owners Day, we plan to double the annual investment made in running and growing Wise over the medium term. This includes tripling our investment in marketing and growing our teams. These investments mean we will be able to support more than twice as many customers. Investing in enhancing the awareness of our brand and our products will ensure our growth remains strong amidst a growing and increasingly competitive digital-first money transfer market.

As we scale, our unit costs also continue to decrease, which we can then translate into more investment, including into price. In time, we expect further growth in customers and volume as the price advantage we are driving becomes even clearer. This relationship was evidenced in FY2025 with our highest ever revenue recorded of £1.2 billion (FY2024 £1.1 billion) and profit before tax of £564.8 million (FY2024 £481.4 million). These results show that we can decrease prices for customers while maintaining profitability, and so support our business model to scale and allow us to reinvest to be able to build the best product for our customers.

After considering these costs and reinvestments, we are committed to our medium-term guidance for underlying income growth of 15-20% and underlying profit before tax margin of 13-16%. For FY2025, underlying income growth was 16% in reported currency (18% in constant currency) and the underlying profit before tax margin was 21%. In FY26, we expect underlying income growth to be within the guided range, with the underlying PBT margin to be around the top of the guided range as we prudently ramp-up investments towards the enormous opportunity ahead of us.

**Onwards - the journey to move trillions**

The relentless expansion of our products and geographic reach, improvements in cost and speed through infrastructure build-out, increasing adoption and increasing scale, means we're increasingly generating value for customers and our owners along the way. This alignment between our customers and our owners gives us every reason to be enthusiastic about our long-term vision of becoming the network for the world's money.

In the near term, we will continue to provide the best cross-border experience for our customers which will drive growth in our volumes. In the medium term, we want to be the number one international account, and in the long term, we will also be providing the world's best correspondent infrastructure.

We have made significant progress over the last year and I'm very pleased that we were able to help 15.6 million customers move money across borders in FY2025. However, our ambition is to do so much more — we are still at the start of our journey when we consider the size of the market we want to serve.

Looking at the massive opportunities ahead of us, I am confident that our continued focus and disciplined, long-term oriented investments will only accelerate our path to become 'the' network for money around the world.

As a next step on this journey to move trillions, we are intending to dual list our shares in the US and UK. We believe the addition of a primary US listing with a secondary UK listing would help us drive greater awareness of Wise in the US, the biggest market opportunity in the world for our products today. Additionally, it would enable more investors to benefit from the value we create and our shares would be more liquid, giving Owners more flexibility and opportunity. A dual listing would also enable us to continue serving our UK-based Owners effectively as part of our ongoing commitment to the UK, where we will continue to invest to fuel our UK and global growth.

**Preliminary results for the financial year ended 31 March 2025**
**5 June 2025**

## An update from Emmanuel, our CFO

### We remain focused on our mission, balancing growth with driving efficiencies

FY2025 was another year of strong growth led by an expansion in active customers. We continued investing in our customers by reducing our prices and building the infrastructure they need to move and manage money around the world, while also broadening our product offering. During FY2025 over 15.6 million customers used Wise for cross-border transactions and a growing number used other Wise products. This has resulted in a strong financial performance for the year, with 16% underlying income growth (18% in constant currency) and an underlying profit before tax margin of 21%, which was above our medium-term target of 13%-16%. Revenue increased by 15%, with reported profit before tax increasing to £565 million (FY2024 £481 million), representing a reported profit before tax margin of 34%.

### Customer-led growth

In FY2025 our customers sent or converted £145.2 billion of volume (cross-border volume), an increase of 23%, or 25% on a constant-currency basis. This was primarily led by growth in active customers of 21% to 15.6 million, with 5.9 million new customers joining Wise and completing their first cross-border transaction. We continued to deliver double-digit growth across all five of our geographical segments (Europe, United Kingdom, North America, Asia-Pacific, and the Rest of the World).

Active personal customers grew 22% to 14.9 million, with personal cross-border volumes growing by 22% to £106.4 billion.

We continued to see an increased usage of the Wise Account, with an adoption rate of c.50% at the end of FY2025, defined as the percentage of active customers who have adopted more than one product. This adoption is driving a continuation of the higher growth in 'card-only' customers, or customers who only use their Wise card for cross-border activity.

Historically, these customers have had a cross-border VPC of £500 to £1,000 per quarter. In Q4 2025, the proportion of active personal customers who were 'card-only' was c.20%.

Personal VPC in Q4 FY2025 was £3,200, which was up 7% compared to Q4 FY2024. This reflects higher growth in high-volume customers in Q4 FY2025, as our pricing has made us more attractive for this group.

Active business customers increased by 11% to 0.7 million, with cross-border volumes growing by 24% to £38.8 billion.

Business customer growth sequentially accelerated in Q4 FY2025, as we resumed the onboarding of business customers in the US and UK, following the pause in H2 FY2024. Business cross-border volumes grew at a faster rate than active customers, driven by an increase in VPC.

Compared with cross-border volume growth of 23%, cross-border revenue grew by 6% to £840.4 million, reflecting a reduction in the average take rate for FY2025 of 9bps to 58bps as we reinvested efficiency gains through lower pricing with the aim of driving increased volumes.

Wise Account adoption is driving increased customer retention and we are seeing a broader use of Wise products for business too. Within FY2025 revenue of £1.2 billion, card revenue (which primarily consists of interchange revenue), increased 31% in FY2025 to £219.8 million. Other revenue (which largely comprises business customer account set-up fees, fees for replacement cards and revenue from Wise Assets), increased by 71% to £151.7 million.

Additionally, underlying interest income rose by 25% to £150.4 million, due to a 29% growth in customer balances to £17.1 billion combined with higher interest income yields. Underlying income, which consists of cross-border revenue, card revenue, other revenue, and underlying interest income, increased 16% to £1.36 billion (18% on a constant currency basis), while revenue itself increased 15% to £1.21 billion and total interest income 22% to £594.3 million.

**Underlying gross profit expansion enables reinvestment into growth**

Cost of sales and net credit losses increased by 5% to £337.2 million in FY2025, whereas revenue increased by 15% and underlying income grew by 16%. Costs decreased in FY2024 with these reductions sustained through FY2025. Underlying income benefited from active customer growth and Wise account adoption, delivering an increase of 20% in both underlying gross profit and gross profit to £1,025.1 million and £1,307.8 million, respectively.

Underlying gross profit margin was 75% in FY2025, up 2 percentage points versus FY2024.

Underlying gross profit enables us to fund significant investments in the business, reduce our prices and provide a better experience for our customers whilst also delivering our target underlying profit margin. During FY2025 we were pleased to reduce cross-border prices by over 9 basis points, sustainably reinvesting gross profit margin into lower prices – a key reason why customers choose to join Wise.

Administrative expenses for the year increased by 25% to £768.6 million. This reflects our continued investment in future growth, as well as in the capacity required to onboard and serve a fast-growing active customer base that is increasingly using more features. In FY2025 we saw an increase in third-party costs, as we continued to outsource the provision of specific elements of our servicing operations, allowing us to flex capacity at a lower cost.

At 31 March 2025, we had over 6,500 Wisers, an increase of more than 2,000 employees over the last three years. The growth in our team resulted in employee benefit expenses increasing 9% to £412.7 million in FY2025. We expect to add c.700 roles over the course of FY2026. These Wisers will help us on our mission: building products, improving our infrastructure, supporting our core functions and helping to attract and serve even more customers.

We continue to invest in our customer acquisition efforts, with a focus on improving the effectiveness of our marketing programme. In FY2025 our marketing spend was £53.8 million, an increase of 47%, with our Marketing team growing by 30%. We aim to drive incremental adoption and engagement as we continue to invest across multiple channels, including an expansion into awareness marketing and a greater level of investment into performance marketing. In FY2025 we launched our first brand campaign in Australia, which delivered encouraging results, reaching over 4 million people and driving an increase in awareness of 11 percentage points.

Technology costs increased by 23% to £65.9 million and expenses relating to consultancy and outsourced services increased by 42% to £128.1 million, both reflecting the greater services required to support the growth of the business.

**Strong, sustained profitability profile**
In FY2025 we generated an underlying profit before tax of £282.1 million at a 21% margin, an increase of 17% over FY2024, reflecting our continued investment in the business. Our underlying profit before tax margin was strong at 21%, above our sustainable margin target of 13%-16% for the mid-term.

Reported profit before tax of £564.8 million for the year is calculated by adding 'interest income above the first 1% yield' (£443.9 million in FY2025) and deducting benefits paid relating to customers' balances (£161.2 million).

Of this £443.9 million of interest income above the first 1% yield in FY2025, our interest income framework aims to retain 20% (£88.9 million) and to return the remaining 80% (£355.0 million) to customers. In FY2025 we managed to pay £161.2 million to customers (45% of our target), while retaining £282.7 million.

We were unable to return the other 55% of our target for several reasons, including: where the deposits are in jurisdictions where we are unable to pay interest or cashback for regulatory reasons (e.g. the UK, which made up two-thirds of the 55%); where we do not yet pay interest or cashback on all currencies; and in some geographies such as the US, where customers are required to 'opt-in' to receive interest but have not yet done so. Where customers do not currently receive interest or cashback on their balance, our priority is to launch and promote our Assets 'Interest' product, which provides a market rate of return, while still offering all the other benefits of the Wise Account. This option is available for customers in the UK, EEA, Australia and Singapore.

Reported profit before tax grew 17% to £564.8 million in FY2025, with earnings per share of 40.37p.

**Highly liquid and well capitalised**
As at 31 March 2025, we held £18.6 billion of cash and highly liquid investment grade assets, up 28% from £14.5 billion at the end of FY2024. This includes assets in respect of the £17.1 billion of customer balances. It also includes £1.4 billion of our 'own cash' (£1.1 billion at the end of FY2024), with the increase from our operating performance partly offset by a reduction in our rolling credit facility drawings as we repaid half of the RCF draw down given our strong cash position.

We are well capitalised for the future, and as at 31 March 2025 our Group eligible capital was £1.3 billion, including the now-audited FY2025 profits; significantly above our minimum regulatory capital requirements.

Our capital position, built through sustained profitability, enabled us to initiate a programme in FY2023 to reduce the dilutive impact on share count that arises through stock-based compensation (SBC). £10 million of our capital was used in FY2023 by our Employee Share Trust to fund such share purchases, rising to £68 million in FY2024 and £73 million in FY2025, which covered the impact of new grants issued during the year.

At our Owners Day on 3 April 2025, we announced our intention to expand our programme of share purchases for the Employee Share Trust, with the expansion taking us beyond those for in-year SBC grants to now also begin acquiring shares for historical SBC grants, which represent c.25 million shares and c.2.5% of issued capital.

Also, as part of our corporate finance strategy, we entered into a £520 million Safeguarding Insurance policy during FY2025, allowing for this amount of customer funds to be used for operational customer liquidity, with the insurance providing full customer security. We also refinanced our RCF on an unsecured basis and underwent a credit scoring process in November 2024 and received investment grade ratings of BBB from both S&P and Fitch. Our aim is to optimise the funding of our working capital in the coming years.

**Regulatory Development**

As we continue to expand our product and coverage we aim to be compliant with all regulations in the markets that we operate in. However, with an evolving regulatory, political and financial crime landscape we occasionally don't achieve this goal, and where we or regulators identify gaps in our processes or controls then actively engaging with the relevant regulator we act quickly to identify remediation plans. Late in FY2025 we agreed a consent order with the CFPB in relation to some historic technical issues which had been fully remediated at the time of the consent order. The CFPB originally fined us $2 million, but the Consent order was recently amended with an adjustment to the findings and the penalty reduced to $45,000.

**Relentless focus on the long-term opportunity**

The opportunity for Wise remains substantial, with many millions of people and small businesses moving trillions of pounds across borders while overpaying for a poor service. We fundamentally believe that the market leader over time will be the provider of the cheapest, fastest and most convenient service, with the broadest coverage.

We remain focused on unlocking this opportunity and will continue to invest in our long-term growth potential, building a business with world-class fundamentals and the potential to scale volumes from billions to trillions, and generating exceptional value for both the customers and owners of Wise.

As we deliver on our mission, we continue to target 15-20% CAGR for underlying income (with FY2024 as a base year) and an underlying profit before tax margin of 13-16% over the medium-term.

We expect our reported profit before tax to continue to be higher than underlying profit before tax as long as the effective interest rate we achieve on customer balances is greater than 1%.

Improvements in efficiency gained in FY2025 resulted in an inflated level of earnings, which we expect to reinvest back in the business. We plan to scale our ability to invest in the business in order to fuel many more years of growth. Over the medium term, we aim to double our annual spend on the running, and growing, of Wise. This will include a tripling of our investment into marketing, alongside increased hiring in our Product and Engineering teams. This investment will particularly support the planned initiatives across Wise Business and Wise Platform, the investment needed to support a larger business, and our continued efforts to reduce our average cross-border pricing.

**Strong financial performance with  world-class fundamentals**

We have built a unique business with world-class fundamentals, delivering strong growth and high profitability. As we continue investing for the long term with the aim of becoming 'the' network for the world's money, we are delivering on our mission and creating massive value for both our customers and shareholders.

**Preliminary results for the financial year ended 31 March 2025**
**5 June 2025**

### Results presentation

A presentation of the full year results will be held at 9.30am BST Thursday, 05 June 2025 at Wise's London offices. We invite you to join the live stream using this link https://vimeo.com/event/5101264.

### Enquiries

Martin Adams - Investor Relations
owners@wise.com

Sana Rahman - Communications
press@wise.com

Brunswick Group
Charles Pretzlik / Nick Beswick
Wise@brunswickgroup.com
+44 (0) 20 7404 5959

### About Wise

Wise is a global technology company, building the best way to move and manage the world's money. With Wise Account and Wise Business, people and businesses can hold over 40 currencies, move money between countries and spend money abroad. Large companies and banks use Wise technology too; an entirely new network for the world's money.

One of the world's fastest growing, profitable tech companies, Wise launched in 2011 and is listed on the London Stock Exchange under the ticker, WISE. In fiscal year 2025 Wise supported over 15 million people and businesses, processing approximately £145 billion in cross-border transactions, and saving customers around £2 billion.

**Preliminary results for the financial year ended 31 March 2025**
**5 June 2025**

# Consolidated statement of profit or loss and other comprehensive income

## For the year ended 31 March 2025

| | Note | 2025 £m | 2024 £m |
|---|---|---|---|
| Revenue | 3 | **1,211.9** | 1,052.0 |
| Interest income on customer balances | 4 | **594.3** | 485.2 |
| Benefits paid relating to customer balances | 5 | **(161.2)** | (124.9) |
| Cost of sales | 6 | **(328.1)** | (307.4) |
| Net credit losses on financial assets | 6 | **(9.1)** | (12.5) |
| **Gross profit** | | **1,307.8** | 1,092.4 |
| Administrative expenses | 7 | **(768.6)** | (615.9) |
| Interest income from corporate investments | | **33.3** | 19.7 |
| Other operating income, net | | **7.1** | 5.7 |
| **Operating profit** | | **579.6** | 501.9 |
| Finance income | | **0.7** | - |
| Finance expense | 9 | **(15.5)** | (20.5) |
| **Profit before tax** | | **564.8** | 481.4 |
| Income tax expense | 10 | **(148.1)** | (126.8) |
| **Profit for the year** | | **416.7** | 354.6 |
| **Other comprehensive income** | | | |
| Items that may be reclassified to profit or loss: | | | |
| Fair value gain on investments, net | | **10.3** | 10.9 |
| Currency translation differences | | **(10.4)** | (7.0) |
| **Total other comprehensive income** | | **(0.1)** | 3.9 |
| **Total comprehensive income for the year** | | **416.6** | 358.5 |
| **Earnings per share** | | | |
| Basic, in pence | 11 | **40.37** | 34.20 |
| Diluted, in pence | 11 | **39.73** | 33.73 |

| **Alternative performance measures** | | |
|---|---|---|
| Income[1] | **1,645.0** | 1,412.3 |
| Underlying income[2] | **1,362.3** | 1,172.7 |
| Underlying PBT[3] | **282.1** | 241.8 |

[1] Income is defined as revenue plus interest income on customer balances, less benefits paid relating to customer balances.
[2] Underlying income is a measure of income retained from customers which comprises revenue and the first 1% yield of interest income on customer balances that Wise retains.
[3] Underlying PBT is a profitability measure calculated as profit before tax using underlying income and excluding Benefits paid relating to customer balances.

All results are derived from continuing operations.
The accompanying notes form an integral part of these Group consolidated financial statements.

# Consolidated statement of financial position

## As at 31 March 2025

| | Note | As at 31 March **2025** **£m** | As at 31 March 2024 Re-presented* £m |
|---|---|---|---|
| **Non-current assets** | | | |
| Deferred tax assets | 10 | 84.7 | 103.0 |
| Property, plant and equipment | 12 | 115.9 | 34.3 |
| Intangible assets | 13 | 4.0 | 6.5 |
| Trade and other receivables | 14 | 38.8 | 32.1 |
| **Total non-current assets** | | **243.4** | **175.9** |
| | | | |
| **Current assets** | | | |
| Current tax assets | | 15.0 | 4.0 |
| Trade and other receivables | 14 | 347.6 | 442.8 |
| Short-term financial investments | 19 | 4,654.9 | 4,033.9 |
| Derivative financial assets | 19 | 2.5 | 1.6 |
| Cash and cash equivalents | 15 | 13,982.8 | 10,479.2 |
| **Total current assets** | | **19,002.8** | **14,961.5** |
| | | | |
| **Total assets** | | **19,246.2** | **15,137.4** |
| | | | |
| **Non-current liabilities** | | | |
| Trade and other payables | 16 | 45.8 | 46.1 |
| Borrowings | 17 | 98.1 | 198.4 |
| Lease liabilities | 18 | 75.9 | 14.8 |
| Deferred tax liabilities | 10 | 4.0 | 2.4 |
| Provisions | 20 | 11.9 | 6.3 |
| **Total non-current liabilities** | | **235.7** | **268.0** |
| | | | |
| **Current liabilities** | | | |
| Trade and other payables | 16 | 17,578.8 | 13,861.8 |
| Borrowings | 17 | 1.3 | 4.3 |
| Lease liabilities | 18 | 10.3 | 6.7 |
| Current tax liabilities | | 4.4 | 6.0 |
| Derivative financial liabilities | 19 | 3.7 | 1.6 |

| | | | |
|---|---|---|---|
| Provisions | 20 | 25.8 | 9.1 |
| **Total current liabilities** | | **17,624.3** | **13,889.5** |
| **Total liabilities** | | **17,860.0** | **14,157.5** |
| **Equity** | | | |
| Share capital | 21 | 10.2 | 10.2 |
| Equity merger reserve | | (8.0) | (8.0) |
| Share-based payment reserve | | 299.4 | 306.5 |
| Own shares reserve | | (66.8) | (55.5) |
| Other reserves | | (2.1) | (12.4) |
| Currency translation reserve | | (14.2) | (3.8) |
| Retained earnings | | 1,167.7 | 742.9 |
| **Total equity** | | **1,386.2** | **979.9** |
| **Total liabilities and equity** | | **19,246.2** | **15,137.4** |

* Comparative balances have been re-presented to show the impact from the adoption of the amendment to IAS 1 – Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants (refer to note 17) and to present the lease liabilities separately from borrowings (refer to note 18).

The accompanying notes form an integral part of these Group consolidated financial statements.

Preliminary results for the financial year ended 31 March 2025
5 June 2025

# Consolidated statement of changes in equity

## For the year ended 31 March 2025

| | Note | Share capital £m | Equity merger reserve[1] £m | Share-based payment reserve £m | Own shares reserve £m | Other reserves[2] £m | Currency translation reserve £m | Retained earnings £m | **Total equity £m** |
|---|---|---|---|---|---|---|---|---|---|
| **At 1 April 2023** | | **10.2** | **(8.0)** | **247.4** | **(10.4)** | **(23.3)** | **3.2** | **357.8** | **576.9** |
| Profit for the year | | - | - | - | - | - | - | 354.6 | **354.6** |
| Fair value gain on investments, net | | - | - | - | - | 10.9 | - | - | **10.9** |
| Currency translation differences | | - | - | - | - | - | (7.0) | - | **(7.0)** |
| **Total comprehensive income for the year** | | **-** | **-** | **-** | **-** | **10.9** | **(7.0)** | **354.6** | **358.5** |
| Shares acquired by ESOP Trust | 22 | - | - | - | (69.9) | - | - | - | **(69.9)** |
| Share-based compensation expense | 23 | - | - | 72.5 | - | - | - | - | **72.5** |
| Tax on share-based compensation | 10 | - | - | 40.8 | - | - | - | - | **40.8** |
| Employee share schemes | 23 | - | - | (54.2) | 24.8 | - | - | 30.5 | **1.1** |
| **At 31 March 2024** | | **10.2** | **(8.0)** | **306.5** | **(55.5)** | **(12.4)** | **(3.8)** | **742.9** | **979.9** |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Profit for the year | | - | - | - | - | - | - | 416.7 | **416.7** |
| Fair value gain on investments, net | | - | - | - | - | 10.3 | - | - | **10.3** |
| Currency translation differences | | - | - | - | - | - | (10.4) | - | **(10.4)** |
| **Total comprehensive income for the year** | | **-** | **-** | **-** | **-** | **10.3** | **(10.4)** | **416.7** | **416.6** |
| | | | | | | | | | |
| Shares acquired by ESOP Trust | 22 | - | - | - | (71.0) | - | - | - | **(71.0)** |
| Share-based compensation expense | 23 | - | - | 58.9 | - | - | - | - | **58.9** |
| Tax on share-based compensation | 10 | - | - | 0.5 | - | - | - | - | **0.5** |
| Employee share schemes | 23 | - | - | (66.5) | 59.7 | - | - | 8.1 | **1.3** |
| **At 31 March 2025** | | **10.2** | **(8.0)** | **299.4** | **(66.8)** | **(2.1)** | **(14.2)** | **1,167.7** | **1,386.2** |

1. The merger reserve arises from the Group’s pre-listing reorganisation accounted for as a capital reorganisation. Upon the reorganisation, the Group's Ordinary Shares have been re-presented as those of Wise plc. The difference between Wise Payments Limited’s net assets and the nominal value of the shares in issue is recorded in the merger reserve.
2. Other reserves predominantly relate to investments into highly liquid bonds measured at FVOCI. For these investments, changes in fair value are accumulated within the FVOCI reserve within equity. During the year £10.3m of fair value gains were recognised in other comprehensive income (2024: £10.9m), including £3.5m of tax charge (2024: £3.5m). Refer to note 10 for further information on the tax recognised on bonds. On disposal of these debt investments before maturity, any related balance within the FVOCI reserve is reclassified to profit or loss.

The accompanying notes form an integral part of these Group consolidated financial statements.

# Consolidated statement of cash flows

## For the year ended 31 March 2025

| | Note | **2025** £m | 2024 £m |
|---|---|---|---|
| **Cash generated from operations** | 24 | **4,137.2** | 2,994.9 |
| Interest received | | 515.5 | 344.4 |
| Interest paid | | (14.7) | (16.7) |
| Corporate income tax paid | | (143.6) | (73.7) |
| **Net cash generated from operating activities** | | **4,494.4** | **3,248.9** |
| | | | |
| **Cash flows from investing activities** | | | |
| Payments for property, plant and equipment | | (34.5) | (10.6) |
| Payments for intangible assets | | (0.9) | (2.4) |
| Payments for financial assets at FVOCI | | (6,455.6) | (9,552.3) |
| Proceeds from sale and maturity of financial assets at FVOCI | | 5,892.6 | 9,422.6 |
| Proceeds from sublease | | - | 0.1 |
| **Net cash used in investing activities** | | **(598.4)** | **(142.6)** |
| | | | |
| **Cash flows from financing activities** | | | |
| Funding relating to share purchases and employee share schemes | | (72.6) | (68.4) |
| Proceeds from issues of shares and other equity | | 1.0 | 1.0 |
| Proceeds from borrowings | 17 | 200.0 | 420.0 |
| Repayments of borrowings | 17 | (300.0) | (470.0) |
| Principal elements of lease payments | 18 | (6.1) | (7.1) |
| Interest paid on leases | 18 | (3.6) | (1.1) |
| **Net cash generated used in financing activities** | | **(181.3)** | **(125.6)** |
| | | | |
| **Net increase in cash and cash equivalents** | | **3,714.7** | **2,980.7** |
| | | | |
| **Cash and cash equivalents at beginning of the year** | 15 | **10,479.2** | **7,679.4** |
| Effects of exchange rate changes on cash and cash equivalents | | (211.1) | (180.9) |
| **Cash and cash equivalents at end of the year** | 15 | **13,982.8** | **10,479.2** |

The accompanying notes form an integral part of these Group consolidated financial statements.

# Notes to the Group consolidated financial statements

## For the year ended 31 March 2025

## Note 1. Presentation of the consolidated financial statements

### 1.1 General information

Wise plc (the 'Company') is a public limited company and is incorporated and domiciled in England. The address of its registered office is 1st Floor Worship Square, 65 Clifton Street, London, United Kingdom, EC2A 4JE. The principal activity of the Company and its subsidiaries (the 'Group') is the provision of cross-border and domestic financial services. Further information on the Group's operations and principal activities is presented in the Strategic Report.

### 1.2 Accounting information and policies

**Introduction**
This section describes the basis of preparation of the consolidated financial statements and the Group's accounting policies that are applicable to the financial statements as a whole. The Group's material accounting policies and critical accounting estimates and judgements specific to a note, are included in the note to which they relate. Furthermore, the section details new accounting standards, amendments and interpretations, that the Group has adopted in the current financial year or will adopt in subsequent years.

**(a) Basis of preparation**

The consolidated financial statements of the Group have been prepared in accordance with the UK-adopted International Accounting Standards in conformity with the applicable legal requirements of the Companies Act 2006. The accounting policies applied are consistent with those of the preceding financial year, unless otherwise stated.

The financial statements are prepared on a going concern basis. All financial information is presented in millions of pounds sterling ('£'), which is the Group's presentation currency, rounded to the nearest £0.1m, unless otherwise stated. The financial statements have been prepared under the historical cost convention modified to include the fair valuation of particular financial instruments, to the extent required or permitted under IFRS as set out in the relevant accounting policies.

**(b) Going concern**

The Group's business activities together with the factors likely to affect its future development and position are set out in the Strategic report.

The financial statements are prepared on a going concern basis as the Directors are satisfied that the Group has the available resources to continue in business for the foreseeable future.

The going concern assessment is based on the detailed forecast prepared by management and approved by the Board (base plan). As part of the going concern review, the Directors have considered severe, but plausible, downside scenarios to stress test the viability of the business. These downside scenarios covered reduction in revenues, profitability, cash position and liquidity as well as the Group's ability to meet its regulatory capital and liquidity requirements. Appropriate assumptions have been made in respect of revenue growth and profitability, based on the economic outlook over the forecast period. Appropriate sensitivities have been applied in order to stress test the base plan, considering situations with lower revenue growth and profitability compared to the base plan, where future trading is less than forecasted. Management expects that sufficient liquidity and regulatory capital requirement headroom are maintained throughout the forecast period.

The Directors have made inquiries of management and considered forecasts for the Group and have, at the time of approving these financial statements, a reasonable expectation that the Group has adequate resources to continue in operations for the foreseeable future. Further details are contained in the Viability Statement of the Strategic Report.

**(c) Basis of consolidation**

The financial statements comprise the consolidated financial statements of Wise plc and its subsidiaries as at 31 March 2025.

Subsidiaries are all entities over which the Group has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date on which control is obtained by the Group and are de-consolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between companies within the Group are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Group accounting policies are consistently applied to all entities and transactions.

**(d) Foreign currency translation**

The Group's consolidated financial statements are presented in pounds sterling. Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

**Transactions and balances**
Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction is recognised.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss (either as cost of sales or administrative expenses).

Non-monetary assets and liabilities are translated at historical exchange rates if held at historical cost, or year end exchange rates if held at fair value, and the resulting foreign exchange gains or losses are recognised in either the income statement or shareholders' equity depending on the treatment of the gain or loss on the asset or liability.

**Group companies**

On consolidation, the results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) are translated into pounds sterling as follows:

- assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the reporting date;
- income and expenses are translated at average monthly exchange rates; and
- all resulting exchange differences are recognised in other comprehensive income.

**(e) Changes in material accounting policies and disclosures**

**Adoption of new or revised standards and interpretations**

The following new or revised standards and interpretations became effective for the Group from 1 April 2024:

a. Amendment to IAS 1 – Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

As a result of the adoption of the amendments to IAS 1, the Group has classified its borrowings as non-current, because it has the right to defer payment for more than 12 months. Refer to note 17 for further details.

b. Other amendments:
- Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback
- Amendments to IAS 7 and IFRS 7 – Supplier Finance Arrangements

The adoption of the other amendments did not have a material impact on the Group. There are no other new or revised standards or interpretations that are effective for the first time for the financial year beginning on or after 1 April 2024 that would be expected to have a material impact on the Group.

**New standards, amendments and interpretations not yet adopted**

The following amendments have been published by the IASB and are effective for annual periods beginning on or after 1 January 2025; the amendments have not been early-adopted by the Group:

a. New standard issue - IFRS 18 Primary Financial Statements

The new standard, which replaces IAS 1, creates detailed requirements for the classification and aggregation of income and expenses in the income statement, and disclosure requirements for management-defined performance measures. The new standard is effective from 1 January 2027, but has not yet been endorsed for use in the UK. It is anticipated that the application of the new standard will have an impact in the Group's presentation of the consolidated financial statements.

b. Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments

The amendments clarify the derecognition of financial liabilities via electronic payments, refine the classification of financial assets with ESG-linked features, and enhance disclosure requirements for equity instruments at FVOCI. The amendments are effective for reporting periods beginning on or after 1 January 2026. It is anticipated that the application of these amendments may have an impact in the Group's consolidated financial statements in future periods.

c. Other amendments:
- Amendments to IAS 21 – Lack of Exchangeability
- IFRS 19 Subsidiaries without Public Accountability: Disclosures

Neither of the other amendments is expected to have a material impact on the Group in the current or future reporting periods or on foreseeable future transactions.

**(f) Climate change considerations**
The impact of climate change has been considered as part of the assessment of estimates and judgements in preparing the Group's consolidated financial statements. Our climate risk assessment has primarily focused on short-term risks to determine if they pose a material threat to the business, and it has concluded that climate-related risks do not currently pose a material risk to Wise, and has identified no material financial impact to these financial statements.

### 1.3. Critical accounting judgements and key sources of estimation uncertainty

Details of the critical judgement which the Directors consider could have a significant impact on these financial statements is set out in the following notes:

- Customer balances (recognition of the financial assets and their respective liabilities on the balance sheet) - note 15 and note 16

Management has concluded that there are no critical accounting areas of estimation.

## Note 2. Segment information

**Accounting policy**

The Group is managed on the basis of a single segment.The information regularly reported to the Chief Operating Decision Maker ('CODM'), which is currently the Board of Directors of the Group, for the purposes of resource allocation and the assessment of performance, is based wholly on the overall activities of the Group. Based on the Group's business model, the Group has determined that it has only one reportable segment under IFRS 8, which is provision of cross-border and domestic financial services.

The Group's revenue, assets and liabilities for the reportable segment can be determined by reference to the statement of comprehensive income and the statement of financial position. The analysis of revenue by type of customer and geographical region is set out in note 3.

At the end of each reporting period, the majority of the non-current assets were carried by Wise Payments Limited in the UK and its branch in Estonia. Based on the location of the non-current asset, the following geographical breakdown of non-current assets is provided:

| | 2025 £m | 2024 £m |
|---|---|---|
| **Non-current assets by geographical region*** | | |
| United Kingdom | **87.6** | 40.5 |
| Rest of Europe | **48.9** | 13.9 |
| Rest of the world | **15.7** | 15.6 |
| **Total non-current assets** | **152.2** | **70.0** |

* Non-current assets exclude deferred tax assets and financial instruments.

## Note 3. Revenue

**Accounting policy**

The Group generates revenue from contracts with customers by transferring the following services:

**Cross-border**

The Group primarily generates revenue from cross-border services, which includes money transfers, conversions and the Wise Account. The applicable fees depend on a number of factors, including the currency route, the transaction size, the type of transaction being undertaken and the payment method used.

A customer enters into a contract with the Group at the time of opening a Wise Account or initiating a money transfer. The customer agrees to the contractual terms by formally accepting the terms and conditions of the respective service, on Wise's website or the app.

The revenue is recognised at the point in time the performance obligation has been satisfied. For money transfers, the revenue is recognised upon delivery of funds to the recipient. For money conversions, it is recognised when a customer balance is converted into a different currency in their account.

The time required for the Group to process the payment to the recipient, and therefore to satisfy its performance obligations, largely depends on the processing time its banking partners require to deliver funds to the recipient. As such the revenue is deferred until the funds are delivered. Transactions in certain jurisdictions, where the Group has settlement accounts with central banks, transfers between Wise accounts or conversions within a Wise Account, are generally fulfilled instantly.

**Card**

Card revenue refers to debit card services and mainly comprises interchange fees and card usage fees.

A customer enters into a contract with the Group at the time the card, either virtual or physical, is made available for use and the customer is able to either make a payment or a withdrawal.

The fees for card transactions are in accordance with the agreed terms and conditions. They have a single performance obligation and the revenue is recognised upon transaction capture, that the performance obligation is deemed to have been satisfied.

**Other**

Other revenue mainly comprises:

- Revenue earned from the top-up of Wise account balances or transfers to recipients in the same currencies. The revenue is recognised on transaction completion for top-ups and delivery of funds to the recipient for transfers.
- One-time fee charged to Wise business customers for setting up an account; the revenue is recognised over time, throughout the period the customer is expected to use the business account.
- Fees earned for the provision or replacement of physical cards; the revenue is recognised over time throughout the period the debit card services are provided, which is expected to be the life of the card.
- Revenue from the multi-currency investment feature called Wise Assets ('Assets'), where Wise generates revenue from charging a fee based on the value of the assets under custody. The revenue is accrued on a daily basis, based on the daily value of the assets under custody, and is recognised over time in line with the period the Group provides its services to Assets customers. The Group acts as an agent on behalf of the customers and does not retain control nor benefits from the Assets, thus it does not recognise the financial assets and the respective liabilities for the Assets, and derecognises customer funds on purchase.

**Rebates**

Wise offers certain rebates in the form of a fee refund or cashback for eligible revenue-generating transactions. The rebate is recognised as a liability at the time of completion of the eligible transaction and is deducted from revenue.

| | Year ended 31 March | |
|---|---|---|
| | **2025** | 2024 |
| | **£m** | £m |
| **Revenue by nature** | | |
| Cross-border | 840.4 | 795.2 |
| Card | 219.8 | 168.0 |
| Other | 151.7 | 88.8 |
| **Total revenue** | **1,211.9** | **1,052.0** |

### Disaggregation of revenues

In the following table, revenue is disaggregated by major geographical market:

| | Year ended 31 March | |
|---|---|---|
| | **2025** | 2024 |
| | £m | £m |
| Revenue by geographical region | | |
| Europe (excluding UK) | 369.6 | 323.9 |
| Asia-Pacific | 263.8 | 216.2 |
| North America | 237.2 | 214.5 |
| United Kingdom | 226.2 | 202.5 |
| Rest of the world | 115.1 | 94.9 |
| Total revenue | 1,211.9 | 1,052.0 |

The geographical market disclosed depends on the type of the service provided and is based either on customer address or the source currency.

No individual customer contributed more than 10% to Wise’s total revenue in 2025 and 2024.

## Note 4. Interest income on customer balances

**Accounting policy**

Interest income on customer balances is earned from holding customer funds as cash and cash equivalents or investing them into highly liquid permitted financial assets. These amounts are recognised in the income statement using the effective interest rate method.

| | Year ended 31 March | |
|---|---|---|
| | **2025** | 2024 |
| | **£m** | £m |
| **Interest income** | | |
| Interest income from cash at banks | 220.6 | 162.2 |
| Interest income from investments in money market funds (MMFs) | 202.4 | 153.7 |
| Interest income from investments in listed bonds | 171.3 | 169.3 |
| **Total interest income** | **594.3** | **485.2** |

# Note 5. Benefits paid relating to customer balances

**Accounting policy**

Benefits paid relating to customer balances are provided to customers for holding eligible balances in their Wise accounts. These are calculated as a percentage of those eligible balances and they are recognised in the income statement in the period for which the customer receives the benefit.

| | Year ended 31 March | |
|---|---|---|
| | **2025** | 2024 |
| | **£m** | £m |
| **Benefits paid relating to customer balances** | | |
| EU cashback | 121.3 | 107.9 |
| US interest | 38.5 | 17.0 |
| Other | 1.4 | - |
| **Total benefits paid relating to customer balances** | **161.2** | **124.9** |

# Note 6. Cost of sales and net credit losses on financial assets

**Accounting policy**

Cost of sales comprises the costs that are directly associated with the Group's principal revenue streams of money transfer, conversion services and debit card services. This includes:

- banking and other fees, net of applicable rebates, incurred in processing customer transfers and the costs of providing cards to customers;
- net foreign exchange costs generated due to customer transactions, including the costs related to the difference between the published mid-market rate offered to customers and the rate obtained by the Group in acquiring currency. Within the same line are included the net foreign exchange differences from the revaluation of customer balances at period end. Other product costs include product losses that are directly generated from customer transactions, including chargeback losses, as well as taxes directly attributable to customer activity.

**Breakdown of expenses by nature:**

| | Year ended 31 March | |
|---|---|---|
| | **2025** | 2024 |
| | **£m** | £m |
| **Cost of sales** | | |
| Banking and customer related-fees | 263.1 | 252.5 |
| Net foreign exchange movements and other product costs | 65.0 | 54.9 |
| **Total cost of sales** | **328.1** | **307.4** |
| | | |
| **Net credit losses on financial assets** | | |
| Amounts charged to credit losses on financial assets | 9.1 | 12.5 |
| **Net credit losses** | **9.1** | **12.5** |

Expected credit losses are presented as net credit losses within gross profit and subsequent recoveries of amounts previously written off are credited against the same line item. Subsequent recoveries of amounts previously written off are immaterial in both the current and prior year.

## Note 7. Administrative expenses

| | Year ended 31 March | |
|---|---|---|
| | **2025** | 2024 |
| | **£m** | £m |
| **Administrative expenses** | | |
| Employee benefit expenses* | 412.7 | 377.3 |
| Consultancy and outsourced services | 128.1 | 90.4 |
| Other administrative expenses | 78.2 | 42.0 |
| Technology | 65.9 | 53.5 |
| Marketing | 53.8 | 36.5 |
| Depreciation and amortisation | 18.4 | 18.3 |
| Impairment of property, plant and equipment | 11.5 | - |
| Less: Capitalisation of staff costs | - | (2.1) |
| **Total administrative expenses** | **768.6** | **615.9** |

* For further details on employee benefit expenses, including accounting policies, refer to note 8.

During the financial year ended 31 March 2025, the Group expensed £129.0m of product engineering costs (2024: £115.8m). These costs directly relate to the development of the Group's product offerings and primarily comprise employee costs of the Engineering and Product teams.

**During the year, the Group (including its overseas subsidiaries) obtained the following services from the Company's auditors:**

| | Year ended 31 March | |
|---|---|---|
| | **2025** | 2024 |
| | **£m** | £m |
| **Audit fees** | | |
| Fees payable to the Company's auditors and its associates for the audit of Company and Group consolidated financial statements | 2.3 | 2.7 |
| Audit of the financial statements of the Company's subsidiaries | 2.0 | 1.8 |
| **Total audit fees** | **4.3** | **4.5** |
| | | |
| **Non-audit fees** | | |
| Assurance services other than the auditing of the Company's accounts | 0.9 | 0.8 |
| **Total non-audit fees** | **0.9** | **0.8** |

## Note 8. Employee benefit expenses

The aggregate remuneration of employees for the year ended 31 March 2025 was as follows:

| | Year ended 31 March | |
|---|---|---|
| | **2025** | 2024 |
| | **£m** | £m |
| Salaries and wages | 290.5 | 248.9 |
| Share-based payment compensation expense | 58.4 | 72.5 |
| Social security costs | 41.1 | 37.7 |
| Pension costs | 10.2 | 8.6 |
| Other employment taxes and insurance costs | 12.5 | 9.6 |
| **Total employee benefit expense** | **412.7** | **377.3** |

Refer to note 23 for details on awards granted to employees and the accounting policy for share-based payments.

Remuneration of key management personnel is disclosed in note 26.

The monthly average number of employees during the year ended 31 March 2025 was as follows:

| | **2025** | 2024 |
|---|---|---|
| | **Number of employees** | Number of employees |
| Servicing | 3,915 | 3,396 |
| Product Development | 1,411 | 1,341 |
| Other functions | 534 | 492 |
| Marketing | 291 | 270 |
| **Total average number of employees** | **6,151** | **5,499** |

## Note 9. Finance expense

**Accounting policy**

Interest expense related to the Revolving Credit Facility is recognised in finance expense over the term of the facility using the effective interest method. The effective interest rate represents the true cost of borrowing and is the rate that discounts the estimated future cash payments through the expected life of the Revolving Credit Facility.

| | Year ended 31 March | |
|---|---|---|
| | **2025** | 2024 |
| **Finance expense** | **£m** | £m |
| Interest expense related to Revolving Credit Facility | 11.8 | 19.2 |
| Interest on lease liabilities | 3.6 | 1.1 |
| Other financial expenses | 0.1 | 0.2 |
| **Total finance expense** | **15.5** | **20.5** |

## Note 10. Tax

**Accounting policy**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current **tax charge** is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

**Deferred tax** is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Group financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised, or the deferred tax liability is settled. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax assets on share-based payments are recognised for the share options not exercised at the balance sheet date. The deferred tax assets on share-based payments are determined based on the share price at the balance sheet date. The impact of recognition is split between income tax expense in profit or loss for the year, for the element up to the cumulative remuneration expense; and the share-based payment reserve, recognised directly in equity, for the element in excess of the related cumulative remuneration expense.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities and there is an intention to settle the balances on a net basis.

Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which the Group operates. The Group has applied a temporary mandatory exception from deferred tax accounting for the impacts of the top-up taxes and accounts for these as current tax when incurred.

**Tax expense:**

| | Year ended 31 March | |
|---|---|---|
| | **2025** | 2024 |
| | **£m** | £m |
| **Current income tax for the year** | | |
| UK corporation tax | 132.5 | 78.5 |
| Foreign corporation tax | 18.1 | 13.4 |
| Adjustment in respect of prior years | (1.3) | 2.3 |
| **Total current tax expense for the year** | **149.3** | **94.2** |
| **Deferred income tax for the year** | | |
| Increase in deferred tax | 0.5 | 36.4 |
| Adjustment in respect of prior years | (1.7) | (3.8) |
| **Total deferred tax expense for the year** | **(1.2)** | **32.6** |
| **Total tax expense for the year** | **148.1** | **126.8** |

**Factors affecting tax expense for the year:**

| | Year ended 31 March | |
|---|---|---|
| | **2025** | 2024 |
| | **£m** | £m |
| Profit before taxation | 564.8 | 481.4 |

| | | |
|---|---|---|
| Profit multiplied by the UK tax rate of 25% (2024: 25%) | 141.2 | 120.4 |
| Adjustments in respect of prior periods | (3.0) | (1.5) |
| Effect of expenses not deductible | 6.5 | 0.4 |
| Movement in tax provisions | 0.1 | 3.1 |
| Employee option plan | 0.2 | 0.8 |
| Difference in overseas tax rates and overseas taxes paid | 5.0 | 3.7 |
| Change in rate of recognition of deferred tax | 0.3 | (0.1) |
| Deferred tax not previously recognised | (2.2) | - |
| **Total tax expense for the year** | **148.1** | **126.8** |

The Group's effective tax rate (ETR) before other comprehensive income (OCI) is a 26% charge (2024: 26% charge).

This equates to the applicable UK corporation tax rate of 25%, adjusted for a number of factors such as double taxation on overseas income, movements in provisions and higher overseas tax rates.

**Amounts recognised in other comprehensive income:**

| | **2025** | 2024 |
|---|---|---|
| | **£m** | £m |
| **Current tax** | | |
| Recognition of current tax liability on listed bonds | - | 0.1 |
| **Deferred tax** | | |
| Recognition of deferred tax asset on listed bonds | (3.5) | (3.6) |
| **Total amounts recognised in other comprehensive income** | **(3.5)** | **(3.5)** |

**Amounts recognised directly in equity:**

| | **2025** | 2024 |
|---|---|---|
| | **£m** | £m |
| **Current tax** | | |
| Deduction for exercised options | 17.8 | 15.7 |
| **Deferred tax** | | |
| Recognition of deferred tax asset on share-based payments | (17.3) | 25.1 |
| **Total amounts recognised directly in equity** | **0.5** | **40.8** |

The deferred tax asset in relation to share-based payments was recognised based on the share price at the balance sheet date which was £9.45 (2024: £9.29).

Preliminary results for the financial year ended 31 March 2025
5 June 2025

**Deferred tax assets and liabilities**
**Movements during the year**

**Year ended 31 March 2025**

| | 1 April 2024 | Recognised in income | Recognised in equity/OCI | FX | 31 March 2025 |
|---|---|---|---|---|---|
| | £m | £m | £m | £m | £m |
| Property, plant and equipment | 0.9 | (0.1) | - | - | 0.8 |
| Share-based payments | 92.7 | 0.5 | (17.3) | (0.5) | 75.4 |
| Intangibles | (1.6) | 1.4 | - | - | (0.2) |
| Provisions | 5.0 | 1.5 | - | (0.1) | 6.4 |
| Tax losses | 1.4 | (0.9) | - | (0.1) | 0.4 |
| Other | 2.2 | (1.2) | (3.5) | 0.4 | (2.1) |
| **Closing deferred tax asset** | **100.6** | **1.2** | **(20.8)** | **(0.3)** | **80.7** |
| *Represented by:* | | | | | |
| Deferred tax assets | 103.0 | - | - | - | 84.7 |
| Deferred tax liabilities | (2.4) | - | - | - | (4.0) |
| **Total** | **100.6** | **-** | **-** | **-** | **80.7** |

**Year ended 31 March 2024**

| | 1 April 2023 | Recognised in income | Recognised in equity/OCI | FX | 31 March 2024 |
|---|---|---|---|---|---|
| | £m | £m | £m | £m | £m |
| Property, plant and equipment | 0.3 | 0.8 | - | - | **1.1** |
| Share-based payments | 61.6 | 6.1 | 25.1 | (0.2) | **92.6** |

| | | | | | |
|---|---|---|---|---|---|
| Intangibles | (1.0) | (0.6) | - | - | **(1.6)** |
| Provisions | 3.0 | 2.0 | - | - | **5.0** |
| Tax losses | 40.2 | (38.9) | - | - | **1.3** |
| Other | 8.0 | (2.1) | (3.6) | (0.1) | **2.2** |
| **Closing deferred tax asset** | **112.1** | **(32.7)** | **21.5** | **(0.3)** | **100.6** |
| *Represented by:* | | | | | |
| Deferred tax assets | 113.2 | - | - | - | **103.0** |
| Deferred tax liabilities | (1.1) | - | - | - | **(2.4)** |
| **Total** | **112.1** | - | - | - | **100.6** |

The deferred tax asset is predominantly generated in the UK and the US and mainly comprises unexercised share options which are forecast to be exercised within four years and as such are less sensitive to changes in long-term profit forecasts. The deferred tax asset on share options is impacted by the future share price.

The deferred tax assets are reviewed at each reporting date to determine recoverability and to determine a reasonable time frame for utilisation. To determine this, the Group uses the approved Group forecast used for the viability statement and going concern analysis. The Group considers it is probable that there will be sufficient taxable profits in the coming years to realise the majority of the deferred tax asset. Consequently, the Group has recognised a deferred tax asset of £84.7m (2024: £103.0m), with a remaining £3.9m unrecognised deductible temporary differences relating to foreign tax credits (2024: £nil).

Both the UK and the US utilised brought forward losses in FY2023 and in FY2024, with the UK taxable losses fully utilised as at 31 March 2024 and the US taxable losses fully utilised as at 31 March 2025. Therefore, there are no deferred tax assets in respect of losses recognised in the UK and the US as at 31 March 2025.

The Organisation for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting published on 20 December 2021 introduced the Pillar Two model rules designed to address the tax challenges arising from the digitalisation of the global economy. The Pillar Two regulation provides for an international framework of rules aimed at ensuring that worldwide profits of multinational groups are subject to tax at a rate not lower than 15% in every jurisdiction in which a group operates.

The Group operates in the United Kingdom (amongst other locations), which has enacted new legislation to implement the global minimum top-up taxes. The first period for which enacted legislation is effective for the Group is the year ended 31 March 2025.

The Pillar Two rules provide for a transition period in which the in-scope multinational groups are excused from undergoing the complex effective tax rate calculation required by the new piece of legislation. In particular, the Pillar Two legislation provides for a transitional safe harbour (“TSH”) that applies for the first three fiscal years following the entry into force of the relevant regulation and deems the top-up tax due in a jurisdiction to be zero where the TSH tests are met.

The Group has performed an assessment of the Group’s exposure to Pillar Two income taxes, including assessment of the TSH tests. This calculation is based on the accounting data for the fiscal year 2025. Based on the calculation, the Group does not expect any material top-up taxes under enacted or substantively enacted Pillar Two legislation for the year ended 31 March 2025.

## Note 11. Earnings per share

Basic EPS has been calculated by dividing the profit attributable to the Group's owners by the weighted average number of ordinary shares outstanding during the period, including, the ordinary shares issuable for no consideration for which all conditions are satisfied (25.6 million shares as at 31 March 2025 and 39.1 million shares as at 31 March 2024).

Shares held by the Employee Share Ownership Plan (ESOP) Trust are deducted from both basic and diluted EPS calculations. At the end of the reporting period, there were 14.6 million (31 March 2024: 22.9 million) shares held in the ESOP Trust.

The diluted EPS calculation adjusts the weighted average number of shares used in the basic EPS calculation by assuming all potentially dilutive shares convert into ordinary shares. Rights granted to employees under employee share award plans, with a strike price and/or with conditions which have not yet been met, are considered to be potential dilutive shares and therefore have been included in the calculation of diluted EPS.

| | Year ended 31 March | |
|---|---|---|
| | **2025** | 2024 |
| Profit for the year (£m) | 416.7 | 354.6 |
| Weighted average number of Ordinary Shares for basic EPS (in millions of shares) | 1,032.2 | 1,036.7 |
| Plus the effect of dilution from share options (in millions of shares) | 16.5 | 14.7 |
| **Weighted average number of Ordinary Shares adjusted for the effect of dilution (in millions of shares)** | **1,048.7** | **1,051.4** |
| Basic EPS, in pence | 40.37 | 34.20 |
| Diluted EPS, in pence | 39.73 | 33.73 |

# Note 12. Property, plant and equipment

**Accounting policy**

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Items of property, plant and equipment are derecognised on disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Computer equipment is not recorded in property, plant and equipment, but expensed as low-value short-lived equipment.

The accounting policy for right-of-use assets is included in note 18.

**Depreciation**

Depreciation is charged on a straight-line basis from the time the asset is available for use, so as to allocate the cost of assets less their residual value over their estimated useful lives; these values and lives are reviewed each year. Subject to these reviews, the estimated useful lives assigned to principal categories of assets are as follows:

- Right-of-use assets: lease term (1-10 years)
- Leased office improvements: lease term (1-10 years)
- Office equipment: 5 years*

**Change in estimates**

During the financial year, the Group has entered into new long-term leases in several locations and conducted a review of the useful lives of leased office improvements and office equipment. As a result, the expected useful life of the leasehold improvements was updated to the lease term and the useful life of the office equipment increased from 2 to 5 years. The effect of these changes on the depreciation expense for the financial year and the future periods, included in administrative expenses, is not material.

**Impairment of property, plant and equipment**

Reviews are carried out if there is an indication that assets may be impaired, to ensure that property, plant and equipment are not carried at above their recoverable amounts.

*Except Brazil where 10 years is used to align with local accounting rules

| | Right-of-use assets | Leased office improvements | Office equipment | Assets under construction | Total |
|---|---|---|---|---|---|
| | £m | £m | £m | £m | £m |
| **At 1 April 2023** | | | | | |
| Cost | 29.4 | 13.0 | 6.6 | 0.5 | **49.5** |
| Accumulated depreciation | (17.5) | (7.2) | (3.7) | - | **(28.4)** |
| **Net book value** | **11.9** | **5.8** | **2.9** | **0.5** | **21.1** |
| Additions | 15.3 | 0.1 | - | 10.3 | 25.7 |
| Reclassifications | - | 3.4 | 2.0 | (5.4) | - |
| Depreciation charge | (7.3) | (2.5) | (1.6) | - | (11.4) |
| Disposals | - | (0.8) | - | - | (0.8) |
| Foreign currency translation differences | (0.4) | - | 0.2 | (0.1) | (0.3) |
| **At 31 March 2024** | | | | | |
| Cost | 39.0 | 15.4 | 8.1 | 5.3 | 67.8 |
| Accumulated depreciation | (19.5) | (9.4) | (4.6) | - | (33.5) |
| Net book value | 19.5 | 6.0 | 3.5 | 5.3 | 34.3 |

| | | | | | |
|---|---|---|---|---|---|
| Additions | 75.0 | 2.1 | - | 34.7 | 111.8 |
| Reclassifications | - | 31.8 | 7.4 | (39.2) | - |
| Depreciation charge | (10.7) | (2.6) | (1.6) | - | (14.9) |
| Impairment charge | (9.4) | (2.1) | - | - | (11.5) |
| Disposals | (4.0) | (0.6) | - | - | (4.6) |
| Foreign currency translation differences | 0.7 | - | - | 0.1 | 0.8 |
| **At 31 March 2025** | | | | | |
| Cost | 101.4 | 46.0 | 15.5 | 0.9 | 163.8 |
| Accumulated depreciation and impairment | (30.4) | (11.4) | (6.1) | - | (47.9) |
| **Net book value** | **71.0** | **34.6** | **9.4** | **0.9** | **115.9** |

### Impairment loss

During the financial year, the Group moved or transferred part of its operations into new leased premises and as part of this tested for impairment the right of use asset and the related leased office improvements for office space that will no longer be utilised. An impairment loss of £11.5m (2024: nil) was subsequently recognised from writing down to its recoverable amount the right of use asset and the related leased office improvements. The recoverable amount was determined by reference to either the fair value less costs to sell or value in use where applicable. The impairment loss is included in administrative expenses in the statement of profit or loss.

## Note 13. Intangible assets

**Accounting policy**

Intangible assets predominantly relate to internally generated software and other intangible assets and are stated at cost less accumulated amortisation.

**Internally generated software**

The Group develops software used in the provision of its services. Only the development costs that are directly attributable to the design, development and testing of new software controlled by the Group are capitalised. Other development expenditures that do not meet the recognition criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Costs associated with maintaining computer software are recognised as an expense as incurred. Directly attributable costs that are capitalised as part of the software product comprise software development employee costs.

**Other intangible assets**

Other intangible assets primarily include licences and domain purchases. They are amortised on a straight-line basis over their useful economic life or the term of the contract.

**Amortisation**

The Group amortises intangible assets on a straight-line basis over 3 years, except for mobile applications which are amortised over 2 years, and licence purchases that are amortised over a period of 2-10 years.

**Impairment of intangible assets**

Intangible assets are assessed for impairment whenever there is an indicator that they might be impaired, for example when the assets are no longer in use and need to be decommissioned.

| | Software £m | Other intangible assets £m | Total £m |
|---|---|---|---|
| **At 1 April 2023** | | | |
| Cost | 28.3 | 5.0 | **33.3** |
| Accumulated amortisation | (19.1) | (2.8) | **(21.9)** |
| Net book value | 9.2 | 2.2 | **11.4** |
| Additions | 2.0 | - | **2.0** |
| Amortisation charge | (6.5) | (0.4) | **(6.9)** |
| **At 31 March 2024** | | | |
| Cost | 11.0 | 4.6 | **15.6** |
| Accumulated amortisation and impairment | (6.3) | (2.8) | **(9.1)** |
| Net book value | 4.7 | 1.8 | **6.5** |
| Additions | - | 0.9 | **0.9** |
| Amortisation charge | (3.0) | (0.4) | **(3.4)** |
| **At 31 March 2025** | | | |
| Cost | 6.6 | 5.1 | **11.7** |
| Accumulated amortisation and impairment | (4.9) | (2.8) | **(7.7)** |

| | Software | Other intangible assets | Total |
|---|---|---|---|
| | £m | £m | £m |
| **At 1 April 2023** | | | |
| Cost | 28.3 | 5.0 | **33.3** |
| Accumulated amortisation | (19.1) | (2.8) | **(21.9)** |
| Net book value | 9.2 | 2.2 | **11.4** |
| Additions | 2.0 | - | **2.0** |
| Amortisation charge | (6.5) | (0.4) | **(6.9)** |
| **At 31 March 2024** | | | |
| Cost | 11.0 | 4.6 | **15.6** |
| Accumulated amortisation and impairment | (6.3) | (2.8) | **(9.1)** |
| Net book value | 4.7 | 1.8 | **6.5** |
| **Net book value** | **1.7** | **2.3** | **4.0** |

# Note 14. Trade and other receivables

**Accounting policy**

Trade and other receivables primarily consist of amounts due from payment processors, partners, brokers and customers, and collateral deposits the Group holds with its counterparties. Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost less impairment for expected credit losses. The carrying values of current trade receivables approximate their fair values due to their short maturity.

Trade and other receivables are presented as current in the statement of financial position if it is expected to be realised or intended to be sold or consumed in the normal operating cycle; and/or expected to be realised within 12 months after the reporting period. All other assets are classified as non-current.

The Group recognises impairment loss allowances for expected credit losses on financial assets that are measured at amortised cost. The impairment loss allowance, recognised during the year, relates to chargebacks and negative customer balances. For chargebacks, the Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. For negative customer balances, if an active non-fraudulent account goes more than 30 days past due, according to the Group policy, it is perceived as an indication of a significant increase in credit risk and the receivable is provided in full.

Refer to note 19 for further information on expected credit losses.

| | **2025** | 2024 |
|---|---|---|
| | **£m** | £m |
| **Non-current trade and other receivables** | | |
| Office lease deposits | 6.5 | 2.8 |
| Other non-current receivables | 32.3 | 29.3 |
| **Total non-current trade and other receivables** | **38.8** | **32.1** |
| | | |
| **Current trade and other receivables** | | |
| Receivables from customers* | 97.1 | 131.6 |
| Receivables from partners | 76.1 | 93.6 |
| Receivables from brokers | 54.3 | 19.9 |
| Receivables from payment processors | 40.0 | 95.6 |
| Prepayments | 26.4 | 30.1 |
| Collateral deposits | 25.4 | 25.0 |
| Interest receivable | 23.0 | 30.9 |
| Other receivables | 5.3 | 16.1 |
| **Total current trade and other receivables** | **347.6** | **442.8** |

*Receivables from customers disclosed are net of expected credit loss provision of £46.6m as at 31 March 2025 (2024: £41.3m). The movement in the provision for the year is predominantly related to increased activity and the related increase in customer balances, which resulted in the increase of negative customers' balances older than 30 days. Customer chargebacks decreased by £0.9m to £1.6m at 31 March 2025 (31 March 2024: £2.5m) and negative customer balances increased by £6.1m to £45.0m (31 March 2024: £38.9m).

## Note 15. Cash and cash equivalents

**Accounting policy**

Cash and cash equivalents include on-demand deposits, term deposits used for meeting short-term cash commitments, deposits (with collateral) held, money market funds (MMFs) and other short-term high-quality liquid investments with original maturities of 3 months or less, and e-money held with payment processing partners. Due to the short duration of the cash and cash equivalents (less than 3 months), the fair value approximates the carrying value at each reporting period.

Cash and cash equivalents is presented as current in the statement of financial position, unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Cash in transit to customers represents cash that has been paid out from the Group bank accounts but has not been delivered to the bank account of the beneficiary.

Cash collateral deposits the Group holds with its counterparties are recognised under 'Trade and other receivables' in the statement of financial position.

**Customer deposits**

As disclosed above, the Group recognises financial assets and liabilities for the funds customers hold in their Wise accounts, and the funds collected from customers as part of the money transfer settlement process that have not yet been processed. The liability is recognised upon receipt of cash or capture confirmation (depending on pay-in method), and is derecognised when cash is delivered to the beneficiary.

Principles to determine the point of delivery are the same as applied in revenue recognition, see note 3.

**Critical accounting judgement**

**Customer balances**

The Group recognises financial assets and corresponding liabilities for the funds customers hold in their Wise accounts and the funds the Group receives as part of the money transfer settlement process. At the point that the cash is received from the customer, the Group becomes party to a contract and has a right and an ability to control the economic benefit from the cash flows associated with this balance. Additionally, pursuant to IAS 32, the Group considers it does not have a legally enforceable right to set off these financial assets and liabilities, or an intention to settle them on a net basis or settle them simultaneously. Therefore, management has concluded that the recognition of the financial assets and their respective liabilities on the balance sheet is appropriate.

| | **As at 31 March** | As at 31 March |
|---|---|---|

| | 2025 £m | 2024 £m |
|---|---|---|
| **Cash and cash equivalents** | | |
| Cash at banks and in transit between Group bank accounts | 7,845.9 | 6,570.3 |
| Investment into money market funds | 5,992.2 | 3,776.1 |
| Cash in transit to customers | 144.7 | 132.8 |
| **Total cash and cash equivalents** | **13,982.8** | **10,479.2** |

Cash at banks and in transit between Group bank accounts include term deposits of £204.2m (2024: £285.8m). Their settlement date is three months or less.

Of the £13,982.8m (2024: £10,479.2m) cash and cash equivalents at the year end, £1,430.2m (2024: £1,061.1m) is the corporate cash balance of the Group. This balance is not related to customer funds, which are held in Wise accounts, or collected from customers as part of the money transfer settlement process.

The Group is subject to various regulatory safeguarding compliance requirements with respect to customer funds. Such requirements may vary across the different jurisdictions in which the Group operates. Within the £7,845.9m (2024: £6,570.3m) of cash at banks and in transit between Group bank accounts is £5,807.5m (2024: £5,290.5m) of customer funds in segregated, safeguarding bank accounts and term deposits held at investment grade banking institutions, or the highest possible credit-rated institutions in non-investment grade jurisdictions (bank ratings being limited by the relevant country rating). The remainder of safeguarded customer deposits were held across highly liquid global money market funds (MMFs), treasury bonds and investment grade corporate paper, as allowed by local regulations. In addition, during the year ended 31 March 2025, the Group has introduced a hybrid approach to safeguarding UK customer funds by implementing Safeguarding via Comparable Guarantees, of total value of £520.0m, with nine investment grade sureties. The Group holds the amount equal to the value of these guarantees in our customer network to support customer activity and liquidity.

## Note 16. Trade and other payables

**Accounting policy**

Accounts payable consist of obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers on the basis of normal credit terms and do not bear interest.

Wise accounts relate to the funds customers hold in their Wise accounts and the funds the Group receives as part of the money transfer settlement process. They are non-derivative liabilities to personal or business customers for money they hold with the Group and do not constitute borrowings. Refer to note 15 for details of the judgement management has exercised in relation to customers' balances and the recognition of the financial assets and their respective liabilities on the balance sheet.

Outstanding money transmission liabilities represent transfers that have not yet been paid out or delivered to a recipient.

Payables are initially recognised at fair value and subsequently measured at amortised cost.

Trade and other payables are presented as current in the statement of financial position if it is expected to be settled in the normal operating cycle; or expected to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

Trade and other payables are unsecured unless otherwise indicated; due to the short-term nature of current payables, their carrying values approximate their fair value.

| | **As at 31 March 2025 £m** | As at 31 March 2024 £m |
|---|---|---|
| **Non-current trade and other payables** | | |
| Accounts payable and accrued expenses | 8.7 | 7.4 |
| Other payables | 37.1 | 38.7 |
| **Total non-current trade and other payables** | **45.8** | **46.1** |
| | | |
| **Current trade and other payables** | | |
| Wise accounts | 17,056.4 | 13,261.0 |
| Outstanding money transmission liabilities | 188.8 | 235.9 |
| Payables to payment processors | 125.3 | 216.8 |
| Accrued expenses | 103.0 | 76.3 |
| Other payables | 65.5 | 39.2 |
| Other taxes | 10.2 | 11.8 |
| Accounts payable | 16.8 | 7.9 |
| Deferred revenue | 12.8 | 12.9 |
| **Total current trade and other payables** | **17,578.8** | **13,861.8** |

### Wise accounts

The table below illustrates the currencies in which Wise accounts are held:

| | **2025** | 2024 |
|---|---|---|
| | **£m** | £m |
| **Wise accounts** | | |
| EUR | 6,283.6 | 4,717.6 |
| USD | 5,862.6 | 4,881.8 |
| GBP | 2,577.3 | 2,092.2 |
| AUD | 495.7 | 338.0 |
| CAD | 305.6 | 205.1 |
| CHF | 295.9 | 183.9 |
| JPY | 279.2 | 182.7 |
| Other | 956.5 | 659.7 |
| **Total** | **17,056.4** | **13,261.0** |

## Note 17. Borrowings

**Accounting policy**

Borrowings, consisting of a Revolving Credit Facility (RCF), are recognised initially at fair value, net of transaction costs incurred, and are subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised as interest expense using the effective interest method over the term of the borrowing. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred and treated as a transaction cost when the draw-down occurs. The Group presents the impact of transaction costs as part of financing cash flows.

Borrowings are classified as current liabilities unless, at the end of the reporting period, the Group has a right to defer settlement of the liability for at least 12 months after the reporting period. Covenants that the Group is required to comply with, on or before the end of the reporting period, affect whether the right to defer exists at the reporting date and therefore impact the classification of loan arrangements with covenants as current or non-current. Covenants that the Group is required to comply with after the reporting period do not affect the classification.

| | **2025** | 2024 Re-presented |
|---|---|---|
| | **£m** | £m |
| **Current** | | |
| Interest expense related to Revolving Credit Facility | 1.3 | 4.3 |
| **Total current borrowings** | **1.3** | **4.3** |

| | | |
|---|---|---|
| **Non-current** | | |
| Revolving Credit Facility | 98.1 | 198.4 |
| **Total non-current borrowings** | **98.1** | **198.4** |
| | | |
| **Total borrowings** | **99.4** | **202.7** |

### Change in accounting policy

As a result of the adoption of the amendments to IAS 1 – Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants, the Group has classified its borrowings as non-current, because it has the right to defer payment for more than 12 months. The policy change resulted in £198.4m of comparative balances being re-presented.

**Borrowings movement reconciliation:**

| | Revolving credit facility 2025 movements | Revolving credit facility 2024 movements |
|---|---|---|
| | £m | £m |
| **Opening balance** | **202.7** | **249.9** |
| | | |
| **Cash flows:** | | |
| Proceeds | 200.0 | 420.0 |
| Transaction costs | (2.1) | (0.5) |
| Repayments | (300.0) | (470.0) |
| Interest expense paid | (13.0) | (15.8) |
| | | |
| **Non-cash flows:** | | |
| Interest expense | 11.8 | 19.2 |
| Foreign currency translation differences | - | (0.1) |
| | | |
| **Closing balance** | **99.4** | **202.7** |

### Revolving credit facility (RCF)

In the year ended 31 March 2025, the Group terminated its previous secured Revolving Credit Facility and entered into a new, unsecured, multi-currency revolving facility for £330.0m offered by a syndicate of six lenders, namely: HSBC Innovation Banking Limited, JP Morgan Chase Bank N.A. London Branch, National Westminster Bank Plc, Citibank N.A., London Branch, Barclays Bank PLC and

Goldman Sachs Lending Partners LLC. The maturity date of the facility is December 2027, and the agreement offers two, one-year, extension options.

The facility bears interest at a rate per annum equal to SONIA plus a margin determined by reference to adjusted leverage (calculated as a ratio of debt to adjusted EBITDA). The agreement contains certain customary covenants, including to maintain a maximum total net leverage ratio not in excess of 3:1 and interest cover (calculated as a ratio of adjusted EBITDA to finance charges in accordance with the terms of the agreement) not less than a ratio of 3.5:1 in respect of any relevant period.

The Group monitors compliance with the covenants throughout the reporting period and has complied with all financial covenants for this and all reporting periods. The undrawn available committed funds as at 31 March 2025 were £230.0m (2024: £200.0m).

**Credit ratings**

The Group obtained independent credit ratings from Standard & Poor's Global (S&P) and Fitch Ratings that were published on 3 April 2025. These ratings assess the creditworthiness of the Group, its subsidiaries and branches, and are based on reviews of a broad range of business and financial attributes including capital strength, profitability, funding, liquidity, strategy and governance.

Credit ratings and outlook of Wise plc*

| | Long term | Outlook |
|---|---|---|
| Standard & Poor's | BBB | Stable |
| Fitch Ratings | BBB | Stable |

* These credit ratings were published after the financial year end, on 3 April 2025 by S&P and Fitch respectively

As of 31 March 2025, there were no liabilities or covenants that made reference to these credit ratings.

## Note 18. Lease liabilities

**Accounting policy**

Where the Group is the lessee, the right-of-use assets are recorded within the 'Property, plant and equipment' line in the statement of financial position and are measured at an amount equal to the lease liability. These relate to office spaces leased in various locations and are depreciated on a straight-line basis with the charge recognised in administrative expenses. The liability, recognised as part of the lease liabilities, is measured at a discounted value and any interest is charged to finance charges. The Group presents the payments of principal and interest on lease liabilities as part of financing cash flows.

The Group has elected not to apply the requirements of IFRS 16 to short-term leases (leases with a lease term of 12 months or less) and leases for which the underlying asset is of low value.

Low-value assets comprise IT and office equipment with a purchase price under £5,000. Payments associated with short-term and low-value assets are recognised on a straight-line basis as an expense in profit or loss.

Extension and termination options are included in a number of office space leases across the Group to maximise operational flexibility and they are exercisable only by the Group and not by the lessors. The Group assesses at the lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

| | **As at 31 March 2025 £m** | As at 31 March 2024 £m |
|---|---|---|
| **Lease liabilities** | | |
| Current | 10.3 | 6.7 |
| Non-current | 75.9 | 14.8 |
| **Total lease liabilities** | **86.2** | **21.5** |

**Lease movement reconciliation:**

| | **Lease liabilities 2025 movements** | **Lease liabilities 2024 movements** |
|---|---|---|
| | **£m** | **£m** |
| **Opening balance** | **21.5** | **14.5** |
| **Cash flows:** | | |
| Repayments | (6.1) | (7.1) |
| Interest expense paid | (3.6) | (1.1) |
| **Non-cash flows:** | | |
| New leases | 75.3 | 15.3 |
| Interest expense | 3.6 | 1.1 |
| Foreign currency translation differences | 0.0 | (0.2) |
| Other | (4.5) | (1.0) |
| **Closing balance** | **86.2** | **21.5** |

As at 31 March 2025, the lease liabilities are £86.2m (2024: £21.5m) and relate to the expected terms remaining on multiple office space leases that the Group uses for its operations, discounted at between 2.2% and 14.0%. The leases expire between 2025-2035.

The significant increase in lease liabilities is due to the Group entering into new long term leases in several locations during the year. As a result of this increase, lease liabilities have now been presented separately from borrowings due to their materiality and to provide more relevant information to users of the financial statements.

The total expense, relating to short-term leases to which the lessee recognition and measurement requirement has not been applied, for the year ended 31 March 2025 is £1.4m (2024: £1.0m).

The Group has extension options in office leases, which have not been exercised as at 31 March 2025. The potential future lease payments, should the Group exercise the extension options, would result in an increase in the lease liability of £4.8m.

The Group has termination options in multiple office leases, one of which management is certain as at 31 March 2025 that the termination option will be exercised. The potential future lease payments, should the Group not exercise this termination option, would result in an increase in the lease liability by £0.7m.

## Note 19. Financial instruments and risk management

**Accounting policy**

**Financial assets**

The Group classifies its financial assets, at initial recognition, and subsequently measures them at:

- amortised cost;
- fair value through profit or loss (FVTPL); and
- fair value through other comprehensive income (FVOCI).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flows and the Group's business model for managing them. The Group's business model for managing financial assets refers to how they are used in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Cash flows in relation to purchase or sale of these instruments are classified as investing activities in the consolidated cash flow statement.

*Financial assets at amortised cost*
The Group classifies its financial assets at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the profit or loss when the asset is derecognised, modified or impaired. Financial assets measured at amortised cost are predominantly trade and other receivables and cash and cash equivalents.

*Financial assets at fair value through other comprehensive income (FVOCI)*
The Group classifies debt securities (e.g. bonds) as FVOCI, as the contractual cash flows are solely payments of principal and interest, and the objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets.

*Financial assets through profit or loss (FVTPL)*
Financial assets are classified at fair value through profit or loss when they do not meet the criteria to be measured at amortised cost or fair value through other comprehensive income, as described above. This includes debt instruments that do not meet the amortised cost criteria or the FVOCI criteria and all derivative financial assets. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using the contractual interest rate.

**Impairment of financial assets**
The Group recognises impairment loss allowances for expected credit losses ('ECLs') on financial assets that are measured at amortised cost or fair value through other comprehensive income. The ECL assessment considers both the 12-month and the lifetime ECL, as per IFRS 9 requirements.

The Group considers that the below elements have low credit risk based on the credit quality of the counterparties:
a. cash and cash equivalents;
b. debt instruments held at FVOCI;
c. collateral deposits the Group holds with its counterparties; and
d. receivables from payment processors, partners and brokers.

ECLs on these instruments are measured on a 12-month basis; nevertheless, when there has been a significant increase in credit risk since initial recognition, the allowance will be based on the lifetime ECL. At every reporting date, the Group evaluates whether there has been a significant increase in credit risk since initial recognition using all reasonable and supportable information that is available without undue cost or effort. The Group uses external credit ratings if available both to determine whether the financial instrument has significantly increased in credit risk and to estimate the ECLs. If a bank or other counterparty has no external credit rating, the Group evaluates its credit quality, where necessary, by analysing its financial position, past experience, and other factors.

The Group's policy only allows exposures to banks and counterparties with sound credit quality and limits the exposures to a maximum amount, considering their level of risk. Furthermore, as per the Group's investment policy, the debt instruments held at FVOCI consist of quoted bonds and other fixed asset securities that are graded in the top investment categories (rated A- and above) and, therefore, are considered to be low credit risk investments.

The Group's receivables from customers qualify for the simplified approach in calculating ECLs, as they do not contain a significant financing component. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. To measure the ECLs, receivables from customers have been grouped based on shared credit risk characteristics and number of days past due.

In calculating the ECL on receivables recognised for chargebacks, the Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. For negative customer balances, if an active non-fraudulent account goes more than 30 days past due, according to Group policy, it is perceived as an indication of a significant increase in credit risk and the receivable is provided in full.

**Financial liabilities**
Financial liabilities are measured at amortised cost, except for derivative liabilities, which are classified as financial liabilities measured at fair value through profit or loss.

**Derivative financial instruments**
Derivative financial instruments are used to manage exposure to market risks. The principal derivative instruments used by the Group are foreign currency swaps, foreign exchange forwards and non-deliverable foreign exchange forwards. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value through profit and loss at each reporting date.
The Group does not hold or issue derivative financial instruments for trading or speculative purposes.

The fair value of the derivative financial instruments is determined by mark-to market valuation technique. The key inputs in the valuation model are the observable foreign exchange rates for the currencies involved. These inputs are considered level 2 within the fair value hierarchy, as they are observable, but may not be quoted directly for the specific instruments.

In the course of its business, the Group is exposed to the main financial risks: liquidity, credit, and market risk from its use of financial instruments. The Group's financial risk management programme seeks to minimise potential adverse effects on the Group's financial performance. All financial risks are managed against a control framework and risk appetite, which include defined metrics and limits. The treasury function is responsible for ongoing management. The risk management function provides close oversight by monitoring exposures, proposing metrics, methodologies and assumptions, setting limits and early warning indicators, and performing stress testing.

### a. Liquidity risk

Liquidity risk is the risk that the Group cannot meet its financial obligations as they fall due. Management monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs.

The Group's approach to managing liquidity risk is to ensure that it always has enough liquid resources in excess of its liquidity risk appetite to meet its liabilities when due, under both normal and stressed conditions, without incurring losses or risking damage to the Group's position.

On the top of adhering to its internal liquidity risk management framework and risk appetite, the Group follows and adheres to the overall financial adequacy rule (OFAR) requirements pursuant to the guidance of MIFIDPRU 7. At 31 March 2025:

- the Group maintained healthy liquidity buffers above both the FCA liquid assets threshold requirement as well as all minimum regulatory requirements across all Wise regulated entities
- the Group maintained healthy liquidity buffers above its internal risk appetite, supporting the Group's ability to withstand a range of severe, but plausible, market-wide and Wise-specific stresses defined within the Group's Internal Liquidity Adequacy Assessment and approved by the Group's board.

In May 2024, the Group entered into Safeguarding Insurance Guarantees with 9 insurance companies to guarantee £520.0m of customer funds, so that this amount does not need to be safeguarded and can be used for operating customer liquidity. These arrangements have an 18 month term and include specific renewal provisions which can be triggered 6 months before the end of the term, in order to provide certainty on renewal at least 3 months before the end of the term. Also the Group's Revolving Credit Facility was refinanced in December 2024 as an unsecured 3 year £330.0m facility, with the option to extend for 2 additional years. At 31 March 2025 £100.0m of the facility had been drawn down with a further £230.0m available.

Despite the Group's use of external funding options for liquidity management, the impact of refinancing risk on the Group's liquidity adequacy is low due to the Group's limited reliance on the external funding and high level of internal liquidity.

The breakdowns of trade payables, borrowings and leases into current and non-current are shown in notes 16, 17 and 18. See also note 19 (e) for the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

### b. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The credit risk exposures are managed against internal metrics and limits. Wise actively manages credit concentration risk and it is Wise's policy to impose credit limits in order to control the exposures (amount and period) Wise has with each counterparty considering their level of risk. These limits are set based on the credit ratings or perceived credit quality of each counterparty and approval must be obtained from the Credit Risk Committee for any exceptions outside of the framework.

The Group's maximum exposure to credit risk by class of financial asset is as follows:

| | **2025** | 2024 |
|---|---|---|
| | **£m** | £m |
| **Asset category** | | |
| Cash and cash equivalents | 13,982.8 | 10,479.3 |
| Short-term financial investments | 4,654.9 | 4,033.9 |
| Trade and other receivables | 327.7 | 415.4 |
| Derivative financial assets | 2.5 | 1.6 |
| **Total assets subject to credit risk** | **18,967.9** | **14,930.2** |

The majority of these financial assets are held with investment grade financial institutions or invested in highly rated financial instruments with credit ratings assigned by reputable credit rating agencies such as Moody's, Standard & Poor's and Fitch Ratings.

**The Group's financial assets breakdown by external credit ratings is as follow:**

| | **2025** | 2024 |
|---|---|---|
| | **£m** | £m |
| **Investment into money market funds** | | |
| AAA | 5,992.2 | 3,776.1 |
| **Cash at bank and in transit** | | |
| AA/Aa | 6,305.6 | 1,978.2 |
| A | 947.1 | 4,114.5 |
| BBB/Baa | 99.8 | 80.0 |
| BB/Ba/B | 119.1 | 56.0 |
| CCC/Caa | 0.7 | 2.1 |
| Unrated * | 283.0 | 201.4 |
| Cash in transit | 235.3 | 271.0 |
| **Total cash and cash equivalents subject to credit risk** | **13,982.8** | **10,479.3** |
| | | |
| **Short-term financial investments** | | |
| AAA, AA/Aa, A | 4,654.9 | 4,033.9 |
| **Total short-term financial instruments subject to credit risk** | **4,654.9** | **4,033.9** |
| | | |
| **Trade and other receivables** | | |
| AA/Aa | 100.2 | 130.6 |
| A | 31.7 | 83.4 |
| BBB/Baa | 0.2 | 4.8 |
| Unrated* | 195.6 | 196.6 |
| **Total trade and other receivables subject to credit risk** | **327.7** | **415.4** |
| | | |
| **Derivative financial instruments** | | |
| AA/Aa, A | 2.5 | 1.6 |
| **Total derivative financial instruments subject to credit risk** | **2.5** | **1.6** |

* 'Unrated' refers to payment service providers, banks and customers with no public credit rating issued by a global credit rating agency.

The Group held cash and cash equivalents of £13,982.8m net of impairment allowance of £1.2m. Impairment of cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures.

### c. Market risk

**Interest rate risk**
The Group is exposed to interest rate risk from fixed interest rate assets and liabilities on Wise's balance sheet. Interest rate risk is managed against a control framework, which is defined with set metrics and limits in place.

The Group's economic value of equity is exposed to interest rate risk from fixed interest rate assets and liabilities on Wise's balance sheet. The main fixed interest rate exposure for Wise is driven by sovereign bonds within the safeguarded assets.

The Group is also exposed, more generally, to the risk of changes in net interest income (interest income net of benefits paid to customers) resulting from potential movements in interest rates on its financial assets, including cash and cash equivalents and short-term investments.

A 1% instantaneous downward shock of all interest rate curves would lead to a reduction of £141.4m in annual interest income (2024: £110.9m), based on an average FY2025 balance of £16,537.0m of financial assets and to a reduction in net interest income, after benefits paid to customers, of £86.1m (2024: £69.0m), based on FY2025 level of interest returned to customers. A 1% upward shock of all interest rate curves would lead to an increase of £142.1m in annual net interest income (2024: £112.2m) and to an increase in net interest income, after benefits paid to customers, of £86.7m (2024: £70.4m).

**Foreign exchange risk**
The Group is exposed to foreign exchange rate movement from holding assets and liabilities in different currencies and guaranteeing Send Money customers a foreign exchange rate on their international transfers for a short period of time. Wise actively monitors foreign exchange risk, and exposures are managed through a combination of natural hedging and treasury hedging products.

The Group uses a combination of foreign currency swaps, foreign exchange forwards and non-deliverable foreign exchange forwards to hedge its exposure to foreign currency risk:

| | 2025 | | | 2024 | | |
|---|---|---|---|---|---|---|
| | Carrying amount assets | Carrying amount liabilities | Notional amount | Carrying amount assets | Carrying amount liabilities | Notional amount |
| | £m | £m | £m | £m | £m | £m |
| **Derivative financial instruments** | | | | | | |
| Foreign currency swaps | 1.6 | 2.5 | 1,124.0 | 1.2 | 0.8 | 494.9 |
| Foreign exchange forwards | 0.8 | 0.4 | 562.7 | 0.4 | 0.5 | 486.5 |
| Non-deliverable foreign exchange forwards | 0.1 | 0.8 | 95.9 | - | 0.3 | 45.6 |
| **Total derivative financial instruments** | **2.5** | **3.7** | **1,782.6** | **1.6** | **1.6** | **1,027.0** |

The remaining maturity of all open treasury positions as at 31 March 2025 is between 1 to 30 days (31 March 2024: between 1 to 19 days).

The notional contract amounts of derivatives held to manage the foreign exchange exposure indicate the nominal value of transactions outstanding at the balance sheet date. They do not represent amounts at risk. Since the balance sheet date all open treasury positions have been realised or settled.

**The Group's exposure to foreign exchange risk by currency**
The table below presents the Group's net position (difference between financial assets and liabilities) across its main currencies at the end of each reporting period. This table does not include the final settlement amounts of any open derivative positions, as these are only accounted for upon cash settlement on the balance sheet. Hence the accounting exposures below, as at 31 March 2025, are higher than the true economic exposures to foreign exchange risk:

| | **2025** | 2024 |
|---|---|---|
| | **£m** | £m |
| **Net exposure by currency** | | |
| USD* | 258.9 | 60.8 |
| HUF* | (134.2) | (96.6) |
| BRL* | 50.6 | 52.6 |
| SGD* | 46.9 | 37.3 |
| EUR* | (45.2) | (45.2) |
| THB* | (40.2) | (43.1) |
| AUD* | 39.3 | 59.3 |

| | | |
|---|---|---|
| KRW* | (35.3) | (1.2) |
| PLN* | (29.5) | (8.1) |
| MXN* | (27.2) | (4.4) |
| Other currencies | (51.8) | 18.7 |

∗The Group mitigates the exposure to foreign exchange risk from movements in these currencies with a combination of treasury products. For further information on the instruments the Group utilises to manage its foreign exchange risk, refer to the 'Foreign exchange risk' section above.

**Foreign exchange fluctuations sensitivity analysis**

Foreign exchange risk is monitored on an ongoing basis using a value at risk (VaR) and stressed value at risk (SVaR) approach, considering the foreign exchange risk arising from open non GBP currency positions as FX rates move adversely against our open positions. For the sensitivity analysis, a severe stress was applied to our 31 March 2025 positions, which assumes that both EUR and USD would depreciate 5% simultaneously. In this scenario, a loss of £3.2m would arise over one day (2024: £1.4m).

d. **Capital risk**

Capital risk is the risk that the Group and its individual entities have an insufficient level or composition of capital to support their normal business activities and to meet their regulatory capital requirements, both under normal operating environments and stressed conditions.

The Group's eligible capital comprises ordinary share capital, share based payments reserve, other reserves and audited retained earnings, as disclosed in the consolidated statement of changes in equity, less certain deductions (including deferred tax and intangibles).

The Group's objectives when managing capital risk are to:

- adhere to regulatory requirements in each jurisdiction;
- safeguard the Group's ability to continue as a going concern, so that the Group can continue to provide returns for shareholders and benefits for other stakeholders;
- fund an orderly wind-down in a reverse stress scenario (an extreme, but still plausible, combination of events or circumstances that would lead to that catastrophic failure which won't allow the Group to continue operating); and
- maintain an optimal capital structure to reduce the cost of capital.

The Group is subject to prudential regulatory consolidation which follows the rules in the sourcebook for MIFID investment firms ('MIFIDPRU'). This is the case due to the existence of Wise Assets UK Ltd, a group UK FCA-regulated investment firm subject to the same rules.

Both Wise Assets UK Ltd (MIFID investment firm) and the Group (MIFID investment group) are classified as Non-small and Non-interconnected investment firms ('non-SNI').

The Group also follows and adheres to the Overall Own Funds Threshold Requirement as this is derived by the Group's Internal Capital Adequacy Assessment ('ICARA') and approved by the Group board. ICARA is a continuous risk assessment process which considers the business model implication on capital and liquidity on an ongoing basis pursuant to the guidance of MIFIDPRU 7.

At 31 March 2025 the Group maintained healthy buffers above both the Group Overall Own Funds Requirement as well as all minimum regulatory capital requirements across all Wise regulated entities.

Further information on the Group's policies and processes for managing capital, along with the disclosure requirements under MIFIDPRU 8, can be found on our Owner relations website: https://wise.com/owners/.

### e. Carrying amounts and fair values of financial instruments

The carrying value of the Group's financial assets and liabilities by measurement basis is presented below:

| | **2025**<br>**£m** | 2024<br>Re-presented*<br>£m |
|---|---|---|
| **Financial assets at amortised cost** | | |
| Non-current receivables | 6.5 | 2.8 |
| Current trade and other receivables | 321.2 | 412.6 |
| Cash at banks and in transit | 7,990.6 | 6,703.2 |
| **Total financial assets at amortised cost** | **8,318.3** | **7,118.6** |
| | | |
| **Financial liabilities at amortised cost** | | |
| Non-current lease liabilities | (75.9) | (14.8) |
| Non-current borrowings | (98.1) | (198.4) |
| Current lease liabilities | (10.3) | (6.7) |
| Current borrowings | (1.3) | (4.3) |
| Current trade and other payables | (17,525.9) | (13,806.0) |
| **Total financial liabilities at amortised cost** | **(17,711.5)** | **(14,030.2)** |
| | | |
| **Financial assets at FVOCI** | | |
| Short-term financial investments | 4,654.7 | 4,033.9 |
| **Total financial assets at FVOCI** | **4,654.9** | **4,033.9** |
| | | |
| **Financial assets at FVTPL** | | |
| Investment into money market funds | 5,992.2 | 3,776.1 |
| Derivative financial instruments | 2.5 | 1.6 |

| | | |
|---|---|---|
| Other short term investments | 0.2 | - |
| **Financial assets at FVTPL total** | **5,994.9** | **3,777.7** |
| | | |
| **Financial liabilities at FVTPL** | | |
| Derivative financial instruments | (3.7) | (1.6) |
| **Financial liabilities at FVTPL total** | **(3.7)** | **(1.6)** |

*Comparative balances have been re-presented to align the investment into money market funds with our business model to hold them for short-term liquidity.

**Fair value hierarchy**

Assets and liabilities carried at fair value or for which fair values are disclosed have been classified into three levels according to the quality and reliability of information used to determine the fair values.

- Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. Products classified as level 1 predominantly comprise treasury bonds, investment grade corporate paper and money market funds. The quoted market price used for financial assets held by the Group is the current close price at the balance sheet date.
- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques with the inputs that are observable either directly or indirectly. The Group classifies derivative financial assets and liabilities as level 2 financial instruments. These instruments are valued by observable foreign exchange rates. There were no changes to the valuation technique during the period.
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The Group does not currently have any financial instruments in level 3.

**The following table presents the Group's assets and liabilities that are measured at fair value by the level in the fair value hierarchy as at the reporting date:**

| | **Total** | Level 1 | Level 2 | Level 3 |
|---|---|---|---|---|
| **At 31 March 2025** | **£m** | £m | £m | £m |
| | | | | |
| **Financial assets measured at fair value** | | | | |
| Short-term financial investments | 4,654.9 | 4,654.9 | - | - |
| Investment into money market funds | 5,992.2 | 5,992.2 | - | - |
| Derivative financial assets | 2.5 | - | 2.5 | - |
| **Total financial assets measured at fair value** | **10,649.6** | **10,647.1** | **2.5** | **-** |
| | | | | |
| **Financial liabilities measured at fair value** | | | | |

| | | | | |
|---|---|---|---|---|
| Derivative financial liabilities | (3.7) | - | (3.7) | - |
| **Total financial liabilities measured at fair value** | **(3.7)** | **-** | **(3.7)** | **-** |

| | **Total** | Level 1 | Level 2 | Level 3 |
|---|---|---|---|---|
| **At 31 March 2024** | **£m** | £m | £m | £m |
| **Financial assets measured at fair value** | | | | |
| Short-term financial investments | 4,033.9 | 4,033.9 | - | - |
| Investment into money market funds | 3,776.1 | 3,776.1 | - | - |
| Derivative financial assets | 1.6 | - | 1.6 | - |
| **Total financial assets measured at fair value** | **7,811.6** | **7,810.0** | **1.6** | **-** |
| **Financial liabilities measured at fair value** | | | | |
| Derivative financial liabilities | (1.6) | - | (1.6) | - |
| **Total financial liabilities measured at fair value** | **(1.6)** | **-** | **(1.6)** | **-** |

### Contractual maturity of financial liabilities based on undiscounted cash flows:

| | **2025** | 2024 |
|---|---|---|
| | **£m** | £m |
| **Less than 1 year** | | |
| Current lease liabilities | (10.6) | (8.6) |
| Current borrowings | (105.0) | (209.9) |
| Current trade and other payables | (17,525.9) | (13,806.0) |
| **Total financial liabilities** | **(17,641.5)** | **(14,024.5)** |
| **Between 1 and 5 years** | | |
| Non-current lease liabilities | (84.7) | (16.9) |
| Non-current borrowings | (3.4) | (1.0) |
| **Total financial liabilities** | **(88.1)** | **(17.9)** |

Current and non-current borrowings include principal and interest.

## Note 20. Provisions

**Accounting policy**

Provisions are liabilities where the exact timing and amount of the obligation are uncertain. Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past events, when an outflow of resources is probable to settle the obligation and when an amount can be reliably estimated.The carrying amounts of provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

| | Legal & regulatory provisions | Tax provisions | Other | Total |
|---|---|---|---|---|
| | £m | £m | £m | £m |
| **At 31 March 2024** | **2.2** | **10.9** | **2.3** | **15.4** |
| Provisions charged during the year | 12.0 | 10.9 | 11.2 | **34.1** |
| Provisions utilised or reversed during the year | (0.6) | (4.1) | (6.8) | **(11.5)** |
| Exchange differences | - | (0.3) | - | **(0.3)** |
| **At 31 March 2025** | **13.6** | **17.4** | **6.7** | **37.7** |
| Current | 13.6 | 8.4 | 3.8 | **25.8** |
| Non-current | - | 9.0 | 2.9 | **11.9** |
| | **13.6** | **17.4** | **6.7** | **37.7** |

The Group recognises provisions for legal and regulatory matters that may arise as part of its operations in highly regulated global environments.

The Group also recognises tax provisions where there is uncertainty around tax positions globally and works constructively with local advisors and tax authorities on these matters.

Other includes property provisions in respect of the commitment to restore the Group’s leased facilities to their original conditions at the end of the leasing period and commercial provisions.

## Note 21. Share capital

**Allotted, called up and fully paid**

| Class | As at 31 March 2025 | | | As at 31 March 2024 | | |
|---|---|---|---|---|---|---|
| | Nominal value, £ | Number of shares issued | Share capital, £ | Nominal value, £ | Number of shares issued | Share capital, £ |
| Class A Ordinary | 0.01 | 1,025,000,252 | 10,250,003 | 0.01 | 1,024,777,252 | 10,247,773 |
| Class B Ordinary | 0.000 000 001 | 243,584,255 | - | 0.000 000 001 | 398,889,814 | - |
| **Total** | | **1,268,584,507** | **10,250,003** | | **1,423,667,066** | **10,247,773** |

During the year, the Company allotted 223,000 Class A Ordinary Shares with a nominal value of £0.01 related to share options granted to Non-Executive Directors of Wise under the Company's legacy incentive plans prior to the Company's admission to trading on the London Stock Exchange (2024: 100,000 Class A Ordinary Shares).

During the year, the Company redeemed 155,305,559 Class B Ordinary Shares with a nominal value of £0.000 000 001 in accordance with Article 15.3.2 of the Company's Articles of Association (2024: nil).

Each Class A Ordinary shareholder is entitled to one vote for each Class A Ordinary Share held, subject to any restrictions on total voting rights as set out in the Company's Articles of Association. Class A Ordinary shareholders are entitled to interim or annual dividends to the extent declared and do not hold any preferential rights to dividends. Class A Ordinary Shares are non-redeemable.

Each Class B shareholder is entitled to nine votes for each Class B Share held, subject to any restrictions on total voting rights as set out in the Company's Articles of Association. Class B Shares carry no rights to distributions of dividends except on distribution of assets, up to their nominal value, on a liquidation or winding up. Class B Shares are strictly non-transferable, non-tradable and non-distributable to any person or entity whatsoever.

## Note 22. Own share reserve

**Accounting policy**

**Own share reserve**
Own share reserve represents the weighted average cost of shares of Wise plc that are held by the employee share trust for the purpose of fulfilling obligations in respect of various employee share plans. Own shares are treated as a deduction from equity, and on exercising of employee awards, are transferred from own shares to retained earnings at their weighted average cost.

**Employee share trust**
The Group provides financing to the Employee Share Ownership Plan (ESOP) Trust to either purchase the Company's shares on the open market, or to subscribe for newly issued share capital, to meet the Group's obligation to provide shares when employees exercise their options or awards.

Costs of running the ESOP Trust are charged to the consolidated income statement. The Group consolidates this share trust.

Shares held by the ESOP Trust are deducted from reserves and presented in equity as own shares until such time that employees exercise their awards. The consideration paid, including any directly attributable incremental costs (net of income taxes), on purchase of Company's equity instruments is deducted from equity.

**Purchase of own shares**

During the financial year, Wise continued the programme, which commenced in 2023, to purchase Wise shares in the market through the Trust in order to reduce the impact of dilution from stock-based compensation. As of 31 March 2025, a total of 8,704,883 shares (31 March 2024: 9,071,706) were purchased from the market at an average of £8.21 per share (2024: £7.56). Directly attributable costs of £0.5m (2024: £0.5m) have been charged to equity.

## Note 23. Share-based employee compensation

**Accounting policy**

The Group operates a number of employee equity-settled schemes as part of its reward strategy, which are designed to provide long-term incentives for all employees to deliver long-term shareholder returns. Under the plans, participants are granted share awards of the Company, which vest gradually over the vesting period and are equity-settled for shares within Wise plc. The maximum term of share awards granted is 10 years.

The total amount to be expensed is determined by reference to the fair value of the awards granted and it is calculated using the closing share price at the grant date. It is recognised in employee benefit expenses together with a corresponding increase in equity (share-based payment reserve), over the period in which the service and the performance conditions are fulfilled (the vesting period). Upon exercise of share options, the impact is recognised in retained earnings.

For non-market-based awards, vesting conditions are included in the assumptions of the number of options and awards that are expected to vest. At each reporting date, the entity revises its estimates of the number of options and awards that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the statement of comprehensive income, with a corresponding adjustment to the share-based payment reserve. For awards subject to a market-based performance condition, no subsequent adjustments may be made.

**Employee share award plans**

The awards are subject to service conditions, i.e. the requirement for recipients of awards to remain in employment with the Group over the vesting period, which typically is 4 years.

**Market-based awards**

For market-based awards, the vesting is conditional on achievement of the relative total shareholder return (TSR) compared to the FTSE 250 and volume growth performance measures over the 3-year performance period.

Transactions on the share award plans during the year were as follows:

| | **As at 31 March 2025** | | As at 31 March 2024 | |
|---|---|---|---|---|
| | Weighted average exercise price per award, £ | Number of awards | Weighted average exercise price per award, £ | Number of awards |
| Beginning of year | 0.08 | 53,590,058 | 0.08 | 65,648,858 |
| Granted during the year | - | 7,547,396 | - | 11,460,714 |
| Exercised during the year | 0.08 | 17,194,598 | 0.06 | 19,895,709 |
| Forfeited during the year | 0.00 | 3,174,878 | 0.01 | 3,623,805 |
| **End of year** | **0.08** | **40,767,978** | **0.08** | **53,590,058** |
| | | | | |
| **Vested and exercisable as at end of year** | **0.14** | **22,823,849** | **0.15** | **30,049,308** |

The share-based payment compensation expense for the year ended 31 March 2025 is £58.4m (2024: £72.5m).

During the year £66.5m (2024: £54.2m) of share-based payments were vested and exercised and were recycled to retained earnings.

Share awards outstanding at the end of the year have the following expiry dates and exercise prices:

| Grant date range 12 months ended 31 March | Expiry date range 12 months ended 31 March | Weighted average exercise price | Number of awards as at 31 March 2025 | Number of awards as at 31 March 2024 |
|---|---|---|---|---|
| 2015 | 2025 | - | - | 221,193 |
| 2016 | 2026 | 0.12 | 552,139 | 1,267,842 |
| 2017 | 2027 | 0.14 | 855,482 | 1,498,924 |
| 2018 | 2028 | 0.07 | 1,605,370 | 2,823,387 |
| 2019 | 2029 | 0.08 | 4,662,246 | 6,430,466 |
| 2020 | 2030 | 0.12 | 5,734,556 | 8,376,895 |
| 2021 | 2031 | 0.06 | 2,901,394 | 5,036,241 |
| 2022 | 2032 | - | 4,106,746 | 5,807,083 |
| 2023 | 2033 | - | 7,921,600 | 12,120,478 |
| 2024 | 2034 | - | 5,959,031 | 10,007,549 |
| 2025 | 2035 | - | 6,469,414 | - |
| **Total** | | | **40,767,978** | **53,590,058** |
| **Weighted average remaining contractual life of options outstanding at end of year** | | | **6.4 years** | **6.8 years** |

The weighted average share price at the date of exercise for share options exercised in 2025 was £8.71 (2024: £7.15).

**Valuation of share awards**
The assessed fair value at the grant date of share awards granted during the year ended 31 March 2025 was £8.58 per option on average (2024: £6.52). The fair value of the share awards granted is calculated using the closing share price at the grant date.

## Note 24. Cash generated from operating activities

| | Note(s) | **2025** **£m** | 2024 £m |
|---|---|---|---|
| **Cash generated from operations** | | | |
| Profit for the year | | 416.7 | 354.6 |
| **Adjustments for:** | | | |
| Depreciation, impairment of PPE and amortisation | 7,12,13 | 29.9 | 18.3 |
| Non-cash share-based payments expense | | 58.4 | 72.5 |

| | | | |
|---|---|---|---|
| Foreign currency exchange differences | | 0.4 | 21.5 |
| Current tax expense | 10 | 148.1 | 126.8 |
| Adjustment for interest income and expense | | (612.2) | (484.6) |
| Fair value gain/loss on financial assets at FVOCI | | - | 0.3 |
| Effect of other non-monetary transactions | | (0.5) | 2.1 |
| **Changes in operating assets and liabilities:** | | | |
| Decrease/(increase) in prepayments and receivables | | 11.4 | (119.2) |
| Increase in trade and other payables | | 58.9 | 58.0 |
| Decrease/(increase) in receivables from customers and payment processors | | 56.8 | (72.7) |
| (Decrease)/increase in liabilities to customers, payment processors and deferred revenue | | (104.5) | 228.6 |
| Increase in Wise accounts | | 4,073.8 | 2,788.7 |
| **Cash generated from operations** | | **4,137.2** | **2,994.9** |

## Note 25. Commitments and contingencies

The Group's minimum future payments from non-cancellable agreements as at year end are detailed below:

| | **2025** | 2024 |
|---|---|---|
| | **£m** | £m |
| **Infrastructure subscriptions** | | |
| No later than 1 year | 24.2 | 34.3 |
| Later than 1 year and no later than 5 years | 40.8 | 64.3 |
| **Total** | 65.0 | 98.6 |
| | | |
| **Significant capital expenditure contracted** | | |
| No later than 1 year | 1.4 | 0.6 |
| Later than 1 year and no later than 5 years | 8.4 | 27.7 |
| Later than 5 years | 12.9 | 55.5 |
| **Total** | 22.7 | 83.8 |

The Group does not have any other material commitments, capital commitments or contingencies as at 31 March 2025 and 31 March 2024.

## Note 26. Transactions with related parties

Related parties of the Group and Wise plc include subsidiaries, key management personnel (KMP), close family members of KMP and entities that are controlled or jointly controlled by KMP or their close family members. Wise identifies the Board of Directors as KMP.

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Details of the Directors’ remuneration and interest in shares are disclosed in the Remuneration Report. Additional information for key management compensation and particulars of transactions with related parties are presented below, in accordance with IAS 24 Related Party Disclosures requirements.

| | **2025** | 2024 |
|---|---|---|
| | **£m** | £m |
| **Compensation of KMP of the Group** | | |
| Short-term employee benefits | 0.5 | 0.6 |
| Share-based payment expense | 0.8 | 0.8 |
| Non-Executive Directors' fees | 1.2 | 1.2 |
| **Total compensation paid to key management personnel** | **2.5** | **2.6** |

Short-term employee benefits include salaries for KMP. Refer to the Remuneration Report for the remuneration of each Director.

Share-based payment expense is related to employee share option plans (more information about the plans is provided in note 23).

In the financial year ended 31 March 2025, the KMP of the Group held deposits of £4.7m (financial year ended 2024: 5.6m) in Wise Accounts or Wise Assets.

## Note 27. Post balance sheet events

The Board has concluded its review of the Group’s listing arrangements and, having assessed in detail the optimal listing and structure, the Group intends to transfer its primary listing from the equity shares (transition) category on the London Stock Exchange (“LSE”) to a US stock exchange, and to maintain a secondary listing on the LSE. This would allow the Group’s shares to trade on both a US stock exchange and the LSE.

No other material post balance sheet events have been identified.

# Alternative performance measures

The Group uses a number of alternative performance measures ("APMs") within its financial reporting. These measures are not defined under the requirements of IFRS and may not be comparable with the APMs of other companies.

The Group believes these APMs provide stakeholders with additional useful information in providing alternative interpretations of the underlying performance of the business and how it is managed and they are used by the Directors and management for performance analysis and reporting. These APMs should be viewed as supplemental to, but not a substitute for, measures presented in the financial statements which are prepared in accordance with IFRS.

| | | |
|---|---|---|
| **Underlying interest income** | The first 1% yield of interest income on customer balances that Wise plans to retain | |
| **Income** | Income is calculated as revenue plus interest income on customer balances, less benefits paid relating to customer balances | |
| **Underlying income** | The measure of income that will be retained from customers, which is calculated as revenue plus 'Underlying Interest Income' | |
| **Underlying operating profit** | The calculation of underlying operating profit using 'underlying income' and excluding the Benefits paid relating to customer balances | |
| **Underlying profit before tax** | Measure of profitability which is calculated as profit for the year, excluding the impact of interest income from customer balances above the first 1% yield and benefits paid relating to customer balances. The Group believes that Underlying profit before tax is a useful measure for investors as it provides a measure of underlying performance and growth that is not inflated by the excess interest income that we will look to pass back to our customers | See definition in Annual Report for calculation method |
| **Underlying profit before tax margin** | Underlying profit before tax as a percentage of underlying Income | |
| **Free cash flow (FCF)** | Measure of cash flow which takes into account the net cash flows from operating activities less the change in working capital (excluding timing differences for receipts of interest income, income tax payments, change in collateral and pass-through items), the costs of purchasing property, plant and equipment, intangible assets capitalisation and payments for leases. It is a non-statutory measure used by the Board and the senior management team to measure the ability of the Group to support future business expansion, distributions or financing | See definition in Annual Report for calculation method |
| **FCF conversion** | Free cash flow as a percentage of profit before tax | |

| | | |
|---|---|---|
| **Underlying free cash flow (UFCF)** | Free cash flow as defined above but starting from underlying profit before tax | |
| **Underlying FCF conversion** | Free cash flow as a percentage of Underlying profit before tax | |
| **Corporate Cash** | Corporate cash represents cash and cash equivalents that are not considered customer-related balances. Measure of the Group's ability to generate cash and maintain liquidity | See Corporate Cash APM for calculation detail |
| **Cross- border fees saved** | Fees saved by our personal customers when using Wise for cross- currency transfers versus other providers. This measure is used by the Group to demonstrate the value proposition to stakeholders | See definition in Annual Report for calculation |

## Underlying profit before tax

| £m | 2025<br>£m | 2024<br>£m |
|---|---|---|
| **Revenue** | **1,211.9** | **1,052.0** |
| Underlying interest income (first 1% yield) | 150.4 | 120.7 |
| **Underlying income** | **1,362.3** | **1,172.7** |
| Cost of sales | (328.1) | (307.4) |
| Net credit losses on financial assets | (9.1) | (12.5) |
| **Underlying gross profit** | **1,025.1** | **852.8** |
| Administrative expenses | (768.6) | (615.9) |
| Net interest income from corporate investments | 33.3 | 19.7 |
| Other operating income, net | 7.1 | 5.7 |
| **Underlying operating profit** | **296.9** | **262.3** |
| Finance income | 0.7 | - |
| Finance expense | (15.5) | (20.5) |
| **Underlying profit before tax** | **282.1** | **241.8** |
| | | |
| Interest income above the first 1% yield | 443.9 | 364.5 |
| Benefits paid relating to customer balances | (161.2) | (124.9) |
| **Reported profit before tax** | **564.8** | **481.4** |
| Income tax credit/(expense) | (148.1) | (126.8) |
| **Profit for the year** | **416.7** | **354.6** |

## Free cash flow

| | **2025** | 2024 |
|---|---|---|
| | **£m** | £m |
| **Underlying profit before tax** | **282.1** | **241.8** |
| **Underlying income** | **1,362.3** | **1,172.7** |
| **Underlying profit before tax margin** | **20.7%** | **20.6%** |
| Corporate cash working capital change excluding collaterals | 62.8 | 8.2 |
| Adjustment for exceptional and pass-through items in the working capital | (0.6) | (0.2) |
| Depreciation, Impairment of PPE and amortisation | 29.9 | 18.3 |
| Payments for lease liabilities | (6.1) | (8.1) |
| Capitalised expenditure - Property, plant and equipment | (34.5) | (10.6) |
| Capitalised expenditure - Intangible assets | (0.9) | (2.4) |
| **Underlying free cash flow (UFCF)** | **332.7** | **247.0** |
| *UFCF conversion (UFCF as a % of Underlying profit before tax)* | ***117.9%**** | ***102.1%*** |
| | | |
| ***Adjustments to profit before tax*** | | |
| Interest income above the first 1% yield | 443.9 | 364.5 |
| Benefits paid relating to customer balances | (161.2) | (124.9) |
| **Profit before tax** | **564.8** | **481.4** |
| **Free cash flow (FCF)** | **615.4** | **486.6** |
| *FCF conversion (FCF as a % of reported profit before tax)* | ***108.9%*** | *101.1%* |

*UFCF/FCF conversion is elevated in the current year due to a change in payment terms with a key partner, which means that we will have a lower level of receivables outstanding for them. This is expected to normalise in FY2026.

**Income**

| | **2025** | 2024 |
|---|---|---|
| | **£m** | £m |
| Revenue | 1,211.9 | 1,052.0 |
| Interest income on customer balances | 594.3 | 485.2 |
| Benefits paid relating to customer balances | (161.2) | (124.9) |
| **Income** | **1,645.0** | **1,412.3** |

## Corporate cash

The tables below show a non-IFRS view of the ‘Corporate cash’ metric that is used by the Group management as a key performance indicator in assessment of the Group’s ability to generate cash and maintain liquidity. Corporate cash represents cash and cash equivalents that are not considered customer-related balances.

Information presented in the table below is based on the Group’s internal reporting principles and might differ from the similar information provided in IFRS disclosures:

| | **2025** | 2024 |
|---|---|---|
| | **£m** | £m |
| **Corporate cash at beginning of year** | **1,061.1** | **671.1** |
| Free cash flow | 615.4 | 486.6 |
| Net corporate cash generated from operating activities | (58.6) | 33.1 |
| Net (repayments)/proceeds from the RCF | (100.0) | (50.0) |
| Funding relating to share purchases and employee share schemes | (72.6) | (68.4) |
| Other | (15.1) | (11.3) |
| **Corporate cash at end of year** | **1,430.2** | **1,061.1** |

| | **2025** | 2024 |
|---|---|---|
| | **£m** | £m |
| **Breakdown of corporate and customer cash** | | |
| Cash and cash equivalents and short-term financial investments | 18,637.5 | 14,513.2 |
| Receivables from customers and payment processors | 209.6 | 287.7 |
| Adjustments for: | | |
| Outstanding money transmission liabilities and other customer payables | (361.2) | (479.4) |
| Wise customer accounts | (17,055.7) | (13,260.4) |
| **Corporate cash at end of year** | **1,430.2** | **1,061.1** |

Corporate cash includes some elements of current trade and other receivables which are due to Wise and this includes receivables from payments processors, as well as receivables from customers, brokers and partners and other receivables, as disclosed in note 14, but excludes those elements which are considered customer-related balances.

Similarly, corporate cash includes the ‘Outstanding money transmission liabilities’ and the payables reported under ‘Deferred revenue’ and ‘Other payables’ in note 16, which are not considered customer related-balances.