wisr

ANNUAL REPORT 2020

Contents.

Our vision is to bring financial wellness to all Australians.

FY20 Highlights.

DELIVERING ON MILESTONES, KEEPING PROMISES

REVENUE GROWTH UP

136%

LOAN ORIGINATIONS UP

95%

INCREASE IN LIFETIME REVENUE RECOGNITION PER LOAN

500%+

WISR ECOSYSTEM UP

389%

LOANS WRITTEN TO DATE CIRCA

$250m

90+ DAY ARREARS DOWN

0.15%

CASH AT 30 JUNE 2020

$38.0m

BEST IN-CLASS NET PROMOTER SCORES

+75 CUSTOMER

+73 BROKER

+78 EMPLOYEE

We've built a scalable business model that is...

Purpose-led

A vision to bring financial wellness to all Australians

OMNI-CHANNEL CUSTOMER REACH

- Smarter, fairer, fully-digital products with market-leading customer experience
- Australia's leading credit score comparison platform, utilising positive credit reporting data
- Wisr App banking transaction data helps customers pay down debt, with any bank (or Wisr) faster
- Financial literacy initiatives and innovative new features to leverage open banking regime

Fast-growing

New model already delivering a profitable operational outcome

↑ 136% REVENUE GROWTH

↑ 95% LOAN ORIGINATIONS

↑ 389% ECOSYSTEM GROWTH

- Innovative Wisr Ecosystem: fast-growing and data driven channel
- Consumer marketing (B2C)
- Broker channel (B2B)
- Strategic partnerships (B2B and B2C)

CUSTOMER DATA POWERS INTELLIGENT CREDIT ENGINE

Efficient

Market-leading proprietary tech platform backed by great customer service

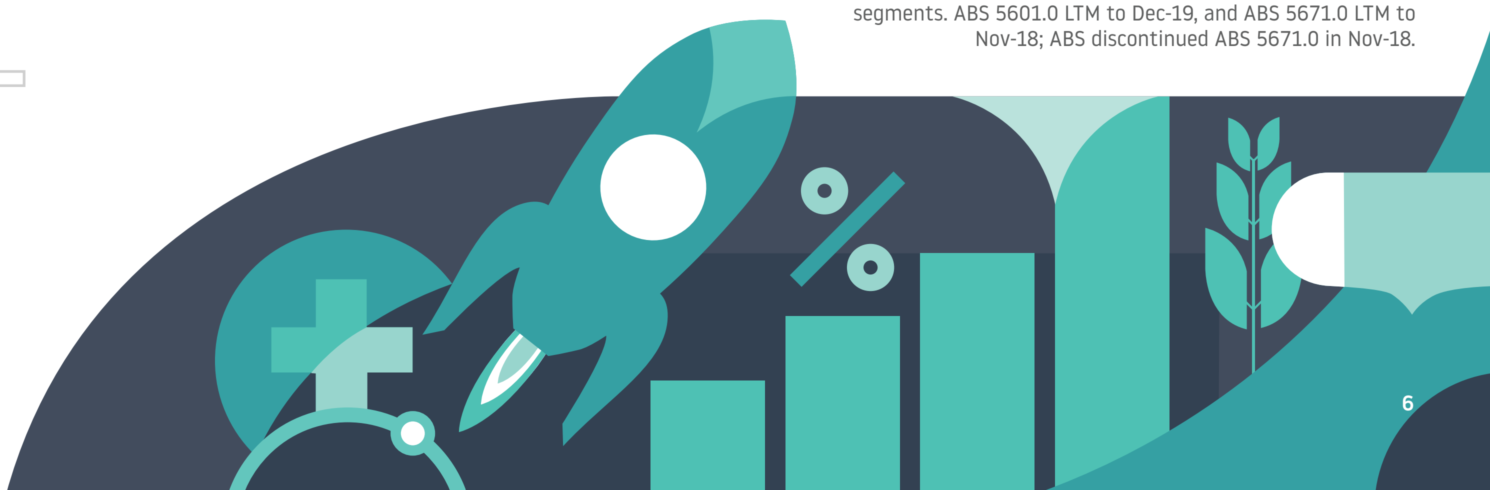
- Automated business engine
- Strong funding platform and loan unit economics
- Unique Wisr Ecosystem channel delivering market-leading economics

with massive opportunities ahead

New product launch taking advantage of sizeable market opportunity

- Huge opportunities to scale from small but growing share of the $120B consumer finance market[1]
- September launch of new secured product expands reach to $33B[2] market opportunity
- Innovation and growth in Wisr Ecosystem to deliver financial wellness to more Australians

Source: [1]Equifax Credit Pulse 2019 (published August 2019), RBA, APRA [2] Includes consumer and commercial lending segments. ABS 5601.0 LTM to Dec-19, and ABS 5671.0 LTM to Nov-18; ABS discontinued ABS 5671.0 in Nov-18.



Chairman's Review.

JOHN NANTES

EXECUTIVE CHAIRMAN

Dear Shareholder,

On behalf of the Board of Directors it gives me great pleasure to present the Wisr Annual Report for FY20.

This year has been by far our most accomplished. The Company has rapidly responded to the unprecedented challenges of COVID-19, whilst also delivering above expectations for loan origination and revenue growth, improved loan unit economics and credit performance, and world-class innovation on the Wisr Ecosystem of incredibly intelligent financial wellness products.

We have seen significant increases in our prime customer base and received strong shareholder, partner, customer and stakeholder support as we continue to build a purpose-led, fully digital and agile fintech business model that is completely unique in the Australian financial services market.

MILESTONE ACHIEVEMENTS

A key milestone of the Company's three-year strategic plan was to diversify the funding structure and deliver increased margins. This significant moment came to fruition in November 2019, when the new Wisr Warehouse went live, creating scalability and the foundations for continued growth in FY20, and beyond.

Since then, we have continued to achieve truly remarkable milestones, supporting the Company's vision to provide a new type of lending experience and aggressively grow market share in-line with risk appetite.

In the last 12 months we have recorded our best year yet, delivering the increased margins and revenue that we spoke about in our FY20 outlook, from the FY19 Annual Report.

Key results include:

- Operating revenue up 136% to $7.2 million (FY19: $3.0 million)
- 125% revenue growth in H2FY20 compared to H1FY20, as Wisr Warehouse economics begin to flow through
- Total loan originations of circa $250 million as at 30 June 2020
- Total new loan originations up 95% to $135.9 million (FY19: $68.9 million)
- A 389% increase (FY20 compared to FY19) in the Wisr Ecosystem Channel, with over 239,000 entrants as at 30 June 2020 (FY19: 61,500)
- $38 million of cash and $2.0 million liquid loan assets as at 30 June 2020

COVID-19 IMPACT

COVID-19 has fundamentally changed the way we live, work and communicate. Millions of Australians have been adversely affected by COVID-19 and for many industries, recovery has been shrouded in uncertainty.

As a financial services industry challenger, particularly one that is committed to fairer financial services, we have witnessed the critical importance of financial literacy and the access to fair credit, to help change people's lives.

However, despite the challenges that have come to our industry, Wisr's commitment to responsible lending, financial wellness and fairer customer outcomes has resonated strongly and our results have also shown how COVID-19 has validated the Company's point of difference. We have seen significant growth across all of the Company's key metrics, delivered consistently strong credit quality and core business profitability.

It should also be noted that throughout this time, the Company has worked closely with our Wisr Warehouse funders who are very supportive of Wisr providing customers with COVID-19 relief. Wisr appreciates the significant support provided by its funders during this time.

FINANCIALS

Wisr Limited is very well capitalised with $38 million of cash and $2.0 million liquid loan assets as at 30 June 2020. In Q4F20, the Company achieved a significant milestone from an operating leverage perspective in Q4FY20 with a significant reduction in operating cash burn.

During the FY20 period, the Company made a Cash EBTDA of $(13.2) million, and an accounting loss of $(23.5) million was reported due to significant non-recurring and other non-cash items, which were:

- Share based payment expense of $6.1 million, the majority of which relates to the reset during the year of the Board/KMP/Staff incentive plan for FY20-FY22 (all expensed in FY20)
- Provision for expected credit loss expense of $4.1 million driven by the introduction of the Wisr Warehouse (as per AASB 9, expected life-of-loan losses are recognised upfront). Actual bad debts written-off during the year were $0.7 million

Other expense items include:

- Increase in employee benefits and marketing expense driven by scaling of the Company through growth investment into the Wisr Ecosystem
- Increase in customer processing costs driven by growth in loan volume and entrants into the Wisr Ecosystem
- Other expenses include Public Company costs, accounting, legal fees and administration items
- Finance costs driven by introduction of the Wisr Warehouse in H2FY20, which is on balance sheet

REVENUE

Wisr reported revenue of $7.2 million for the full year ended 30 June 2020. This was a 136% increase in revenue compared to the previous financial year, primarily driven by 95% growth in loan originations and switching to the Wisr Warehouse funding model in H2FY20.

Wisr also focused on innovating and creating new products and services, which will directly benefit our customers financial well-being and grow its revenue as a result. As part of this activity the Company announced a capital raising via a Placement of approximately 181 million fully paid ordinary shares (Shares) at an issue price of 18.5c per share each for a total amount raised of $33.5 million to new and existing institutional and sophisticated investors.

As part of our commitment to building a purpose-led company with a focus on financial fairness, the Board resolved to undertake a Share Purchase Plan (SPP) to allow all shareholders to invest in the Company on the same terms as the Placement. We did this to ensure a level of parity for both institutional and retail shareholders. In a similar fashion to our Placement, the support for the Company's strategy has been strong, and the SPP was heavily supported with $3 million raised. In total, the Company received $36.5 million from the Placement and SPP.

LOOKING FORWARD

The Company's pivotal past financial year has provided a foundation for significant growth going into FY21.

Fusing the best of emerging fintech with the operational reliability of a traditional lender, we will continue to deliver exceptional customer experiences and a business model that is truly innovative, scalable, purpose-led and built to deliver long term value.

The coming year will see Wisr's continued focus on delivering a globally unique business model, increasing business margins and loan origination growth, reducing the cost of customer acquisition, and delivering more Wisr Ecosystem innovation, features and experiences.

It is an exciting time for the Company, one which could not have been possible if not for the hard work, advice and expertise of the entire Wisr team.

Across all areas of the business, the Company has delivered incredible results against very challenging circumstances.

I would like to thank the Board, Executive Management and all of Wisr's staff for their continued support, vision and experience and we look forward to helping more Australians achieve financial wellness during this truly unprecedented time.

Importantly, the Board and the Wisr team wish to thank all of our shareholders, as we value the trust you place in us to make Wisr the successful company it is. We look forward to growing our company this coming year with you.

CEO's Review.

ANTHONY NANTES

CHIEF EXECUTIVE OFFICER

For the last three years, we've been focused on building a strong foundation of market-leading technology and proving our innovative lending model. I am delighted to say that in FY20 we reached the turning point in the Company's strategic plan, delivering significant growth across all of our key metrics, achieving pivotal milestones, as our high-performance culture thrived, all while facing unprecedented challenges from COVID-19.

In November 2019, we delivered the key milestone of the new Wisr Warehouse funding model which has set the Company up for significant growth and scale. Through this new facility, we achieved core operating cash flow profitability, delivering significantly improved revenue economics and operational leverage in H2FY20. In the second full quarter operating under the Wisr Warehouse funding model, the company delivered $2.9M of operating revenue for Q4FY20, a 50% increase on Q3FY20 and a 188% increase on Q4FY19.

We were very pleased with the market's confidence in our strategy, strongly supporting the Company's $36.5 million capital raise in January 2020. The funds support the scaling of the core lending business, the ongoing development and innovation of the Wisr Ecosystem of category-defining products, attracting the best talent from across industries in Australia and strengthening the balance sheet.

The Wisr Ecosystem has also created a competitive advantage in growing Wisr's market share of the $120 billion-dollar consumer finance market, by providing the Company a strong, unique platform to scale and grow through its existing product offerings, as well as future products and services.

In fact, the Wisr Ecosystem is differentiating Wisr by not only providing a platform to scale and grow with increased operational leverage and market leading economics, but it significantly reduces the cost of acquisition. Because we have genuinely put the customer at the very heart of the Wisr Ecosystem, we have been able to connect with customers at all stages of their financial journey to improve their financial wellbeing, especially throughout COVID-19; creating a platform that is truly significant in this market and with the ability to reach and improve the financial wellness of millions of Australians.

COVID-19

This year, we've seen unprecedented macroeconomic changes with the impact of COVID-19 as well as the profound shift to the new normal of working-from-home.

However, COVID-19 has validated Wisr's fintech business model, proprietary technology, and high-performance and innovative culture. It has ensured the Company could rapidly respond to COVID-19 conditions, implement a significantly tightened credit policy, adjust our models and succeed as a team through these rapidly changing times.

From the 16 March 2020, we implemented a work-from-home policy to ensure the safety and wellbeing of our Wisr team. Our approach and innovation ensured there was no disruption to normal business operations. In that very first week we achieved a significant company milestone of surpassing $200 million in loan originations and since then, we have continued to break records, recently passing the $250 million milestone. I couldn't be prouder to see the entire Wisr team not only continue to deliver for the Company but also adapt to significant upheaval in the way they work and go about their everyday lives.

While we expected a period of heightened customer hardship stemming from COVID-19 in Q3FY20 and Q4FY20, this impact has been very manageable in light of the Company's prime customer base and exceptionally low exposure to high risk sectors. In response to COVID-19, we made the decision in March to significantly tighten our credit policy, as well as taking a prudent approach to loan origination in Q4FY20. Despite this, we have achieved significant new loan origination growth of 95% and revenue uplift of 136% for the year.

Our success was also driven by a consumer sentiment shift from the incumbents to our business, like in many other digital-first service and product sectors, delivering record growth across Q4FY20, as they look for fairer, smarter financial wellness options and products.

In a strong testament to our customer-centric approach to responsible lending, customer hardship requests returned to pre-COVID-19 levels in May 2020 and by the end of June, we had seen a 75% recovery rate for COVID-19 hardship customers on an assistance program. We continue to proactively reach out to our customers to understand their circumstances and how we can help their financial wellness.

Wisr's innovative business model and responsible lending practices has also secured an initial $30.8 million investment into the Wisr Warehouse from the Australian Office of Financial Management through the Structured Finance Support Fund. The investment sits alongside existing financiers and will support the Wisr Warehouse up to $200 million.

We also showed our ability to continue to lend prudently and maintain strong credit performance, in what is a very challenging economic environment, with an average credit score in Q4FY20 of 723 (and market leading for unsecured personal loans in our category), the highest average in the Company's history, as well as 90+ Day arrears of 1.44%, reinforcing the business model and prime nature of the Company's loan book, and customer base.

There has also been an increase in engagement with B2B Wisr@Work and Wisr&Co partners to align with remote work conditions to deliver solutions that will help to alleviate the financial stress of companies and their employees due to COVID-19. Our B2B programs offer new growth opportunities by opening up millions of Australians to the Wisr Ecosystem through workplace financial wellness programs. Most exciting, Wisr completed a highly successful Wisr@ Work Financial Wellness program with Guild Super, our first partner in the important superannuation sector (75,000+ members and 16,000 employers).

Our approach to responsible lending and credit performance has the Company well-positioned for growth through FY21, setting Wisr up for a strong revenue growth trajectory over the coming quarters.

SUMMARY

While the Australian macroeconomic economic outlook has changed due to COVID-19, Wisr is strongly capitalised with a purpose-driven business model that delivers smarter financial outcomes for borrowers and investors and is well-positioned to grow.

As we start FY21, we are very excited to launch our second credit product, secured vehicle loans, into the $33 billion-dollar consumer vehicle finance market. By expanding the Company's product mix to address both unsecured and secured customer needs with competitive and fairer rates, we can attract more prime credit quality customers, deliver exceptional customer experiences and transform our customers' ability to own and maintain their vehicle. Through the backing of the Wisr Warehouse, the new product will also be a significant contributor to the Company's loan book originations and revenue growth in FY21.

Importantly, we can't continue to disrupt and take market-share without having an amazing and incredibly talented team driving us forward. Throughout the year and especially during COVID-19 as I mentioned earlier, we have continuously innovated our high-performance culture to build, nurture and deliver record shattering Employee Net Promoter (ENPS) scores. Q4FY20 was certainly testament to that hard work with a +94 ENPS, the highest in the Company's history.

We have also continued to hire and retain the most talented people in the country, and I am delighted to welcome three critical appointments to our Executive Leadership Team during FY20. Joanne Edwards as Chief Risk and Data Officer, Ben Berger as Chief Product Officer, and Dr. Lili Sussman as Chief Strategy Officer. Their phenomenal experience, talent and expertise will help take Wisr's purpose-led and agile fintech business model to the next level and I couldn't be more excited about the path ahead of us.

There is no doubt that the phenomenal achievements of FY20 has positioned Wisr strongly for the year ahead and despite the uncertainty of COVID-19, our numbers and risk exposure clearly show that our purpose-led business model can quickly and effectively respond through COVID-19 disruptions, and post-recovery. We truly are unique and provide a clear differentiation in the market.

As we begin the journey in FY21, we are building something of real size, scale and meaning, a Company that will be scaling, growing market share in-line with our risk appetite, and delivering on the enormous potential in front of us.

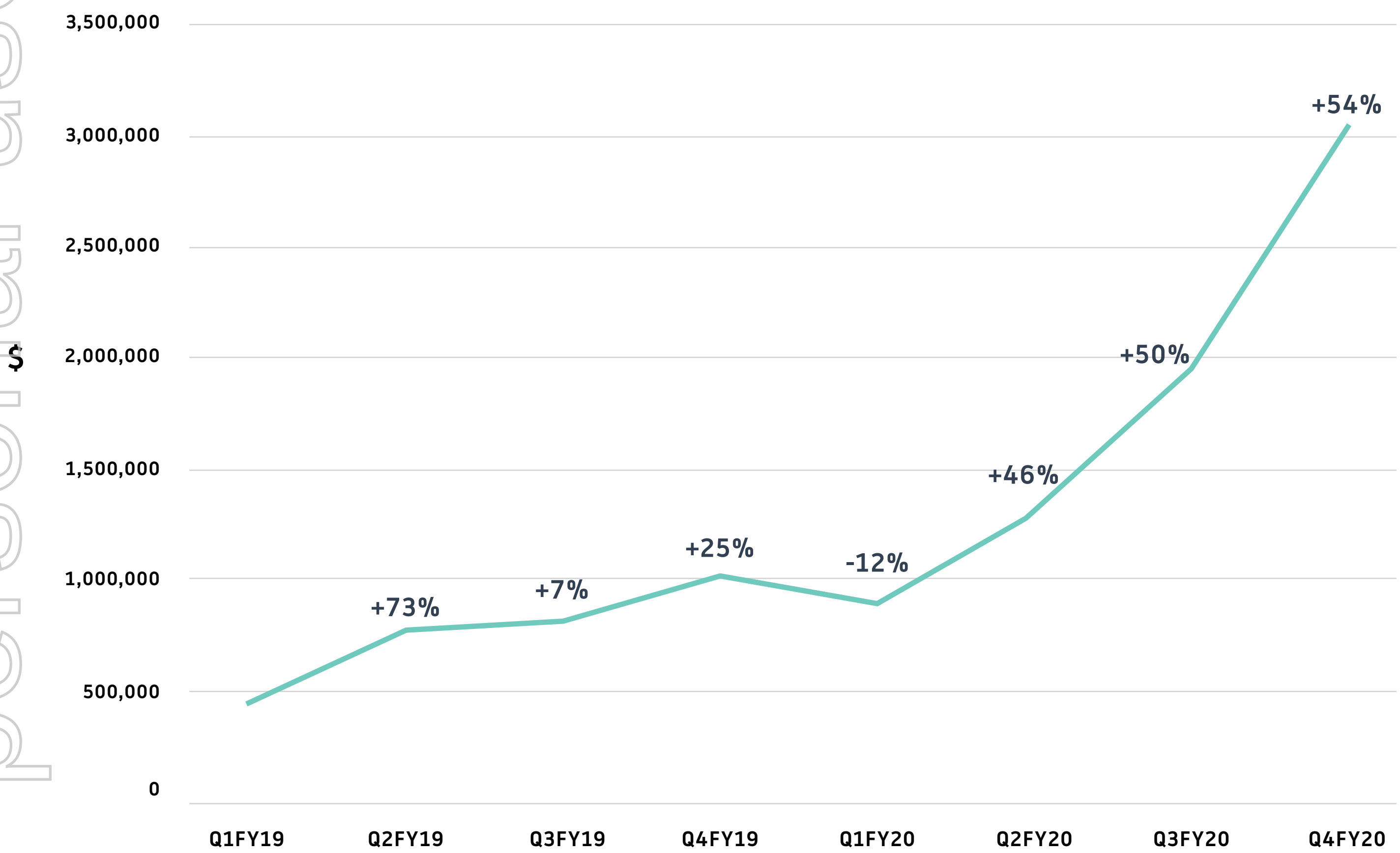
To get us there, we have an energised team, an incredible high-performance culture, superior innovation and technology, and a genuine commitment to improve the financial wellbeing of Australians, and shareholders should be excited about the year ahead of us.

Revenue turning point reached.

Under the Company's new Wisr Warehouse funding model, which went live in November 2019, Wisr delivered strong Q3FY20 and Q4FY20 revenue growth as the Wisr Warehouse funding model came into effect for H2FY20.

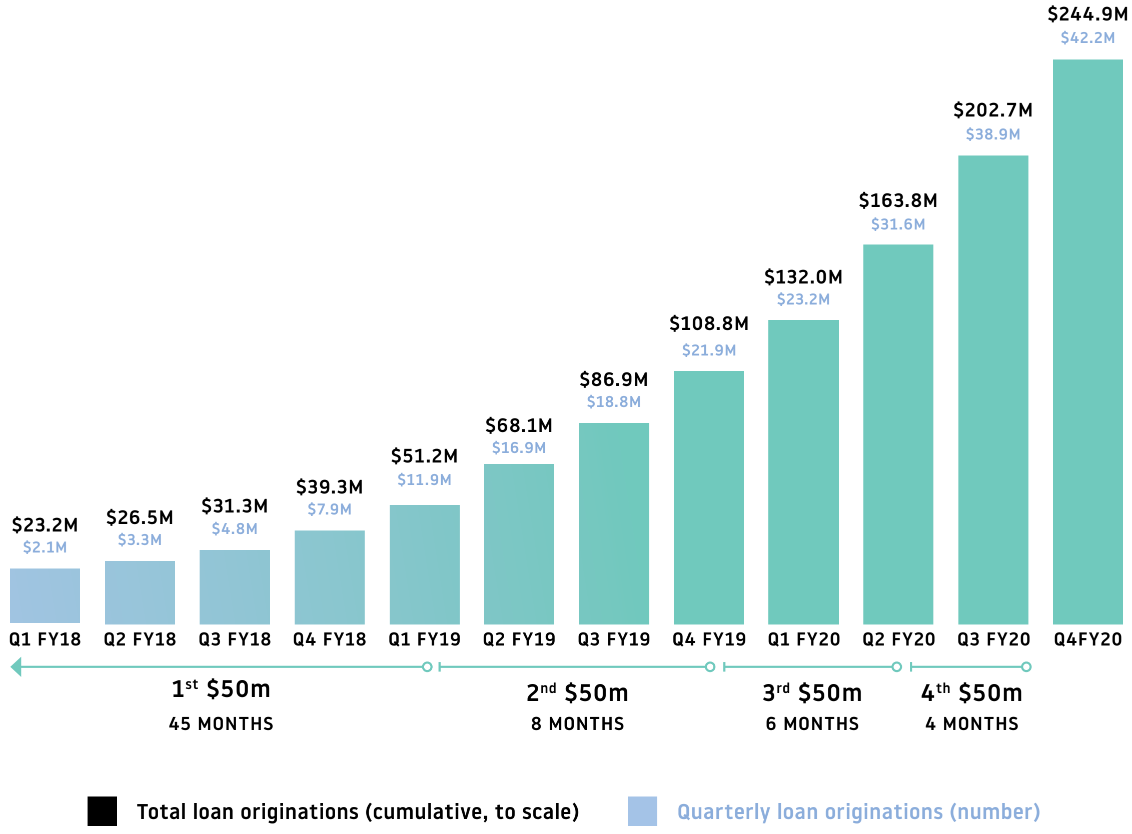
As the Company scales under the attractive unit economics of the Wisr Warehouse funding model, Wisr is set up for significant scaling and revenue growth in FY21, and beyond.

REVENUE GROWTH

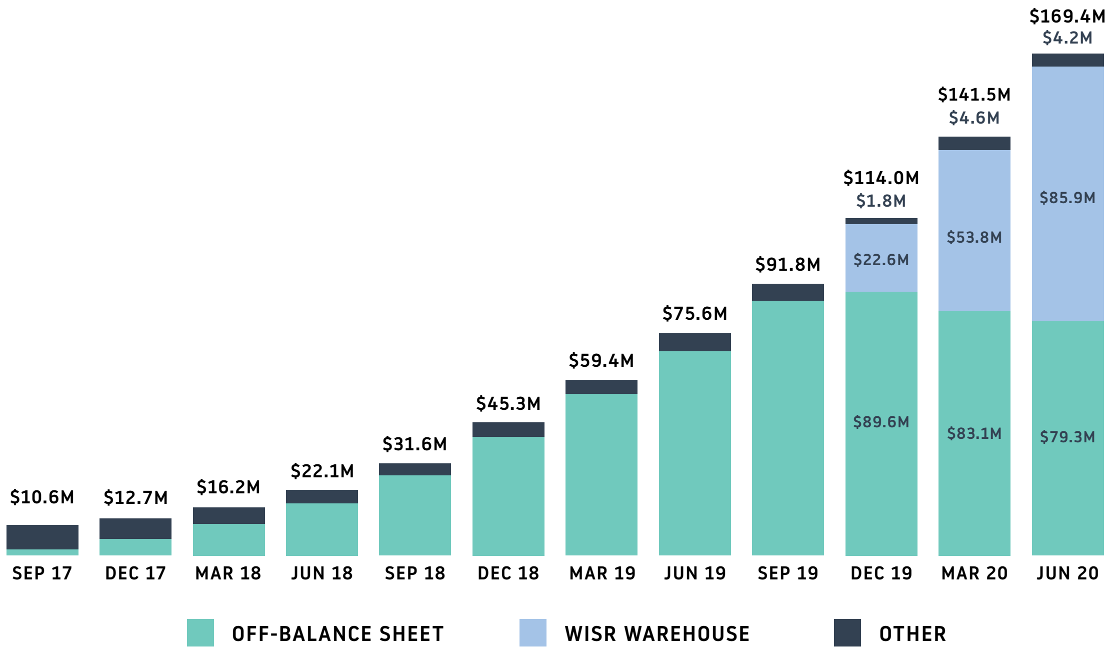


Consistent growth of high quality loan book.

LOAN ORIGINATIONS ($M)



LOAN BOOK ($M)

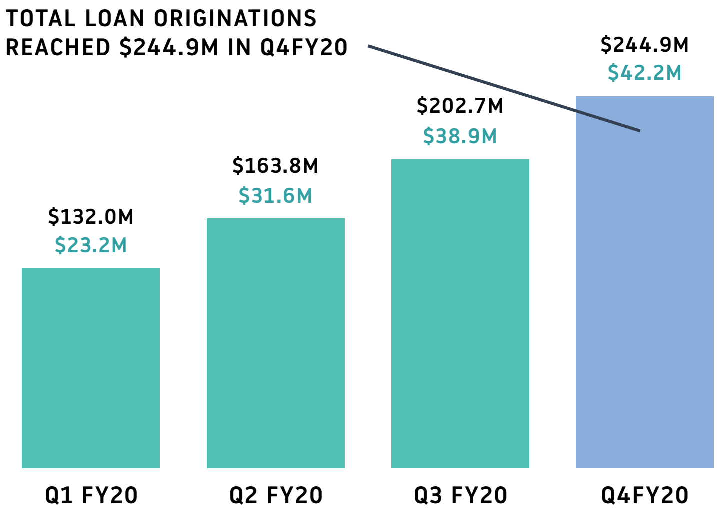


COVID-19 impact.

SHIFT TO FULL-DIGITAL SERVICES AND PRODUCTS BENEFITS WISR

COVID-19 has brought unprecedented macroeconomic change for Australia. Our purpose-led, fully digital and agile fintech business-model ensured we could rapidly respond to COVID-19 conditions and adjust our models instantly.

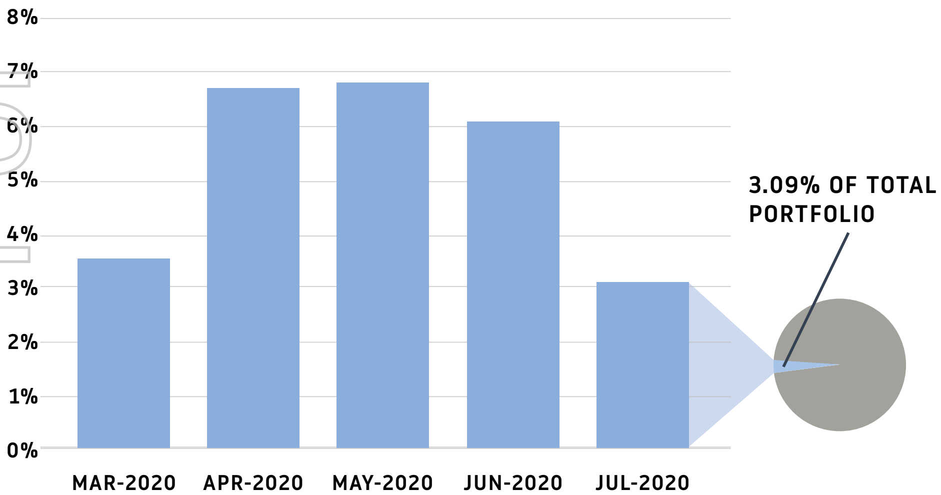
As Australians have become more conscious of their own financial situation, Wisr witnessed a shift to our business from the incumbents, delivering record growth across Q4FY20, as did many other e-commerce and digital-first players across every industry in Australia.



RAPID RESPONSE DELIVERS LOW EXPOSURE

- As at 30 June 2020, $10.3M or 6.12% of total portfolio loan balances were on COVID-19 specific payment assistance, this approximately halved to $5.6m (3.09%) by 31 July 2020
- The average Equifax CCS score for this group was 692 compared to portfolio average of 712
- 30% of this group represent customers who work in high-risk industries, compared with 14% within the total portfolio

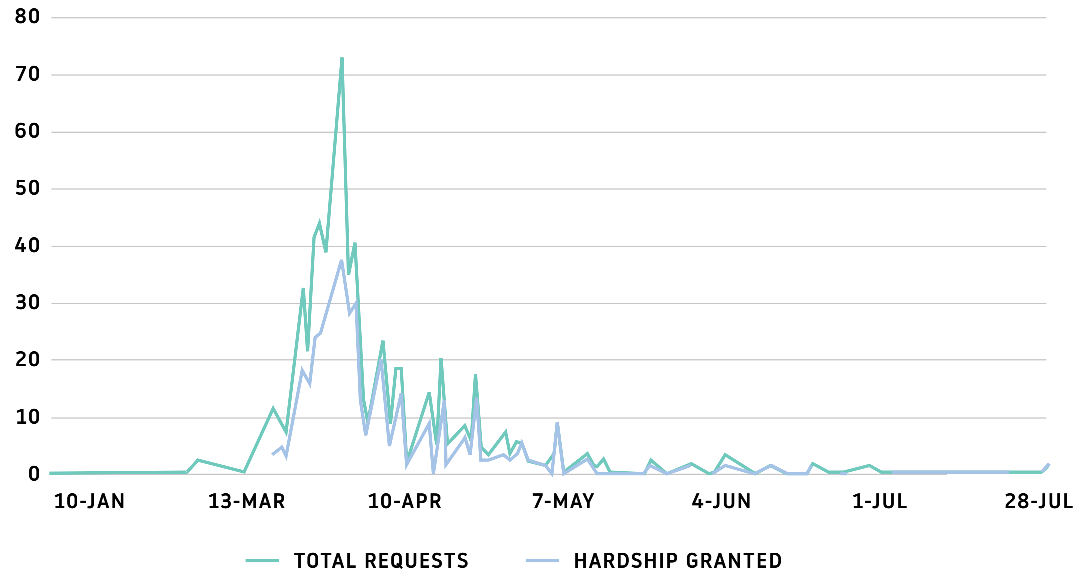
PORTFOLIO BALANCES UNDER ASSISTANCE



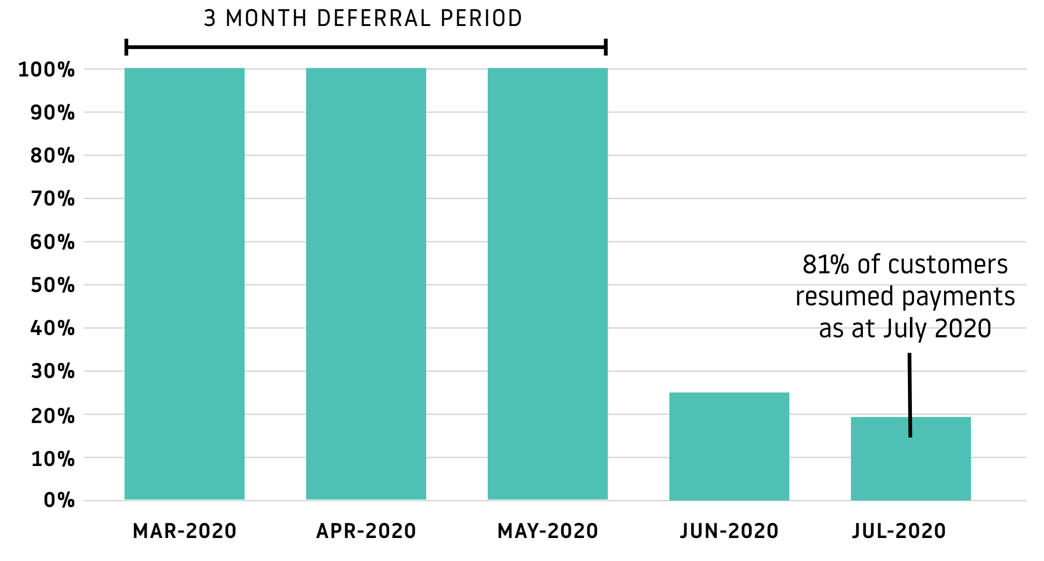
COMPANY BACK TO PRE-COVID-19 HARDSHIP LEVELS

- 85% of cases have now come to the end of the initial 3 month payment assistance period and 81% of these have either been remedied or resumed regular payments
- Of the remaining 19% that requires further assistance and can't resume repayment, this represents 70 accounts which is 0.89% of the total portfolio, and 0.61% for the Wisr Warehouse
- Wisr continues to proactively reach out to customers on COVID-19 payment assistance via proactive customer checks-ins
- Due to the tightened credit policy since March 2020, zero COVID-19 payment assistance has been requested by customers originated after this date

DAILY REQUESTS VS HARDSHIPS GRANTED



CUSTOMERS UNDER INITIAL COVID-19 PAYMENT ASSISTANCE



Prime quality customer base.

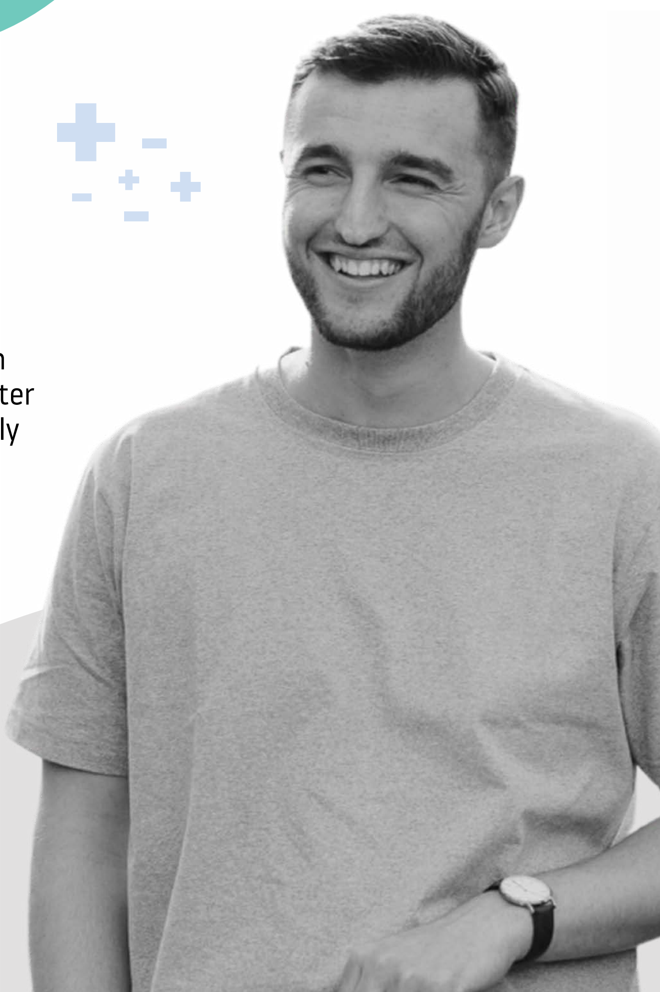
ATTRACTING AUSTRALIA'S MOST DESIRABLE CREDITWORTHY CUSTOMERS.

$86,686
AVERAGE INCOME

714
AVERAGE CUSTOMER CREDIT SCORE

+75
CUSTOMER NET PROMOTER SCORE

0.45%
Current Wisr Penetration
Wisr personal loan applications in FY20 as a share of estimated total personal loan applications[1].



★★★★★

Wisr were brilliant with helping me get a personal loan. Smooth sailing all the way through from start to finish. Excellent staff with great experience, more than helpful guiding me through e-signing documents.

HEATHER | TRUSTPILOT

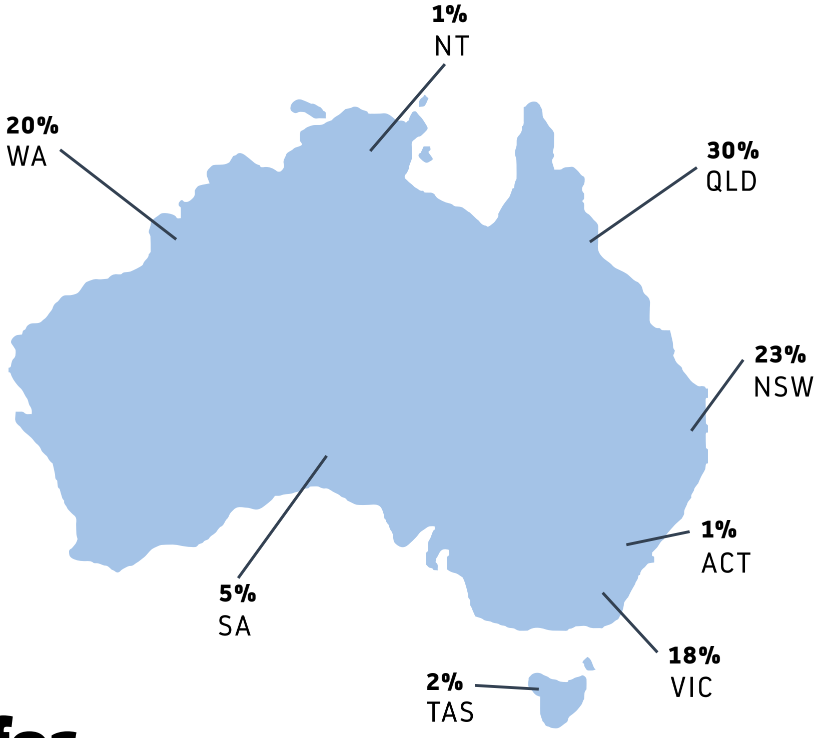
★★★★★

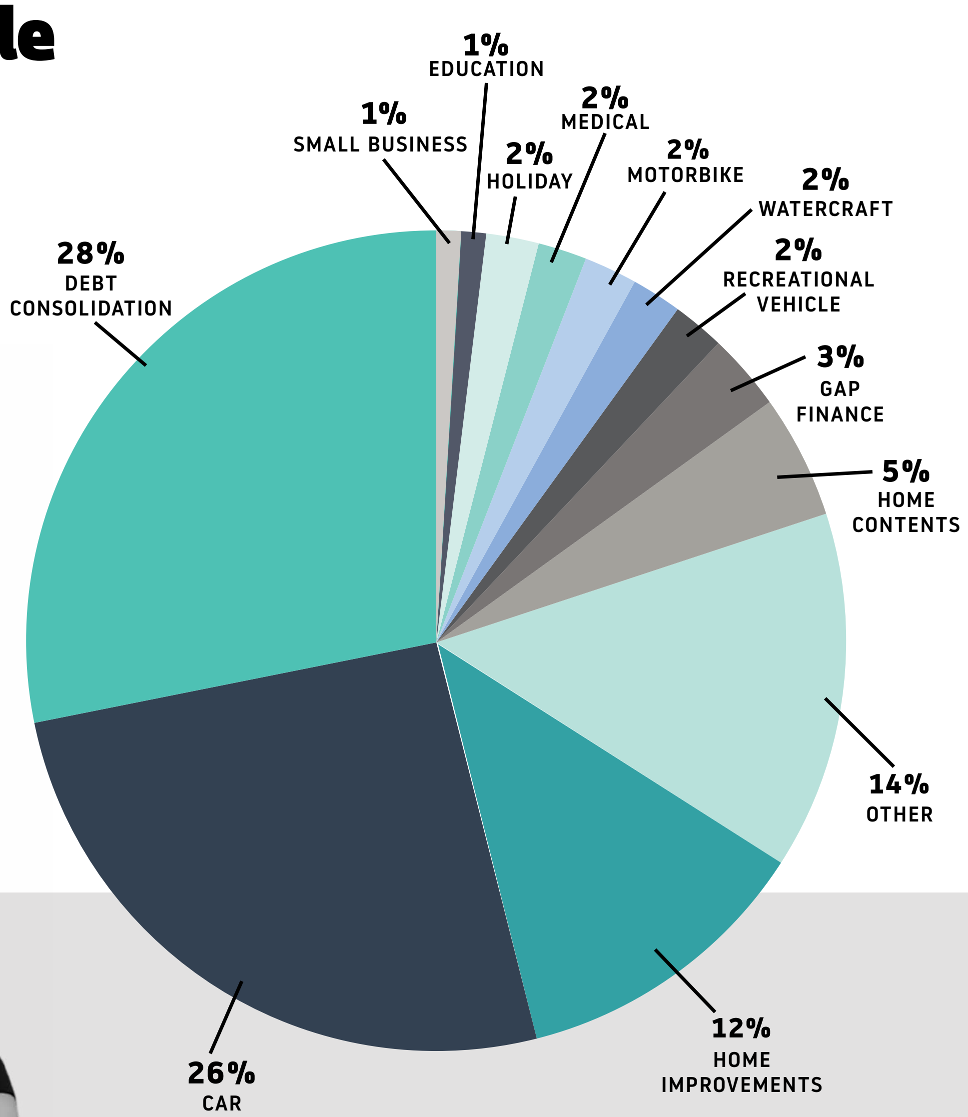
The customer service is efficient and friendly, and in many ways a 100 times better than the Big 4 banks. I highly recommend Wisr.

DEAN | TRUSTPILOT

Source: [1] Equifax Credit Pulse 2019 (published August 2019), Wisr data as at 30 June 2020

Loans for customers all over Australia, for any worthwhile purpose.





FY21 key execution priorities.

1. CORE LENDING AND REVENUE GROWTH
2. EXPANSION VIA THE WISR ECOSYSTEM
3. OMNI-CHANNEL PRODUCT DISTRIBUTION

Core lending products driving strong revenue growth in FY21.

WISR PRODUCT	UNSECURED PERSONAL LOAN	SECURED VEHICLE LOAN
FEATURES	• Great low rates based on borrowers' strong credit history • Borrow between $5,000 and $60,000 • Loan terms of 3, 5 and 7 years • No ongoing or early repayment fees	
UNIQUE SELLING POINT	Access to Wisr Ecosystem providing a deep, data enriched experience, going on the journey with the borrower to help them stay on track with repayments and make extra repayments through round-up transactions	
MARKET OPPORTUNITY	$39B[1] Consumer unsecured lending OR Over 3 million personal loan applications expected per annum	$80B+[2] of annual vehicle sales and $33B+[3] annual market for consumer vehicle financing
WISR APPROACH IN FY21	• Lead the market in operational and customer experience excellence • Take significant market share	• Launching in Q1FY21 with super competitive secured lending product with market leading flexibility • Omni-channel distribution including Wisr Ecosystem, direct to consumer, partnerships and broker channel
UNIT ECONOMICS AND REVENUE	• A near tripling of loan unit economics compared to previous funding structure, with full revenue recognition delivering 136% revenue growth in FY20 vs FY19 – just 8 months under the new funding model • Company set up for continued strong revenue growth and scale in FY21 and beyond	

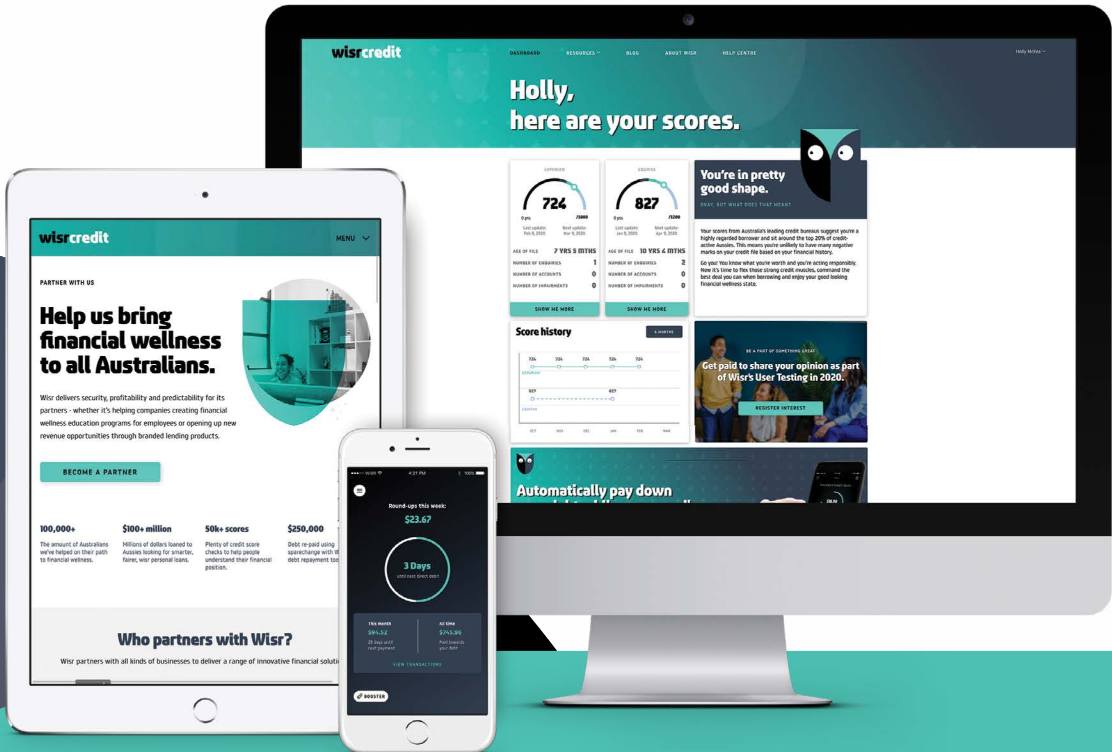
Source: [1] Equifax Credit Pulse 2019 (published August 2019) [2] Royal commission into misconduct in the banking, superannuation and financial services industry: Report - Some Features of Car Financing in Australia [3] Includes consumer and commercial lending segments. ABS 5601.0 LTM to Dec-19, and ABS 5671.0 LTM to Nov-18; ABS discontinued ABS 5671.0 in Nov-18.

Expansion via the Wisr Ecosystem.

Over the past 2 years, Wisr delivered on the preliminary roll-out of the Wisr Ecosystem, introducing over 239,000 Australians as at 30 June 2020. The Wisr Ecosystem includes a number of individually powerful and collectively unique products, aligned to financial wellness.

ECOSYSTEM HIGHLIGHTS INCLUDE:

- Customers introduced through the Wisr Ecosystem are 2.5x more likely to settle a loan
- Deep, data-driven relationships with customers
- Over $1M in consumer debt repaid through Wisr App



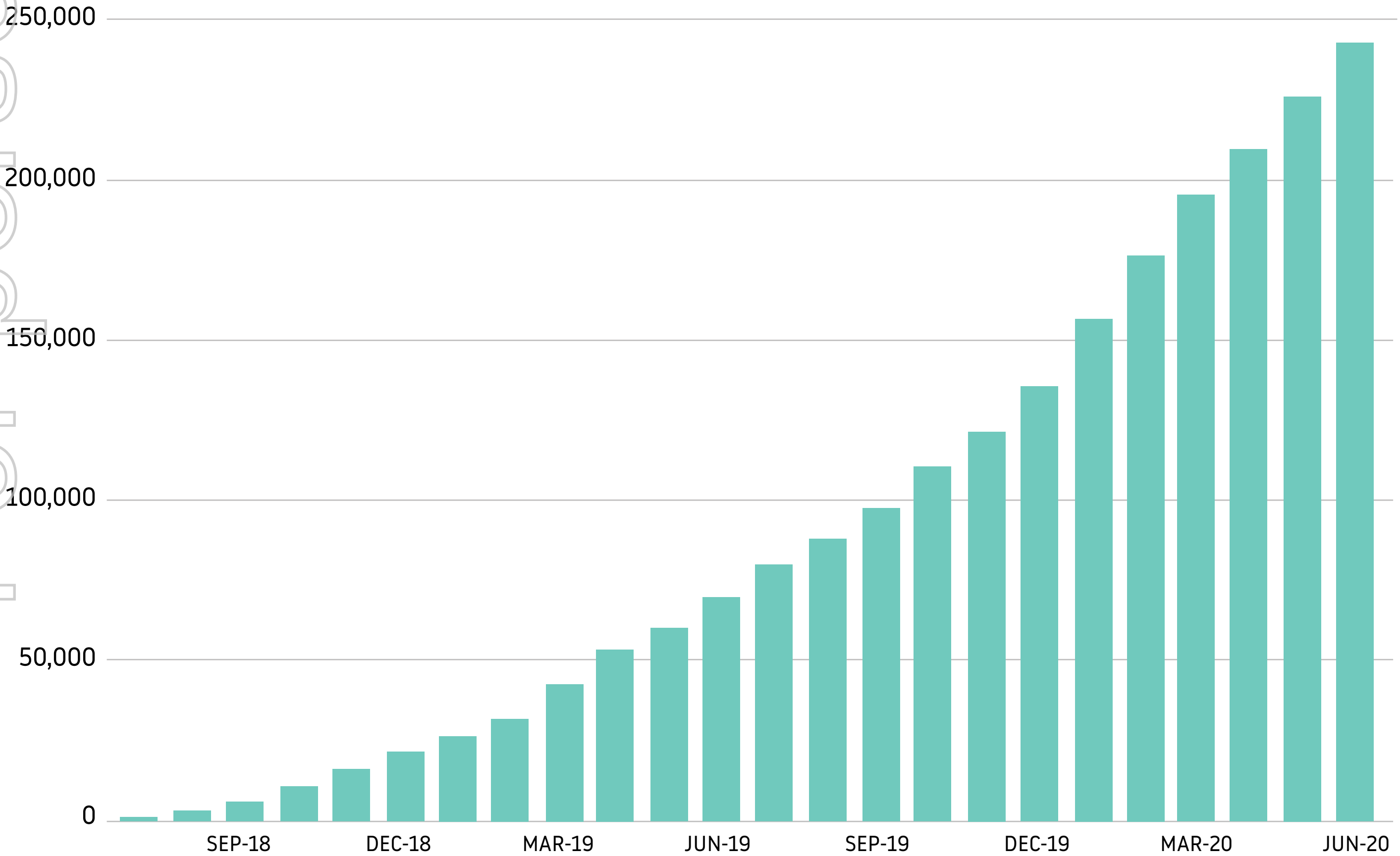
The Wisr Ecosystem matures from a channel building phase into a unified experience in FY21 via the Wisr Profile.

The Wisr Profile is the gateway into lending, credit score and round-up products, and enables the opportunity to build a deep, data-driven understanding of the customer.

WISR PROFILES INCLUDE CUSTOMERS WHO:

- Receive a personal loan estimate
- Take out a loan
- Access their credit scores
- Set up a profile on Wisr App

WISR CUSTOMER PROFILES



Omni-channel distribution.

To provide our customers with a consistent and smooth experience, as well as maximising conversion rates and revenue, in FY21, Wisr will be growing the Company's omni-channel distribution including the Wisr Ecosystem, direct-to-customer, partnerships and broker channels.

Broker Channel

Introducers and Aggregators are supported through our online broker portal, and assisted by a dedicated team

Strategic Partnerships

Helping companies create financial wellness programs for employees, and opening up new revenue streams through branded lending products

Wisr Ecosystem channels

Cultivating strong, data-driven customer relationships while lowering costs

WISR APP

WISRCREDIT

DIRECT

Other external channels

Further extending Wisr's reach to Australian consumers through trusted third-party brands

Google | finder .com.au | she's on the money | RateCity | mozo | Gumtree

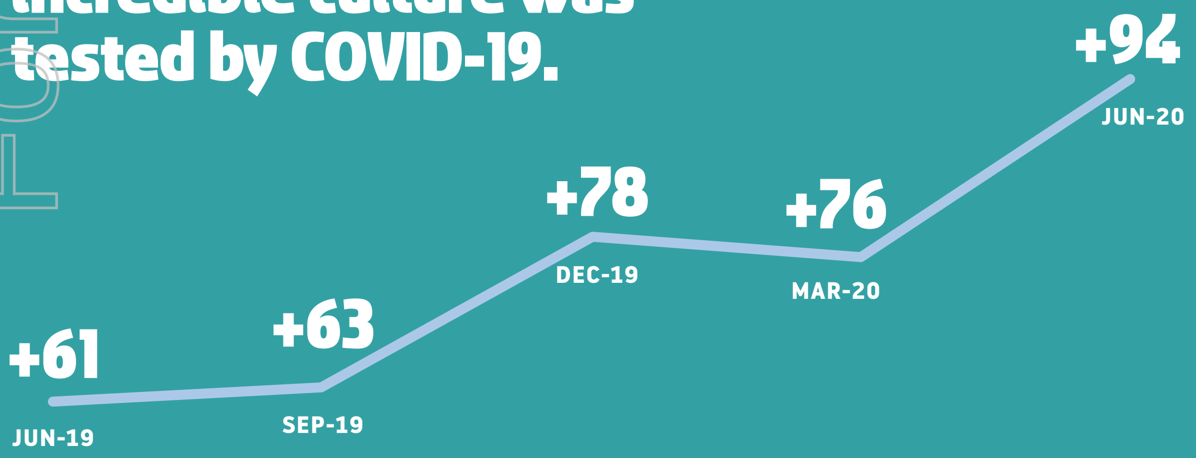
Building a great place to work.

At Wisr, we don't just want to lead the industry, we want to be Australia's #1 place to work. And we're delivering!

Constant innovation of our high-performance culture ensures we deliver phenomenal results through:

- Being customer obsessed
- Helping each other to be amazing
- Taking responsibility and accountability
- Asking the hard questions for continuous improvement and innovation
- Championing inclusion, diversity and social responsibility
- Attracting and retaining the very best talent
- Bringing your authentic self to work every day and enjoying the success that hard work brings

Through FY20, our already market-leading ENPS scores skyrocketed as our incredible culture was tested by COVID-19.



One of Australia's most recognised fintechs.

Executive leadership team.

ANTHONY NANTES
CHIEF EXECUTIVE OFFICER

Anthony has a proven track record in technology and business innovation across multiple sectors. Prior to being the Chief Executive Officer of Wisr, Anthony was the Chief Operating Officer at fintech Prospa, an online lender focusing on the SME market. During his tenure there, Deloitte recognized the company as the fastest growing technology company in Australia.

ANDREW GOODWIN
CHIEF FINANCIAL OFFICER

Andrew has over 15 years' experience in the financial services industry, including investment banking and principal investment with Macquarie Capital, as well as having worked across Europe and Asia. Prior to Wisr, Andrew was partner at Draycap, a secondary private equity and infrastructure firm, and preceded his time at Macquarie Capital at FontEnergy, and in particular KPMG where he was focussed on assurance and advisory for the Financial Services sector.

JOANNE EDWARDS
CHIEF RISK AND DATA OFFICER

Joanne is a respected leader of multiple disciplines within Banking, with 17+ years' experience ranging from credit risk, product management, pricing, analytics and strategic project delivery. Joanne is passionate about using data and analytics to solve business problems, drive profitable growth, streamline processes and improve customer experience.

JAMES GOODWIN
CHIEF MARKETING OFFICER

James is a marketing and communications professional with a passion for leading high-performance teams. At Wisr, James is responsible for the delivery of Wisr's purpose-led brand strategy and customer-first marketing approach. He has over 12 years' of experience in advertising and marketing, with extensive experience in the financial services sector working with brands including Bankwest, ING and American Express.

DR LILI SUSSMAN
CHIEF STRATEGY OFFICER

Lili has diverse international experience across the public, social purpose and corporate sectors. She has worked with government, international development organisations, BCG, and the Commonwealth Bank. Prior to Wisr, Lili was the Chief Strategy Officer at social impact investing not-for-profit, Social Ventures. Lili holds a PhD in Political Science from Harvard University and has taught at Harvard and Yale.

MATHEW LU
CHIEF OPERATING OFFICER

Mathew brings a wealth of financial services experience twinned with a deep technology background where he started his career as an IT management consultant with Accenture. Prior to joining Wisr, Mathew was with the Commonwealth Bank as Executive Manager for the Retail and Commercial Credit Cards business, and is adept at leading the delivery of large scale transformational changes.

PETER BEAUMONT
CHIEF COMMERCIAL OFFICER

Peter is a senior business executive with over 25 years' global banking, finance and project delivery experience gained with leading international investment banks Citibank, UBS AG, Bank of America Merrill Lynch and ABN AMRO. Peter brings to Wisr a broad set of customer acquisition and client sales leadership skills along with deep experience transitioning high volume financial products businesses from traditional channels to online processing models.

BEN BERGER
CHIEF PRODUCT OFFICER

Ben is a widely respected leader with over 19 years' experience in product management, UX and technology innovation. His experience is across all stages of the product life cycle, from analysing and formulating a market approach to building and delivering innovative tech-driven solutions that create amazing customer experiences and services. Prior to Wisr, Ben was Head of Product at THE ICONIC.

Board of Directors.

JOHN NANTES

EXECUTIVE CHAIRMAN

BA, U Melbourne; BComm, U Melbourne; LLB, Deakin U; Dip. Fin Planning

Mr Nantes has over 24 years' experience in Financial Services, Private Equity, Tax and Accounting, Corporate Finance, Capital Markets, and M&A. He is also the Executive Chairman of Cashwerkz, a leading fintech in Australia, as well as a non-executive director for Thinxtra, a public non-listed IOT technology company and advises Adcock Private Equity in a CEO capacity.

Mr Nantes has a strong reputation for building growth businesses especially those reliant on technology and innovation, having previously also held roles such as; Group Head of WHK/Crowe Horwath Wealth Management, CEO Prescott Securities, and Executive roles at St George Bank/ Bank SA and advisory and leadership advisory roles at Colonial State Bank.

CRAIG SWANGER

NON-EXECUTIVE DIRECTOR

BSC Agr. U. Sydney; MBA, FAICD

Mr Swanger has extensive board experience, including Macquarie Bank's major funds management entity, Macquarie Investment Management Limited and a total of 15 internal and external boards since 2003. Since Macquarie, Mr Swanger has invested in and advised a large portfolio of technology companies across finance, health and entertainment.

More specifically in areas related to Wisr, Mr Swanger was Chairman of 5 of the largest debt listed investment companies in Australia and New Zealand issued over the past decade, and more recently worked with Australia's largest corporate bond and securitization distribution specialists, is on the board of Xinja Bank and on the Investment Committee for two investors in SME financing in Australia and Asia.

CHRIS WHITEHEAD

NON-EXECUTIVE DIRECTOR

B.Sc (Chem), U Manchester; Advanced Management, U. Penn-Wharton

Mr Whitehead has over 30 years' experience in financial services and technology, over a wide range of roles. He is currently the Managing Director and CEO of FINSIA, Australia's leading professional body in financial services. He was formally CEO of Credit Union Australia from 2009 to 2015, Regional Director at the Bank of Scotland from 2007 to 2008 and Chief Executive Retail Banking at BankWest from 2001 to 2007.

Prior to this he was CIO at BankWest and Advance Bank. He worked in the IT sector for 15 years, including leading a successful start-up and in marketing and technical roles for a global technology provider.

Mr Whitehead has previously served as non-executive director for Cuscal Limited, St Andrews Insurance Group and a number of other financial services, technology and community organisations.

Financial report.

FOR THE YEAR ENDED 30 JUNE 2020

Directors' Report.

For the year ended 30 June 2020

The directors present their report, together with the financial statements, on the consolidated entity (also referred to hereafter as the Group) consisting of Wisr Limited (referred to hereafter as the Company or Parent Entity) and the entities it controlled at the end of, or during, the year ended 30 June 2020.

Directors

The following persons were directors of the Company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Name	Position
John Nantes	Executive Chairman
Craig Swanger	Non-Executive Director
Chris Whitehead	Non-Executive Director

Particulars of each director's experience and qualifications are set out later in this report.

Principal activities

During the financial year, the Group's primary activity was writing personal loans for 3, 5 and 7-year maturities to Australian consumers, then on-selling these loans to retail, wholesale and institutional investors. The Wisr Warehouse went live in November 2019, which is the go forward funding source for writing personal loans.

Review of operations

Key Group highlights include:

- Operating revenue up 136% to $7.2m (FY19: $3.0m)
- 125% revenue growth in H2FY20 compared to H1FY20, driven by switching to the Wisr Warehouse funding model in H2FY20
- Total loan originations $244.9m as at 30 June 2020
- Total new loan originations up 95% to $135.9m (FY19: $68.9m)
- Total portfolio arrears are down with 90+ Day arrears of 1.44% at 30 June 2020 (FY19: 1.59%)
- A 389% increase (FY20 compared to FY19) in the Wisr Ecosystem, with over 239,000 entrants as at 30 June 2020 (FY19: 61,500)
- The Company is well capitalised with $38.0m cash and $2.0m liquid loan assets available for sale as at 30 June 2020 (FY19 $11.99m cash)
- The Company raised $36.5m, in a strongly supported equity raise in H2FY20
- Wisr Warehouse (debt facility) went live in November 2019, delivering significantly improved unit economics and operational leverage
- An increase in committed funding into the Wisr Warehouse from $95m to $150m in July 2020
- An initial investment of $30.8m from the Australian Office of Financial Management through the SFSF into the Wisr Warehouse, supporting the facility up to $200m

<u>New funding model delivered</u>

As at 30 June 2020, Wisr reached $244.9m in total loan originations since inception, with the year delivering $135.9m in new loan originations, a 95% increase on FY19 ($68.9m).

In response to COVID-19, a dual funding model was adopted with the majority funded from the Wisr Warehouse. Under the Group's new Wisr Warehouse funding model, Wisr achieved core operating cash flow profitability in H2FY20, delivering significantly improved unit economics and operational leverage, including $7.2m in operating revenue for the year, a 136% increase on FY19 ($3.0m).

As at 30 June 2020, the Wisr Warehouse had a loan book balance of $85.9m, with circa 3.5% p.a. funding cost.

In July 2020, the Group announced that the Australian Office of Financial Management ('AOFM') approved an initial investment of $30.8m into the Wisr Warehouse, through the Structured Finance Support Fund. The investment will be alongside existing senior and mezzanine investors and will support the warehouse up to $200m, creating ample lending runway. As at the date of this report there is $150m committed funding in the Wisr Warehouse.

Review of operations (cont.)

The 4 classes of notes for the Wisr Warehouse as at the date of this report are:

- Class 1 NAB
- Class 2 & 3 Blue Chip Australian Financial Institution and Australian Office of Financial Management
- Class 4 Wisr (5% of capital structure)

COVID-19 impact and response

Wisr rapidly responded to COVID-19 by implementing a significantly tightened credit policy from 31 March 2020, as well as taking a prudent approach to lending in Q4FY20.

The tightened credit policy resulted in zero COVID-19 payment assistance being requested by customers for any loans settled after 31 March 2020.

As at 30 June 2020, $10.3m or 6.12% of total portfolio loan balances were on COVID-19 specific payment assistance, this reduced to $5.6m (3.09% of the total portfolio) by 31 July 2020. The average Equifax CCS score for this group was 692 compared to the portfolio average of 712. 30% of this group represent customers who work in high-risk industries, compared with 14% within the total portfolio.

Wisr's customer-centric approach to responsible lending in Q3F20 and Q4FY20, resulted in customer hardship requests returning to pre-COVID-19 levels in May 2020 and as at 30 June 2020, the recovery rate for COVID-19 hardship customers was 75%, increasing to 81% by 31 July 2020.

The remaining 19% that require further assistance, represent 70 accounts which is 0.89% of the total portfolio, and 0.61% for the Wisr Warehouse.

Wisr wrote prime quality credit during COVID-19, with total portfolio arrears down with 90+ Day arrears of 1.44% as at 30 June 2020 (FY19: 1.59%). In line with APRA's regulatory approach and Wisr COVID-19 arrears policy, loans deferred as part of COVID-19 support packages are not included in arrears, where the loans were otherwise performing (defined as <90 days).

Financial Position and Loan Book

The Group is very well capitalised with $38.0m of cash and $2.0m liquid loan assets as at 30 June 2020, following a strongly supported capital raise in H2FY20.

AASB 9 requires a forecast of lifetime expected credit losses that uses a three-staged approach based on the credit profile of the receivable. The total loan impairment expense for FY20 was $4.10m (4.6% of balances) this represents $0.66m actual loss and $3.50m incremental provisions for expected future credit loss, and $0.06m recoveries.

With consolidation of the Wisr Warehouse, loans held on the balance sheet have grown significantly which increased the expected credit loss provision. During the financial year, Wisr took an additional provision of $0.79m for COVID-19. Loans on a COVID-19 payment assistance, where normal payments have not resumed, have been subject to a lifetime stage 2 provision.

Total provisions increased from $0.24m 1 July 2019 to $3.73m 30 June 2020, equating to a total provision coverage ratio of 4.2%.

The Group had a $169.4m total loan book as at 30 June 2020. A dual funding model was adopted in response to COVID-19 with the majority of loans still funded via the Wisr Warehouse. The off-balance sheet facility will continue to generate revenue as the book runs off with the Wisr Warehouse, the go-forward funding source, with vastly improved loan unit economics.

Revenue

In H2FY20, just eight months under the Company's new Wisr Warehouse funding model, Wisr delivered significantly improved unit economics and operational leverage, including $7.2m in operating revenue, a 136% increase on FY19 ($3.04m). This was driven by 95% growth in loan originations from $68.9m in FY19 to $135.9m in FY20.

Review of operations (cont.)

Expenses

The Group turned a corner from an operating leverage perspective in Q4FY20 with a significant reduction in operating cash burn.

For FY20, the Group made a Cash EBTDA of $(13.2)m and an accounting loss of $(23.5)m, due to significant non-recurring and other non-cash items during the period:

- Share based payment expense of $6.1m, the majority of which relates to the reset during the year of the Board/KMP/Staff incentive plan for FY20-FY22
- Provision for expected credit loss expense of $4.1m driven by the introduction of the Wisr Warehouse (as per AASB 9, expected life-of-loan losses are recognised upfront). Actual bad debts written-off during the year were $0.7m.

Other expense items include:
- Increase in employee benefits and marketing expense driven by scaling of the Group through growth investment into the Wisr Ecosystem
- Increase in customer processing costs driven by growth in loan volume and entrants into the Wisr Ecosystem
- Other expenses include Public Company costs, accounting, legal fees and administration items
- Finance costs driven by introduction of the Wisr Warehouse in H2FY20, which is on balance sheet.

Wisr Ecosystem

In FY19 and FY20, the Group delivered on the preliminary roll-out of the Wisr Ecosystem, introducing over 239,000 Australians (FY19: 61,500), an increase of 389% as at 30 June 2020. Wisr App has now paid down over $1m in customer high-interest debt.

Through the Wisr Ecosystem channel, customers are 2.5x more likely to settle a loan than from any other channel, delivering significant cost advantages and deep, data-driven customer relationships.

The Company's B2B distribution strategy, Wisr@Work and Wisr&Co continues to grow, with the successful completion of the pilot Wisr@Work Financial Wellness program with early childhood educator, Guardian Childcare & Education (through Guild Super) and a referral partnership (Wisr&Co) with next generation consumer network, One Big Switch.

Outlook – FY21 and Beyond

In FY20, the Group proved Wisr's purpose-led, fully digital and agile fintech business model could rapidly respond to COVID-19 conditions, instantly adjust operating models and succeed through unprecedented macroeconomic changes.

The innovative Wisr Ecosystem differentiates Wisr by not only providing a platform to scale and grow with increased operational leverage and market leading economics, but also enables the Group to support customers and improve their financial wellness.

Across all areas of the business, Wisr's team has delivered strong results against very challenging circumstances. The Group continues to innovate Wisr's high-performance culture, delivering a record +94 Employee Net Promoter score during COVID-19, in Q4FY20.

The Group is set up for continued strong revenue growth and scale in FY21, and beyond, delivering a new and fairer type of lending experience for Australian consumers.

Key executive priorities for FY21:

Loan origination growth
- Continue to safely grow significant market share of unsecured personal loan
- Maintain credit quality and improve loan unit economics to deliver a greater share of revenue per loan to Wisr
- Lead the market in operational and customer experience excellence
- Launch secured vehicle product in Q1FY21 into $33B market opportunity
- Opportunity to re-adjust credit model, driving growth and expansion

Review of operations (cont.)

Expansion via the Wisr Ecosystem

- Build Wisr Ecosystem into a unified experience in FY21 via the Wisr Profile; the gateway into lending, credit score and round-up products
- Deliver more innovation, features and experiences in the Wisr Ecosystem

Omni-Channel Product Distribution

- Grow omni-channel distribution including Wisr Ecosystem, direct to consumer, partnerships and broker channel
- Increase Wisr@Work and Wisr&Co financial wellness programs for employees, and open up new revenue streams through branded lending products
- Increase Introducers and Aggregators through the Groups online broker portal
- Further extend Wisr's reach to Australian consumers through trusted third-party brands

People

- Expand the team and culture while continuing to achieve high-performance outcomes
- Continue to bring diversity and inclusion throughout all hiring areas

Dividends

There were no dividends declared or paid in the financial year.

Significant changes in state of affairs

There were no significant changes in the state of affairs of the Group during the financial year.

Events since the end of the financial year

COVID-19 hardship

As at 30 June 2020, $10.3m or 6.12% of total portfolio loan balances were on COVID-19 specific payment assistance, this reduced to $5.6m (3.09% of the total portfolio) by 31 July 2020. Wisr's recovery rate for COVID-19 hardship customers was 75% as at 30 June 2020, increasing to 81% by 31 July 2020.

Secured vehicle

In September 2020, the Company launched the second credit product, secured vehicle product, to enter the $33 billion dollar auto finance market. The product is supported by the Wisr Warehouse with potential for a dedicated facility at scale.

Secured note

In September 2020, the Group's secured note was repaid as it reached maturity.

AOFM funding approval

In July 2020, the Company announced that the Australian Office of Financial Management ('AOFM') had approved an initial investment of $30.8 million into the Wisr Warehouse through the Structured Finance Support Fund. The investment will be alongside existing senior and mezzanine financiers and will support the Wisr Warehouse up to $200 million.

Environmental matters

The Group is not subject to any significant environmental regulations under Australian Commonwealth or State law.

Indemnity and insurance of auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor. During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Information on directors

The names and details of the Company's directors in office during the financial year and until the date of this report are presented below.

John Nantes	-	Executive Chairman
Qualifications	-	LLB, B.Comm, B.A., Dip Financial Planning
Experience	-	Mr Nantes has over 24 years of experience in Financial Services, Private Equity, Tax and Accounting, Corporate Finance, Capital Markets, and M&A. He is also the Executive Chairman of Cashwerkz, a leading fintech in Australia, as well as a non-executive director for Thinxtra, a public non-listed IOT technology company and advises Adcock Private Equity in a CEO capacity. Mr Nantes has a strong reputation for building growth businesses especially those reliant on technology and innovation, having previously also held roles such as; Group Head of WHK/Crowe Horwath Wealth Management, CEO Prescott Securities, and Executive roles at St George Bank/ Bank SA and advisory and leadership advisory roles at Colonial State Bank.
Interest in shares and options as at 30 June 2020	-	Ordinary shares held: 10,767,015 Performance rights held: 8,350,000
Former directorships (last 3 years)	-	None
Other current directorships	-	Cashwerkz Limited (ASX: CWZ)

Craig Swanger	-	Non-Executive Director
Qualifications	-	BCom (Hons), Graduate Diploma in Financial Markets
Experience	-	Mr Swanger has over 20 years of experience in financial services. He was Executive Director of Macquarie Global Investments, responsible for managing around $10bn in client funds across Asia, North America and Australia. Mr Swanger has extensive board experience, including Macquarie Bank's major funds management entity, Macquarie Investment Management Limited and a total of 15 internal and external boards since 2003. Since Macquarie, Mr Swanger has invested in and advised a large portfolio of technology companies across finance, health and entertainment. More specifically in areas related to Wisr, Mr Swanger was Chairman of 5 of the largest debt listed investment companies in Australia and New Zealand issued over the past decade, and more recently worked with Australia's largest corporate bond and securitization distribution specialists, is on the board of Xinja Bank and on the Investment Committee for two investors in SME financing in Australia and Asia.
Interest in shares and options as at 30 June 2020	-	Ordinary shares held: 4,693,619 Performance rights held: 4,640,000
Former directorships (last 3 years)	-	None
Other current directorships	-	Cashwerkz Limited (ASX: CWZ)

Chris Whitehead	-	Non-Executive Director
Qualifications	-	BSc in Chemistry, Wharton Advanced Management Program, FAICD, F Fin
Experience	-	Mr Whitehead has over 30 years' experience in financial services and technology, over a wide range of roles. He is currently the Managing Director and CEO of FINSIA, Australia's leading professional body in financial services. He was formally CEO of Credit Union Australia from 2009 to 2015, Regional Director at the Bank of Scotland from 2007 to 2008 and Chief Executive Retail Banking at BankWest from 2001 to 2007. Prior to this he was CIO at BankWest and Advance Bank. He worked in the IT sector for 15 years, including leading a successful start-up and in marketing and technical roles for a global technology provider. Mr Whitehead has previously served as non-executive director for Cuscal Limited, St Andrews Insurance Group and a number of other financial services, technology and community organisations.
Interest in shares and options as at 30 June 2020	-	Ordinary shares held: 4,450,000 Performance rights held: 4,640,000
Former directorships (last 3 years)	-	None
Other current directorships	-	None

Information on company secretaries

Vanessa Chidrawi		
Experience	-	Vanessa is a highly experienced governance professional, having held leadership and executive management roles in companies listed on ASX, TSX, Nasdaq and JSE over the past fifteen years. She obtained degrees in law and commerce and then practised as an attorney for twelve years before entering the corporate world. Vanessa has acted as company secretary to a range of companies listed on ASX and TSX and brings with her a wealth of experience in governance management, board advisory, corporate structuring and capital raising in the listed company space.
May Ho		
Experience	-	Miss Ho holds a Bachelor of Laws and Bachelor of Business (Accounting Major) degree and has completed a Graduate Diploma in Applied Corporate Governance. She is currently also Financial Controller and Compliance Officer of the Group. Miss Ho has also had over 3 years' experience practicing as a solicitor in a private law firm in Sydney.

Indemnification and insurance of officers and auditors

The Group has entered into agreements with the following to indemnify them against liabilities incurred in their capacity as an officer/director of the Group to the extent permitted by law:

- John Nantes
- Craig Swanger
- Chris Whitehead
- Peter Beaumont
- Vanessa Chidrawi
- Leanne Ralph
- Stephen Porges
- Campbell McComb
- Winton Willesee
- Andrew McKay
- Robert Parton

During the financial year, the Group incurred a premium to insure the directors and officers of the Group. Disclosure of the nature of the liabilities covered and the amount of the premium payable is prohibited by the insurance contract.

The Group has not otherwise, during or since the end of the financial year, except to the extent permitted by law indemnified or agreed to indemnify an officer or auditor of the company or any of its controlled entities against a liability incurred as such an officer or auditor.

Meetings of directors

The number of meetings of the Company's Board of Directors and of each board committee held during the year ended 30 June 2020, and the number of meetings attended by each director were:

	Directors' Meetings		Risk Committee Meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
John Nantes	13	13	1	1
Craig Swanger	13	13	-	1
Chris Whitehead	13	13	1	1

Proceedings on behalf of the Company

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001.

Non-audit services

The BDO entity performing the audit of the Group transitioned from BDO East Coast Partnership to BDO Audit Pty Ltd on 25 September 2020. BDO Audit Pty Ltd will continue in office in accordance with section 327 of the Corporations Act 2001. The Company may decide to engage the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group are important.

The following fees were paid or payable to BDO for non-audit services provided during the year ended 30 June 2020:

	$
Accounting advice services	4,000
Taxation services	9,900

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

Non-audit services (cont.)

The directors are of the opinion that the services as disclosed in note 18 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the year ended 30 June 2020 has been received and can be found within the financial report.

Performance rights

At the date of this report, the unissued ordinary shares of Wisr Limited under performance rights are as follows:

Effective Grant Date	Date of Expiry	Exercise Price	Number under Performance Rights
19 February 2019	31 July 2021	Nil	10,878,952
1 September 2019	31 July 2021	Nil	5,741,098
1 September 2019	31 July 2022	Nil	5,741,120
1 September 2019	30 June 2022	Nil	39,350,000
			61,711,170

Performance rights holders do not have any rights to participate in any issues of shares or other interests of the Company or any other entity.

There have been no performance rights granted over unissued shares or interests of any controlled entity within the Group during or since the end of the reporting period.

For details of performance rights issued to directors and executives as remuneration, refer to the remuneration report.

Corporate governance statement

Our Corporate Governance Statement is available on our website at: www.wisr.com.au/About/Policies.

Remuneration report

Letter from Chairperson of the Remuneration and Nominations Committee

Dear Shareholders,

On behalf of the Board, I am pleased to present Wisr's Remuneration Report (Report) for the financial year ended 30 June 2020 (FY20).

This report outlines Wisr's remuneration strategy set by the Board in 2019 and executed over the past 12 months. Wisr's remuneration framework, as outlined in the accompanying Report, reflects our commitment to deliver competitive remuneration for outstanding performance in order to attract and retain talented individuals, while aligning the interests of executives and shareholders. Most importantly in FY20 and FY21, cash conservation was and continues to be the key to protect shareholder value and avoid unnecessary dilution.

As such, performance-based non-cash remuneration forms a significant portion of Wisr's remuneration strategy. This approach is used for KMPs, directors and senior management, and the KPIs and behaviours required to qualify for awards are linked all the way through the organisation, aligning values, behaviours and shareholder-interests.

When it comes to KMPs and directors in particular, Wisr's strategy involves recipients receiving significantly less fixed (cash) remuneration than their market value. The trade-off for them is that they receive equity-based incentives that could take their total remuneration to more than their market value.

This is an "executives win only if shareholders win" remuneration strategy targeted at entrepreneurial leaders that will back themselves to deliver for shareholders. If shareholder returns don't perform at 15% p.a. at least, total remuneration will be well below market as it will be limited to fixed cash remuneration and potentially STI where applicable. If they exceed 15% p.a. but less than 30% p.a., total remuneration will be in line with market for the same individuals; and if returns reach 200% or more over the three year period, total remuneration will be above market.

Similarly and unlike many remuneration approaches for ASX-listed companies, equity-based incentives also require minimum service and behaviour standards, and for KMP and directors, there is also a voluntary escrow agreement committing to holding performance incentive equity until 30 June 2022.

The total value of these packages has been benchmarked to relevant peers on the ASX in terms of fixed (cash) remuneration components and maximum remuneration. The share price triggers were set in consultation with KMPs, with the team collectively choosing shareholder return triggers well above those typically used by peers on the ASX, allowing us greater alignment of interests while managing the cost of the total packages.

Regarding STI, each year the Board will assess several factors including the quality of the results, adherence to risk management policies, achievement against individual objectives and the effectiveness of strategic initiatives implemented to determine the extent to which the overall outcomes adequately reflect actual performance and returns to shareholders.

This Report is structured to provide shareholders with insights into the remuneration governance, policies, procedures and practices being applied. Remuneration is a complex topic, particularly when equity-based incentives are included. We trust that should you have any questions about the rationale for our approach or any of the details, that you will let us know.

Craig Swanger
Chairperson, Remuneration and Nominations Committee

Remuneration report (audited)

Wisr Limited's 2020 remuneration report sets out remuneration information for the Company's directors and other key management personnel.

The report contains the following sections:
a) Key management personnel disclosed in this report
b) Remuneration governance
c) Service agreements
d) Details of remuneration
e) Equity instruments held by key management personnel
f) Movement in performance rights
g) Fair value of performance rights

a) Key management personnel disclosed in this report

The key management personnel are those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Parent Entity.

During the year ended 30 June 2020 and up to the date of this report, the following were classified as key management personnel:

Name	**Position**
John Nantes	Executive Chairman
Craig Swanger	Non-Executive Director
Chris Whitehead	Non-Executive Director
Anthony Nantes	Chief Executive Officer
Andrew Goodwin	Chief Financial Officer

b) Remuneration governance

The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage and alignment of executive compensation;
- transparency; and
- capital management.

i. Our remuneration framework

Wisr's remuneration strategy is approved by the Board. A Remuneration and Nominations Committee (RNC) was established on 26 June 2020. The role of the RNC is set out in its charter, which is reviewed annually.

Remuneration report (audited) (cont.)

b) Remuneration governance (cont.)

Wisr Remuneration Framework (2019-2022)

Objectives	Attract, motivate and retain executive talent required to deliver strategy.	Appropriately balance fixed and at-risk components.	Create reward differentiation to drive performance values and behaviours.	Create shareholder value through equity alignment.
Remuneration Component	Total Remuneration (TR)	Total Fixed Remuneration (TFR)	Variable Cash Remuneration (STI)	Variable Equity Remuneration (LTI)
Amount and Range (Min Rem – Max Rem)	Min Rem 2nd-3rd quartile level for WZR current size Max Rem at 2nd - 3rd quartile at WZR market cap if LTI hurdles achieved (38.00 cents per share by 2022).	TFR set according to similar positions at ASX companies of WZR size today. This will result in fixed (cash) rem being at market if executives do not grow the Company in line with the strategy, but well under market if they do.	0-50% depending upon position. None for directors. Can be taken as equity at executive's option with 10% discount to reflect premium on cash.	LTI to form 40-70% of TR. 100% of LTI is at-risk, meaning that the minimum LTI payment is nil for all executives.
Conditions to exceed Min	Must pass all compliance KPIs to exceed Min Rem. In order to reach Max Rem, individual STI hurdles must be exceeded each year, share price hurdles of up to 200% growth over 3 years must be passed, and tenure must be at least 3 years.	n/a	Must pass all compliance KPIs to exceed nil, then performance driven according to individual but aligned KPIs.	All LTI linked to share price increases of 15%-200% from the share price of 12.51c at the time of issue (2019). LTI also requires min service and compliance KPIs to be satisfied.
Strategy behind this approach	WZR's strategy requires executives with experience well beyond what WZR can afford in cash rem. Further there are no guarantees of success, so the framework relies heavily upon at-risk components.	Conserve cash and therefore minimise shareholder dilution.	Align behaviour in short-term, including risk management and revenue growth, while conserving cash.	Align executives to manage all aspects required for shareholder growth including earnings growth, compliance and attracting shareholders.

In accordance with best practice corporate governance, the structure of non-executive director and executive remuneration is separate and distinct.

ii. Remuneration Structures for non-executive directors

Non-executive director remuneration was designed to attract and retain directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

Remuneration report (audited) (cont.)
b) Remuneration governance (cont.)

The Constitution and the ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting. An amount not exceeding the amount determined is then divided between the directors as agreed. The latest determination was adopted by a special resolution passed at the Annual General Meeting held on 17 November 2016 when shareholders adopted a new constitution providing for an aggregate remuneration of up to a maximum of $500,000 per year.

The aggregate remuneration is reviewed annually. The remuneration for non-executive directors is comprised of cash, superannuation contributions and performance rights.

Retirement allowances for non-executive directors
There is no scheme to provide retirement benefits, other than statutory superannuation, to non-executive directors.

iii. Remuneration Structures for current executives

The remuneration aspects for current executives aims to reward executives with a level and mix of remuneration commensurate with the position and responsibilities within the Company and so as to:

- align the interests of executives with those of the shareholder; and
- ensure total remuneration is competitive by market standards in order to attract and retain talented individuals.

Fixed remuneration
The level of fixed remuneration for executives is set so as to provide a base level of remuneration which is both appropriate to the position and is competitive in the market. Executives receive fixed remuneration by way of salary and company superannuation payments.

At-risk remuneration
Wisr's performance hurdles, particularly for the LTI, are at the higher end of the market (ASX peer companies) in terms of degree of difficulty. Any STI and LTI award will only have value to the executive if the performance hurdles are met to enable vesting to occur, and for performance rights related awards, if the share price on vesting exceeds the trigger price.

In the event of serious misconduct or a material misstatement in the company's financial statements, the RNC can cancel or defer performance-based remuneration and may also claw back performance-based remuneration paid in previous financial years.

In addition, all executives above have entered into a voluntary escrow agreement in which they have agreed to retain all remuneration-related equity for their full tenure (other than as required to cover any income tax liabilities relating to this equity). This was not a condition of the LTI Plan, but agreed collectively by the executives.

Retirement benefits
No executives have entered into employment agreements that provide additional retirement benefits.

iv. Company Performance linked to remuneration

Given the growth nature of the Company, the lack of profit and other key financial variables as shown in the table below, the award of LTI are made on the basis of each individual's contribution to their specific role in the Company to date and their expected importance to the future of the Company. LTI were deemed to provide an appropriate performance incentive for each individual as applicable.

	30 June 2020 $	**30 June 2019 $**	**30 June 2018 $**	**30 June 2017 $**	**30 June 2016 $**
Operating revenue	7.166m	3.043m	1.591m	1.160m	1.237m
Loss	(23.535m)	(7.731m)	(6.208m)	(5.432m)	(8.754m)
Dividend	nil	nil	nil	nil	nil
Cash balance	37.973m	11.993m	1.549m	3.479m	1.265m
Share price	$0.22	$0.15	$0.02	$0.03	$0.05

Remuneration report (audited) (cont.)

b) Service agreements

The remuneration agreements of key management personnel as at 30 June 2020 are set out below:

KMP	Position held as at 30 June 2020 and any change during the year	Contract details (duration and termination)	Agreed gross cash salary per annum incl. superannuation to cap $
J Nantes	Executive Chairman	No determined duration – subject to retirement and re-election rules of the Company's constitution. No notice required to terminate.	100,000
C Swanger	Non-executive director	No determined duration – subject to retirement and re-election rules of the Company's constitution. No notice required to terminate.	60,000
C Whitehead	Non-executive director	No determined duration – subject to retirement and re-election rules of the Company's constitution. No notice required to terminate.	60,000
A Nantes	Chief Executive Officer	No fixed term. 6 months' notice to terminate.	311,694 (base cash salary per service agreement)
A Goodwin	Chief Financial Officer	No fixed term. 6 months' notice to terminate.	311,694 (base cash salary per service agreement)

Remuneration report (audited) (cont.)

c) Service agreements (cont.)

In addition to the above salary based compensation, the following key management personnel have been granted performance rights to align their compensation with the performance of the Company, as reflected in its share price. Performance rights are granted in tranches and are linked to share prices over designated periods, as per the following table:

KMP	VWAP share price target *	No. performance rights that will vest	Earliest determination date for vesting	Date performance rights lapse if conditions not met
J Nantes	$0.1450	1,920,000	01/09/2019	30/06/2022
	$0.1673	2,390,000	01/07/2020	30/06/2022
	$0.1924	2,880,000	01/07/2021	30/06/2022
	$0.3800	3,080,000	01/09/2019	30/06/2022
C Swanger	$0.1450	1,920,000	01/09/2019	30/06/2022
	$0.1673	1,330,000	01/07/2020	30/06/2022
	$0.1924	1,600,000	01/07/2021	30/06/2022
	$0.3800	1,710,000	01/09/2019	30/06/2022
C Whitehead	$0.1450	1,060,000	01/09/2019	30/06/2022
	$0.1673	1,330,000	01/07/2020	30/06/2022
	$0.1924	1,600,000	01/07/2021	30/06/2022
	$0.3800	1,710,000	01/09/2019	30/06/2022
A Nantes	$0.1450	6,500,000	01/09/2019	30/06/2022
	$0.1673	8,150,000	01/07/2020	30/06/2022
	$0.1924	10,010,000	01/07/2021	30/06/2022
	$0.2400	3,500,000	01/09/2019	30/06/2022
	$0.3000	3,500,000	01/09/2019	30/06/2022
	$0.3800	5,000,000	01/09/2019	30/06/2022
A Goodwin	$0.1450	4,500,000	01/09/2019	30/06/2022
	$0.1673	3,900,000	01/07/2020	30/06/2022
	$0.1924	4,300,000	01/07/2021	30/06/2022
	$0.2400	1,630,000	01/09/2019	30/06/2022
	$0.3000	1,630,000	01/09/2019	30/06/2022
	$0.3800	2,330,000	01/09/2019	30/06/2022

***** These Performance Rights will automatically vest and exercise for nil consideration on satisfaction of the Vesting Conditions.
The Vesting Conditions for the Performance Rights are:

- The holder being a director/employee of the Company as at the relevant vesting determination dates specified in the table; and
- The relevant volume weighted average price (VWAP) of the Company's ordinary shares traded on ASX over any 20-day period exceeds the prices specified in the table.

Remuneration report (audited) (cont.)

d) Details of remuneration

The following table of benefits and payment details, in respect to the financial year, represents the components of remuneration for each member of the key management personnel of the Group:

	Short term benefits		Post employment benefits	Long-term benefits	Share based payments			
	Cash salary, fees & short-term compensated absences ($)	Short-term incentive schemes ($)	Superannuation ($)	Long service leave ($)	Performance Rights ($)	Shares ($)	Total ($)	Performance Related (%)
Directors (2020)								
J Nantes	91,324	-	8,676	-	530,113	-	630,113	84.13
C Swanger	54,795	-	5,205	-	391,487	-	451,487	86.71
C Whitehead	54,795	-	5,205	-	293,926	-	353,926	83.05
Total:	**200,914**	**-**	**19,086**	**-**	**1,215,526**	**-**	**1,435,526**	
Executives (2020)								
A Nantes	290,000	164,155	25,341	2,729	2,024,716	711,187	3,218,128	90.12
A Goodwin	290,000	65,050	23,952	2,492	1,116,069	-	1,497,563	78.87
Total:	**580,000**	**229,205**	**49,293**	**5,221**	**3,140,785**	**711,187**	**4,715,691**	
Directors (2019)								
J Nantes	91,324	-	8,676	-	1,017	-	101,017	1.01
C Swanger	54,795	-	5,205	-	85	-	60,085	0.14
C Whitehead	54,795	-	5,205	-	382	-	60,382	0.63
Total:	**200,914**	**-**	**19,086**	**-**	**1,484**	**-**	**221,484**	
Executives (2019)								
A Nantes	250,000	-	21,771	1,247	-	495,446	768,464	64.47
A Goodwin	220,000	-	20,900	863	-	229,918	471,681	48.74
Total:	**470,000**	**-**	**42,671**	**2,110**	**-**	**725,364**	**1,240,145**	

Further details of performance-related remuneration paid or accrued for FY2020 in respect of specific key management personnel are discussed below:

- *Mr A Nantes*
  Mr Nantes is eligible to receive a short-term incentive (STI) of up to $50,000 in respect of each six-month period, subject to the achievement of key performance indicators as agreed by the Board of Directors from time to time, assessed in the sole discretion of the Board and paid following the Board's approval of the Company's audited accounts for the relevant period.

- *Mr A Goodwin*
  Mr Goodwin is eligible to receive an STI of up to $34,000 in respect of each six-month period, subject to the achievement of key performance indicators as agreed by the Board of Directors from time to time, assessed in the sole discretion of the Board.

Short-term and long-term incentives established in the year for the above KMPs are also set out in Note 22 of the financial report.

Performance conditions set for KMP short-term and long-term incentives (as discussed above and in Note 22 of the financial report) align the KMP interests with the outcomes for shareholders, customers, and staff. The achievement

Remuneration report (audited) (cont.)

d) Details of remuneration (cont.)

of these performance conditions support the growth of company value whilst providing KMPs with remuneration packages that are above market rates relative to peer roles. Conversely, an underperformance of goals expose KMPs to a level of financial risk where their remuneration packages become well below market rates.

e) Equity instruments held by key management personnel

The table below shows the number of ordinary shares in the Company held by key management personnel.

	Balance at the start of the year	Received as compensation	Received on exercise of options or rights	Other changes during the year	Balance at end of the year
Directors (2020)					
J Nantes	8,847,015	-	1,920,000	-	10,767,015
C Swanger	2,773,619	-	1,920,000	-	4,693,619
C Whitehead	3,390,000	-	1,060,000	-	4,450,000
Total:	**15,010,634**	-	**4,900,000**	-	19,910,634
Executives (2020)					
A Nantes	8,950,016	20,158,720	10,000,000	-	39,108,736
A Goodwin	1,704,079	5,037,412	6,130,000	-	12,871,491
Total:	**10,654,095**	**25,196,132**	**16,130,000**	**-**	**51,980,227**
Directors (2019)					
J Nantes	667,015	-	8,000,000	180,000	8,847,015
C Swanger	636,364	-	666,666	1,470,589	2,773,619
C Whitehead	200,000	-	3,000,000	190,000	3,390,000
Total:	**1,503,379**	**-**	**11,666,666**	**1,840,589**	**15,010,634**
Executives (2019)					
A Nantes	4,488,364	4,461,652	-	-	8,950,016
A Goodwin	-	1,704,079	-	-	1,704,079
Total:	**4,488,364**	**6,165,731**	**-**	**-**	**10,654,095**

f) Movement in performance rights

The table below provides the number of performance rights held by Key Management Personnel at 30 June 2019 and 30 June 2020.

Name	Rights held at 30 June 2019	Rights granted during FY20	Rights exercised during FY20	Rights lapsed during FY20	Rights held as at 30 June 2020
Directors					
J Nantes	4,000,000	10,270,000	1,920,000	4,000,000	8,350,000
C Swanger	333,334	6,560,000	1,920,000	333,334	4,640,000
C Whitehead	1,500,000	5,700,000	1,060,000	1,500,000	4,640,000
Total:	**5,833,334**	**22,530,000**	**4,900,000**	**5,833,334**	**17,630,000**
Executives					
A Nantes	-	36,660,000	10,000,000	-	26,660,000
A Goodwin	-	18,290,000	6,130,000	-	12,160,000
Total:	**-**	**54,950,000**	**16,130,000**	**-**	**38,820,000**

Remuneration report (cont.)

g) Fair value of performance rights

	Performance Rights granted			Vesting Conditions		
Directors (2020)	**Number**	**Effective grant date**	**Fair Value per right at effective grant date ($)**	**Earliest vesting determination date**	**VWAP Share Price condition ($)**	**Expiry date**
J Nantes	1,920,000	1 Sep 2019	0.11344	01/09/2019	0.1450	30 Jun 2022
	2,390,000	1 Sep 2019	0.09026	01/07/2020	0.1673	30 Jun 2022
	2,880,000	1 Sep 2019	0.02065	01/07/2021	0.1924	30 Jun 2022
	3,080,000	1 Sep 2019	0.02284	01/09/2019	0.3800	30 Jun 2022
C Swanger	1,920,000	1 Sep 2019	0.11344	01/09/2019	0.1450	30 Jun 2022
	1,330,000	1 Sep 2019	0.09026	01/07/2020	0.1673	30 Jun 2022
	1,600,000	1 Sep 2019	0.02065	01/07/2021	0.1924	30 Jun 2022
	1,710,000	1 Sep 2019	0.02284	01/09/2019	0.3800	30 Jun 2022
C Whitehead	1,060,000	1 Sep 2019	0.11344	01/09/2019	0.1450	30 Jun 2022
	1,330,000	1 Sep 2019	0.09026	01/07/2020	0.1673	30 Jun 2022
	1,600,000	1 Sep 2019	0.02065	01/07/2021	0.1924	30 Jun 2022
	1,710,000	1 Sep 2019	0.02284	01/09/2019	0.3800	30 Jun 2022
Executives (2020)						
A Nantes	6,500,000	1 Sep 2019	0.11344	01/09/2019	0.1450	30 Jun 2022
	8,150,000	1 Sep 2019	0.09026	01/07/2020	0.1673	30 Jun 2022
	10,010,000	1 Sep 2019	0.02065	01/07/2021	0.1924	30 Jun 2022
	3,500,000	1 Sep 2019	0.05968	01/09/2019	0.2400	30 Jun 2022
	3,500,000	1 Sep 2019	0.03926	01/09/2019	0.3000	30 Jun 2022
	5,000,000	1 Sep 2019	0.02284	01/09/2019	0.3800	30 Jun 2022
A Goodwin	4,500,000	1 Sep 2019	0.11344	01/09/2019	0.1450	30 Jun 2022
	3,900,000	1 Sep 2019	0.09026	01/07/2020	0.1673	30 Jun 2022
	4,300,000	1 Sep 2019	0.02065	01/07/2021	0.1924	30 Jun 2022
	1,630,000	1 Sep 2019	0.05968	01/09/2019	0.2400	30 Jun 2022
	1,630,000	1 Sep 2019	0.03926	01/09/2019	0.3000	30 Jun 2022
	2,330,000	1 Sep 2019	0.02284	01/09/2019	0.3800	30 Jun 2022

These Performance Rights will automatically vest and exercise for nil consideration on satisfaction of the Vesting Conditions.

The Vesting Conditions for the Performance Rights are:

- The holder being a director/employee of the Company as at the relevant vesting determination dates specified in the table; and
- The relevant volume weighted average price (VWAP) of the Company's ordinary shares traded on ASX over any 20-day period exceeds the prices specified in the table.

The total fair value of above rights at grant date issued to key management personnel is $4,591,702. The value of rights granted during the period differs to the expense recognised as part of each key management person's remuneration in table d) above because this value is the grant date fair value calculated in accordance with *AASB 2 Share Based Payment* whereby the expense is recognised throughout the vesting period.

This concludes the remuneration report, which has been audited.

This report is made in accordance with a resolution of directors.

....
John Nantes
Director
Sydney
30 September 2020

Auditor's independence declaration.

Tel: +61 2 9251 4100
Fax: +61 2 9240 9821
www.bdo.com.au

Level 11, 1 Margaret St
Sydney NSW 2000
Australia

DECLARATION OF INDEPENDENCE BY TIM AMAN TO THE DIRECTORS OF WISR LIMITED

As lead auditor of Wisr Limited for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Wisr Limited and the entities it controlled during the period.

Tim Aman
Director

BDO Audit Pty Ltd

Sydney

30 September 2020

Statement of profit or loss and other comprehensive income.

For the year ended 30 June 2020

	Note	Consolidated 2020 $	Consolidated 2019 $
Revenue	2	7,166,322	3,042,587
Other income	3	547,402	253,791
Expenses			
Employee benefits expense		(9,510,059)	(5,024,824)
Marketing expense		(4,464,333)	(1,410,327)
Customer processing costs		(1,898,724)	(1,172,658)
Property expenses		(244,969)	(166,920)
Other expenses		(3,430,393)	(1,803,383)
Finance costs		(1,351,689)	(148,311)
Depreciation and amortisation expense		(117,336)	(68,306)
Provision for expected credit loss expense	5	(4,097,956)	(136,638)
Share based payment expense	29	(6,133,091)	(1,096,053)
Loss before income tax		(23,534,826)	(7,731,042)
Income tax expense	17	-	-
Loss after income tax for the year		(23,534,826)	(7,731,042)
Loss for the year is attributable to:			
Owners of Wisr Limited		(23,534,826)	(7,731,042)
Earnings per share for loss attributable to the owners of Wisr Limited		**Cents**	**Cents**
Basic earnings per share	26	(2.60)	(1.34)
Diluted earnings per share	26	(2.60)	(1.34)
Other comprehensive loss			
Loss arising from changes in fair value of cash flow hedging instruments entered into	15	(202,842)	-
Other comprehensive loss for the year, net of tax		(202,842)	-
Total comprehensive loss for the year		(23,737,668)	(7,731,042)
Total comprehensive loss for the year is attributable to:			
Owners of Wisr Limited		(23,737,668)	(7,731,042)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Statement of financial position.

As at 30 June 2020

	Note	Consolidated 2020 $	Consolidated 2019 $
Assets			
Cash and cash equivalents	4	37,973,266	11,993,165
Trade and other receivables	6	1,023,326	440,829
Loan receivables	5	85,997,500	6,497,353
Other financial assets	8	-	518,000
Property, plant and equipment		5,733	15,222
Other assets	7	489,569	550,597
Intangible assets	9	471,760	579,608
Total assets		125,961,154	20,594,774
Liabilities			
Trade and other payables	10	2,512,852	1,441,879
Provision for employee benefits	11	541,540	380,062
Derivative financial instruments	13	225,129	-
Borrowings	12	86,710,392	2,000,000
Total liabilities		89,989,913	3,821,941
Net assets		35,971,241	16,772,833
Equity			
Issued capital	14	89,827,317	48,412,004
Reserves	15	3,181,186	1,895,421
Accumulated losses	15	(57,037,262)	(33,534,592)
Total equity		35,971,241	16,772,833

The above statement of financial position should be read in conjunction with the accompanying notes

Statement of changes in equity.
For the year ended 30 June 2020

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2018	29,323,980	1,900,051	(26,565,419)	4,658,612
Loss after income tax expense for the year	-	-	(7,731,042)	(7,731,042)
Other comprehensive loss for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(7,731,042)	(7,731,042)
Transactions with owners in their capacity as owners:				
Issue of share capital	19,695,500	-	-	19,695,500
Costs of raising capital	(1,143,877)	155,000		(988,877)
Share based payment expense (Note 15)	-	1,096,053	-	1,096,053
Transfer of share based reserve to issued capital on exercise of options	476,790	(476,790)	-	-
Transfer of gain on funder forgiveness of options obligation to accumulated losses	-	(325,612)	325,612	-
Issue of shares as a result of exercise of options for consideration	59,611	(17,024)	-	42,587
Transfer of share based payment reserve	-	(436,257)	436,257	-
Balance at 30 June 2019	48,412,004	1,895,421	(33,534,592)	16,772,833
Balance at 1 July 2019	48,412,004	1,895,421	(33,534,592)	16,772,833
Loss after income tax expense for the year	-	-	(23,534,826)	(23,534,826)
Other comprehensive loss for the year, net of tax	-	(202,842)	-	(202,842)
Total comprehensive loss for the year	-	(202,842)	(23,534,826)	(23,737,668)
Transactions with owners in their capacity as owners:				
Issue of share capital	36,500,100	-	-	36,500,100
Costs of raising capital	(859,972)	-	-	(859,972)
Share based payments expense (Note 15)	1,318,542	4,814,549	-	6,133,091
Transfer of share based reserve to issued capital on exercise of options	3,255,476	(3,255,476)		-
Issue of shares as a result of exercise of options for consideration	1,201,167	(38,310)	-	1,162,857
Transfer of share based payment reserve	-	(32,156)	32,156	-
Balance at 30 June 2020	89,827,317	3,181,186	(57,037,262)	35,971,241

The above statement of changes in equity should be read in conjunction with the accompanying notes

Statement of cash flows.
For the year ended 30 June 2020

	Note	Consolidated 2020 $	2019 $
Cash flows from operating activities			
Receipts from customers		4,814,906	2,009,927
Payments to suppliers and employees		(18,256,184)	(9,122,201)
		(13,441,278)	(7,112,274)
Interest received on investments and cash		48,843	48,066
Management fees received		1,472,386	660,159
Interest and other finance costs paid		(1,109,037)	(138,452)
Proceeds from R&D tax incentive		219,078	234,025
Net cash used in operating activities	25	(12,810,008)	(6,308,476)
Cash flows from investing activities			
Payments for development of technology assets		-	(621,968)
Receipts from investments		518,000	-
Net movement in customer loans		(83,078,103)	(2,918,254)
Net cash used in investing activities		(82,560,103)	(3,540,222)
Cash flows from financing activities			
Proceeds from issue of shares		36,500,100	19,739,501
Proceeds from exercise of share options		1,162,857	-
Costs of raising capital paid		(859,972)	(988,877)
Repayment of borrowings – secured notes		(425,000)	(327,074)
Proceeds from issuance of borrowings		85,600,000	2,000,000
Transaction costs related to borrowings		(627,773)	(130,575)
Net cash provided by financing activities		121,350,212	20,292,975
Net increase in cash and cash equivalents		25,980,101	10,444,277
Cash and cash equivalents at the beginning of the financial year		11,993,165	1,548,888
Cash and cash equivalents at the end of the financial year		37,973,266	11,993,165

The above statement of cash flows should be read in conjunction with the accompanying notes

Notes to the financial statements.
For the year ended 30 June 2020

The consolidated financial statements of Wisr Limited (the Group) for the year ended 30 June 2020 was authorised for issue in accordance with a resolution of the directors on 30 September 2020. The directors have the power to amend and revise the financial report.

The consolidated financial statements and notes represent those of Wisr Limited and its controlled entities (the Group).

Wisr Limited is a company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Stock Exchange.

Note 1. Summary of significant accounting policies

a. Basis of preparation

These general purpose consolidated financial statements have been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and in compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The statement of financial position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and do not distinguish between current and non-current. All balances are expected to be recovered within 12 months except for intangible assets, property, plant and equipment and financial instruments, for which expected term is disclosed.

Where required by Accounting Standards and/or for improved presentation purposes, comparative figures have been adjusted to conform with changes in presentation for the current year.

i) Going concern

These financial statements have been prepared under a going concern basis.
The Directors believe that the Group will have sufficient resources to pay its debts and meet its commitments for at least the next 12 months from the date of this financial report due to the Group having:

- strong cash reserves boosted by the successful capital raise it completed in H2FY2020; and
- wholesale funding arrangements for future loan originations;

both of which support its operational commitments.

ii) New and revised accounting standards and interpretations

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period.

AASB 16: Leases
This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred.

The Group has adopted AASB 16 with an initial application date of 1 July 2019. The adoption of AASB 16 did not have any impact on the financial position or financial performance as at date of transition.

Notes to the financial statements
For the year ended 30 June 2020

b. Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of the Company and all subsidiaries as at 30 June 2020, and the results of all subsidiaries for the year then ended.

Subsidiaries are all those entities over which the Company has the power to govern the financial and operating policies, generally accompanying a shareholding of 100% of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Investments in subsidiaries are accounted for at cost in the individual financial statements of the Company, less any impairment charges.

c. Foreign currency transactions and balances

Functional and presentation currency

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). The consolidated financial statements are presented in Australian dollars, which is Wisr Limited's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised through profit or loss, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

d. Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, and as a minimum, annually. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets, other than goodwill, that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

e. Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

Financial assets at fair value through profit or loss
Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Notes to the financial statements
For the year ended 30 June 2020

e. Investments and other financial assets (cont.)

Impairment of financial assets
The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

f. Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

g. Critical accounting estimates and judgments

The Directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Allowance for expected credit losses
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include historical collection rates along with a COVID-19 overlay.

h. Fair value measurements

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

Notes to the financial statements
For the year ended 30 June 2020

h. Fair value measurements (cont.)

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

The Group measures and recognises the following assets and liabilities at fair value on a recurring basis after initial recognition:

- Financial assets at fair value through profit & loss (investment)
- Derivative financial instruments at fair value asset or (liability). Hedging ineffectiveness being recognised through profit & loss.

(a) Fair Value Hierarchy

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1	**Level 2**	**Level 3**
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

- *Market approach:* valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

- *Income approach:* valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

- *Cost approach:* valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

Interest rate swap contracts are valued using a discounted cash flow approach. Future cash flows are estimated based on observable forward interest rates and discounted based on applicable yield curves at the reporting date, taking into consideration the credit risk of the Group and various counterparties. These are deemed to be level 2 inputs as related to both quoted prices and observable inputs to the asset or liability.

i. Hedge accounting

The Group designates interest rate swaps as hedging instruments as cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk does not dominate the value changes that result from that economic relationship; and
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

Cash flow hedges
The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, and is included in the 'other gains and losses' line item.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item.

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. Any gain or loss recognised in other comprehensive income and accumulated in cash flow hedge reserve at that time remains in equity and is reclassified to profit or loss when the forecast transaction occurs.

Movements in the hedging reserve in equity are detailed in note 15.

Notes to the financial statements
For the year ended 30 June 2020

Note 2. Revenue

	Consolidated 2020 $	2019 $
Interest income on financial assets		
Effective interest income on financial assets	4,903,505	1,917,670
Other revenue from financial assets	320,887	242,047
Interest on cash	10,544	6,611
Interest from investments	38,299	37,982
Total income from financial assets	5,273,235	2,204,310
Revenue from contracts with customers		
Management fees	1,893,087	838,277
Total revenue from contracts with customers	1,893,087	838,277
Total revenue	7,166,322	3,042,587

Disaggregation of revenue

The above provides a breakdown of revenue by major revenue stream. The categories above depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic data. As disclosed in the directors' report, the Group has one operating segment.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Interest income on financial assets

i) Interest income
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

ii) Loan establishment fees
Loan establishment fees are deferred and recognised as an adjustment to the effective interest rate as these fees are an integral part of generating an involvement with the resulting financial instrument.

Revenue from contracts with customers

Management fees
Management fees are earned through the contracts with funders (customers) which entitle the consolidated entity to fees as a result of satisfying the performance obligation, being the monthly management of the associated loan portfolio. Revenue is recognised on an over-time basis. The allocation of the transaction price is calculated as a percentage of the loan balance managed by the consolidated entity on a monthly basis, being the satisfaction of the performance obligation.

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring services to a customer.

The consolidated entity invoice on a monthly basis which aligns to the recognition criteria noted above and as a result, there is no recognition of contract assets or liabilities required.

Notes to the financial statements
For the year ended 30 June 2020

Note 3. Other income

	Consolidated 2020 $	2019 $
R&D and other tax incentives	430,874	229,840
Gain on loan purchase	116,528	12,345
Gain on sale of loan assets	-	11,606
Other income	547,402	253,791

Government grants revenue is recognised at fair value when there is reasonable assurance that the grant will be received and the grant conditions will be met.

Note 4. Cash and cash equivalents

	Consolidated 2020 $	2019 $
Cash at bank	33,242,349	11,993,165
Restricted cash	4,730,917	-
	37,973,266	11,993,165

Reconciliation to cash and cash equivalents at the end of the financial year

The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:

	2020	2019
Balance as above	37,973,266	11,993,165
Balance as per statement of cash flows	37,973,266	11,993,165

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, bank overdrafts, and restricted cash.

Restricted cash is held by Wisr Warehouse Trust No.1 and not available to pay creditors of other entities within the Group.

Note 5. Loan receivables

A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI'). Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch.

Impairment of financial assets
The Group recognises a loss allowance for ECL on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

The Group has adopted the three-stage model for ECL provisioning:

Stage 1: 12 months ECL
Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month ECL allowance is estimated. This represents a portion of the loan receivable lifetime ECL that is attributable to a default event that is possible within the next 12 months. Effective interest is calculated on the gross carrying amount of the loan receivable.

Notes to the financial statements
For the year ended 30 June 2020

Note 5. Loan receivables (cont.)

Stage 2: Lifetime ECL – not credit impaired
Where a loan receivable credit risk has increased significantly since initial recognition, but is not credit impaired, the loss allowance is based on the loan receivable lifetime ECL. For these loan receivables, the Group recognises as a collective provision a lifetime ECL (i.e. reflecting the remaining term of the loans receivable). Effective interest is calculated on the gross carrying amount of the financial instrument.

Stage 3: Lifetime ECL – credit impaired
Where there is objective evidence that the loan receivable has become credit impaired, the loss allowance is based on the loan receivable lifetime ECL. Effective interest is calculated on the net carrying amount of the financial instrument.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

Allowance for expected credit losses
The Group has historically adopted an off-balance sheet loan funding model which resulted in relatively low loan receivables on balance sheet. With the Warehouse Trust going live in mid-November 2019, loan receivables on the balance sheet have increased significantly.

The ECL analysis was performed on two distinct loan receivable books:
Book 1 – Warehouse Trust - Predominantly Stage 1
Book 2 – Wisr Finance - Combination of Stages 1 to 3. This book consists of seasoned, mostly legacy loan receivables which didn't qualify for sale to funding partners etc.

Credit loss refers to the instance whereby a counterparty defaults on its contractual obligations resulting in financial loss to the group. Default is defined as loan receivables which are at least 90 days past due. A significant increase in credit risk is defined as loan receivables which are at least 30 days past due.

The Group calculates ECL using three main components, the exposure at default (EAD), the probability of default (PD) and the loss given default (LGD).

The EAD represents the total value the Group is exposed to when the loan receivable defaults. The 12-month ECL is calculated by multiplying the 12-month EAD, PD and LGD. Lifetime ECL is calculated using the lifetime PD instead.

The 12-month and lifetime PDs represent the probability of default occurring over the next 12 months and the remaining maturity of the loan receivable respectively. The LGD represents the unrecovered portion of the EAD taking into account any applicable recovery of the loan receivable.

The Group originates loan receivables of 3, 5, and 7 year maturities to Australian consumers. These loans are either retained to maturity within the Wisr Warehouse Trust No. 1 or on-sold to retail, wholesale and institutional investors.

The allowance for ECL assessment requires a degree of estimation and judgement. It is based on 12-month and lifetime ECL, grouped based on days overdue, and makes assumptions to allocate an overall ECL for each group. These assumptions include the Group loan book performance history, existing economic and market conditions.

The Group has taken an additional provision on COVID-19 affected loan receivables. The Group does not consider the existence of a COVID-19 payment arrangement in itself to represent a significant increase in credit risk (SICR). This assessment is performed through consideration of both qualitative and quantitative factors surrounding the customer's credit risk.

Loan receivables which are on a COVID-19 payment arrangement, where normal loan repayments have not resumed, have been classified as Stage 2 due to the perceived significant increase in credit risk.

Scenario analysis and forward looking macroeconomic assessments were not incorporated as a result of the following factors:

- COVID-19 affected loans were specifically assessed and it was noted that 75% of COVID-19 impacted loans returned to normal loan payments within the payment arrangement period of 3 months.
- The Group enacted tightened credit policy and reduced risk tolerance in response to the COVID-19 pandemic.

Notes to the financial statements
For the year ended 30 June 2020

Note 5. Loan receivables (cont.)

It was also noted that further scenario analysis and macroeconomic forecasting would result in undue cost and effort.

	Consolidated	
	2020	**2019**
	$	**$**
Gross loan receivables	89,729,432	6,732,999
Less provision for expected credit loss	(3,731,932)	(235,646)
	85,997,500	6,497,353

The following tables summarise gross carrying amount of loan receivables and provision for expected credit loss by stages:

Gross loan receivables		
12-month (Stage 1)	84,019,478	5,870,562
Lifetime (Stage 2 & 3)	5,709,954	862,437
Total gross carrying amount	89,729,432	6,732,999
Less provision for expected credit loss		
12 month expected credit loss	1,970,134	5,730
Lifetime expected credit loss	1,761,798	229,916
Total provision for expected credit loss	3,731,932	235,646
Net balance sheet carrying value	85,997,500	6,497,353
Expected credit loss per gross loan receivables	**%**	**%**
12-month (Stage 1)	2.34	0.10
Lifetime (Stage 2 & 3)	30.85	26.66
Total expected credit loss per total gross loan receivables	4.16	3.50
Reconciliation of total provision for expected credit loss	**$**	**$**
Balance at 1 July	235,646	203,727
Expected credit loss expense recognised during the year to profit or loss	4,097,956	136,638
Receivables written-off during the year	(660,060)	(197,992)
Recoveries during the year	58,390	93,273
Balance at 30 June	3,731,932	235,646

Note 6. Trade and other receivables

	Consolidated	
	2020	**2019**
	$	**$**
Expected to be settled within 12 months		
Accrued management fee income	642,452	221,751
R&D tax incentive receivable	380,874	219,078
	1,023,326	440,829

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses for trade and other receivables, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Notes to the financial statements
For the year ended 30 June 2020

Note 7. Other assets

	Consolidated	
	2020	**2019**
	$	**$**
Expected to be settled within 12 months		
Prepayments	238,394	198,291
Deposits	131,883	26,333
Cash held in trust	119,292	325,973
	489,569	550,597

Note 8. Other financial assets

	Consolidated	
	2020	**2019**
	$	**$**
Investment in DirectMoney Personal Loan Fund	-	518,000

In the prior years, the Group invested $518,000 into the DirectMoney Personal Loan Fund. The DirectMoney Personal Loan Fund is a registered managed investment scheme where investors' money is pooled and invested into unsecured personal loans acquired from Wisr Finance Pty Ltd. The investment is classified as fair value through profit or loss.

Valuation Techniques and Inputs Used to Measure Level 2 Fair Values

Description	**Fair Value at 30 Jun 2020 $000**	**Valuation Technique(s)**	**Inputs Used**
Other financial assets			
Investment in DirectMoney Personal Loan Fund (Fund)	-	Nil – derecognised during the period for $518,000 consideration.	

Description	**Fair Value at 30 Jun 2019 $000**	**Valuation Technique(s)**	**Inputs Used**
Other financial assets			
Investment in DirectMoney Personal Loan Fund (Fund)	518	Market approach using monthly valuation reports provided by Fund's Investment Manager and Fund's Administrator.	Monthly valuation report provided Fund's Investment Manager and Fund's Administrator

Note 9. Intangible assets

	Consolidated	
	2020	**2019**
	$	**$**
Technology assets:		
Cost	609,240	609,240
Accumulated amortisation	(150,208)	(42,360)
Net carrying amount	459,032	566,880
Technology assets under development:		
Cost	12,728	12,728
Accumulated amortisation	-	-
Net carrying amount	12,728	12,728
Total intangible assets	471,760	579,608

Technology assets are recognised at cost of acquisition. They have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. Technology assets are amortised over their useful lives ranging from 2 to 5 years on a straight-line basis.

Development costs are charged to the statement of profit of loss and other comprehensive income as incurred, or deferred where it is probable that sufficient future benefits will be derived so as to recover those deferred costs.

Note 9. Intangible assets (cont.)

The recoverable amount of the group's intangible assets have been tested for impairment via a value-in-use calculation using a discounted cash flow model, based on discounted projected cashflows derived by the cash generating unit over the useful life of the assets. The cash generating unit was identified as being related to the operating cashflows earned via the Wisr App, being derived via account maintenance fees and loan referral income and is related to the intangible assets noted above. No impairment has been identified (2019: no impairment).

Note 10. Trade and other payables

	Consolidated	
	2020	**2019**
	$	**$**
Expected to be settled within 12 months		
Trade payables	1,357,320	927,211
Sundry payables	274,635	175,073
Accrued expenses	708,354	219,403
Superannuation payable	172,543	120,192
	2,512,852	1,441,879

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities. The fair value of the trade and other payables is considered to approximate their carrying value.

Note 11. Employee benefits

	Consolidated	
	2020	**2019**
	$	**$**
Expected to be settled within 12 months		
Provision for annual leave	469,986	335,222
Not expected to be settled within 12 months		
Provision for long service leave	71,554	44,840

Provision is made for the Group's obligation for employee benefits arising from services rendered by employees to the end of the reporting period. Short term employee benefits are benefits (other than termination benefits and equity compensation benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and personal leave. Short term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled, plus any related costs. Long- term employee benefits are subjected to discounting and actuarial valuations.

Note 12. Borrowings

	Consolidated	
	2020	**2019**
	$	**$**
Secured note	1,675,000	2,000,000
Warehouse trust funding	85,598,949	-
Less transaction costs	(563,557)	-
	85,035,392	-
Total borrowings	86,710,392	2,000,000

Secured note
The note is used for working capital purposes through initial funding of loan receivables prior to them being sold to funding partners as part of normal business operations.

Note 12. Borrowings (cont.)

Warehouse trust
At 30 June 2020, Wisr Warehouse Trust No. 1 had $95.0m in committed financing, $85.9m of which has been utilised. The facility is secured against the underlying pool of loan receivables with no credit recourse back to the consolidated entity. Wisr Warehouse Trust No. 1 consists of four classes of notes with Wisr the holder of the Class 4 note. The Class 1 note has a two-year tenor availability period until November 2021. The Class 2 & 3 notes have a one-year availability period until November 2020. In July 2020, the Company announced that the Australian Office of Financial Management ('AOFM') had approved an initial investment of $30.8 million into the Wisr Warehouse Trust No. 1 through the Structured Finance Support Fund. The investment will be alongside existing senior and mezzanine financiers and will support the Wisr Warehouse Trust No. 1 up to $200 million. The all in cost of funds for the Wisr Warehouse Trust No. 1 is circa 3.50% per annum.

The Warehouse trust funds loan receivables of 3, 5, and 7 year maturities.

The Warehouse trust borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. It is subsequently measured at amortised cost using the effective interest method.

Note 13. Derivative financial instruments

	Consolidated	
	2020	2019
	$	$
Derivative financial instruments	225,129	-

The Group enters into derivative financial instruments (interest rate swaps) to manage its exposure to interest rate risk.

Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Group has both legal right and intention to offset. Other derivatives are presented as current assets or current liabilities.

Interest swap contracts are categorised as Level 2 financial instruments as they are valued using observable forward interest rates.

Note 14. Issued capital

	Consolidated	
	2020	2019
	$	$
(a) Issued and paid up capital		
Ordinary shares fully paid	92,151,571	49,876,287
Costs of raising capital	(2,324,254)	(1,464,283)
	89,827,317	48,412,004

Ordinary shares participate in dividends and the proceeds on winding up the Company. At shareholder meetings, each ordinary share is entitled to one vote when a poll is called. Otherwise, each shareholder has one vote on show of hands.

Ordinary shares are classified as equity and recognised at the fair value of the consideration received by the Group. No subsequent fair valuation is performed. Incremental costs directly attributable to the issue of new shares or options are deducted from the value of issued capital.

Notes to the financial statements
For the year ended 30 June 2020

Note 14. Issued capital (cont.)

	2020		2019	
	Number of shares	**$**	**Number of shares**	**$**
(b) Reconciliation of issued and paid-up capital				
Opening balance as at 1 July	790,208,152	48,412,004	455,405,424	29,323,980
Issue of shares from raising capital	197,297,792	36,500,100	311,851,176	19,695,500
Costs of raising capital	-	(859,972)	-	(1,143,877)
Issue of shares to CEO as part of long-term incentive	30,158,720	2,384,173	-	-
Issue of shares to CEO as part of short-term incentive	-	-	4,461,652	95,635
Issue of shares to CFO as part of long-term incentive	11,167,412	762,226	1,704,079	81,114
Issue of shares to Head of Growth (former COO) as part of long-term incentive	8,428,067	770,474	-	-
Issue of shares to directors on vesting of performance rights	4,900,000	555,872	11,666,666	131,341
Issue of shares to staff on vesting of long-term incentives	2,696,079	101,273	-	-
Issue of shares on exercise of options	14,535,715	1,201,167	3,131,035	128,905
Issue of shares as payment of funder fees (non-cash)	-	-	1,988,120	99,406
Closing Balance as at 30 June	1,059,391,937	89,827,317	790,208,152	48,412,004

(c) Performance rights

As at 30 June 2020, there were a total of 92,717,541 (2019: 38,966,725) performance rights outstanding. Refer to Note 29.

Under the Company's Performance Rights Plan, these performance rights were issued at no cost to the recipients and represent a right to one ordinary share in the Company in the future for no consideration, subject to satisfying the performance conditions and compliance with the rules of the Plan.

(d) Capital management

Management controls the capital of the Group in order to maintain a sustainable debt to equity ratio, generate long term shareholder value and ensure that the Group can fund its operations and continue as a going concern.

The Group's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets. The Group is not subject to any externally imposed capital requirements.

The Group's objectives when managing capital are to maximize shareholder value and to maintain an optimal capital structure. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders. Management gives particular regard to conservation of liquidity in its recommendations as to the declaration of dividends. There were no dividends declared in in the year.

Note 15. Equity – reserves and accumulated losses

(a) Employee equity benefits reserve

The employee equity benefits reserve records items recognised as expenses on valuation of employee performance rights and accrual of employee short-term and long-term incentives.

(b) Other share based payments reserve

The other share based payments reserve records funding expenses accrued and are expected to be paid in the form of shares.

(c) Cash flow hedge reserve

The reserve is used to recognise the effective portion of the gain or loss of cash flow hedge instruments that is determined to be an effective hedge.

Notes to the financial statements
For the year ended 30 June 2020

Note 15. Equity – reserves and accumulated losses (cont.)

Movement in reserves:	Employee equity benefits reserve $	Other share based payments reserve $	Cash flow hedge reserve $	Total $
At 1 July 2018	1,373,674	526,377	-	1,900,051
Share based payments expense	852,147	243,906	-	1,096,053
Costs of raising capital	-	155,000	-	155,000
Transfer from reserve to retained earnings	(436,257)	-	-	(436,257)
Transfer from reserve on exercise of options	(312,644)	(164,146)	-	(476,790)
Transfer of gain on funder forgiveness of options obligation to retained earnings	-	(325,612)	-	(325,612)
Issue of shares as a result of exercise of options for consideration	-	(17,024)	-	(17,024)
At 30 June 2019	1,476,920	418,501	-	1,895,421
At 1 July 2019	1,476,920	418,501	-	1,895,421
Share based payments expense	4,764,670	49,879	-	4,814,549
Transfer from reserve to retained earnings	(32,156)	-	-	(32,156)
Transfer from reserve on exercise of options	(3,255,476)	-	-	(3,255,476)
Issue of shares as a result of exercise of options for consideration	-	(38,310)	-	(38,310)
Loss arising on changes in fair value of hedging instruments entered into for cash flow hedges	-	-	(231,976)	(231,976)
Cumulative loss arising on changes in fair value of hedging instruments reclassified to profit or loss	-	-	29,134	29,134
At 30 June 2020	2,953,958	430,070	(202,842)	3,181,186

	Consolidated	
Accumulated losses:	**2020 $**	**2019 $**
Opening balance	(33,534,592)	(26,565,419)
Total loss after income tax for the year	(23,534,826)	(7,731,042)
Transfer from reserve to retained earnings	32,156	761,869
Total	(57,037,262)	(33,534,592)

Note 16. Capital and lease commitments

(a) Finance lease commitments
There are no finance lease commitments (2019: nil).

(b) Operating lease commitments
Non-cancellable operating leases contracted for but not recognised in the financial statements.

	Consolidated	
Payable – minimum lease payments:	**2020 $**	**2019 $**
i) Within one year	58,129	196,799
ii) One to five years	-	-
iii) More than five years	-	-
	58,129	196,799

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses in the periods in which they are incurred on a straight line basis.

Wisr Finance Pty Ltd has two non-cancellable property leases which expire in September 2020 at which point become month on month agreements. Rent is payable monthly in advance. Contingent rental provisions within the lease agreement require that the minimum lease payments shall be increased from and including each anniversary of the commencing date of the term by 4%.

Notes to the financial statements
For the year ended 30 June 2020

Note 17. Income tax

Numerical reconciliation of income tax expense to prima facie tax payable	Consolidated 2020 $	2019 $
Loss from continuing operations before income tax expense	(23,534,826)	(7,731,042)
Tax benefit at the tax rate of 27.5% (2019: 27.5%)	(6,472,077)	(2,126,037)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
- Temporary differences not recognised	2,539,136	102,904
- Non-recognition of current year tax losses	3,932,941	2,023,133
Income tax expense	-	-

As at 30 June 2020, the entity has unrecognised carried forward tax losses of $47,435,193 (2019: $32,935,299), the utilisation of which is dependent on the entity satisfying the requirements of the Same Business Test (SBT).

The income tax expense or benefit for the period is the tax payable / refundable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities, attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability.

An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

Wisr Limited and its wholly owned controlled entities have implemented the tax consolidation legislation as of 1 January 2004.

The head entity, Wisr Limited, and the controlled entities in the tax consolidated group continue to account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a standalone taxpayer in its own right.

In addition to its own current and deferred tax amounts, Wisr Limited also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the group.

Notes to the financial statements
For the year ended 30 June 2020

Note 17. Income tax (cont.)

Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) wholly owned tax consolidated entities.

Note 18. Remuneration of auditors

During the year, the following fees were paid or payable for services provided by the auditor:

	Consolidated 2020 $	2019 $
BDO Audit Pty Ltd		
- Audit of the financial report – assurance services	85,000	75,000
- Taxation services – non-assurance services	9,900	-
- Review of the half-yearly financial report – assurance services	34,000	31,372
- Accounting advice – non-assurance services	4,000	2,000
	132,900	108,372

The BDO entity performing the audit of the Group transitioned from BDO East Coast Partnership to BDO Audit Pty Ltd on 25 September 2020. The disclosures include amounts received or due and receivable by BDO East Coast Partnership, BDO Audit Pty Ltd and their respective related entities.

Note 19. Contingent liabilities

There were no contingent liabilities reportable during the period. 2019 contingent liabilities provided below as comparatives.

CEO Short and Long-Term Incentives
The following long-term incentives may be awarded by the Company to the CEO and are noted as contingent liabilities:
- Long term incentive valued at the equivalent of 0.5% of the market capital value of the Company on achieving a share price of 6c based on the average weighted price of the equity of the Company for a consecutive 30 day period in the 90 days immediately preceding the first day of the Vesting Date being 6c. The Vesting Date being within 20 business days following 30 June 2019; and
- Long term incentive valued at the equivalent of 0.5% of the market capital value of the Company on achieving a share price of 12c based on the average weighted price of the equity of the Company for a consecutive 30 day period in the 90 days immediately preceding the first day of the vesting date being 12c. The Vesting Date being within 20 business days following 30 June 2019.

CFO Long-Term Incentives
The Company may award the CFO an issue of shares in the Company to a maximum value of $220,000 for each of the financial years to 30 June 2018 and subsequently, annually, subject to the discretion of the CEO and Board, and achievement of outcomes to be agreed with the CEO or absent agreement, as determined by the CEO.

Former COO Long-Term Incentives
The following long-term incentives may be awarded by the Company to the COO and are noted as contingent liabilities:
- Long term incentive valued at the equivalent of 1% market capital value of the Company as at 30 June 2019, up to a maximum value of 50% of total remuneration or $100,000, whichever is the lesser, for each of the relevant years;
- Long term incentive valued at the equivalent of 0.25% of the market capital value of the Company on achieving a share price of 6c based on the average weighted price of the equity of the Company for a consecutive 30 day period in the 90 days immediately preceding the first day of the Vesting Date being 6c. The Vesting Date being within 20 business days following 30 June 2019; and
- Long term incentive valued at the equivalent of 0.25% of the market capital value of the Company on achieving a share price of 12c based on the average weighted price of the equity of the Company for a consecutive 30 day period in the 90 days immediately preceding the first day of the vesting date being 12c. The Vesting Date being within 20 business days following 30 June 2019.

Current COO Long-Term Incentives
The Company may award the current COO an issue of shares in the Company, through an Executive Staff Share Scheme, to an annual value of $70,000 unless agreed otherwise, effective from 1 July 2018 for each of the financial years, subject to the discretion of the CEO and Board, and achievement of outcomes to be agreed with the CEO or

Notes to the financial statements
For the year ended 30 June 2020

Note 19. Contingent liabilities (cont.)

absent agreement, as determined by the CEO.

Note 20. Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policies described in Note 1:

Name	Status	Country of incorporation	% owned 2020	% owned 2019
Wisr Finance Pty Ltd	Registered 2 May 2006	Australia	100%	100%
Wisr Investment Management Pty Ltd	Registered 20 February 2015	Australia	100%	100%
Wisr Loans Servicing Pty Ltd	Registered 20 February 2015	Australia	100%	100%
Wisr Credit Management Pty Ltd	Registered 19 March 2015	Australia	100%	100%
Wisr Marketplace Limited	Registered 16 March 2015	Australia	100%	100%
Wisr Services Pty Ltd	Registered 13 January 2017	Australia	100%	100%
Wisr Funding Pty Ltd	Registered 9 April 2018	Australia	100%	100%
Wisr Notes 1 Pty Ltd	Registered 31 July 2018	Australia	100%	100%
Wisr Warehouse Trust No. 1	Registered 28 October 2019	Australia	100%	-

Note 21. Events after the reporting period

COVID-19 hardship
As at 30 June 2020, \$10.3m or 6.12% of total portfolio loan balances were on COVID-19 specific payment assistance, this reduced to \$5.6m (3.09% of the total portfolio) by 31 July 2020. Wisr's recovery rate for COVID-19 hardship customers was 75% as at 30 June 2020, increasing to 81% by 31 July 2020.

AOFM funding approval
In July 2020, the Company announced that the Australian Office of Financial Management ('AOFM') had approved an initial investment of \$30.8 million into the Wisr Warehouse through the Structured Finance Support Fund. The investment will be alongside existing senior and mezzanine financiers and will support the Wisr Warehouse up to \$200 million.

Secured note
In September 2020, the Group's secured note was repaid as it reached maturity.

Secured vehicle
In September 2020, the Group launched the second credit product, secured vehicle product, to enter the \$33 billion dollar auto finance market. The product is supported by the Wisr Warehouse with potential for a dedicated facility at scale.

Note 22. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated 2020 $	2019 $
Short-term employee benefits	1,010,119	670,913
Post-employment benefits	68,379	61,758
Long-term benefits	5,221	2,110
Share-based payments	5,067,498	726,848
Total KMP compensation	6,151,217	1,461,629

The COO has not been included in KMP remuneration this year and has been removed from 2019 as it has been assessed that the authority and responsibility for planning, directing and controlling the activities of the entity lies only with the Board, CEO and CFO.

Short-term employee benefits
These amounts include fees and benefits paid to the executive Chair and non-executive directors as well as all salary, paid leave benefits, fringe benefits and cash bonuses awarded to executive directors and other KMP.

Note 22. Key management personnel disclosures (cont.)

Post-employment benefits
These amounts are the current year's estimated cost of providing for the Group's superannuation contributions made during the year.

Long-term benefits
These amounts represent long service leave benefits accruing during the year.

Share-based payments
These amounts represent the expense related to the participation of KMP in equity-settled benefit schemes as measured by the fair value of the options, rights and shares granted on grant date.

Note 23. Related party transactions

(a) Parent entity
The legal parent is Wisr Limited.

(b) Subsidiaries
Interest in subsidiaries are set out in Note 20.

(c) Transactions with related parties
As at 30 June 2020, all transactions that have occurred among the subsidiaries within the Group have been eliminated for consolidation purposes. There were no other related party transactions (2019: nil).

Note 24. Parent entity information

(a) Summary financial information
The individual financial statements for the parent entity show the following aggregate amounts:

Statement of financial position	**2020 $**	**2019 $**
Total assets	76,815,933	36,685,676
Total liabilities	135,678	27,672
Shareholders' equity		
Issued capital	82,815,088	41,399,776
Reserves	3,384,027	1,895,420
Accumulated losses	(9,518,861)	(6,637,192)
	76,680,254	36,658,004
Loss for the year	(2,913,825)	(510,611)
Total comprehensive loss	(2,913,825)	(510,611)

The financial information for the parent entity, Wisr Limited, has been prepared on the same basis as the consolidated financial statements, except that investments in subsidiaries are accounted for at cost net of impairment in the parent financial statements.

(b) Contingent liabilities
See Note 19.

(c) Contractual commitments
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2020 and 30 June 2019.

Note 25. Cash flow information

Reconciliation of loss after income tax to net cash outflows from operating activities	**Consolidated 2020 $**	**2019 $**
Loss for the year	(23,534,826)	(7,731,042)
Adjustments for non-cash items or items for which the cash flows are investing or financing cash flows		
Depreciation and amortisation	117,336	68,306
Share-based payments and accruals	6,133,091	1,096,053
Fundraising expenses	94,419	-
Non-cash modification benefit on contractual cashflows	-	(47,339)
Expected credit losses expense / loan asset impairments and write-offs	4,097,956	136,638
Changes in operating assets and liabilities:		
(Increase) in loan receivables	(519,999)	(32,805)
(Increase) in trade and other receivables	(582,497)	(167,266)
Decrease in other assets	61,028	2,861
Increase in trade and other payables	1,070,973	226,445
Increase in provision for employee benefits	161,478	139,673
Increase in accrued finance costs	91,033	-
Net cash flows used in operating activities	(12,810,008)	(6,308,476)

Note 26. Earnings per share

	2020 Cents	**2019 Cents**
Basic earnings per share	(2.60)	(1.34)
Diluted earnings per share	(2.60)	(1.34)

Weighted average number of shares used as the denominator

	Number of shares	**Number of shares**
Weighted average number of shares used as the denominator in calculating basic earnings per share	904,602,487	575,478,118
Adjustments for calculation of diluted earnings per share	-	-
Weighted average number of ordinary shares used in calculating dilutive earnings per share	904,602,487	575,478,118

The performance rights on issue have not been considered in the diluted earnings per share as their effect is anti-dilutive.

Basic earnings per share
Basic earnings per share is calculated by dividing the result attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Note 27. Segment information

Management has determined that the Group has one operating segment, being the provision of personal loans to consumers. The internal reporting framework is based on the principal activity as discussed above and is the most relevant to assist the Board as Chief Operating Decision Maker with making decisions regarding the Group and its ongoing growth. The assets as presented relate to the operating segment. The Group operates in Australia only.

Note 28. Dividends

(a) Dividends paid during the year
Ordinary shares
There were no dividends paid during the year (2019: nil).

(b) Franking Credits

	2020 $	2019 $
Franking credits available for subsequent reporting periods based on a tax rate of 27.5% (2019 – 27.5%)	1,542,955	1,542,955

The above amounts are calculated from the balance of the franking account as at the end of the reporting period, adjusted for franking credits and debits that will arise from the settlement of liabilities or receivables for income tax and dividends after the end of the year.

Note 29. Share based payments

The share-based payment expense of $6,133,091 (2019: $1,096,053) consists of:

- KMP LTIs of $5,067,498 (2019: $725,364) accrued up to 30 June 2020 which were set during FY20 and relate to FY20, FY21 and FY22, and are essentially a one-off expense;
- Staff LTIs $1,015,714 (2019: $126,783) accrued up to 30 June 2020 and relate to FY18, FY19 and FY20; and
- Recruitment expense of $49,879 (2019: $49,879).

In 2019:
- a Funder fee expense totalling $132,120 was paid and accrued in relation to an agreement entered into between the Company and 255 Finance in August 2017, of which the Company agreed to issue shares to 255 Finance and options that vest upon certain hurdles being met;
- Option expense of $61,907 was accrued in relation to the grant of call options to sophisticated investors of a $2 million working capital facility for the Group; and
- there were $155,000 worth of options issued to Blue Ocean Equities as part of the consideration for their capital raising mandate. The amount was included in the Statement of Changes in Equity. The options are money in options, meaning that if exercised, cash is received by the Company based on the option strike price.

The fair value of the Board/KMP performance rights and staff LTI scheme has been calculated in accordance with AASB 2 Share-based Payment using a Hoadley Barrier model which included the below inputs.

Board/KMP performance rights:
Assumptions - Grant date 1 September 2019, Volatility 40%, Risk-free rate 1%, Spot price $0.1265. Note that Tranche 3 is calculated using a Hoadley Probability model given the relevant dates.

Tranche	Grant date	Determination date	Expiry date	Barrier price	Fair value
1	1 Sep 19	1 Sep 19	30 Jun 22	$0.1450	$0.1134
2	1 Sep 19	1 Jul 20	30 Jun 22	$0.1673	$0.0903
3	1 Sep 19	1 Jul 21	30 Jun 22	$0.1924	$0.0207
4	1 Sep 19	1 Sep 19	30 Jun 22	$0.2400	$0.0597
5	1 Sep 19	1 Sep 19	30 Jun 22	$0.3000	$0.0393
6	1 Sep 19	1 Sep 19	30 Jun 22	$0.3800	$0.0229

FY20 Staff LTI scheme:
Assumptions - Grant date 1 September 2019, Volatility 40%, Risk-free rate 1%, Spot price $0.1265.

Tranche	Expiry date	Barrier price	Fair value
1	31 Jul 21	$0.1450	$0.0659
2	31 Jul 22	$0.1450	$0.0720

Notes to the financial statements
For the year ended 30 June 2020

Note 29. Share based payments (cont.)

(a) Performance rights

	2020 Number of performance rights	Exercise price	2019 Number of performance rights	Exercise price
Balance at beginning of year	38,966,725	Nil	37,082,562	Nil
- granted	91,116,364	Nil	31,661,940	Nil
- forfeited	(13,639,469)	Nil	(18,111,111)	Nil
- exercised	(23,726,079)	Nil	(11,666,666)	Nil
Balance at end of year	92,717,541	Nil	38,966,725	Nil

The Group provides benefits to employees in the form of share-based payment transactions, whereby employees render services in exchange for shares or performance rights (equity-settled transactions).

The cost of the transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by using a binomial model. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company (market conditions). The cost of equity-settled transactions is recognised as an expense, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to exercise the rights (vesting date).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of rights that, in the opinion of the Directors of the Company, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. Where the terms of an equity-settled option are modified, at a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of the modification.

Note 30. Financial risk management

The business of the Group and the industry in which it operates are subject to risk factors both of a general nature and risks which are specific to the industry and/or the Group's business activities.

The potential effect of these risk factors either individually, or in combination, may have an adverse effect on the future financial and operating performance of the Group, its financial position, its prospects and the value of its shares.

The following are the key risks that specifically relate to the Group:

(a) Credit risk

As a lending business, the Group is at risk of a larger than expected number of its borrowers failing or becoming unable to repay their loans, particularly for loans which are held on balance sheet as opposed to being funded by a third party. While loans are assessed according to a strict Credit Manual and Credit Risk Policy as well as being targeted at prime retail borrowers (not 'payday' lending customers), the loans may be unsecured and so are subject to the capacity of the individual borrower to repay the loan.

As a lending business, the Group is at risk of a larger than expected number of its borrowers failing or becoming unable to repay their loans, particularly for loans which are held on balance sheet as opposed to being funded by a third party.

Note 30. Financial risk management (cont.)

While loans are assessed according to a strict Credit Manual and Credit Risk Policy as well as being targeted at prime retail borrowers (not 'payday' lending customers), the loans may be unsecured and so are subject to the capacity of the individual borrower to repay the loan.

The Group has assessed COVID-19 affected loan receivables through consideration of both qualitative and quantitative factors surrounding the customer's credit risk. The Group also enacted tightened credit policy and reduced risk tolerance in response to COVID-19.

All loan balances are monitored on an ongoing basis for collectability and *AASB 9 – Financial Instruments* has been adopted in FY2019 which includes the assessment of lifetime expected credit losses as detailed at note 5.

(b) Inability to recover defaulted loans

Default is defined by the group as the failure of the borrower to meet required contractual cashflows, this definition is selected as it aligns with the operational analysis of the loan books. If a borrower does not meet their required loan payments and the loan goes into default, the Group may not be able to recover the relevant portion of the value of the loan or the cost of recovery of the loan may be deemed to be greater than the amount potentially recoverable, even if the borrower owns assets such as a house. In this case the loan may be sold (at a loss) to a third party or written off as a bad debt. High levels of bad debts could limit profitability and adversely affect future performance. The Group mitigates this risk by approving loans according to a strict credit criteria. The risk is also mitigated through the use of third party funders for a proportion of loans.

(c) Fraudulent borrowers

There is a general ongoing risk that borrowers may deliberately fabricate evidence to support loan applications and they have no intention of paying off their loan. The Group has procedures in place to detect fraudulent applications and activities, however the risk of fraud cannot be totally removed.

(d) Personal Loans may be unsecured

The Group's loans may be issued on an unsecured basis. The Group's reputation and financial position could be adversely impacted if the Group's targeted credit performance of its loan book is not met and collections and debt recovery procedures prove less than effective.

(e) Costs of acquiring loans

The Group's business model and on-going commercial viability is directly linked to its ability to attract suitable borrowers and increase the volume of loans funded and managed by the Group. The Group has built its existing loan volumes using a mix of direct channel marketing (using search engine marketing and media advertising) and developing relationships with mortgage and finance brokers to introduce loans. The Group has forecasted the future costs of acquiring loans in the desired volumes however these costs are subject to market forces and cannot be predicted with certainty.

(f) Ability to source third party funding and sell loans

The Group's business model and on-going commercial viability is strongly linked to its ability to source sufficient third-party funding to enable it to sell its loans and raise the funds to lend to potential borrowers.

The Group seeks to manage this risk by establishing multiple sources of institutional loan buyers.

(g) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash to ensure the ability to meet financial obligations as they fall due. The Group manages liquidity risk by maintaining a cash reserve and continuously monitoring forecast and actual cash flows.

Notes to the financial statements
For the year ended 30 June 2020

Note 30. Financial risk management (cont.)

Maturity Analysis – Group			
2020	**Within 1 year $**	**1 – 5 years $**	**Total $**
Financial assets			
Cash and cash equivalents	37,973,266	-	37,973,266
Loan receivables	15,242,964	70,754,536	85,997,500
Trade and other receivables	1,023,326	-	1,023,326
Other assets	251,175	-	251,175
Total financial assets	54,490,731	70,654,536	125,245,267
Financial liabilities			
Non-derivatives			
Trade creditors	1,357,320	-	1,357,320
Other payables	1,155,532	-	1,155,532
Secured notes	1,675,000	-	1,675,000
Warehouse trust funding	98,950	84,936,442	85,035,392
Derivatives at fair value	-	-	-
Interest rate swaps – cash flow hedges	148,275	78,615	226,890
Total financial liabilities	4,435,077	85,015,057	89,450,134
Net financial assets	50,055,654	(14,260,521)	35,795,133

2019	**Within 1 year $**	**1 – 5 years $**	**Total $**
Financial assets			
Cash and cash equivalents	11,993,165	-	11,993,165
Loan receivables	4,909,991	1,587,362	6,497,353
Trade and other receivables	440,829	-	440,829
Other assets	352,306	518,000	870,306
Total financial assets	17,696,291	2,105,362	19,801,653
Financial liabilities			
Non-derivatives			
Trade creditors	927,211	-	927,211
Other payables	514,668	-	514,668
Secured notes	225,000	1,775,000	2,000,000
Total non-derivatives	1,666,879	1,775,000	3,441,879
Net financial assets	16,029,412	330,362	16,359,774

(h) Market risk

Price risk
The Group sold its investment in the DirectMoney Personal Loan Fund during the period at par and is therefore no longer exposed to price risk for this investment.

Notes to the financial statements
For the year ended 30 June 2020

Note 30. Financial risk management (cont.)

(i) Interest rate risk

Interest rate risk is the risk that the Group will experience deterioration in its financial position as interest rates change over time. The Group is exposed to interest rate risk due to repricing and mismatches in interest rates between assets and liabilities (i.e. borrowing at floating interest rates and lending at fixed interest rates). The risk is managed by the Group using interest rate swap contracts to convert the floating rate exposure on the Warehouse trust borrowings to fixed interest rates. Hedging activities are undertaken in line with the Group's hedging policy.

Interest rate swap contracts
Under interest rate swap contracts, the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the cash flow exposures on its variable rate borrowings.

The Group designates the interest rate swap contracts as cash flow hedges. As the critical terms of the interest rate swap contracts and their corresponding hedged items are the same, the Group performs a qualitative assessment of effectiveness and it is expected that the value of the interest rate swap contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying interest rates. The main source of hedge ineffectiveness in these hedge relationships is the effect of the counterparty and the Group's own credit risk on the fair value of the interest rate swap contracts, which is not reflected in the fair value of the hedged item attributable to the change in interest rates. Other sources of ineffectiveness include the re-designation of amended interest rate swap contracts, which have a non-zero fair value at inception of the hedge relationship.

The following table details various information regarding interest rate swap contracts outstanding at the end of the reporting period and their related hedged items. Interest rate swap contract assets and liabilities are included in note 13.

	Interest rate swaps	
	2020	**2019**
Hedging instruments		
Average contracted fixed interest rate	0.40900%	-
Notional principal (borrowings)	60,354,017	-
Carrying amount of the hedging instrument (liability)	(225,129)	-
Change in fair value used for calculating hedge ineffectiveness	6,031	-
Hedged items		
Nominal amount of the hedged item	60,354,017	-
Change in value used for calculating hedge ineffectiveness	14,532	-
Balance in cash flow hedge reserve for continuing hedges	6,031	-
Balance in cash flow hedge reserve arising from hedging relationships for which hedge accounting is no longer applied	(208,873)	-
Hedge ineffectiveness recognised in profit or loss (within Finance costs)	(22,287)	-

Directors' Declaration.

The directors of the Company declare that, in the opinion of the directors:

(a) the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the financial position and performance of the consolidated entity; and
- (ii) complying with Australian Accounting Standards, including the interpretations, and the *Corporations Regulations 2001*;

(b) the financial statements and notes thereto also comply with International Financial Reporting Standards, as disclosed in Note 1;

(c) the directors have been given the declarations required by s.295A of the *Corporations Act 2001*; and

(d) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

Signed in accordance with a resolution of the directors made pursuant to s.295(5) of the *Corporations Act 2001*.

....

John Nantes
Director
Sydney
30 September 2020

Independent auditor's report to the members of Wisr Limited.

Tel: +61 2 9251 4100
Fax: +61 2 9240 9821
www.bdo.com.au

Level 11, 1 Margaret St
Sydney NSW 2000
Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Wisr Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Wisr Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent auditor's report to the members of Wisr Limited.

BDO

Share based payments

Key audit matter	How the matter was addressed in our audit
During the year ended 30 June 2020, the Company entered into several share based payments transactions, with share based payment expenses amounting to $6,133,091. The calculation of share based payments is complex and includes assumptions utilised in the fair value calculations and judgements regarding the equity instrument issued during the year. There is a risk that amounts are incorrectly recognised and/or inappropriately disclosed in the financial statements and consequently it was considered a key audit matter. Refer to note 29 of the financial report for a description of the accounting policy and significant estimates and judgements applied to these transactions.	To address this matter, our procedures included, amongst others: ➢ Reviewing the terms and conditions of the various share based payment agreements; ➢ Evaluating management's assessment of the likelihood of meeting the performance conditions attached to each of the agreements; ➢ Testing management's methodology for calculating the fair value of the shares or options including assessing the valuation inputs using internal specialists where required; and ➢ Evaluating the adequacy of the disclosure in respect of the accounting treatments of share based payments in the financial statements, including the judgements involved, and the accounting policy adopted.

Other information

The directors are responsible for the other information. The other information comprises the information contained in directors' report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the annual report, which is expected to be made available to us after that date.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and will request that it is corrected. If it is not corrected, we will seek to have the matter appropriately brought to the attention of users for whom our report is prepared.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the

Independent auditor's report to the members of Wisr Limited.

financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 40 to 49 of the directors' report for the year ended 30 June 2020.

In our opinion, the Remuneration Report of Wisr Limited, for the year ended 30 June 2020, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

BDO

Tim Aman
Director

Sydney, 30 September 2020

ASX additional information.

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below. This information is effective as at 1 October 2020.

a. Distribution of shareholders

The distribution of issued capital as at 1 October 2020 were as follows:

Size of holding			Number of shareholders	Number of ordinary shares	Percentage of issued capital (%)
1	-	1,000	152	37,406	0.00
1,001	-	5,000	1,443	4,911,769	0.45
5,001	-	10,000	1,224	9,838,121	0.90
10,001	-	100,000	3,446	134,171,981	12.26
100,001	-	and over	980	945,471,073	86.39
Total			**7,245**	**1,094,430,350**	**100.00**

There were 603 shareholders with unmarketable parcels totalling 1,019,874 shares based on the share price as at close of business on 1 October 2020.

b. Distribution of performance rights holders

The distribution of unquoted Performance Rights on issue as at 1 October 2020 were as follows:

Size of holding			Number of holders	Number of unquoted rights
1	-	1,000	-	-
1,001	-	5,000	-	-
5,001	-	10,000	-	-
10,001	-	100,000	6	276,682
100,001	-	and over	37	63,489,819
Total			**43**	**63,766,501**

c. Distribution of options

The distribution of unquoted Options on issue as at 1 October 2020 were as follows:

Size of holding			Number of holders	Number of unquoted options
1	-	1,000	-	-
1,001	-	5,000	-	-
5,001	-	10,000	-	-
10,001	-	100,000	10	625,000
100,001	-	and over	9	13,340,720
Total			**19**	**13,965,720**

d. Substantial shareholders

The names of substantial shareholders listed in the Company's register as at 1 October 2020 were as follows:

Shareholder	Number of fully paid ordinary shares	Percentage of issued capital (%)
ADCOCK PRIVATE EQUITY PTY LTD <ADCOCK PRIVATE EQUITY A/C>*	172,522,138	15.76
ADCOCK GROUP SUPER PTY LTD <ADCOCK GROUP S/F A/C>	38,957,864	3.56
MR BROOK ANTHONY ADCOCK	519,631	0.05
	211,999,633	19.37
CS THIRD NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 13 A/C>	67,496,712	6.17
ALCEON GROUP PTY LTD <HIGH CON CO-INVESTMENT A/C>	54,054,054	4.94
	121,550,766	11.11
Total	**333,550,399**	**30.48**

e. Twenty largest shareholders of quoted equity securities

The twenty largest shareholders of quoted equity securities were as follows:

Shareholder		Number of fully paid ordinary shares	Percentage of issued capital (%)
ADCOCK PRIVATE EQUITY PTY LTD <ADCOCK PRIVATE EQUITY A/C>		172,522,138	15.76
CS THIRD NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 13 A/C>		67,496,712	6.17
ALCEON GROUP PTY LTD <HIGH CON CO-INVESTMENT A/C>		54,054,054	4.94
MR ANTHONY NANTES		47,258,736	4.32
ADCOCK GROUP SUPER PTY LTD <ADCOCK GROUP S/F A/C>		38,957,864	3.56
MACQUARIE BANK LIMITED		34,998,019	3.20
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED		25,373,403	2.32
ANDREW GOODWIN		21,808,903	1.99
GREIG HOLDINGS PTY LIMITED <THE GREIG FAMILY A/C>		21,347,903	1.95
LUAGA PTY LTD <JP PRENDIVILLE FT A/C>		21,217,952	1.94
MOSLOF SERVICES PTY LTD <MOSLOF S/F A/C>		15,850,000	1.45
DE NANTES INVESTMENT CO PTY LTD <DE NANTES FAMILY A/C>		13,157,015	1.20
EQUITAS NOMINEES PTY LIMITED <PB-600992 A/C>		10,166,875	0.93
AGS INVESTMENT HOLDINGS (AUSTRALIA) PTY LTD <AGS INVESTMENT HOLDINGS A/C>		7,150,000	0.65
MR PETER RAYMOND BEAUMONT		6,828,067	0.62
BNP PARIBAS NOMS PTY LTD <DRP>		5,775,310	0.53
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED		5,695,838	0.52
MR CHRISTOPHER MICHAEL WHITEHEAD		5,390,000	0.49
EQUITAS NOMINEES PTY LIMITED <PB-601015 A/C>		5,347,593	0.49
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>		4,822,740	0.44
	Total:	**585,219,122**	**53.47**

f. Restricted securities

58,730,359 ordinary shares are currently subject to voluntary escrow. The escrow period for 8,933,693 ordinary shares will end on 1 July 2021. 49,796,666 ordinary shares are escrowed pending Company approval.

g. Unquoted equity securities

The Company had the following unquoted securities on issue as at 1 October 2020:

Unquoted Options
The Company had 19 holders of options with a total of 13,965,720 unquoted options on issue as at 1 October 2020. 4,515,720 options are held by 255 Finance Investments Pty Ltd.

Performance Rights
The Company had 43 holders of performance rights issued as part of an employee incentive scheme.

h. Voting rights

Ordinary Shares
In accordance with the Constitution each member present at a meeting whether in person, or by proxy, or by power of attorney, or in a duly authorised representative in the case of a corporate member, shall have one vote on a show of hands, and one vote for each fully paid ordinary share, on a poll.

Performance Rights
Holders of Performance Rights and Options have no voting rights.

i. On-market buy-backs

There is no current on-market buy back in relation to the Company's securities.

Corporate directory.

DIRECTORS
John Nantes (Executive Chairman)
Craig Swanger
Chris Whitehead

COMPANY SECRETARY
Vanessa Chidrawi
May Ho

REGISTERED OFFICE
Suite 33, Level 8,
58 Pitt Street,
Sydney, New South Wales,
Australia

Telephone: (02) 8379 4008
Facsimile: (02) 8076 3341

SHARE REGISTER
Computershare Investor Services Pty Limited
452 Johnston Street
Abbotsford, Victoria

Telephone: (03) 9415 5000

AUDITOR
BDO Audit Pty Ltd
Level 11, 1 Margaret Street
Sydney, New South Wales

STOCK EXCHANGE LISTING
Shares are listed on the Australian Stock Exchange (ASX: WZR)

DOMICILE
Publicly listed company incorporated in Australia

wisr

ABN 80 004 661 205

LEVEL 8, 58 PITT STREET
SYDNEY NSW 2000

+61 2 8379 4008

wisr.com.au