



## ASX RELEASE

### **Wisr makes strategic investment in European fintech platform Arbor** ***Entry pathway to circa \$1.76 Trillion EU consumer finance market<sup>1</sup>***

Sydney, 30 March 2021 - Wisr Limited (ASX: WZR) (ACN 004 661 205) (“Wisr”, or the “Company”) is pleased to announce today it has executed a term sheet to invest, via a convertible loan structure, in European financial wellness fintech platform, Arbor. If converted, the investment will give Wisr a small minority shareholding in Arbor, with a pathway to potentially increase the shareholding to 45% over the next 36 months. Any additional investment is at Wisr’s option, subject to future valuation thresholds and contingent on various milestones being achieved. The investment remains subject to finalisation of due diligence and legal documentation which is anticipated by the end of April 2021.

#### **Highlights of deal:**

- **Strategic investment by Wisr opens up entry pathway to circa \$1.76 Trillion (AUD) consumer finance market<sup>1</sup> in EU**
- **Low-risk investment structure - modest upfront consideration with options to increase shareholding to 45% at Wisr’s election as the model is proven out across the EU**
- **Arbor is an EU based fintech with a financial wellness platform, utilising a digital wallet to offer savings, investment and lending features to almost 100,000 customers, and is growing its user base circa 20% month-on-month**
- **Arbor’s revenue streams include a customer subscription-based model for its platform, as well as lending revenue via a recently launched “ethical loan” product**
- **Wisr and Arbor will share IP across both organisations, with Wisr assisting in delivering an ethical lending experience to Arbor’s customers through Arbor’s proprietary financial wellness platform**
- **Wisr’s upfront consideration is circa \$400,000 cash, with any follow-on investment subject to milestones being achieved by Arbor, and can be settled through a combination of cash and shares at Wisr’s discretion**

Founded in 2017 and backed by leading venture capital firms FinRebel Group (New York), Tifin Capital Partners (New York) and Apex Capital Partners (Sydney), Arbor has accumulated almost 100,000 customers in the EU market and is rapidly scaling with a 20% month-on-month growth rate and a robust retention track record. Similar to the Wisr Platform, Arbor has built a holistic personal finance platform with a complimentary suite of products that help to improve customer’s financial wellness. Arbor’s current offerings include a digital wallet delivering savings, investment, debt repayment features and a recently launched “ethical loan” product.

#### **WISR COMMENTARY:**

**Mr. Anthony Nantes, Chief Executive Officer, Wisr said, “This is a small but highly strategic first step in taking Wisr’s business model global and we’re very excited to be partnering with Arbor on**

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<sup>1</sup> Source: European Banking Authority (EBA) Report - CONSUMER LENDING IN THE EU BANKING SECTOR MARCH 2020 – THEMATIC NOTE: EUR 1.14 Trillion converted to AUD



*this journey. Before making this strategic investment, we spent considerable time with the CEO, Nicholas Salguero, and his whole team and have been very impressed by their capability and execution to date. We share a clear and united vision of disrupting the outdated consumer credit model with a superior alternative: a highly automated digital lending experience based on market-leading UX, delivered alongside a customer platform that actually improves financial wellness. This allows us to build better, data-driven relationships with customers at every stage of their lifecycle and opens up a number of potential revenue models.”*

Mr. Nantes continued, *“We’ve proven the effectiveness of the Wisr Financial Wellness Platform domestically, with over 350,000 Australians on the platform and our data is showing enormous benefits to both Wisr, and to our customers that use it. While we remain focused on the significant growth potential in our home market, the Arbor investment provides the potential to extend our model into a much bigger market over time (EU circa \$1.76 Trillion consumer finance TAM in 2019). The modest upfront consideration means we do not require additional capital for completion, with any follow-on investment staged around the achievement of various milestones and entirely at Wisr’s option. We’re very excited for the year ahead and look forward to supporting Arbor, sharing IP and capability in our markets, as we both grow truly innovative consumer finance companies that change the landscape for consumers,”* finished Mr. Nantes.

		ARBOR
CONSUMER FINANCE TAM	AU: Circa \$120 Billion	EU: Circa \$1.7 Trillion
PURPOSE-LED COMPANY	✓	✓
DIGITAL LENDING PLATFORM AND REVENUE	✓	✓
<b>Financial wellness platform features.</b>		
PROPRIETARY BUILT PLATFORM	✓	✓
CUSTOMERS PROFILES ON PLATFORM	Circa 350,000	Circa 100,000
DEBT REDUCTION FEATURE	✓	✓
CREDIT SCORE FEATURES	✓	✗
DIGITAL WALLET	✗	✓
SAVINGS FEATURE	✗	✓
INVESTMENT FEATURE	✗	✓
SUBSCRIPTION REVENUE ON PLATFORM	✗	✓



## ARBOR COMMENTARY:

**Arbor Chief Executive Officer, Nicholas Salguero said, “This partnership will enable us to grow our ethical lending business and scale it across Europe, using our current, rapidly growing user base as a springboard to do so. Wizr’s expertise as an ethical lender is a perfect match for Arbor’s mission to improve people’s financial wellness across the European continent, adding a highly valuable alternative to traditional lending practices where sadly the customer comes second. This partnership is the first step towards changing that paradigm and we’re very excited to be announcing it today.”**

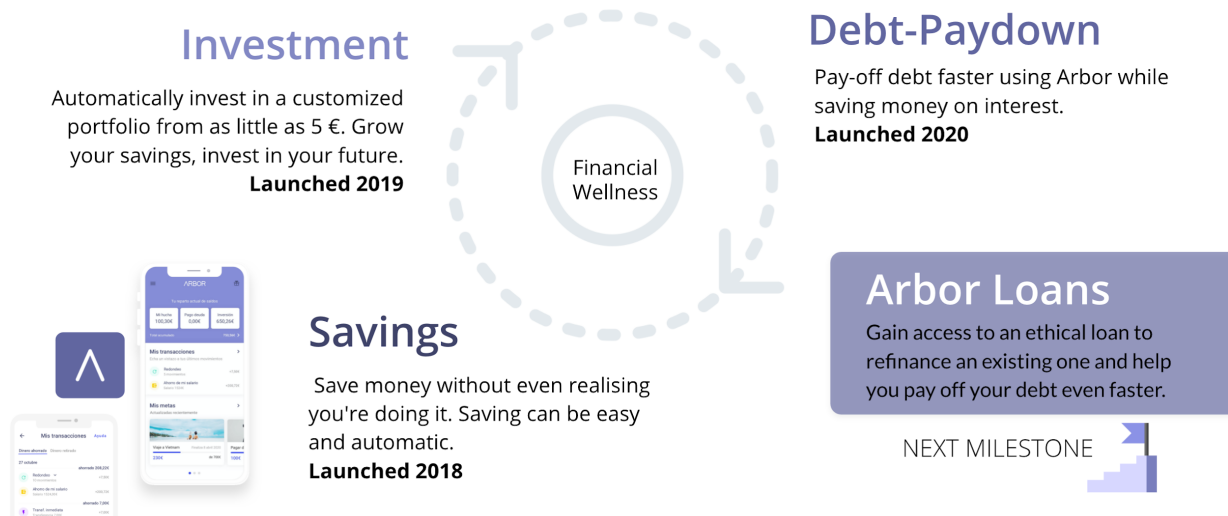
**Alex Vynokur (Arbor Board Member and CEO/Founder of BetaShares) said, “Arbor is backed by a number of forward-thinking investment firms who recognise and understand the immense potential of a purpose-led model, something that is missing in the financial markets around the world. Like Arbor, Wizr has built a genuine platform that not only delivers long-term growth opportunities through a differentiated business model but really does make a difference to the consumer’s financial wellbeing. We are the first to market in the EU and ready to scale our holistic value proposition, and now with Wizr, we have a fantastic strategic partner that complements our solution, with significant opportunity for growth ahead.”**

### Arbor Overview

A privately owned EU based Fintech, Arbor has developed a proprietary financial wellness suite of products that allows people to take control of their finances in an active, easy and intelligent way, through a single digital app.

## The Arbor Financial Wellness Platform

Users come to Arbor with one clear use case and diversify into other relevant features





The company is backed by leading venture capital firms FinRebel Group, Tifin Capital Partners and Apex Capital Partners. The Board of Directors comprises Bruno Del Ama, Alex Vynokur, Paula Blázquez Solano, Dr. Vinay Nair and Nicholas Salguero (CEO).

Arbor's revenue model consists of both subscription revenue (with 25% of users organically migrating to paid subscriptions from the freemium platform), and lending revenue via their digital lending business. The Arbor platform consists of:

- Savings product (digital wallet)
- Savings and debt repayment tools, including a round-up debt repayment app
- Credit card refinance lending (via Arbor Loans)
- Wealth management product (investment into ETFs)

The company is fully scalable today through regulatory passporting and able to open digital wallets and investment accounts for any EU legal resident, in any EU member state. The model benefits from highly efficient and low-cost infrastructure for moving money between EU states with standardised Know Your Customer (KYC) and Anti-Money Laundering (AML) processes.

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

**For further investor enquiries, please contact:**

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**About Wisr Limited**

Wisr (ASX: WZR) is Australia's first neo-lender with a commitment to the financial wellness of all Australians, through providing a smarter, fairer and wiser collection of financial products and services. Wisr provides a unique financial wellness platform underpinned by consumer finance products, the Wisr App to help Australians pay down debt, WisrCredit.com.au the country's only credit score comparison service, combined with content and other products that use technology to provide better outcomes for borrowers, investors and everyday Australians.

For more information visit [www.wisr.com.au](http://www.wisr.com.au)