WISE Wise Group PLC

Wise grows revenue 23% in its first half but interest income, not fees, lifts profit

Following the Wise Group plc H1 FY27 Results · 13 November 2026

H1 NET REVENUE	INCOME BEFORE TAX	TOTAL OPERATING EXPENSES	CROSS-BORDER TAKE RATE
$1,453.1m	$334.9m	$(1,150.3)m	0.50%
▲ up 23% on $1,183.8m (22% at constant currency)	▲ up 9% on $306.7m, a 23% margin	▲ up 28% on $(898.9)m	▼ down 2 bps on 0.52%

Share price, past 12 months

Daily close; latest price as at 16:30 on 12 November 2026 · Ticker Data API



Wise's first-half results today showed net revenue up 23% to $1,453.1m and income before tax up 9% to $334.9m, a 23% margin, for the six months to 30 September 2026. Cross-border volume rose 24% to $141.0bn and customer holdings 28% to $43.5bn, while the average fee on a transfer slipped to 0.50%. Operating expenses grew 28%, faster than revenue. The $50.3m rise in net interest earned on customer balances was larger than the $17.9m increase in operating profit. Guidance repeats what Wise set out on 16 October: FY27 net revenue growth in the upper half (17.5-20%) of its 15-20% medium-term range at constant currency, and an income-before-tax margin around the top of its 20-25% range.

Over the longer term, what matters is whether growth this broad turns into faster profit growth. In FY26 both the take rate and income before tax fell even as revenue rose, and management says lower prices remain deliberate policy. The balance sheet is not the concern. Cash and debt securities exceed what Wise owes customers by about $2.1bn, and the £330.0m revolving credit facility is undrawn. The shares closed at 830.6p on 12 November, below the 902.6p close of 15 October, the day before the second-quarter statement. To shift that picture, the second half has to show cost growth slowing and the margin rising without help from interest rates.

> **“More than 16 million people and businesses used Wise in the past six months. These customers moved $141 billion across borders, up 24% year on year.”**
>
> **Kristo Käärmann**, Co-founder and Chief Executive Officer · Wise Group plc H1 FY27 Results, 13 November 2026

Businesses, cards and custody are outgrowing personal transfers

Wise's growth in the half came mostly from business customers and from products beyond the basic transfer. Business cross-border volume rose 35% to $43.6bn, against 19% for personal customers, and business active customers rose 25% to 769,000. Card revenue grew 43% to $252.0m on card spend up 33% to $27.2bn. Higher interchange (the fee a card issuer earns on each purchase) helped too, as more businesses, mainly in the US, used the Wise Card. Assets under custody, the money customers hold in Wise's investment product, rose 52% to $11.4bn.

The US and Asia-Pacific did most of the work, with net revenue of $225.1m and $326.1m respectively, both well ahead of a year earlier. The UK grew more slowly, to $316.8m from $291.0m, with interest income there slightly lower than a year earlier. Wise added a ninth direct connection to a domestic payment system, in Malaysia. Direct connections let it settle payments without paying an intermediary bank, and 78% of transfers are now instant.

Wise Platform sells the same infrastructure to other banks. It had three silent launches in the half, including two large North American banks, and added OakNorth and Vivid after the period end. Wise does not report Platform revenue separately, so these accounts cannot show what the partnerships contribute.

The group moved its primary listing to Nasdaq on 11 May 2026 and kept a secondary listing in London. Wise Europe, the Belgian subsidiary, has agreed a settlement with the Brussels prosecutor's office with no admission of wrongdoing. No amount is disclosed, but legal and regulatory provisions have risen to $41.0m since 31 March. Barak Eilam joins as chair designate. He takes over from David Wells, who steps down in April 2027.

H1 FY27 against the prior period

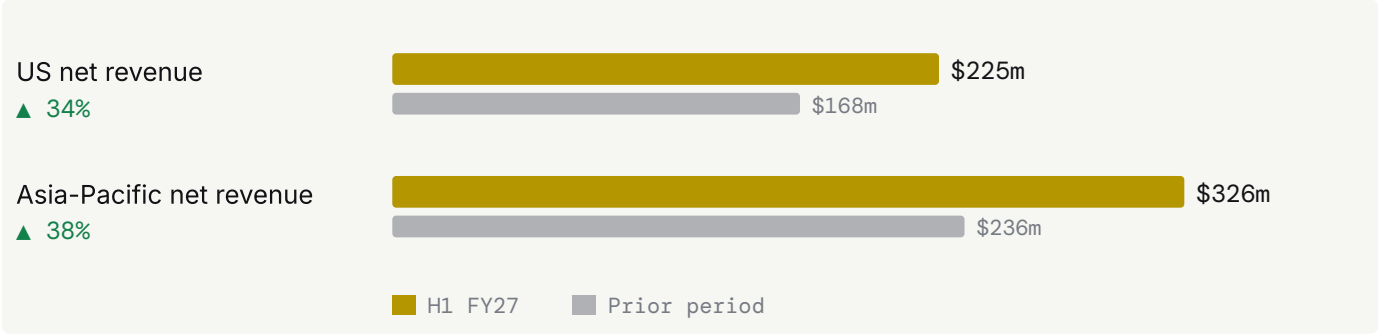
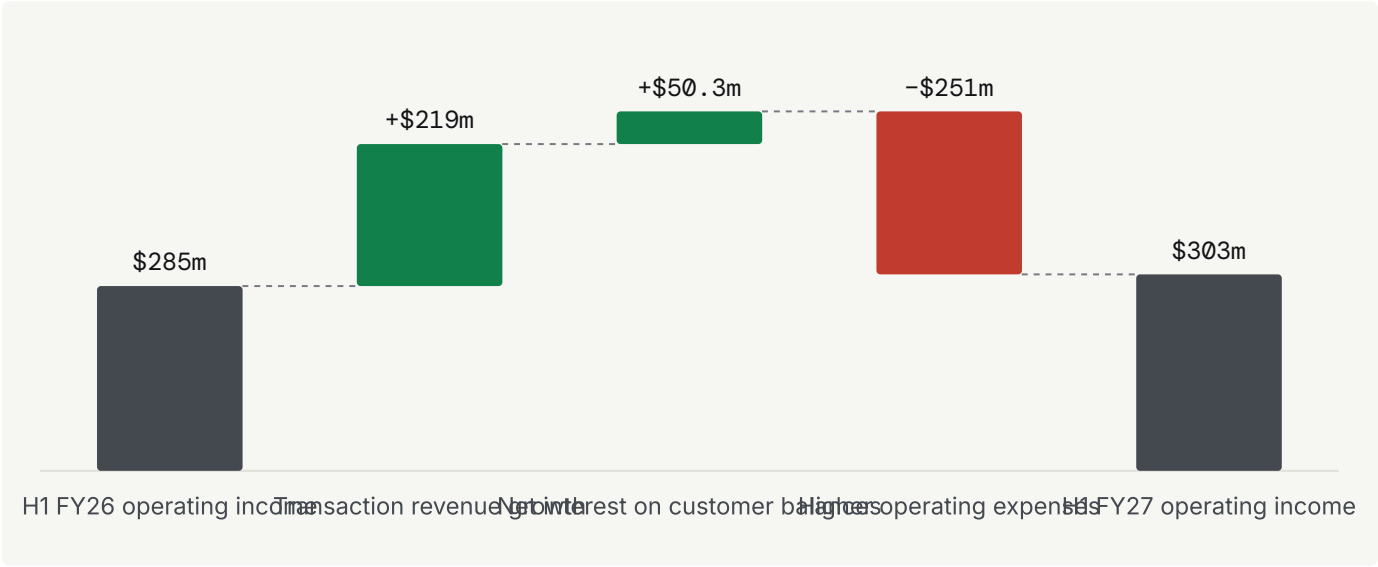


FIGURE	VALUE	CHANGE
Active customers H1 FY27	16.2 million	+21% on 13.4 million
Business cross-border volume H1 FY27	$43.6bn	+35% on $32.2bn
Personal cross-border volume H1 FY27	$97.5bn	+19% on $81.8bn
Card revenue H1 FY27	$252m	+43% on $176.8m

FIGURE	VALUE	CHANGE
Assets under custody 30 Sep 2026	$11.4bn	+52% on $7.5bn
US net revenue H1 FY27	$225.1m	+34% from $167.9m
Asia-Pacific net revenue H1 FY27	$326.1m	+38% from $235.6m
Legal and regulatory provisions 30 Sep 2026	$41m	+72% from $23.8m at 31 Mar 2026

Sources: H1 FY27 Results RNS, 13 Nov 2026; H1 FY27 Results RNS, segment note, 13 Nov 2026; H1 FY27 Results RNS, note 14, 13 Nov 2026

How H1 operating income moved from $284.9m to $302.8m



Each step is the year-on-year change in the line as reported in the income statement, with net interest being interest income on customer balances less interest paid to customers.

Costs outran revenue, and interest income filled the gap

Profit grew much more slowly than the business. Net revenue rose 23% and operating expenses rose 28%, so operating income increased only 6% to $302.8m and the operating margin fell to 20.8% from 24.1%. Income before tax rose 9% to $334.9m, helped by a 47% rise in other income, which is mostly interest on Wise's own corporate investments. Diluted earnings per share rose to 24.45 cents, with the buyback reducing the share count.

The make-up of the profit increase matters most. Transaction revenue rose $219.0m, and net interest on customer balances (interest earned on customer money less the interest passed back to customers) rose $50.3m to $350.9m, or 24% of net revenue. Operating expenses rose $251.4m, more than the whole gain in transaction revenue. Interest income grew 16% while customer balances grew 22%, so the yield on each dollar held was already falling.

Cost growth was broad. Technology and development rose 51% to $292.2m, partly to pay for a second site that adds redundancy. Servicing rose 40% and marketing 46%. General and administrative costs rose 41% to $256.7m, including about $15m of one-off listing costs, which is one point of margin. Transaction expenses fell 12% to $229.7m, but the prior half included a $28m foreign-exchange charge that does not recur. Without it, the fall is about $3m.

The fee business itself is not weakening. Transaction revenue less transaction expenses and losses came to about 78% of transaction revenue, against about 73% a year earlier once the $28m charge is excluded. Card revenue grew much faster than transfer revenue, and Wise does not split costs by product, so the improvement cannot be credited to cheaper transfer processing. The two-basis-point cut in the take rate is worth roughly $28m of revenue for the half on $141.0bn of volume. That is money Wise chose, or was forced, to give back to customers.

H1 FY27	VALUE	CHANGE
Operating income	$302.8m	+6.3% from $284.9m
Net income	$249.2m	+6% on $234.8m
Diluted EPS	24.45 cents	+7.9% from 22.67 cents
Interest income on customer balances	$463.6m	+16% on $399.0m
Interest expense on customer liabilities	$(112.7)m	+15% on $(98.4)m
Cross-border revenue	$705m	+19% on $591.8m
Technology and development	$(292.2)m	+51% on $(193.3)m
General and administrative	$(256.7)m	+41% including approximately $(15)m listing expenses
Transaction expenses	$(229.7)m	−12% H1 FY26 included a non-comparable $(28)m FX impact

Sources: H1 FY27 Results RNS, income statement, 13 Nov 2026; H1 FY27 Results RNS, 13 Nov 2026

The $2.6bn operating cash inflow is mostly customers' money

Operating cash flow of $2,615.1m bears little relation to the $249.2m of net income. Most of it is the $2,546.8m rise in funds payable and amounts due to customers. On the balance sheet, amounts owed to customers reached $32,533.5m at 30 September. Wise holds that money and invests it, but it is not cash the company can spend on itself. The condensed cash-flow statement is not enough to work out free cash flow to shareholders.

The more useful measure is coverage. Cash of $27,865.4m plus $6,759.7m of debt securities exceeded customer liabilities by about $2.09bn at 30 September, slightly less than the $2.13bn at March. That surplus is not all available to distribute, because the subsidiaries face local safeguarding and capital rules and the entity-level figures are not disclosed. Of customer funds, $16,963.3m sat in segregated or safeguarded bank accounts and term deposits, $6,597.4m in money market funds and $6,759.7m in investment-grade bonds. Wise also corrected its March figure for segregated bank accounts: the earlier disclosure of $14,824.1m had left accounts out, and the restated figure is $16,208.0m.

Corporate borrowing is modest. Notes issued under Wise's medium-term note programme have a principal of $331.6m at a 5.10% coupon, and the $437.7m (£330.0m) revolving facility, maturing in December 2027, was not drawn at any point in the half. Accounts receivable rose to $643.4m from $391.3m, mostly because receivables from payment processors climbed to $222.7m. Share-based compensation was $64.7m, against $40.0m a year earlier, a cost that the employee-trust share of the buyback partly exists to cover.

30 Sep 2026 against the prior period

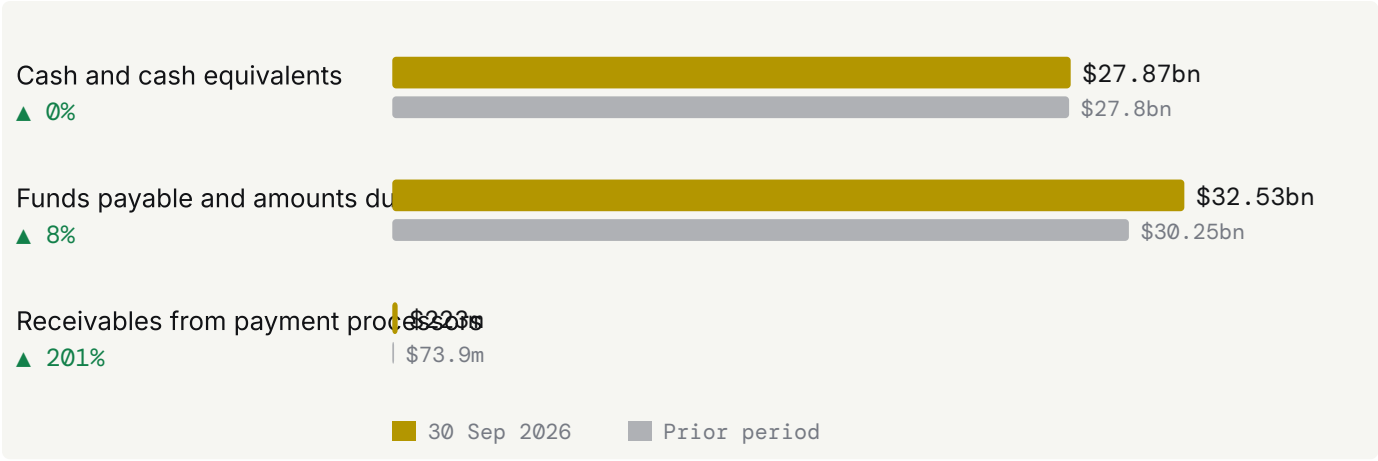


FIGURE	VALUE	CHANGE
Net cash from operating activities H1 FY27	$2.62bn	−31% from $3,805.6m
Change in funds payable and amounts due to customers H1 FY27	$2.55bn	
Cash and cash equivalents 30 Sep 2026	$27.87bn	+0.2% from $27,802.2m at 31 Mar 2026
Funds payable and amounts due to customers 30 Sep 2026	$32.53bn	+7.5% from $30,254.2m at 31 Mar 2026
Long-term debt 30 Sep 2026	$329.4m	
Unused revolving credit facility 30 Sep 2026	$437.7m	undrawn throughout the half
Receivables from payment processors 30 Sep 2026	$222.7m	+201% from $73.9m at 31 Mar 2026

Sources: H1 FY27 Results RNS, cash flow statement, 13 Nov 2026; H1 FY27 Results RNS, balance sheet, 13 Nov 2026; H1 FY27 Results RNS, note 12, 13 Nov 2026; H1 FY27 Results RNS, note 9, 13 Nov 2026

> **“Banks are also adopting our infrastructure. In recent months, Wise Platform has announced new partnerships in the UK and Europe with OakNorth and Vivid.”**
>
> **Kristo Käärmann**, Co-founder and Chief Executive Officer · Wise Group plc H1 FY27 Results, 13 November 2026

October's guidance repeated, leaving the second half to lift margins

The FY27 guidance has not changed since 16 October. Net revenue growth is expected in the upper half (17.5-20%) of the 15-20% medium-term range at constant currency, and the income-before-tax margin around the top of the 20-25% range. In July the revenue guide was "around the middle" of the range, so October was the upgrade and today confirms it.

The guidance implies slower growth in the second half. Constant-currency net revenue grew 22% in the first half, and quarterly growth had already eased from 25% in Q1 to 21% in Q2. A footnote says the revenue guidance includes recent central-bank rate rises, assumes no material change in the share of interest paid to customers, and excludes any effect of further rate moves. The Bank of England raised Bank Rate to 4.00% in November. That move is already in the numbers, so further rate changes are a risk to the forecast either way.

The margin was in line with what Wise flagged. In October it said the first-half margin would be about 23%, including about two points of one-off costs, and that is what it reported. The full year needs more. If second-half revenue only matched the first half, a 25% full-year margin would require about 27% in the second half. A margin that is merely at the top end of the range needs less, but still more than 23%. The listing costs will not recur, but technology, servicing and G&A costs grew 40-51% in the first half.

FY26 is the cautionary example. The take rate fell from 0.58% to 0.52% that year and income before tax fell to $660m from $718m while revenue grew. Wise's stated approach is to reinvest part of its operating leverage (the extra margin that comes from growing faster than costs) into lower prices. On that approach, profit should not be expected to grow much faster than revenue.

FIGURE	VALUE	CHANGE	
FY27 net revenue growth guidance FY27, constant currency	17.5-20%		upper half of 15-20% range, unchanged from 16 Oct 2026
FY27 IBT margin guidance FY27	around the top of 20-25%		
H1 IBT margin guidance H1 FY27	c.23%		including one-off expenses equivalent to c.2ppts
Q2 net revenue Q2 FY27	$739.1m		+21%
Q1 net revenue Q1 FY27	$714m		+25%
FY26 income before tax FY26	$660m		-8.1% from $718m
Bank Rate 10 Nov 2026	4.00%		+0.25 points over three months

Sources: H1 FY27 Results RNS, 13 Nov 2026; Q2 FY27 Trading Statement, 16 Oct 2026; Q1 FY27 trading update, 17 Jul 2026; Wise FY26 Results, 26 Jun 2026; UK economy and markets data

About 22 times last year's earnings, with half the buyback spent

BEFORE		NOW · SKAALA INVESTMENTS VOTING RIGHTS
~~6.656%~~	→	5.021%

At 837.20p in today's trading, Wise is valued at £8.39bn. Converted to dollars, that is roughly 22 times FY26 net profit of $499m. Wise pays no dividend, so the only return to shareholders is the buyback. That multiple only looks low if revenue growth starts to show up in profit, which the first half did not show.

The buyback runs to a maximum of about $540m (£405m). It began on 21 July and must finish by 31 March 2027, and Wise says almost half has been bought. About 40% goes to the employee share trust to meet staff share awards, so part of the buyback offsets dilution from share-based pay and does not shrink the share count. In the half, Wise bought 13,861,935 shares for $169.2m at an average of $12.20.

Profit is sensitive to rates. Net interest on customer balances was $350.9m in the half, so a 10% fall with no offset would remove $35m, a tenth of income before tax. Higher rates help that line, but they also tend to lower the value investors put on growth shares, and lower rates reverse both effects.

The share register has shifted. Skaala Investments cut its voting rights to 5.021% from 6.656% on 4 November. Directors' and managers' sales since mid-October have been small, typically a few thousand shares under pre-arranged 10b5-1 plans or to cover tax on vesting awards. Kristo Käärmann's voting rights are capped at under 50%.

FIGURE	VALUE	CHANGE
Market capitalisation 13 Nov 2026	£8.39bn	
FY26 net profit FY26	$499m	−9.3% from $550m
Share buyback programme 21 Jul 2026 to 31 Mar 2027	approximately $540 million (£405 million)	almost 50% purchased to date
Shares bought in H1 H1 FY27	13,861,935 for $169.2m	average $12.20 per share
Dividend FY26	none	

Sources: Ticker company data; Wise FY26 Results, 26 Jun 2026; H1 FY27 Results RNS, 13 Nov 2026; H1 FY27 Results RNS, note 6, 13 Nov 2026; Annual Report and Accounts to 2026-03-31

Shares are still below October's gap and have not formed a floor

The second-quarter statement had a bigger effect on the shares than anything since. They fell from 902.6p on 15 October to 833.2p on 16 October on 3.5 million shares, far above normal volume. They have since traded sideways between about 800p and 850p, closing at 830.6p on 12 November, the day before these results. A brief rise to 850-867p on 4 and 5 November did not hold.

The longer trend is down. On 12 November the price was below its 50-day average of 859p, its 100-day of 896p and its 200-day of 908p. The 50-day fell below the 200-day on 25 September, a pattern chartists call a death cross. On-balance volume, a running total that adds volume on up days and subtracts it on down days, was below its 20-day average, so more volume went through on falling days during the sideways spell. The shares sit in the lower part of a 52-week range of 754p to 1,101.25p.

Two levels matter. Support is near 791.6p, tested eight times without breaking, and resistance is at 848.5p and then 913.6p, where the October fall began. Daily trading ranges had narrowed sharply going into the results, which usually comes before a larger move but says nothing about its direction. A close above 913.6p on strong volume would undo the October fall, and a close below 791.6p would take the shares to new 2026 lows.

FIGURE	VALUE	CHANGE
Share price 13 Nov 2026	837.2p	
52-week range to 13 Nov 2026	754.00p - 1101.25p	

Sources: Ticker company data

The case for and against

FOR

The case for starts with how broad the growth is. Customers, volume, card spend and holdings all grew more than 20%, with business volume up 35% and assets under custody up 52%. Growth came from the US and Asia-Pacific more than from sterling translation, since constant-currency volume still grew 22%. Fee economics improved: transaction revenue less transaction costs reached 78% of transaction revenue, against 73% a year earlier on a like-for-like basis. On this reading, the take-rate cut is a choice made from strength. Banks including two top-20 North American lenders, OakNorth and Vivid are plugging into Wise Platform, which supports the claim that the 51% rise in technology spend builds infrastructure others will pay to use. The balance sheet carries a surplus of $2.1bn over customer liabilities, little corporate debt and an undrawn facility, and management has met or beaten its guidance through FY27 so far.

AGAINST

The case against starts with the bridge from last year's operating profit. Operating costs rose $251.4m against $219.0m more transaction revenue, and the $50.3m rise in net interest on customer balances accounts for all of the $17.9m profit increase. Interest income is rising more slowly than balances, so yields are already slipping, and the guidance assumes Wise does not have to pass more interest to customers. Management has said lower prices are policy, and FY26 showed volume growth alongside falling pre-tax profit. Competitors are not standing still, with Western Union reported to be planning a stablecoin network. Regulatory costs are also rising: provisions jumped to $41.0m and the Brussels matter needed a settlement. The buyback ends by 31 March 2027, just as full-year delivery is tested.

WHAT TO WATCH

The evidence that will decide between the two comes in the next few months. The third-quarter trading statement will show whether constant-currency growth holds within the 17.5-20% range and whether the take rate falls again. The FY27 results will show whether the second-half margin reached the 27% that a 25% full year implies, and whether technology, servicing and G&A costs grew more slowly than revenue. Two further tests are whether net interest on customer balances holds up as central banks move and whether Wise starts reporting Platform volumes. On the chart, a strong-volume close above 913.6p or below 791.6p would show which reading the market has accepted.

Risks

Net interest on customer balances was $350.9m in the half, 24% of net revenue. Rate cuts or pressure to pass more interest to customers would reduce it, and guidance assumes no material change in the share paid out.

- Wise plans to keep reinvesting operating leverage into lower prices, so volume growth may again fail to lift profit, as in FY26, when income before tax fell to $660m while revenue grew.
- Technology, servicing, marketing and G&A costs grew 40-51% in the half. Reaching a full-year margin at the top end of 20-25% needs that growth to slow sharply in the second half.
- Legal and regulatory provisions rose to $41.0m in six months, and Wise Europe settled queries from the Brussels prosecutor's office. Financial crime and regulatory compliance are among the principal risks Wise names.
- Competitors are developing alternative cross-border rails, including Western Union's reported stablecoin-network plans, which could force deeper fee cuts.
- The buyback that has supported demand for the shares ends by 31 March 2027, and an early holder, Skaala Investments, cut its voting rights to 5.021% in November.
- The move of the primary listing to Nasdaq could change UK index demand for the shares in London, and the accounts give no measure of that effect.

THE OTHER VIEW

On the more optimistic reading, the first half is better than the reported margins suggest. The fall in operating margin to 20.8% includes $15m of one-off listing costs, and the cost growth reflects spending made on purpose: a second data site, new products in Chile, Thailand, Canada and the US, and the compliance teams a Nasdaq listing requires. Meanwhile the fee business is getting more efficient, with transaction revenue less transaction costs at 78% of transaction revenue against 73% a year earlier on a like-for-like basis. The take-rate cut is $28m of revenue handed back to customers for the half, in a period when Wise added 4.1 million active customers and business volume grew 35%. If price cuts bring in volume at that rate, they are a customer-acquisition cost booked as lower revenue. Interest income on this view is a recurring return on $43.5bn of holdings that keep growing, not a windfall, and it gives Wise room to keep prices low while rivals pay intermediaries. Banks connecting to Wise Platform, including two top-20 North American lenders, suggest the infrastructure has value to other institutions that the reported figures do not yet show. The weakness in this reading is that none of it is visible in operating profit yet, and FY26 showed the same promise turning into lower pre-tax profit.

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