

23 February 2022

WTC 1H22 results investor presentation

Attached is the 1H22 results investor presentation for the half-year ended 31 December 2021.

//ENDS

Authorized for release to ASX by David Rippon, Corporate Governance Executive and Company Secretary.

Contact information

INVESTOR RELATIONS:

Ross Moffat +61 412 256 224

MEDIA:

Helen Karlis +61 419 593 348

About WiseTech Global

WiseTech Global is a leading developer and provider of software solutions to the logistics execution industry globally. Our customers include over 18,000¹ of the world's logistics companies across more than 165 countries, including 42 of the top 50 global third-party logistics providers and 24 of the 25 largest global freight forwarders worldwide². Our flagship platform, CargoWise, forms an integral link in the global supply chain and executes over 72 billion data transactions annually.

Our mission is to change the world by creating breakthrough products that enable and empower those that own and operate the supply chains of the world. At WiseTech, we are relentless about innovation, adding over 4,600 product enhancements to our global platform in the last five years while bringing meaningful continual improvement to the world's supply chains. Our breakthrough software solutions are renowned for their powerful productivity, extensive functionality, comprehensive integration, deep compliance capabilities, and truly global reach. For more information about WiseTech Global or CargoWise, please visit wisetechglobal.com and cargowise.com

¹ Includes customers on CargoWise and platforms of acquired businesses whose customers may be counted with reference to installed sites

² Armstrong & Associates: Top 50 Global 3PLs & Top 25 Global Freight Forwarders ranked by 2020 logistics gross revenue/turnover and freight forwarding volumes

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1H22 Results



OUR VISION

To be the operating system for global logistics



OUR MISSION

To create breakthrough products that enable and empower those that own and operate the supply chains of the world

Agenda

1H22
HIGHLIGHTS



1H22 FINANCIAL
REVIEW



STRATEGY &
OUTLOOK



Q&A



APPENDICES



SECTION 01

1H22 highlights

RICHARD WHITE, CEO & FOUNDER



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1H22 financial highlights

Robust financial performance, strong revenue growth & cash generation reflecting operating leverage

Total Revenue \$281.0m

↑ 22% ex FX (↑ 18% incl. FX)

on 1H21

Total revenue growth **\$42.3m**

Recurring revenue 93% (↑ 2pp)

CargoWise revenue \$193.0m

↑ 33% ex FX (↑ 29% incl. FX)

on 1H21

CargoWise revenue growth **\$43.1m**

Acquisition (non-CargoWise) revenue¹ \$87.9m

(↓ 1% incl. FX)

EBITDA \$137.7m

↑ 54%

on 1H21

EBITDA growth **\$48.4m**

EBITDA margin 49% (↑ 12pp)

CargoWise EBITDA margin 58%

Underlying NPAT¹ \$77.3m

↑ 77%

on 1H21

Statutory NPAT **\$77.4m** (↑ 74%)

Underlying EPS **23.7cps** (↑ 77%)

Free cash flow \$90.3m

↑ 85%

on 1H21

Free cash flow conversion rate **66%** (↑ 11pp)

Cash at December 2021 of **\$380.3m**

Undrawn debt facility of **\$225m**

Interim dividend 4.75cps

↑ 76%

on 1H21

Fully franked

Payout ratio **20%** of Underlying NPAT

Global supply chain market conditions

Ongoing COVID outbreaks globally along with strong demand for goods resulting in continued constraints



Global trade & freight

- By late calendar 2021 factories in the US and Europe were reporting an easing of supply chain challenges¹
- The ongoing growth of eCommerce and strong demand for goods, coupled with the challenges posed by outbreaks of new COVID variants, has resulted in:
 - continued capacity constraints
 - port congestion
 - supply chain labor shortages
 - higher freight rates²



Structural industry trends

Continued acceleration of longer-term structural trends including:

- Increasing investment by logistics providers to replace legacy systems with integrated global technology to drive productivity and facilitating planning, visualization and control of global operations³
- Continued consolidation within the logistics sector, including global freight forwarders such as DHL, DSV³, CEVA Logistics, Kuehne + Nagel and JAS Worldwide embarking on acquisitions over the last two years. Consolidation activity has intensified in the second half of calendar 2021⁴

1H22 strategic highlights

Strategic progress on the '3Ps' to accelerate delivery of our vision



Product

- Excellent progress on continued alignment of acquisition development teams to support WiseTech's development pipeline
- Delivered 589 new CargoWise product features and enhancements
- Continued progress in building out the CargoWise ecosystem in line with development priorities
- Two small 'tuck-in' acquisitions completed in 1H22 to extend CargoWise's enterprise-wide functionality



Penetration

- Two new global rollouts of CargoWise secured in 1H22, bringing:
 - FedEx; and
 - Access World
- Total of 40 large global customer rollouts (including DHL, Bolloré, DSV/Panalpina)
- Post 31 December 2021 signing of new global rollout with Brink's Global Services
- 10 of Top 25 Global Freight Forwarders¹ have either rolled out or are in progress with global rollouts on the CargoWise platform



Profitability

- Strong revenue growth drives further operating leverage and margin expansion
- Well-progressed organization-wide efficiency and acquisition synergy program which is maximizing operating leverage and supporting growth
- Program delivered:
 - \$20.2m gross 1H22 cost reductions
 - \$19.7m net benefit in 1H22
 - Cost reduction run-rate of ~\$45m for FY22
 - Run-rate exceeding previously announced target of ~\$40m

SECTION 02

1H22 financial review

ANDREW CARTLEDGE, CFO



1H22 results

Strong financial performance

A\$m	1H21	1H22	% change
CargoWise revenue	150.0	193.0	29%
Acquisition (non-CargoWise) revenue ¹	88.7	87.9	(1)%
Total revenue	238.7	281.0	18%
Cost of revenues	(35.3)	(38.4)	9%
Gross profit	203.4	242.6	19%
Gross profit margin	85%	86%	1pp
Operating expenses	(114.1)	(104.9)	(8)%
EBITDA	89.2	137.7	54%
EBITDA margin	37%	49%	12pp
Depreciation & amortization ²	(27.8)	(30.1)	8%
EBIT	61.4	107.6	75%
Net finance costs	(1.3)	(1.9)	43%
Fair value gain on contingent consideration	0.8	0.1	(90)%
Profit before income tax	60.8	105.8	74%
Tax expense	(16.5)	(28.5)	73%
Statutory NPAT	44.4	77.4	74%
Basic EPS (CPS)	13.7	23.8	74%
Underlying NPAT³	43.6	77.3	77%
Underlying EPS (CPS)	13.4	23.7	77%

Total revenue

- Total revenue of \$281.0m, up 18% on 1H21
- \$9.2m FX headwind in 1H22 (1H21: \$3.6m headwind vs. 1H20)
- Excluding FX headwind, total revenue grew 22% (equating to \$51.6m growth) and CargoWise revenue grew 33% on 1H21 (equating to \$49.9m growth)

Gross profit

- Gross profit was \$242.6m for 1H22, a 19% increase on 1H21
- This resulted in a gross profit margin of 86%, up 1pp on 1H21

EBITDA

- \$137.7m up 54% on 1H21, reflecting strong revenue growth and \$19.7m net cost reduction benefits delivered by our operating leverage and organization-wide efficiency and acquisition synergy program
- EBITDA margin at 49%, up 12pp on 1H21 reflecting revenue growth and ongoing cost reduction benefits
- CargoWise EBITDA margin of 58%, up 4pp on 1H21
- 1H22 EBITDA includes \$5.9m FX headwind

EBIT & depreciation & amortization (D&A)

- EBIT up 75% on 1H21 driven by strong operating performance and 8% D&A growth
- 8% increase in D&A reflects continued investment in R&D² to drive future growth

NPAT & earnings per share (eps)

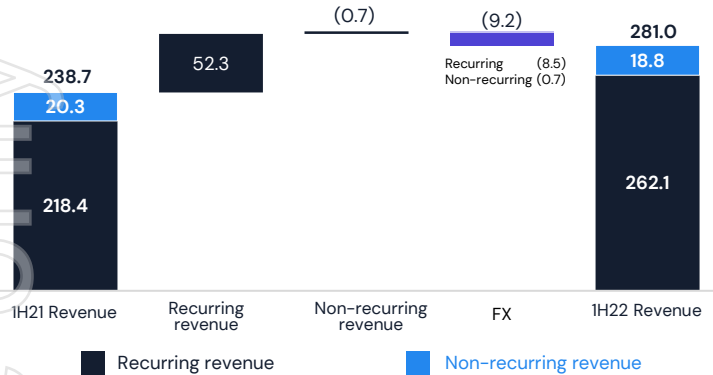
- Underlying NPAT³ of \$77.3m, up 77% on 1H21, demonstrating the ability of our business model to deliver revenue growth and earnings expansion
- Statutory NPAT of \$77.4m, up 74% on 1H21
- Underlying EPS 23.7cps, up 77% on 1H21

1H22 revenue growth

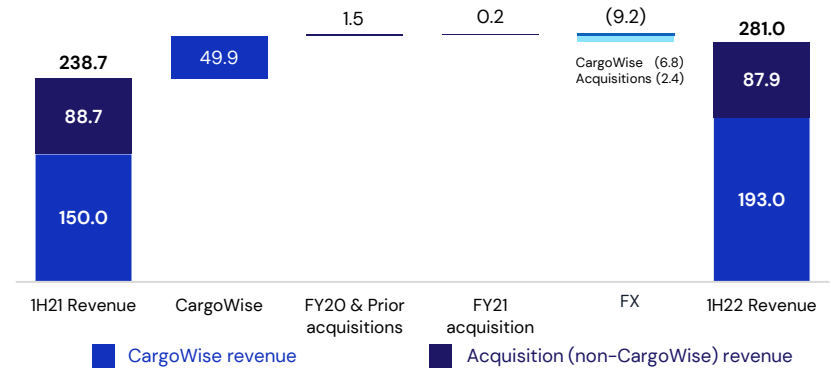
A\$m

Total revenue grew \$51.6m or 22% ex FX – impacted by \$9.2m of FX headwind (1H21: \$3.6m)

Recurring & non-recurring revenue split



CargoWise & acquisition (non-CargoWise) revenue split



Recurring revenue growth ex FX

- \$52.3m increase, or 24% on pcp driven by:
- Increased CargoWise usage driven largely by Large Global Freight Forwarder rollouts, new customer growth, price, and increased usage from existing customers

Non-recurring revenue growth ex FX

- \$(0.7)m decrease, or (4)% in 1H22 driven by:
- The expected contraction from acquisitions completed in FY20 and prior years

CargoWise revenue growth ex FX

- \$49.9m increase, or 33% on pcp driven by:
- \$37.3m growth from **existing customers** (1H21: \$18.5m)
 - \$12.5m growth from **new customers** including \$0.7m from 2 'tuck-in' acquisitions in 1H22 (1H21: \$6.3m)
- Growth from existing & new customers reflects:
- Increased CargoWise usage
 - ~\$11m price change for both existing and new customers to offset increased product investment in R&D, data center hardware and cyber security

Acquisition (non-CargoWise) revenue growth ex FX

- \$1.7m increase, or 2% on pcp driven by:
- \$1.5m net change in revenue from acquisitions in FY20 and prior years
 - \$0.2m increase in revenue from one acquisition in FY21

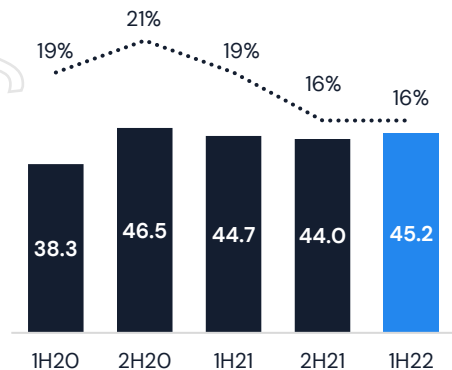
1H22 operating expenses¹

Cost reductions driving margin expansion

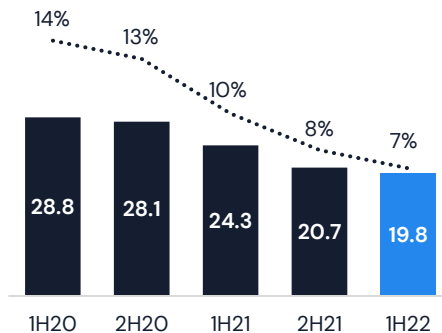
..... % of revenue
■ Expenses (A\$m)

Overall operating expenses down 11pp as a % of revenue on 1H21 as operating leverage increased

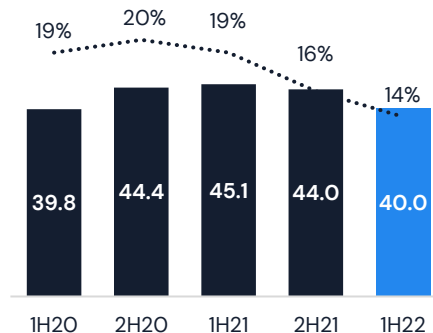
Product design & development (A\$m)



Sales & marketing (A\$m)



General & administration (A\$m)



Product design & development expense

\$0.4m increase in 1H22 vs. 1H21 and \$1.1m increase vs. 2H21 to \$45.2m, reflecting an increase in CargoWise innovation and development and a decrease in acquired platforms. Down 3pp as a % of revenue for the Group due to the benefits of cost reductions

~47% of PD&D expenses supporting maintenance of acquired legacy products, expected to decrease over time

Sales & marketing expense

Down 3pp as a % of revenue in 1H22 vs. 1H21 reflecting:

- Ongoing cost reduction benefits in acquisitions
- A more targeted sales & marketing focus on Top 25 Global Freight Forwarders and top 200 global logistics providers

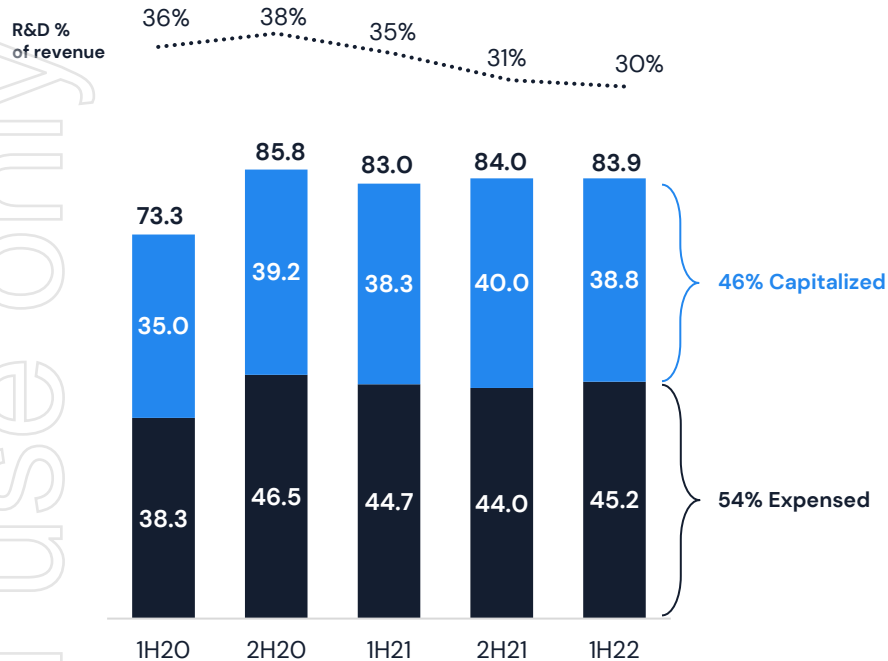
General & administration (G&A) expense

Down 5pp as a % of revenue vs. 1H21 primarily driven by ongoing cost reduction benefits. Includes \$0.5m in restructuring costs (1H21: \$5.1m restructuring costs)

1H22 research and development

Innovation and product development continues to be a priority

Investment in innovation and product development (A\$m)



Product investment

- CargoWise investment increased 20%, mostly offset by a 23% decline across acquisitions reflecting our strategy to align the acquired teams to support CargoWise development pipeline
- As a result, investment in innovation and product development increased by 1% net vs. 1H21
- 30% of revenue reinvested in R&D in 1H22
- Capitalized development increased 1% to \$38.8m in 1H22 vs. 1H21, reflecting increased investment including the development of native customs in CargoWise
- 46% of R&D investment capitalized in 1H22, flat vs. 1H21
- Proportion of R&D investment capitalized broadly in the range of 40%-50%
- Maintenance, bug fixes and research costs are expensed, including a project currently in research phase which has resulted in a lower capitalized development %. The project is expected to be capitalized once the research phase is successfully completed
- Over \$625m in product investment in the last 5 years (2H17 to 1H22)
- Delivered 589 new CargoWise product features and enhancements in 1H22 and over 4,600 in the last 5 years (2H17 to 1H22)
- CargoWise product development resources increased by +13% in 1H22 vs. 30 June 2021 and have increased by +75% over the last 3 years, driven by new hire recruitment and transfers from acquired business teams

1H22 balance sheet

Strong balance sheet and liquidity providing solid platform for future growth

A\$m	30 Jun 21	31 Dec 21
Cash	315.0	380.3
Receivables	74.1	69.2
Derivative financial instruments	3.3	1.6
Other current assets	22.6	25.8
Intangible assets	904.5	932.4
Other non-current assets	80.2	86.8
Total assets	1,399.8	1,496.1
Current liabilities	188.0	190.9
Borrowings	-	-
Non-current liabilities	105.9	113.1
Total liabilities	293.9	303.9
Net assets	1,106.0	1,192.2
Share capital	827.8	905.4
Retained earnings & reserves	278.2	286.8
Total equity	1,106.0	1,192.2

Strong liquidity

- \$380.3m in cash providing financial flexibility and headroom to fund growth opportunities
- Undrawn debt facility of \$225m

Receivables

- (7)% receivables decrease due to focused collection efforts to reduce outstanding receivables and offset increases driven by revenue growth

Intangible assets

- \$27.9m increase reflecting investment in new capitalized development, partially offset by amortization

Current liabilities

- Includes \$8.3m tax refund related to acquisition payments currently classified as an Uncertain tax position

Share capital

- \$77.6m increase in share capital reflecting new shares issued to the Employee Share Trust for future vesting and for acquisition earnout considerations

1H22 cash flow performance

Highly cash-generative business model delivering strong free cash flow

A\$m	1H21	1H22	% change
EBITDA	89.2	137.7	54%
Non-cash items in EBITDA	8.4	8.9	7%
Working capital changes	(5.5)	(11.9)	116%
Operating cash flow	92.1	134.7	46%
Capitalized development costs	(36.5)	(34.5)	(5)%
Other Capital Expenditure	(6.9)	(10.0)	45%
Free cash flow	48.7	90.3	85%
Operating cash flow conversion	103%	98%	(5)pp
Free cash flow conversion	55%	66%	11pp
Free cash flow margin	20%	32%	12pp

Strong operating cash flow

- Operating cash flows were \$134.7m (1H21: \$92.1m), up 46% on 1H21, demonstrating the strength of our highly cash-generative operating model
- Increase in operating cash flow reinvested into long-term growth, \$44.5m invested primarily in product development and data center hardware
- 98% operating cash flow conversion rate, down 5pp on 1H21 due to timing of a significant annual payment made in 1H22 vs. in 2H in previous years, otherwise broadly in line with 1H21 operating cash flow conversion rate and no impact for FY22 conversion rate
- Non-cash items increased 7% reflecting an increase in share-based payments due to the annual payment made in 1H22 instead of typically 2H

Free cash flow

- 1H22 free cash flow was \$90.3m, up 85% on 1H21 driven by higher EBITDA
- 66% free cash flow conversion rate, up 11pp on 1H21
- Free cash flow margin of 32% up 12pp on 1H21, reflecting improved operating cash flow
- Rule of 40¹ up to 50% in 1H22 from 36% in 1H21

SECTION 03

Strategy & outlook

RICHARD WHITE, CEO & FOUNDER



WiseTech's '3Ps' strategy

Strategy designed to leverage structural changes and deliver sustainable growth

Vision: To be the operating system for global logistics

Industry wide structural changes accelerated by the COVID-19 pandemic



Need to **replace** ageing legacy systems



Demand for integrated global software solutions with **increased visibility**



Logistics providers pursuing **industry consolidation**

Our people are focused on the 3Ps to **deliver on our vision**



Product

Extend technology lead

Penetration

Expand market penetration

Profitability

Drive operational efficiency

Product – the CargoWise ecosystem

Our product development strategy is designed to enable and empower the world's supply chains

>\$625m invested in in-house R&D since 2H17 delivering 4,600+ product features and enhancements (589 in 1H22)
53% of employees focused on product development

Neo (beta)

Global native customs
and cross-border
compliance



Global
rates



International
eCommerce



**CargoWise
ecosystem**

Development priorities

Enterprise-wide
functionality



Landside logistics
& land transport



Neo Global integrated
platform for BCOs



Acquisition program – accelerates CargoWises' product development priorities – delivering IP, skillsets & geographic coverage

FY16-FY21 acquisitions

- Expand CargoWise ecosystem functionalities
- Product development, integration and native rewrite process, including pilot & commercialization phases.

'Tuck-in' acquisitions

- Smaller acquisitions
- Staff, knowledge and tech stack absorbed completely into CargoWise Product, teams and development processes, rebranded as a CargoWise Module
- 2 completed in 1H22: Inobiz and Hazmatica

Larger strategically significant
acquisition opportunities

Penetration

Momentum through existing customer growth & new global rollout wins

2 new global rollouts by Large Global Freight Forwarders¹ secured since 1 July 2021:

- FedEx
- Access World

Post 1H22 1 additional global rollout signing with Brink's.

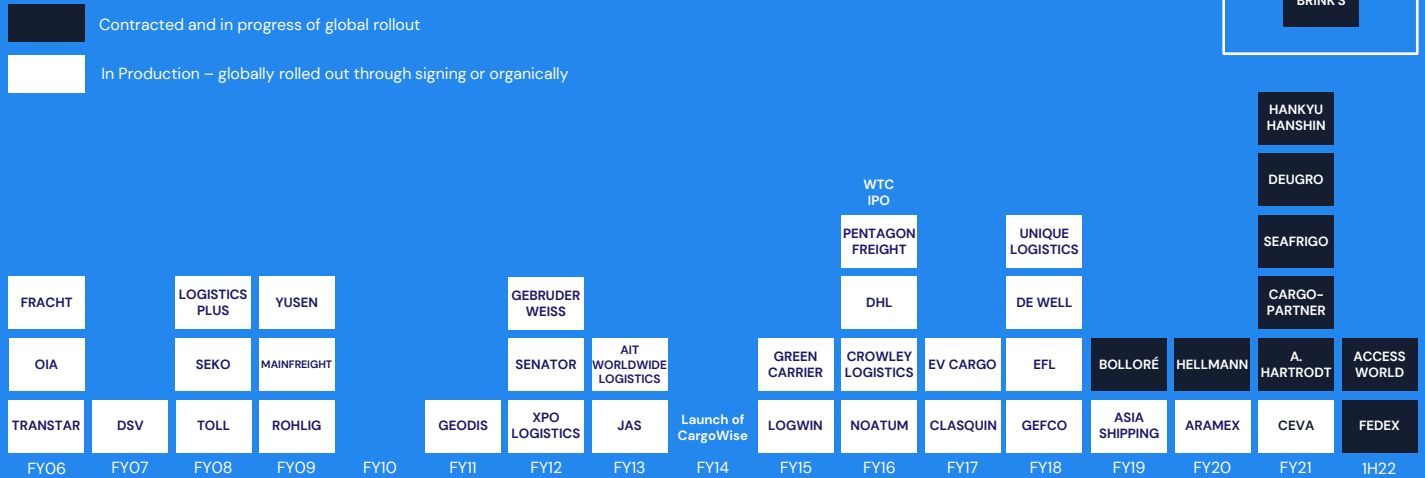
As at 1H22, CargoWise had global rollouts 'In Production' or 'Contracted and In Progress' with **40 Large Global Freight Forwarders**:

- 31 'In Production'¹
- 9 'Contracted and In Progress'¹ (i.e. in the process of a global rollout)

Of the 40 global rollouts in place as at 31 December 2021, 10 are with Top 25 Global Freight Forwarders²

Global rollouts – CargoWise Large Global Freight Forwarders³

Signed post 31 December 2021⁴



Customers have been categorized in the financial year that reflects the later of their CargoWise revenue cohort or global contract signing date (if applicable).

1. See definitions on slide 36
2. Of the 10 global rollout customers that are in the Top 25, Global Freight Forwarders, 8 are 'In Production' and 2 are 'Contracted and In Progress'
3. Reconciliation of global rollouts reported at 1H22 on slide 35
4. Includes customer signings post 1H22 up to and including 22 February 2022

Profitability

Maximizing operating leverage and supporting growth



Streamlining processes
and teams



Internal development of our
existing teams



Optimizing our integrated
cost structures



Allocating resources
appropriately

Operational efficiency initiatives

- At our FY20 Results, WiseTech announced the commencement of an organization-wide efficiency and acquisition synergy extraction program designed to:
 - streamline processes and teams,
 - maximize operating leverage and
 - ensure appropriate allocation of resources to support scalability and delivery of the Company's strategic vision
- This program is progressing well and in 1H22 delivered a \$19.7 million net benefit
- WiseTech continues to assess further efficiency and acquisition synergy opportunities where appropriate

Exceeding cost reduction targets

FY22

Cost reduction run-rate ~\$45 million
for FY22

Exceeding previous target of ~\$40 million

**1H22 vs.
1H21**

1H22 net benefit of \$19.7 million versus

1H21 net benefit of \$1.0 million

FY22 revised EBITDA guidance

EBITDA guidance increased by \$10–\$15 million to \$275–\$295 million, revenue guidance reaffirmed

FY22 revenue
\$600m – \$635m
18% – 25% FY22 growth vs. FY21
FY22 EBITDA
\$275m – \$295m
33% – 43% FY22 growth vs. FY21
FY22 EBITDA %
46% – 47%
5pp – 6pp FY22 vs. FY21

FY22 guidance assumptions

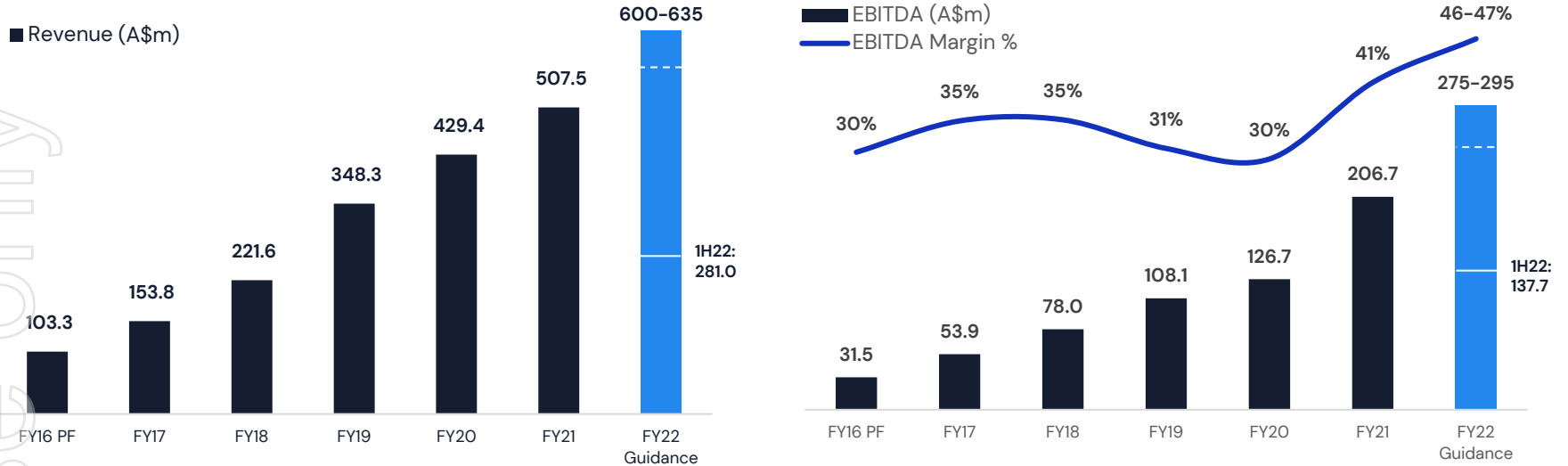
- 1 CargoWise: revenue growth of ~30% – 40%** (excluding FX)
 - Strong momentum from FY21 run rate continues in 2H22 as economies continue to recover from uncertainty brought on by new COVID variant
 - Expected to be skewed towards 2H22 in a more pronounced way than was the case in FY21
 - FX headwind reduces growth by ~2–3pp
- 2 Acquisitions:**
 - No new acquisitions not already closed
 - Flat revenue growth from operations
- 3 FX: headwind \$9m revenue and \$7m EBITDA**
 - Majority of USD/EUR revenue covered by hedging
 - See Appendix for sensitivity analysis
- 4 Operating expenses and cost of revenue:**
 - ~\$45m cost reduction run rate for FY22, \$13.8m net benefit achieved in FY21, results in ~\$31m net cost reductions in FY22 vs. FY21
 - ~\$55m – \$70m additional cost investments to support long-term growth, staff retention and post COVID-19 activities. Slightly less than previously expected due to 1H lockdowns and border restrictions, expecting to see a step up in 2H as constraints ease

Guidance provided in line with these assumptions and those in the Appendix, slide 24.

Uncertainty around future economic and industrial production growth and pandemic stimulus measures may lead to alternative outcomes.

Prevailing uncertainties relating to sovereign and geopolitical risk may also reduce assumed growth rate.

Strategy execution delivering long-term sustainable shareholder value



- Delivering strong revenue growth
- Continuing momentum in market penetration
- Expanding CargoWise ecosystem
- Increasing operating leverage
- Delivering strong free cash flow

Q & A



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Appendices

Slides

24. FY22 guidance assumptions and FX
25. Customer growth and low attrition
26. Revenue growth excluding FX
27. Overview of revenue licensing models
28. Income statement
29. Key operating metrics
30. Reconciliation of statutory expenses to non-statutory expenses
31. Reconciliation of Underlying NPAT, NPATA and Underlying ETR
32. Revenue growth drivers (FY16–FY21 reference slide)
33. CargoWise recurring revenue growth drivers (FY16–FY21 reference slide)
34. Large Global Freight Forwarder rollouts driving revenue growth (FY16–FY21 reference slide)
35. Global rollouts – reconciliation of global rollouts
36. Glossary
37. Important notice and disclaimer



FY22 guidance assumptions and FX

What is included in the FY22 guidance:

- Retention of existing customers with CargoWise usage growth consistent with historical levels
- New customer growth consistent with historical levels
- New product and feature launches monetized
- Contractual increases in revenue from existing customers, including those reflecting the end of temporary pricing arrangements
- Standard price increases
- Full year effect of FY21 acquisition and minimal growth for acquisitions as a group overall

What is not included in the guidance:

- Revenue from new products in development but not planned to be commercialized
- Benefits from migration of customers from acquired platforms, where CargoWise development is yet to be completed
- Changes in the mix of invoicing currencies
- Future potential acquisitions, revenues and associated costs
- Uncertainty around future economic and industrial production growth, pandemic stimulus measures, sovereign and geopolitical risk
- Any impact from supply chain disruption related to ongoing pandemic

FX rates ¹ vs. AUD	FY21 actual	1H22 actual	2H22 guidance
USD	0.72	0.75	0.75
EUR	0.61	0.63	0.63
GBP	0.56	0.54	0.53
ZAR	11.58	10.83	11.25
TRY	5.58	6.65	9.90
NZD	1.07	1.05	1.06
RMB	4.94	4.77	4.58
CHF	0.67	0.68	0.66

Sensitivities ²	Increase/decrease	2H22 Revenue \$m	2H22 EBITDA \$m
FX rates vs. AUD			
USD	+/- 5%	-1.2 / +1.0	-0.5 / +0.2
EUR	+/- 5%	-0.9 / +1.1	-
GBP	+/- 5%	-0.3 / +0.3	-
ZAR	+/- 10%	-0.3 / +0.3	-0.2 / +0.2
TRY	+/- 10%	-	-
NZD	+/- 5%	-0.3 / +0.3	-0.3 / +0.3
RMB	+/- 5%	-	-
CHF	+/- 5%	-0.2 / +0.2	-

Foreign Exchange

1H22

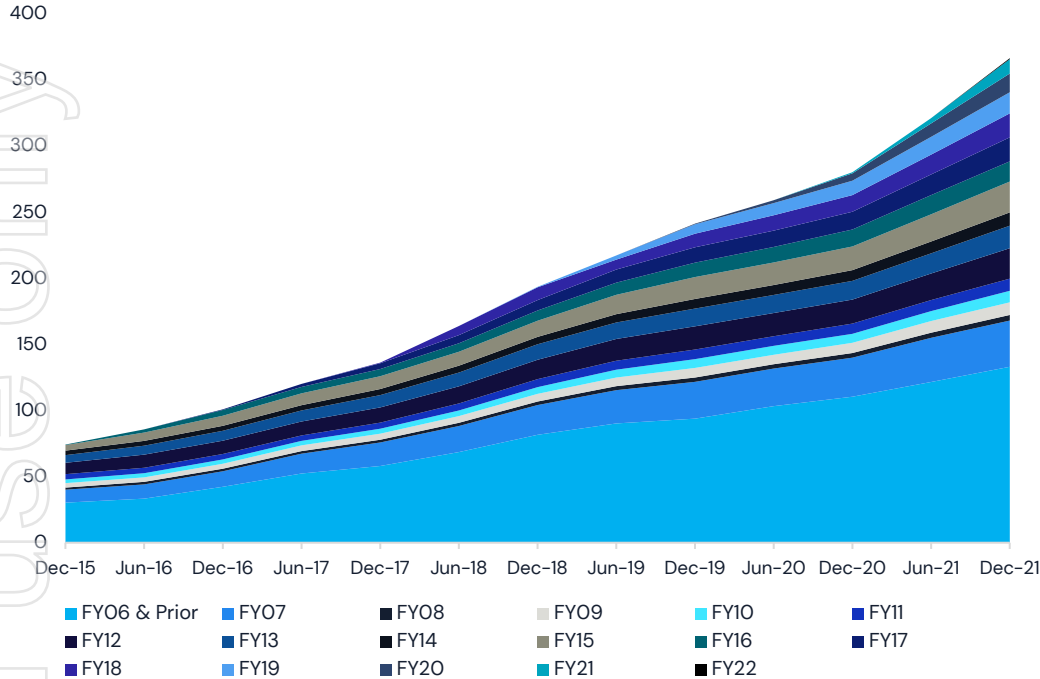
- 77% of 1H22 revenue in non-AUD currencies, 2pp higher than 1H21 (75%)
- 64% of 1H22 revenue was in AUD or covered by (USD/EUR) hedges. At the start of 1H22 we hedged more FX exposure following FY21 results
- Natural hedges in some regions with both revenue and expenses denominated in local currencies – including acquisitions
- FX remained a headwind overall with \$9.2m of unfavorable FX movements included in revenue growth
- 50% of 1H22 revenue in non-local currencies due to impact from overseas acquisitions and mix of transactions and users in CargoWise

2H22

- ~70% of forecast 2H22 revenue is in AUD or covered by (USD/EUR) hedges
- ~25% of 2H22 revenue is in local functional currency with offsetting costs creating natural hedges
- ~5% of 2H22 revenue is in other currencies with partial cost offsets
- Additional hedge coverage up to FY24 for USD and EUR revenue exposure

Customer growth and low attrition

CargoWise¹ application suite revenue by customer cohort
A\$m (last 12 months)



Increasing adoption by Large Global Freight Forwarders

Top 300 customers now deliver ~75% of CargoWise revenue in 1H22

Customers stay and use more

<1% attrition every year for last 9.5 years²
Low annual customer attrition rate

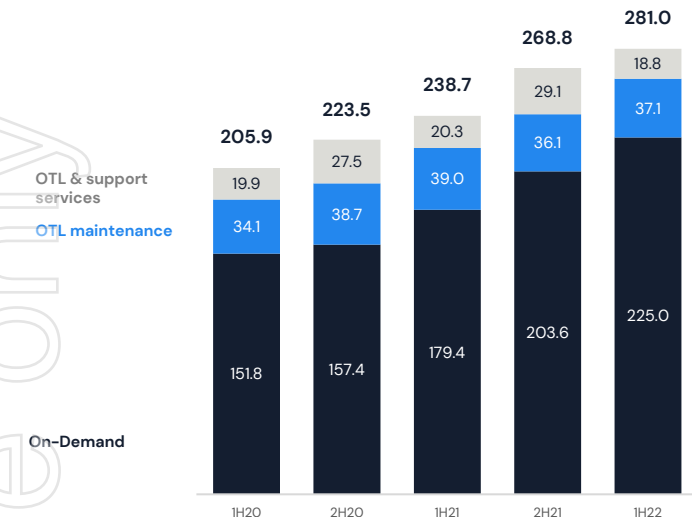
1H22 revenue growth achieved across all customer cohorts (FY06 & Prior - FY22), vs. 1H21 and 2H21

Revenue growth excluding FX

	A\$m			1H21			1H22			\$ change			% change		
	Recurring revenue	Non-recurring revenue	Total revenue	Recurring revenue	Non-recurring revenue	Total revenue	Recurring revenue	Non-recurring revenue	Total revenue	Recurring revenue	Non-recurring revenue	Total revenue			
Reported revenue and reported revenue growth	CargoWise revenue	148.8	1.2	150.0	191.5	1.5	193.0	42.7	0.4	43.1	29%	31%	29%		
	Acquisition (non-CargoWise) revenue	69.5	19.1	88.7	70.6	17.3	87.9	1.1	(1.8)	(0.7)	2%	(10)%	(1)%		
	Total revenue	218.4	20.3	238.7	262.1	18.8	281.0	43.8	(1.5)	42.3	20%	(7)%	18%		
1H22 FX headwind	CargoWise revenue				6.8	-	6.8								
	Acquisition (non-CargoWise) revenue				1.7	0.7	2.4								
	Total revenue				8.5	0.7	9.2								
Revenue and revenue growth – excluding FX	CargoWise revenue	148.8	1.2	150.0	198.3	1.6	199.9	49.5	0.4	49.9	33%	31%	33%		
	Acquisition (non-CargoWise) revenue	69.5	19.1	88.7	72.3	18.0	90.4	2.8	(1.1)	1.7	4%	(6)%	2%		
	Total revenue	218.4	20.3	238.7	270.7	19.6	290.2	52.3	(0.7)	51.6	24%	(4)%	22%		

Overview of revenue licensing models

Total revenue by license type (A\$m)



	1H20	2H20	1H21	2H21	1H22
Recurring revenue (A\$m)	185.9	196.1	218.4	239.7	262.1
% of total revenue	90%	88%	91%	89%	93%

	Recurring revenue (93% of revenue) ¹			Other revenue (7% of revenue) ¹		
Revenue	On-Demand Licensing 80% ¹		One-Time Licensing (OTL) maintenance 13% ¹	OTL & support services 7% ¹		
License	Seat + Transaction Licensing (STL)		Module User Licensing (MUL)	OTL maintenance	OTL	Support services
Revenue drivers	Price drivers <ul style="list-style-type: none"> Seat license fee Transaction fee Volume drivers <ul style="list-style-type: none"> Monthly number of seats & users Monthly transactions 	Transition pricing & commitment agreements	Price drivers <ul style="list-style-type: none"> Price per user Price per module used Volume drivers <ul style="list-style-type: none"> Number of users Monthly modules used <i>(only 1% of CargoWise revenue is MUL)</i>	Price drivers: <ul style="list-style-type: none"> Annual maintenance price per license Volume drivers: <ul style="list-style-type: none"> Number of licenses 	Price drivers: <ul style="list-style-type: none"> One-time price per perpetual license Volume drivers: <ul style="list-style-type: none"> Number of licenses 	Ad hoc revenue (professional services, training & customer paid product enhancements)
CargoWise	✓	✓	✓	✗	✗	✓

Income statement

A\$m	1H21	1H22
Revenue		
Recurring On-Demand license	179.4	225.0
Recurring OTL maintenance	39.0	37.1
OTL and support services	20.3	18.8
Total revenue	238.7	281.0
Cost of revenues	(35.3)	(38.4)
Gross profit	203.4	242.6
Operating expenses		
Product design and development	(44.7)	(45.2)
Sales and marketing	(24.3)	(19.8)
General and administration	(45.1)	(40.0)
Total operating expenses	(114.1)	(104.9)
EBITDA	89.2	137.7
Depreciation	(10.1)	(9.7)
Amortization	(12.7)	(16.2)
EBITA	66.4	111.8
Acquired amortization	(5.0)	(4.2)
EBIT	61.4	107.6
Net finance costs	(1.3)	(1.9)
Fair value gain on contingent consideration	0.8	0.1
Profit before income tax	60.8	105.8
Tax expense	(16.5)	(28.5)
NPAT	44.4	77.4
Underlying NPAT¹	43.6	77.3
NPATA²	47.8	80.7

Key operating metrics

	1H21	1H22	1H22 CargoWise ¹
Total revenue growth vs. prior year	16%	18%	29%
Recurring revenue – % of total revenue	91%	93%	99%
On-Demand license revenue – % of total revenue	75%	80%	99%
Gross profit margin	85%	86%	92%
Product design & development – % of total revenue	19%	16%	12%
Total R&D – % of total revenue	35%	30%	29%
Sales & marketing – % of total revenue	10%	7%	6%
General & administration – % of total revenue	19%	14%	15%
EBITDA margin	37%	49%	58%
EBIT margin	26%	38%	
Underlying NPAT ² – % of total revenue	18%	27%	
NPATA ² – % of total revenue	20%	29%	
Capitalized development investment A\$m	38.3	38.8	
Total R&D A\$m	83.0	83.9	
Effective tax rate	27%	27%	
Underlying effective tax rate ²	27%	27%	

Reconciliation of statutory expenses to non-statutory expenses

Statutory to
non-statutory
reconciliation

A\$m	1H21	1H22
Cost of Revenues		
Cost of revenue – statutory	38.9	42.4
Less: Depreciation & amortization	3.6	4.0
Cost of revenues – non-statutory	35.3	38.4
Product design & development		
Product design & development – statutory	64.1	66.7
Less: Depreciation & amortization	20.6	22.5
Less: Right-of-use asset depreciation capitalized	(1.2)	(1.0)
Product design & development – non-statutory	44.7	45.2
Sales & marketing		
Sales & marketing – statutory	27.0	22.5
Less: Depreciation & amortization	2.7	2.7
Sales & marketing – non-statutory	24.3	19.8
General & administration		
General & administration – statutory	47.2	41.9
Less: Depreciation & amortization	2.1	1.9
General & administration – non-statutory	45.1	40.0

Reconciliation of underlying NPAT, NPATA and underlying ETR

Net Profit after Tax (NPAT)

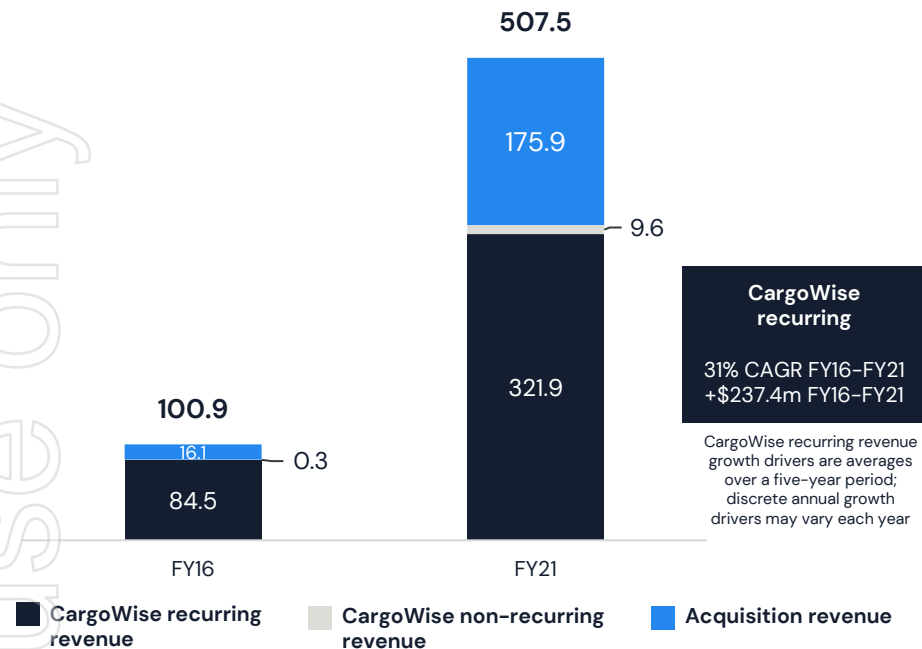
A\$m	1H21	1H22
NPAT	44.4	77.4
Fair value gain on contingent consideration	(0.8)	(0.1)
Underlying NPAT¹	43.6	77.3
NPAT	44.4	77.4
Fair value gain on contingent consideration	(0.8)	(0.1)
Acquired amortization (net of tax)	3.7	3.1
Contingent consideration interest unwind (net of tax)	0.4	0.4
NPATA¹	47.8	80.7

Effective tax rate

A\$m	1H21	1H22
Profit before income tax	60.8	105.8
Fair value gain on contingent consideration	(0.8)	(0.1)
Underlying profit before income tax¹	60.1	105.7
Tax expense	(16.5)	(28.5)
Underlying effective tax rate (ETR)	27.4%	26.9%

Revenue growth drivers

CargoWise recurring revenue delivers 31% CAGR FY16 to FY21 (constant currency)



FY16 revenue is in constant currency terms based on FY21 average exchange rate

CargoWise recurring revenue growth

- 31% CAGR FY16 to FY21
- Significant R&D investment driving long-term growth
- Revenue growth of \$237.4m, ~4X over the last 5 years
- Major recurring revenue growth drivers (averages per year)¹
 - ~12pp Large Global Freight Forwarder rollouts
 - ~6pp New customers' FY17 to FY21 cohorts
 - ~4pp New product features and enhancements reflected in price
 - ~3pp Existing customer growth and market share
 - ~3pp Major new product releases
 - ~3pp Market growth
- **31% CAGR FY16 to FY21**
- CargoWise non-recurring revenue mainly driven by increase in customer paid product enhancements – important future growth enabler
- Acquired businesses drive strategic product development in CargoWise customs and adjacencies, as well as adding to overall revenue growth

Future revenue growth drivers

- CargoWise recurring revenue growth consistent with historical experience, and **accelerated growth** across:
 - Large Global Freight Forwarder rollouts and further contract wins
 - New products and features from acquisitions e.g. Customs, Rates and R&D investment
- Large new product horizons e.g. CargoWise Neo
- Potential strategically significant acquisition opportunities

1. Details on inclusions in CargoWise recurring revenue growth drivers on slide 33. Revenue growth measured in "new product features and enhancements reflected in price", "major new product releases" and "market growth" is excluded from revenue growth measured in "Large Global Freight Forwarder rollouts", "New customers' FY17 to FY21 cohorts" and "Existing customer growth and market share"

CargoWise recurring revenue growth drivers

Details on inclusions in each category of revenue drivers

CargoWise recurring revenue growth drivers	Growth rate FY16 to FY21 (averages per year)	What's included
Large Global Freight Forwarder rollouts	12pp	Growth in users and transactions from Large Global Freight Forwarders ¹
New customers' FY17 to FY21 cohorts	6pp	New CargoWise customers recurring revenue growth from customer cohorts added from FY17 to FY21 (non Large Global Freight Forwarders)
New product features and enhancements reflected in price	4pp	Monetized new product features and enhancements and standard periodic price increases reflecting ongoing product development investment delivering enhancements
Existing customer growth and market share	3pp	Increased usage of CargoWise by existing (non-Large Global Freight Forwarders) customers adding transaction volumes, seats and new sites, utilization of new modules
Major new product releases	3pp	Significant new CargoWise product releases not included in new product features and enhancements
Market growth	3pp	Growth driven by changes in industrial production and world trade in manufactured goods

31% CAGR FY16 to FY21

28% CAGR from WiseTech specific growth factors

CargoWise recurring revenue growth drivers are averages over a five-year period; discrete annual growth drivers may vary each year

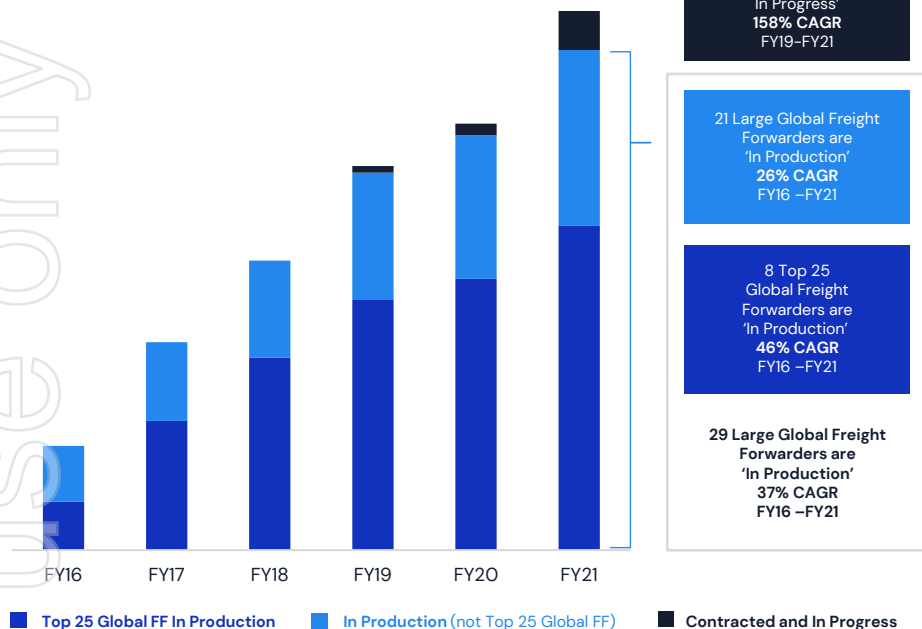
1. See definitions on slide 36

2. Revenue growth measured in "new product features and enhancements reflected in price", "major new product releases" and "market growth" is excluded from revenue growth measured in "Large Global Freight Forwarder rollouts", "New customers' FY17 to FY21 cohorts" and "Existing customer growth and market share"

Large Global Freight Forwarder rollouts driving revenue growth

36 Large Global Freight Forwarder rollouts are driving long term revenue growth

Annual revenue (A\$m)¹
in constant currency



29 Large Global Freight Forwarders with rollouts of CargoWise 'In Production'² have delivered:

- Revenue growth of 37% CAGR over the period FY16 to FY21, driven by:
 - Ongoing growth of initial global rollouts including DHL, DSV, Toll, Yusen and Geodis
 - Adoption of more CargoWise modules, new products, features, enhancements & geographies
 - Customer M&A activity integrating their acquired businesses onto CargoWise
- 8 are Top 25 Global Freight Forwarders and have delivered revenue growth of 46% CAGR over the period FY16 to FY21

Significant future growth expected from:

- The 7 Large Global Freight Forwarders that are 'Contracted and In Progress'¹ given less than 10% of their expected users are currently live on CargoWise and they have delivered revenue growth of 158% CAGR over the period FY19 to FY21
- The existing 29 Large Global Freight Forwarders currently 'In Production' as their global rollouts continue to expand
- Adoption of new products and features, including customs as penetration of global manufactured trade flows increases from ~45% to ~90% target
- Further industry M&A driving consolidation and integration onto CargoWise
- Future new Large Global Freight Forwarder global contracts wins, including FedEx

Global rollouts

Reconciliation of CargoWise global rollouts

	In Production ¹	Contracted ¹	Total LGFF ¹	Top 25 ¹
As at 30 June 2021	29	7	36	10
FedEx new contract signed	-	1	1	-
Access World new contract signed	-	1	1	-
New organic rollouts 'In Production': Logistics Plus, EV Cargo, Unique Logistics	3	-	3	-
Consolidation of WACO/Tigers with JAS post merger	(1)	-	(1)	-
As at 31 December 2021	31	9	40	10

Post 31 December 2021 new CargoWise global rollout signed with Brink's Global Services

Glossary

	Abbreviation	Definition	First reference slide
Acquisition (non-CargoWise) revenue	-	Revenue generated by businesses acquired since 2012 that are not included in CargoWise revenue.	5
'Contracted and In Progress' global rollouts	Contracted and In Progress	Customers who are contracted and in progress to rolling out CargoWise in 10 or more countries and for 400 or more registered users.	18
'In Production' global rollouts	In Production	Customers who are operationally live on CargoWise and are using the platform on a production database, having rolled out in 10 or more countries and 400 or more registered users on CargoWise.	18
Large Global Freight Forwarder	LGFF	A CargoWise customer contracted to grow or who has grown either organically or contractually to 10 or more countries and 400 or more registered users on CargoWise.	18
Net Profit After Tax Amortization	NPATA	Net profit after tax before: acquired amortization net of tax, contingent consideration interest unwind net of tax, and fair value changes on contingent consideration. NPATA is a non-statutory measure used for the purpose of assessing the Group's performance (see slide 31).	28
Rule of 40	-	Rule of 40 is defined as the sum of the year-on-year total revenue growth and the free cash flow margin.	14
Top 25 Global Freight Forwarders	Top 25 Global FF	Top 25 based on Armstrong & Associates, Inc. Top 25 Global Freight Forwarders List ranked by 2020 logistics gross revenue/turnover and freight forwarding volumes (revenues are company reported or Armstrong & Associates estimates). Updated 3 September 2021 (see reconciliation of CargoWise global rollouts from FY21 to 1H22 on slide 35).	7
Underlying Net Profit After Tax	Underlying NPAT	Net Profit After Tax excluding fair value adjustments from changes to acquisition contingent consideration (see slide 31).	5
Underlying profit before income tax	Underlying PBT	Profit before income tax excluding fair value adjustments from changes to acquisition contingent consideration.	31

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