WiseTech Global Limited ABN 41 065 894 724

WiseTech Global Limited

Prospectus

Initial Public Offering

Financial Adviser
blackpeak capital

Joint Lead Managers
CREDIT SUISSE
Morgan Stanley

Legal Adviser
CLAYTON UTZ

Important notices

Offer

The Offer contained in this Prospectus is an invitation to acquire fully paid ordinary shares in WiseTech Global Limited (ACN 065 894 724) (**WiseTech** or **Company**) (**Shares**). This Prospectus is issued by WiseTech and WiseTech SaleCo Limited (ACN 610 848 283) (**SaleCo**).

Lodgement and listing

This Prospectus is dated 17 March 2016 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date. None of ASIC, the Australian Securities Exchange (**ASX**) or their respective officers takes any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates. WiseTech has applied to ASX for listing and quotation of the Shares on ASX.

This Prospectus expires on the date which is 13 months after the date of this Prospectus. No securities will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

Note to applicants

The information contained in this Prospectus is not financial product advice and does not take into account the investment objectives, financial situation or particular needs of any prospective investor.

It is important that you read this Prospectus carefully and in full before deciding whether to invest in WiseTech. You should carefully consider this Prospectus in light of your investment objectives, financial situation and particular needs (including financial and taxation issues) and seek professional advice from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest. Some of the risk factors that should be considered by prospective investors are set out in Section 5. There may be risk factors in addition to these that should be considered in light of your personal circumstances.

No person named in this Prospectus, nor any other person, guarantees the performance of WiseTech, the repayment of capital by WiseTech or the payment of a return on the Shares.

No person is authorised to give any information or make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by WiseTech, its Directors, SaleCo or the SaleCo Directors.

No Cooling-Off Rights

Cooling-off rights do not apply to an investment in Shares acquired under the Prospectus. This means that, in most circumstances, you cannot withdraw your application to acquire Shares under this Prospectus once it has been accepted.

Exposure period

The Corporations Act 2001 (Cth) (**Corporations Act**) prohibits WiseTech from processing applications in the seven day period after the date of lodgement of this Prospectus (**Exposure Period**). This period may be extended by ASIC by up to a further seven days. The Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. The examination may result in the identification of deficiencies in this Prospectus, in which case any application may need to be dealt with in accordance with section 724 of the Corporations Act. Applications received during the Exposure Period will not be processed until after the expiry of that period. No preference will be conferred on applications received during the Exposure Period.

Obtaining a copy of this prospectus

This Prospectus is available to Australian investors in electronic form at http://www.wisetechglobal-ipo.com.au/ or certain persons in jurisdictions authorised by WiseTech and SaleCo. The Offer constituted by this Prospectus in electronic form at http://www.wisetechglobal-ipo.com.au/ is available only to persons within Australia or certain person in jurisdictions authorised by WiseTech and SaleCo. Subject to the foregoing, it is not available to persons in other jurisdictions (including the United States). Persons having received a copy of this Prospectus in its electronic form may, before the Offer closes, obtain a paper copy of this Prospectus (free of charge) by telephoning the WiseTech Offer Information Line on 1800 828 558 within Australia.

If you are eligible to participate in the Offer and are calling from outside Australia, you should call +61 1800 828 558. Applications for Shares may only be made on an application form attached to or accompanying this Prospectus, or via the relevant electronic application form attached to the electronic version of this Prospectus (**Application Form**) available at http://www.wisetechglobal-ipo.com.au/. The Corporations Act prohibits any person form passing the Application Form onto another person unless it is attached to a hard copy of the Prospectus or the complete and unaltered electronic version of the Prospectus. Refer to Section 7 for further information.

Statements of past performance

This Prospectus includes information regarding the past performance of WiseTech. Investors should be aware that past performance is not indicative of future performance.

Financial performance

Section 4 sets out in detail the financial information referred to in this Prospectus. The basis of preparation of the financial information is set out in Section 4.2. All references to FY13, FY14, FY15, FY16 and FY17 appearing in this Prospectus are to the financial years ended or ending 30 June 2013, 30 June 2014, 30 June 2015, 30 June 2016 and 30 June 2017 respectively, unless otherwise indicated.

All references to 1H15 and 1H16 are to the half years ending 31 December 2014 and 31 December 2015 respectively. The Historical Financial Information has been prepared in accordance with the recognition and measurement principles prescribed by the Australian Accounting Standards.

All financial amounts contained in this Prospectus are expressed in Australian currency, unless otherwise stated. Any discrepancies between totals and sums of components in tables contained in this Prospectus are due to rounding.

Forward looking statements and marketing and industry data

This Prospectus includes Forecast Financial Information based on an assessment of present economic and operating conditions, and on a number of specific and general assumptions set out in Section 4.12 regarding future events and actions that, as at the date of the Prospectus, WiseTech expects to take place. The basis of preparation and presentation of the Forecast Financial Information are consistent with the basis of preparation and presentation for the Pro Forma Historical Financial Information.

This Prospectus contains forward looking statements which are identified by words such as "believes", "considers", "could", "estimates", "expects", "intends", "may", and other similar words that involve risks and uncertainties. The Forecast Financial Information is an example of forward looking statements. Such forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of WiseTech and SaleCo.

Any forward looking statements are subject to various risk factors that could cause WiseTech's actual results to differ materially from the results expressed or anticipated in these statements. Forward looking statements should be read in conjunction with, and are qualified by reference to, the risk factors as set out in Section 5, general assumptions as set out in Section 4.12.1, specific assumptions as set out in Section 4.12.2, sensitivity analysis as set out in Section 4.13, and other information in this Prospectus.

WiseTech cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward looking statements. WiseTech has no intention of updating or revising forward looking statements, or publishing prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information, contained in this Prospectus, except where required by law.

This Prospectus, including the overviews of the industry in which WiseTech operates in Section 2 and of WiseTech in Section 3, uses market data, industry estimates and projections. WiseTech has based some of this information on market research prepared by third parties. The information contained in the projections and reports of third parties includes assumptions, estimates and generalisations that WiseTech believes to be reliable, but WiseTech cannot guarantee the completeness of such information.

Gartner disclaimer

The Gartner, Inc. Report(s) described herein, (the Gartner, Inc. Report(s)) represent(s) research opinion or viewpoints published, as part of a syndicated subscription service, by Gartner, Inc. and are not representations of fact. Each Gartner, Inc. Report speaks as of its original publication date (and not as of the date of this Prospectus) and the opinions expressed in the Gartner, Inc. Report(s) are subject to change without notice.

Photographs and diagrams

Photographs and diagrams used in this Prospectus that do not have descriptions are for illustration only and should not be interpreted to mean that any person shown in them endorses this Prospectus or its contents or that the assets shown in them are owned by WiseTech. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the date of this Prospectus.

Company website

Any references to documents included on WiseTech's website at http://www.wisetechglobal.com/ are for convenience only, and none of the documents or other information available on WiseTech's website is incorporated herein by reference.

Defined terms and time

Defined terms and abbreviations used in this Prospectus have the meanings given in the glossary in Section 14. Unless otherwise stated or implied, references to times in this Prospectus are to Sydney time (GMT +11).

Disclaimer

Except as required by law, and only to the extent so required, neither WiseTech nor any other person warrants or guarantees the future performance of WiseTech, or any return on any investment made pursuant to this Prospectus.

As set out in Section 7.2, it is expected that the Shares will be quoted on the ASX initially on a conditional and deferred settlement basis. WiseTech, SaleCo, WiseTech's service provider Link Market Services Limited (ABN 54 083 214 537) (**Share Registry**), the Financial Adviser, the Joint Lead Managers and the Selling Shareholders disclaim all liability, whether in negligence or otherwise, to persons who trade Shares before receiving their holding statements.

Selling restrictions

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the Shares or the Offer, or to otherwise permit a public offering of Shares, in any jurisdiction outside Australia. The distribution of this Prospectus outside Australia may be restricted by law and persons who come into possession of this Prospectus outside Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Prospectus may not be distributed to, or relied upon by, any person in the United States, unless as part of the Institutional Offering Memorandum in connection with Institutional Offer or as part of the US Employee Placement Document in connection with the US Employee Placement.

In particular, the Shares have not been, and will not be, registered under the US Securities Act of 1933, (**US Securities Act**) or the securities laws of any state of the United States and may not be offered or sold in the United States unless the Shares are registered under the US Securities Act, or are offered or sold in a transaction exempt from, or not subject to the registration requirements of the US Securities Act and applicable US state securities laws is available.

Privacy

By filling out the Application Form to apply for Shares, you are providing personal information to WiseTech and SaleCo through the Share Registry, which is contracted by WiseTech to manage applications. WiseTech and SaleCo, and the Share Registry on their behalf, may collect, hold, use and disclose that personal information for the purpose of processing your Application, servicing your needs as a Shareholder, providing facilities and services that you need or request and carrying out appropriate administration.

If you do not provide the information requested in the Application Form, WiseTech, SaleCo and the Share Registry may not be able to process or accept your Application. Your personal information may also be used from time to time to inform you about other products and services offered by WiseTech, which it considers may be of interest to you.

Your personal information may also be provided to WiseTech's agents and service providers on the basis that they deal with such information in accordance with WiseTech's privacy policy. The agents and service providers of WiseTech may be located outside Australia where your personal information may not receive the same level of protection as that afforded under Australian law. The types of agents and service providers that may be provided with your personal information and the circumstances in which your personal information may be shared are:

- the Share Registry for ongoing administration of the register of members;
- printers and other companies for the purpose of preparation and distribution of statements and for handling mail;
- market research companies for the purpose of analysing the Shareholder base and for product development and planning; and
- legal and accounting firms, auditors, contractors, consultants and other advisers for the purpose of administering, and advising on, the Shares and for associated actions.

If an applicant becomes a Shareholder, the Corporations Act requires WiseTech to include information about the Shareholder (including name, address and details of the Shares held) in its public register of members. The information contained in WiseTech's register of members must remain there even if that person ceases to be a Shareholder. Information contained in WiseTech's register of members is also used to facilitate dividend payments, corporate communications (including WiseTech's financial results, annual reports and other information that WiseTech may wish to communicate to its Shareholders) and compliance by WiseTech with legal and regulatory requirements. An applicant has a right to gain access to their personal information that WiseTech and the Share Registry hold about that person, subject to certain exemptions under law.

A fee may be charged for access. Access requests must be made in writing or by a telephone call to WiseTech's registered office or the Share Registry's office, details of which are disclosed in the corporate directory on the final page of this Prospectus. Applicants can obtain a copy of WiseTech's privacy policy by visiting the WiseTech website (http://www.wisetechglobal.com/).

By submitting an Application, you agree that WiseTech and the Share Registry may communicate with you in electronic form or contact you by telephone in relation to the Offer.

Report on Directors' forecasts and financial services guide

The provider of the independent review on the Forecast Financial Information is required to provide Australian retail clients with a financial services guide in relation to the review under the Corporations Act. The financial services guide is provided in Section 9.

Use of trademarks

This Prospectus includes WiseTech's registered and unregistered trademarks. All other trademarks, tradenames and service marks appearing in this Prospectus are the property of their respective owners.

Contents

Important information

Key offer dates	
Prospectus date	17 March 2016
Retail Offer opens	29 March 2016
Retail Offer ends	5 April 2016
Bookbuild to determine Final Price and number of Shares offered	6 – 7 April 2016
Final Price and number of Shares offered announcement to the market	8 April 2016
Expected commencement of trading on ASX on a conditional and deferred settlement basis	11 April 2016
Settlement	13 April 2016
Expected Completion (issue and transfer of Shares)	14 April 2016
Expected commencement of trading on ASX on an unconditional and deferred settlement basis	14 April 2016
Expected dispatch of holding statements	15 April 2016
Expected commencement of trading on ASX on a normal settlement basis	18 April 2016

Dates may change

This timetable is indicative only and may change without notice. Unless otherwise indicated, all times are stated in Sydney time. The Joint Lead Managers, the Company, and SaleCo reserve the right to vary any and all of the above dates and times without notice (including, subject to the ASX Listing Rules and the Corporations Act, to close the Offer early, to extend a closing date, or to accept late applications or bids, either generally or in particular cases, or to cancel or withdraw the Offer before Settlement, in each case without notifying any recipient of this Prospectus or applicants). Offers may be made and may be open for acceptances, under this Prospectus either generally or in particular cases, including until Completion or, subject to the Corporations Act, thereafter, at the discretion of the Directors.

If the Offer is cancelled or withdrawn before the allocation of Shares, then all application monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their applications as soon as possible after the Offer opens.

How to invest

Applications for Shares can only be made by completing and lodging an Application Form. Instructions on how to apply for Shares are set out in Section 7 and on the back of the Application Form.

Questions

Please call the WiseTech Offer Information Line at 1800 828 558 (within Australia) or +61 1800 828 558 (outside Australia) from 8:30am until 5:30pm (Sydney time) Monday to Friday. If you are unclear in relation to any matter or are uncertain as to whether WiseTech is a suitable investment for you, you should seek advice from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest in WiseTech.

References to “we”, “us”, “our”, WiseTech and “Group”

In this document, the expressions we, us, our, WiseTech and Group refer to WiseTech Global Limited and its subsidiaries, and their businesses, as the context permits. Company refers to WiseTech Global Limited.

Key offer statistics[1]	Indicative range	Based on the Mid Point Price
Indicative Price Range	$2.58 - $4.12	–
Mid-Point Price	–	$3.36
Total number of shares available under the Offer[2]	24.3m - 75.0m	54.1m
Gross proceeds of the Offer[2]	$100.0m - $219.6m	$181.7m
Proceeds of the Offer paid to Selling Shareholders	$0.0m - $69.6m	$56.7m
Proceeds of the Offer raised by the issue of Shares by the Company	$100.0m - $150.0m	$125.0m
Total number of Shares on issue at Completion	289.0m - 295.7m	290.5m
Total number of Shares held by Existing Shareholders on Completion	235.7m - 256.9m	236.4m
Indicative market capitalisation[3]	$762.9m - $1,190.7m	$976.1m
Pro forma net cash (31 December 2015)[4]	$64.1m - $109.9m	$86.2m
Enterprise value[5]	$698.8m - $1,080.8m	$889.8m
Enterprise value/pro forma FY16 forecast Revenue[6]	6.9x - 10.6x	8.7x
Enterprise value/pro forma FY17 forecast Revenue[6]	5.2x - 8.0x	6.6x
Enterprise value/pro forma FY16 forecast EBITDA[7]	23.3x - 36.0x	29.7x
Enterprise value/pro forma FY17 forecast EBITDA[7]	14.6x - 22.5x	18.5x
Price/pro forma FY16 forecast NPATA per Share[8]	53.2x - 83.0x	68.0x
Price/pro forma FY17 forecast NPATA per Share[8]	29.2x - 45.6x	37.4x

Basis of calculation of the above

Under the Offer, the Company will offer Shares in number equal to at least $100m divided by the Final Price and up to $150m divided by the Final Price and SaleCo will offer between zero and 16.9m Shares. The number of Shares to be offered (and the Final Price at which they will be offered) will be determined by the Joint Lead Managers, SaleCo and the Company as part of the Bookbuild. These Shares will be available for investors under the Institutional Offer, Broker Firm Offer, Priority Offer, Employee Offer, and to Australian employees who elect to re-invest their FY15 and FY16 bonuses into Shares on Completion (as described in Section 6.3.4.2).

In addition, the Company will also offer Shares under the Employee Gift Offer and may be required to grant to two existing institutional investors (who are not associated with any Directors or existing substantial Shareholders) Shares under existing arrangements depending on the Final Price (as described in Section 9.4)[8].

The actual number of Shares available under the Offer (and on issue on Completion) will therefore depend on the Final Price, the extent to which Shares are determined to be offered by the Company and SaleCo, and the extent to which Eligible Gift Employees take up the Employee Gift Offer.

The Final Price and number of Shares expected to be issued by the Company and sold by SaleCo will be announced by the Company and SaleCo following the Bookbuild and before listing on ASX.

The first and second numbers in the "Indicative Range" column above, represent the lowest and highest (respectively) expected level of the relevant item, based on possible outcomes of the Offer structure described above. The final value of these items may differ from the numbers reflected above.

The numbers in the "Mid-Point Price" column above assume that the Company offers $125m of Shares, and SaleCo offers 16.9m Shares, at the Mid-Point Price per Share. Expressions like "based on", "assuming" or "at" the Mid-Point Price or similar expressions in this Prospectus are based on the same assumptions.

Notes:

(1) The Indicative Price Range for the Offer is the indicative range for the Final Price. The Final Price may be set below, within or above the Indicative Price Range. Shares may trade below the lower end of the Indicative Price Range after Completion. The Mid-Point Price is the average of the top and bottom of the Indicative Price Range. Figures are based on the timetable on the preceding page.

(2) The bottom end of the range for these items assumes that the Company offers $100m of Shares and SaleCo offers no Shares. The top end of the range for these items assumes that the Company offers $150m of Shares, and SaleCo offers 16.9m shares at the top of the Indicative Price Range.

(3) The bottom end of the range for indicative market capitalisation assumes that the Company offers $100m of Shares at the bottom end of the Indicative Price Range. The top end of the range for indicative market capitalisation assumes that the Company offers $150m of Shares at the top of the Indicative Price Range.

(4) The bottom end of the range for indicative market capitalisation assumes that the Company offers $100m of Shares at the bottom end of the Indicative Price Range. The top end of the range for indicative market capitalisation assumes that the Company offers $150m of Shares at the top of the Indicative Price Range.

(5) Enterprise value is calculated as the indicative market capitalisation plus pro forma net cash as at 31 December 2015.

(6) This ratio is calculated as enterprise value divided by FY16 pro forma forecast revenue and FY17 pro forma forecast revenue respectively.

(7) This ratio is calculated as enterprise value divided by FY16 pro forma forecast EBITDA and FY17 pro forma forecast EBITDA respectively.

(8) This ratio is calculated as the price per Share (i.e. the bottom and top of the Indicative Price Range, and the Mid-Point Price) divided by FY16 pro forma forecast NPATA and FY17 pro forma forecast NPATA, respectively divided by the assumed total number of Shares on issue at Completion.

(9) If these institutional investors are entitled to be issued with new Shares on Completion, existing Shareholders (but not incoming investors under the Offer) will be diluted by the issuance. This is because the Final Price to be paid by incoming investors would be set (ie reduced) to ensure that the proportionate shareholding in the Company that incoming investors will represent on Completion will not be affected by any issuance of Shares to these institutional investors.

Chairman's letter

Dear investor,

On behalf of the Directors, I am pleased to offer you the opportunity to become a shareholder in WiseTech Global Limited.

WiseTech is a leading provider of software solutions to the logistics industry globally. We develop, sell and implement software solutions that enable logistics service providers to facilitate the movement and storage of goods and information domestically and internationally. Since 1994, we have experienced significant growth and now have over 6,000 customers licensed to use our software in over 115 countries.

Our industry-leading flagship technology, CargoWise One, is a deeply integrated global software solution for logistics service providers that enables our customers to execute highly complex logistics transactions and manage their operations on one database across multiple users, functions, offices, countries and languages. We operate our own data centres and deliver our CargoWise One software through the cloud. Innovation and productivity are at the core of what we do with over $90m having been spent on product development in the past 3.5 years.

WiseTech is led by experienced management with a track record of driving significant growth. This team is headed by founder and Chief Executive Officer, Richard White, who remains committed to the business and will own between approximately 46.1% and 54.5% of the company following listing on the Australian Securities Exchange.

Between 1 July 2012 and 30 June 2017, we are forecast to deliver strong compound annual growth in pro forma revenue and pro forma EBITDA of 27% and 52% respectively. We have also experienced low customer annual attrition rates for our CargoWise One product of 0.4% for FY15 which help to provide us with significant revenue visibility. We have a growth strategy that seeks to expand our CargoWise One global platform through innovation, increasing usage by existing customers, growing the number of customers using the platform, stimulating network effects, and accelerating our growth with strategic acquisitions.

The purpose of this Offer is to provide funding and financial flexibility to support our global growth strategy and future growth opportunities, to repay (in part) existing debt, to enable existing shareholders to partially monetise their investment, to broaden our shareholder base, and to provide us with the benefits of an increased profile as a listed entity.

This Prospectus contains detailed information about the Offer, the historical and forecast financial results of WiseTech and the material risks associated with an investment in the Company. Before applying for Shares, any prospective investor should be satisfied that they have a sufficient understanding of the risks involved in making an investment in WiseTech. These include risks associated with a failure to retain existing customers, attract new customers and grow revenues; a decline in the global economy and trade; developing our software and failing to develop new products; and a disruption or failure of the technological infrastructure on which our software relies. Please refer to Section 5 for further details.

I encourage you to read this document carefully and in its entirety before making an investment decision.

On behalf of my fellow Directors, I look forward to welcoming you as a shareholder of WiseTech.

Yours sincerely,

Charles Gibbon

Chairman,

WiseTech Global

WiseTech GLOBAL

Dear investor,

I am delighted to introduce you to WiseTech Global, and to take a moment to give you a sense of our business, our culture, and what we are focussed on building.

Our credo

The first thing I would ask you to do as a potential investor is to think about who we are. We think WiseTech Global is quite unusual, in a good way. While we share similarities with other successful software product businesses in that we do not seek simply to follow what others have done before, we strive to be different. We believe that trying to impose rigid structures or to micro-manage innovation is not a recipe for our success. I invite you to read an extract from our Credo on page 7. I think it truly represents how we think about our business and how we try to construct our culture and our product.

Different by design

We believe that being different on the important things is a competitive advantage. Whilst we do not try to reinvent everything, being creative, innovative and challenging the status quo is our way of building a better business. We don't try to emulate others: we have no problem learning from the best, but that is not our primary source of inspiration. We have proven software, built from years of careful experimentation, development and creative endeavour, but that is not all that we are. Innovation is not just about our product, it is visible in our business processes, test-driven software development framework, and the commercial model we have created. Just as with our software, we are regularly evolving our business model, with continuous small changes and improvements — measuring, testing assumptions and tweaking to facilitate the best outcomes.

Product focus

We have a strong product focus and build into our software basic services to assist our customers use our products to run their businesses more efficiently, and our partners to deliver high quality services, without substantial intervention by us. We believe in enabling and empowering our staff, our partners and our customers so they can utilise fully the power of our product. Putting these services in the hands of our customers and partners means we remain focussed on what we do best — continuous delivery of product innovation and improvement.

We think long term

Yes, we think long term. This business has grown and improved over many years. Major innovations and break through products don't happen by accident — they can take years to develop and commercialise. We have a long track record of innovating continuously and successfully (with over 600 product releases last year alone). Today we have a significant pipeline of innovations at various stages of ideation, development or commercialisation. The words "Slower today, faster forever" are spoken amongst our teams frequently: to remind people that it is critical to do it right and that a rushed product that is buggy and incomplete is not an innovation, no matter how smart the idea is.

People focus

Our culture and our people are key to our business, and whilst our 'human capital' does not appear on any balance sheet, I consider them to be the most valuable of assets. We work hard at attracting, recruiting, developing and retaining the right people. Our people underpin the high quality product we produce and the steady stream of innovations that we release. We really care about our people too! We try to build an environment across the company that is supportive of creative endeavour and eclectic personalities and that helps our people be more successful, more productive and more innovative.

Truly global business

This is a truly global business, with customers licensed to use our products in over 115 countries and with a world of opportunity to tap into. Thinking back to the roots of the business, with just five of us working together in the basement of my home in Newtown, Australia, even then I had a view that this business would be global, although I did not know how or in what way. That said, it is a surprise and a delight to have been on this journey, to have learned so much and been rewarded by many of my co-workers and original customers partnering with us for so long. The nature of logistics and the details of how logistics service providers work has become a deeply embedded part of WiseTech Global and it permeates and informs our product development and innovation. We continue to explore the world of logistics and building market-leading solutions that assist logistics service providers run their domestic and global businesses.

CEO's letter

The IPO and its meaning

Many people have asked "Why do you want to be publicly listed?". This question needs to be answered so you can understand our reasoning and plans. We have, in many ways, operated as though we were a public company for some years, with regular board meetings, and subcommittees. That said, there are three fundamental reasons why I believe WiseTech Global should be publicly listed:

1) We have a plan to continue to grow the company and whilst our organic growth is funded from our business, our plans to expand our geographical presence will require additional capital in order to execute effectively in a reasonable time.
2) We have now arrived at a point that we are increasingly dealing with large global players, many of whom are themselves public listed companies. I believe that many of our customers perceive the status, greater transparency and governance demands that comes with being a public listed company important in choosing a worldwide supplier. Being listed will assist to build our brand and show the market that we are committed to a long term future and worthy of their business.
3) We have many long-term shareholders and I believe they deserve a valuation and liquidity mechanism over the long term. Additionally, equity incentive plans in a listed company can be helpful in motivating and retaining our valuable staff.

This is my first, and I expect, my only IPO as CEO. I want it to continue to transform our business and produce a positive outcome for our people, our shareholders and new investors. For my part, I am committed to building from this event and to harness the confidence, investment and momentum in the company by taking this important step.

Is this business without risk? No, of course not, no business is without some risks. We understand risk/reward and we are careful and diligent about how we manage risk. Nonetheless, we develop software products in a competitive, and at times, volatile global economy, with customers continuously looking for the best product for their business and we also face competition when recruiting and retaining staff. Our Chairman has referred to key risks that we face in his letter, and Section 5 of this prospectus contains a detailed description of the risks we face which I too encourage you to read carefully before applying for Shares.

My role in the business

As a potential investor, you probably want to know what my plan is, particularly because founders can have a special relationship with their business.

I have told the Board, and I am saying to you too, that I am deeply excited about WiseTech Global and its long-term future. I love what I do, and I want to take the company forward and see it grow significantly. I plan to serve at the will of the shareholders as a whole as long as you and I believe I am adding real value to the company and that I can do my job well.

My role is almost entirely focussed on the future of the company and the levers of growth that we have at our disposal. I have a lot to do with the company's product vision, I help to evolve the business, and I work hard to inspire my staff to innovate and to build the best products we can possibly build. Without solid long term, profitable growth, these things have little meaning. If you look at the financial information in the document, you will see a growth oriented, profitable, cash-generative business. This is the result of our culture of innovation, a focus on delivery and an ability to build the product that our customers and the logistics industry truly need. Our mission is to be the "Software Platform for Logistics Providers", domestically and globally, and whilst we have made considerable progress, we have so much more to do, many opportunities to capture and a world full of markets to penetrate.

I am deeply passionate about what I do and talented people who are similarly passionate, motivated and connected to WiseTech Global work with me every day. I can see no better place for me to be than growing this company into the future. I hope to be building that future with you too.

Richard White

CEO and Founder

March 2016

Our Credo

*Our culture is not by accident.
Our creativity is by design.
Our people define us.*

This credo, our mission and our core values give us focus and purpose, they inform our head and heart.

We favour principles over policy, open and frank communication over secrecy, agreement over control, results over busy work. We believe that real creativity is delicate and dies with processes, bureaucracy, chain of command and centralised decision making.

Our work environment is flat and open, hierarchy rises only when essential and recedes immediately. We say 'little things are infinitely the most important' and that 'culture eats strategy for lunch'. We actively embed our creativity, the seeds to our success and the antidote to many problems, deep within our people and culture.

We love to challenge the status quo and to think of breakthrough ideas in order to build something delightfully better. We cannibalise that which needs to be superseded, improve that which is imperfect and add that which is missing, and we have fun!

We think bold ideas and build bold products that people don't know they want… until they see them, and can't live without… because they come to love them.

We strive every day to build products that surprise and delight our customers and empower their success, but we also give incredible value to our customers so they drive us to flourish and grow.

We are truly, deeply passionate about what we do and we use all of our empathy, energy, focus, courage, talent, drive and logic to confront the really big stuff that others will not.

*We surround ourselves with incredibly smart people with diverse and eclectic experience, an abundance of talents and motivation fuelled by purpose. We care deeply, have real ownership and a sense of connection in every place and in every role.
We belong.*

We stand with humility on the shoulders of the many that have led us here. We owe them our dedication, our energy and our results.

Corporate grind be damned! We're doing something that really matters and it requires us to strive, learn, grow and flourish.

We will change the world: one innovation at a time.

1 Investment overview

1.1. Overview of WiseTech and its business model

Topic	Summary	For more information
Who is WiseTech Global?	We are a leading provider of software to the logistics services industry globally. We develop, sell and implement software solutions that enable logistics service providers to facilitate the movement and storage of goods and information domestically and internationally. We service our 6,000 customers[1] across more than 115 countries with offices in Australia, New Zealand, China, Singapore, South Africa, United Kingdom and the United States. Our software assists our customers to better address and adapt to the complexities of the logistics industry while increasing their productivity, reducing costs and mitigating risks.	**Section 3.1**
What is our history?	Our company was founded in October 1994 for the purpose of developing freight forwarding and customs software solutions for Australian logistics service providers. Over time, our company became increasingly globally focused and we developed industry-specific and enterprise-wide modules to address the broader international supply chain. Throughout our history, our core focus has been technology innovation and product development. We have invested over 2.5 million development hours across 14 years in building our global platform. In 1H16 we invested 41%[2] of our pro forma revenues and more than half of our workforce in product development and innovation. Our development activities remain centred in Australia where we incubate, develop and commercialise product innovations.	**Section 3.2**
What are our key products?	Our flagship product, CargoWise One, is a global, deeply integrated software platform that enables logistics service providers to facilitate the movement and storage of goods and information domestically and internationally. Our CargoWise One platform contains industry-specific software modules to execute logistics services (such as freight forwarding, customs clearance, warehousing, liner and agency, truck and rail management, air, sea, road and rail freight, container pack and unpack, track and trace and many aspects of domestic and cross-border regulatory compliance) and enterprise-wide software modules (such as accounting and reporting, customer relationship management document management, and human capital management) that help our customers manage their domestic, regional and global businesses. The CargoWise One application suite comprises our current generation software product known as CargoWise One, and our software product it was developed from, ediEnterprise, which is still in use by some customers. We also currently maintain a number of legacy platforms of acquired companies. We intend to transition customers on our acquired platforms to CargoWise One over time.	**Section 3.4**
Who uses our products?	We provide our software solutions to over 6,000 logistics service provider customers for use by approximately 150,000 module users[3] across CargoWise One and acquired legacy platforms. Our customers operate across the supply chain and represent a broad mix of logistics service providers, ranging from small to mid-sized regional or single country businesses to large global logistics organisations. Our customers include 19 of the 20 largest global 3PL logistics service providers in the world. Our CargoWise One application suite is suitable for logistics service providers of all sizes and is designed to be scalable from a small number of users to thousands of users. Our customer base is diverse, with our top 10 customers combined representing approximately 21% of FY15 pro forma revenue, and expected to represent approximately 22% of FY16 pro forma revenue and 28% of FY17 pro forma revenue.	**Section 3.6**

Notes:

(1) Customers refer to purchasers of our software. Customers are typically legal entities or business divisions (rather than individuals). In some cases we have separate customers who purchase our software that are part of the same corporate group. Customer numbers include customers of our CargoWise One application suite and legacy platforms. Legacy customers are counted with reference to installed sites.

(2) Total investment in product development and innovation includes both expensed and capitalised amounts each year spent on product development and innovation. In this Prospectus, references to 'product development and innovation' and 'R&D' or "research and development" refer to the same activity. 'Product development and innovation spend'/'total R&D' is the aggregate of product design and development expense and capitalised development cost.

(3) Module user is calculated as the use of certain key modules within the CargoWise One application suite by one individual within the preceding month. An individual user who accesses a number of key modules would be counted as the corresponding number of module users. Module user numbers also include users of acquired legacy platforms (defined with one module per platform to allow more effective comparison).

1.1. Overview of WiseTech and its business model (continued)

Topic	Summary	For more information
How do customers access our products?	We provide our software solutions as a service to customers who can access the software as needed. This is referred to as Software-as-a-Service or SaaS. We centrally host our software and our customers pay for their use of the software, and are billed predominantly monthly, primarily based on usage under an On-Demand licence model without any significant upfront licence fees. We allow users to access our software at any time, at any location and on internet connected devices (including desktop computers, laptops, tablets and smartphones). We deliver our software solutions through a variety of mechanisms, including the cloud.	**Section 2.1 & Section 3.3.2**
Why do our customers select our software?	We believe our CargoWise One software is "mission-critical" for many of our customers as it enables them to manage highly complex, time-critical operations and often heavily regulated compliance requirements that are essential to their core business activities. Our CargoWise One software allows customers to execute these transactions and manage their businesses on a single, deeply integrated software platform across multiple users, functions, offices, countries and languages. Our CargoWise One software is integrated within and across each module, integrated across geographies and offers integration with other customers, with third-party systems and with government systems. We believe CargoWise One provides numerous benefits beyond the execution of transactions within modules, including: • **Reduction in costs** through the ability to replace multiple proprietary systems and/or other third-party applications with a single, deeply integrated platform; in addition, our cloud–based delivery system can further reduce IT infrastructure and maintenance costs for the customer; • **Productivity gains** through a reduction in data entry into and from third-party software applications and improvements in process efficiency and staff throughput; • **Reduction in operational resources** through a reduction in third-party vendor software applications; • **Risk mitigation** through the increased visibility and alerts, real time data availability globally and elimination of errors associated with re-entering data available on CargoWise One; • **Scalability and expansion into new geographies and services** as customers can easily add new geographies and users and start using additional modules; • **Sustainability and maintainability** through a simple-to-use, single-source code system that is highly configurable for our clients ensuring faster rollout of enhancements and functionality; and • **Intelligent development** through features beyond standard logistics functionality such as self-automation, self-generated ad-hoc fields and self-developed reporting.	**Section 3.3.1 & Section 3.4.2.1**
How do we generate revenue and what are our key expenses?	We earn revenue from fees paid by logistics service providers who use our software. As a software company, our key costs are employees and product development. We primarily generate revenue via On-Demand licensing under which customers can access our software on an as-needed basis and typically pay monthly based on usage without any upfront licence fee. We currently primarily operate two On-Demand licensing models: • Module User Licence (**MUL**) model where customers pay on: (i) a per user, per module, per month basis; and (ii) additional fees for using services such as excess cloud-based storage; and • Seat plus Transaction Licence (**STL**) model where customers pay: (i) a fee per active user per month; (ii) a fee per transaction, varying depending on function and module used; and (iii) additional fees for using services such as excess cloud-based storage. Some of our customers continue to pay annual maintenance fees under historical one-time licences. Over time, we will seek to transition all customers to the On-Demand licensing.	**Section 3.3.2 & Section 4.11.1**

1.1. Overview of WiseTech and its business model (continued)

Topic	Summary	For more information
How do we sell our product?	Sales of our CargoWise One product are derived from a combination of additional usage from existing customers, direct-to-customer sales via our internal sales team and referrals. In addition, sales of our CargoWise One product benefit from a network effect (where existing customers encourage other logistics service providers to also use our platform). We focus on building products that are compelling for our customers to buy, rather than expensive sales and marketing activities, such that our sales and marketing expenses represented only 15% of pro forma revenues in FY15 and 1H16.	**Section 3.5**
What geographies do we operate in?	We currently licence our software in over 115 countries for use by over 150,000 module users. Our business is global in nature reflecting our technology and our customers who may be headquartered in one country yet have many module users located across other key regions, with operating services, billing and compliance functions in other countries.	**Section 3.1**
What is our growth strategy?	Our growth strategy is based on five key components: • **Expanding our global platform through innovation** via relentless product development and investment. We regularly upgrade and expand our CargoWise One platform to broaden our product offering and expand our addressable market; • **Enabling greater usage by existing customers** via our "empower and enable" sales and marketing strategy, enabling customers to increase their use of our software as their businesses grow. We plan to grow the use of CargoWise One by our customers who currently use only a small number of our modules, and/or use our software only in certain regions and we have in place agreements with large global forwarding groups including DHL GF, DSV, Geodis, Hitachi, IJS, JAS, Mainfreight, OHL, Rohlig, Toll, Yusen which are at various stages of global roll out; • **Increasing the number of customers using the platform** via direct sales and referral programs. This strategy has proved successful in obtaining new customers in the past, from small-to-medium regional providers through to large multi-region logistics service providers, and we intend to continue these strategies going forward to obtain new customers who, once on our platform, tend to expand their use across transactions, users, modules and regions over time. In addition, we grow the number of users on the CargoWise One platform by transitioning the customers from companies we acquire over time; • **Stimulating network effects** through specific WiseTech acceleration programs. The interconnectedness and collaboration required throughout the supply chain encourages a strong network effect as various participants benefit from utilising common logistics service provider software; and • **Accelerating execution of strategy and growth through acquisitions** which allow us to enter new geographies and new areas of logistics execution. We predominantly make acquisitions to enter new regions (acquiring customers, compliance capabilities and skilled employees with technical knowledge) and we plan to integrate these acquired customers onto our global CargoWise One platform over time.	**Section 3.7**

1.2. Key features of WiseTech's industry

Topic	Summary	For more information
What industries and segments do we operate in?	We operate in the logistics service provider software market across various aspects of the global supply chain, such as freight forwarding, customs clearance, container freight, tracking and tracing, warehousing, cross-border compliance, and air, sea, rail and road transport.	Section 2.2, Section 2.3 & Section 2.4
What are the drivers of the logistics software industry?	Growth in the logistics software market is a function of growth in revenue earned by outsourced logistics service providers (our customers) and growth in revenue earned by logistics service provider software vendors. Growth in the outsourced logistics market reflects: • Increasing global trade flows; • Supply chain complexity; • Regulation; and • Cost pressures. Growth in the logistics service provider software market reflects: • Increased volume of transactions and software users, leading to a growing need for software systems that can manage increased transactions and volumes; • Desire for increased functionality to support customer growth and geographic expansion; • Margin pressure and the elimination of processes as the pressure to reduce costs can encourage logistics service providers to seek commercial logistics service provider software solutions that can reduce the significant investment required to maintain the infrastructure to develop and host software, and also provide productivity enhancing tools; • The constant evolution of government regulations which makes updating technology and maintaining compliance expensive, and time consuming for logistics service providers; • Logistics service providers focusing on their core capabilities instead of developing and maintaining complex software; • Industry consolidation that may act as a catalyst to replace self-developed systems with commercial solutions; and • An increased need for logistics service providers to collaborate across regions in real-time.	Section 2.2, Section 2.3 & Section 2.4
Who do we compete with?	The logistics service provider software market is highly fragmented and ranges from in-house software solutions to multi-country software solution companies which differ in geographic and functional coverage. Frost & Sullivan considers WiseTech to be one of the very few logistics service provider software companies with an integrated, SaaS-based, global supply chain execution solution across a range of industry-specific and enterprise-wide applications[1]. Within the logistics service provider software market we compete against: • Software solutions developed in-house by logistics service providers for proprietary use; • Single-country single-function software solution companies, which provide logistics software focused on one country or module; • Multi-country software solution companies, which offer solutions addressing a number of countries however typically often focused on a particular region or select functions; and • Enterprise resource planning (**ERP**) software companies, which offer enterprise-wide applications to a number of industries, including the logistics industry. In comparison, we are a global logistics software solution provider offering a single deeply integrated, logistics specific and enterprise-wide platform enabled across more than 115 countries.	Section 2.4.4

Note:
(1) Frost & Sullivan, 'Independent Market Report on the Logistics Software Market' (5 February 2016), commissioned by WiseTech.

1.3. Key strengths

Topic	Summary	For more information
Industry leading software	CargoWise One is a single platform software solution for logistics service providers globally that enables customers to execute logistics transactions and manage their operations on one database across multiple users, functions, offices, countries and languages. Our global platform is deeply integrated within and across modules and geographies allowing for real time visibility, reduced error rates, cost savings and productivity gains. It also offers integration with other customers, with third-party systems and with government systems. Our single-source code integrated platform enables new product developments or functionality enhancements to be rolled out across a customer's operations quickly and without complex manual processes or site visits.	**Section 3.4**
Attractive business model	Our business model is underpinned by the following features: • **Relentless product development and innovation:** We continuously develop our software platform by adding more than 550 product enhancements each year on average between FY13 and FY15. More than half our workforce is dedicated to product development and innovation and our cumulative development spending over the 3.5 years to 31 December 2015 exceeded $90m. • **Open access, efficient "empower and enable" sales and marketing strategy:** We provide our CargoWise One customers with open access to our technology platform so that, regardless of which software modules a customer initially chooses to use and the geographies they use them in, our customers are given full and immediate access to the entire CargoWise One global software platform from day one. We also enable our customers to configure our platform to suit their specific needs and then to use more modules and add more users and locations without additional sales contracts or customisation, site visits or coding changes. This strategy assists us to streamline the sales and on-boarding process, reduce dependence on direct sales, lower our customer acquisition costs and drive customer adoption of our product. • **On-Demand, usage-driven licensing models:** Customers can access all CargoWise One modules offered by the software they are using across geographies as they need without limitation on users or transactions and are primarily charged for their actual usage. Our revenues grow with increased use (transactions), increased number of users (including users in new geographies) or increased number of modules used. • **Support services through automation or external consultants:** We enable users to access our online help 24-hours a day, 7-days a week with responses via "WiseSupport", our online system which is highly automated and facilitated by extensive online content. In addition, the WisePartner network of external authorised consultants can assist customers to buy and implement CargoWise One.	**Section 3.3.1**
Low customer Annual Attrition Rates driven by "mission-critical" nature of product	We believe our software is "mission-critical" for many of our customers as it enables them to manage highly complex, time-critical operations and often heavily regulated compliance requirements that are essential to their core business activities. As a result our software can become embedded in our customers' organisational processes and procedures. This, along with other business model attributes as described in the topic above, contribute to our extremely low customer Annual Attrition Rates[1] measured by CargoWise One customers (measuring 0.4% in FY15, 0.3% in FY14 and 0.5% in FY13).	**Section 3.3.1**

Note:

(1) Annual Attrition Rate is a customer attrition measurement relating to the CargoWise One application suite (excluding any customers on acquired legacy platforms). A customer's users are included in the customer attrition calculation upon leaving, that is, having not used the product for at least four months.

1.3. Key strengths (continued)

Topic	Summary	For more information
Attractive financial profile	We have been profitable for a number of years and have delivered attractive financial metrics: • Recurring Revenue[1] representing 97% and 98% pro forma revenues for FY15 and 1H16, respectively; • Pro forma revenue has increased at a CAGR of 24% between FY13 and FY15 and is forecast to increase at a CAGR of 30% between FY15 and FY17; • Pro forma FY15 gross margin was 84% (88% in 1H16); • Pro forma FY15 EBITDA margin was 28% (29% in 1H16); and • Positive free cash flows, representing 35% and 10% of pro forma EBITDA for FY15 and 1H16, respectively	Section 4
Attractive industry dynamics including a large addressable market	We operate in the logistics service provider software market with a focus on supply chain execution software. The supply chain execution software market is a large and growing addressable market: Gartner, Inc. estimates supply chain execution software revenue earned by vendors of commercial logistics software was US$3.5 billion globally in 2015 and that it will grow at a CAGR of 10.4% to reach approximately US$5.2 billion in 2019[2].	Section 2.4
Strong growth profile driven by five key pillars	We have a track record of strong and consistent growth supported by our product innovation. Our growth strategy is based on five key components: • Expanding our global platform through innovation; • Enabling greater usage by existing customers; • Increasing the number of customers using the platform; • Stimulating network effects; and • Accelerating execution of strategy and growth through acquisitions.	Section 3.7.2
Highly experienced management with a culture of innovation and productivity	• Our company is led by our Chief Executive Officer, Richard White, who founded WiseTech in 1994 and has overseen the transformation of our company into a global leader. • Our Chief Financial Officer, Andrew Cartledge, joined WiseTech in 2015 and has extensive financial management experience, including more than 20 years with General Electric (GE) in senior finance roles. Andrew was most recently Chief Financial Officer of GE Australia, New Zealand and Papua New Guinea. • Richard and Andrew are supported by a highly experienced management team with experience across technology and software, legal, finance, commercial and strategy roles. • We have a culture of innovation and productivity where we seek to solve complex industry problems and challenges. We seek to create a work environment for our “tech creatives” that supports bold ideas and innovation.	Section 3.8.1 & Section 6.2

Notes:

(1) Recurring Revenue is the sum of revenue categorised as On-Demand and OTL Maintenance on our pro forma statement of profit or loss. This reflects revenue generated from On-Demand customers, OTL customers paying maintenance fees and customers who pay a fixed monthly amount for a pre-determined level of access. Although we generally do not enter into long, fixed term contracts with customers that commit minimum levels of usage or minimum time commitments (and the exact level of revenue is not normally fixed on a customer by customer basis), our experience is that these revenue streams generate revenue with a high degree of consistency period to period. This characterisation is supported by the low customer attrition rates we experience and the consistent revenue growth over the period of the Historical Financial Information including across each of our annual new customer groups.

(2) Gartner, Inc., ‘Forecast: Enterprise Software Markets, Worldwide, 2012-2019, 4Q15 Update 17 December 2015’. Constant US Dollar (2013 Base Year).

1.4. Key risks

Topic	Summary	For more information
Failure to retain existing customers and attract new customers	Our business depends on our ability to retain our existing customers and our growth depends on our ability to attract further business from existing customers and to attract new customers. There is a risk that our customers reduce the use of our software, for example, in terms of the number of users, number of modules and volume of transactions, which results in a reduction in the level of payments they make to us. There is a risk that they cease to use our software, which they generally are entitled to do on short notice. Therefore, there is a risk that if customers terminate their contracts with us, or reduce their usage of our software, our revenue, including revenue that we characterise as Recurring Revenue, could decrease. There is also a risk that existing customers fail to expand their use of our software or that new customers fail to select our software for their businesses. If our customers do not continue to use our software and increase their use over time, and if new customers do not choose to use our software, the growth in our revenue may slow, or our revenue may decline.	Section 5.1.1
Decline in trade volumes and economic conditions	A decline in regional and global trade volumes and recessionary economic conditions, including in the logistics services market, may adversely affect our financial performance. Our customers are logistics service providers whose business operations depend on regional and global logistics activities which are closely linked to regional and global trade volumes.	Section 5.1.2
We operate in a competitive industry	We compete against both other commercial logistics service software providers and our potential customers' in-house IT departments that develop in-house logistics software. Some of our existing and potential competitors have significantly more resources than we do. Competitors could increase their competitive position, we may fail to anticipate and respond to technology changes as quickly as our competitors, competitors may expand their product offering, and new competitors could develop products which compete with our products.	Section 5.1.3
Reliance on our flagship product CargoWise One and failure to adequately maintain and develop it	Our business model depends on our ability to continue to ensure that our customers are satisfied with CargoWise One. There is a risk that we fail to maintain CargoWise One adequately, or that updates may introduce errors and performance issues, causing customer satisfaction in CargoWise One to fall. Any of these factors may result in reduced sales and usage, loss of customers, damage to our reputation, an inability to attract new customers and potentially claims for compensation. Our future revenue and growth also depends on our ability to develop enhancements and new features and modules for CargoWise One so that it continues to meet customer needs, attract new customers and generate additional revenue from increased usage. There is a risk that the development and introduction of new features and modules does not result in a successful outcome for us due to various reasons.	Section 5.1.4
Failure to realise benefits from product development costs	Developing software and technology is expensive and the investment in the development of these product offerings often involves an extended period of time to achieve a return on investment. An important element of our corporate strategy is to continue to make investments in innovation and related product opportunities. We believe that we must continue to dedicate resources to our innovation efforts to develop our software and technology product offering and maintain our competitive position. However, we may not receive significant revenues from these investments for several years, or may not realise such benefits at all.	Section 5.1.5
Reliance on third party IT suppliers	We rely on certain contracts with third party suppliers to maintain and support our IT infrastructure. In particular, we rely on contracts with Microsoft for the provision of database and development platforms and software infrastructure. If Microsoft contracts, or contracts with other key suppliers in the future, are terminated or suffer a disruption for any reason, this could materially adversely impact our operations and financial performance.	Section 5.1.6

1.4. Key risks (continued)

Topic	Summary	For more information
Disruption or failure of technology systems	Both we and our customers are dependent on the performance, reliability and availability of our technology platforms, data centres and global communications systems (including servers, the internet, hosting services and the cloud environment in which we provide our products). There is a risk that these systems may be adversely affected by disruption, failure, service outages or data corruption that could occur as a result of computer viruses, "bugs" or "worms", malware, internal or external misuse by websites, cyber attacks or other disruptions including natural disasters, power outages or other similar events.	**Section 5.1.7**
Security breach and data privacy	Our products involve the storage and transmission of our customers' confidential and proprietary information, including intellectual property, confidential business information, information regarding their employees or suppliers, and other confidential information. Our business could be materially impacted by security breaches of our customer's data and information, either by unauthorised access, theft, destruction, loss of information or misappropriation or release of confidential customer data.	**Section 5.1.8**
Ability to attract and retain key personnel	Our success is dependent upon the retention of key personnel, in particular, founder and CEO, Richard White and members of the senior management and product teams. In addition, we need to attract and retain highly skilled software development engineers. Competition for such personnel is intense. There is a risk that we may not be able to attract and retain key personnel or be able to find effective replacements for them in a timely manner. The loss of such personnel, or any delay in their replacement, could materially adversely impact our ability to operate our business and achieve our growth strategies and prospects, including through the development and commercialisation of new products or modules.	**Section 5.1.9**
Integration of acquired businesses and execution of new acquisitions	We have recently completed strategic acquisitions and may seek to undertake further acquisitions in the future. It is our intention to integrate strategic acquisitions, including transitioning customers of the acquired businesses to our CargoWise One platform. We may also use aspects of their business or products to enhance our existing business. There is a risk that customers of acquired businesses do not transition across to CargoWise One, including because they are unwilling to pay a higher price for CargoWise One or do not believe there is an operational need to make the change. There is also a risk that the transitioning of customers requires significantly more financial and management resources, or time to complete, than originally planned.	**Section 5.1.10**
Country/region specific risks in new and/ or unfamiliar markets	As we expand our presence in new international jurisdictions we are subject to the risks associated with doing business in regions that may have political, legal and economic instability or less sophisticated legal and regulatory systems and frameworks, including (i) unexpected changes in, or inconsistent application of, applicable foreign laws and regulatory requirements, (ii) less sophisticated technology standards; (iii) difficulties engaging local resources; and (iv) potential for political upheaval or civil unrest. As we enter newer and less familiar regions there is a risk that we fail to understand the laws, regulations and business customs of these regions.	**Section 5.1.14**
Other risks	More details on these risks and a number of other risks are included in Section 5 including risks relating to failure to protect intellectual property rights, breach of third party intellectual property rights, failure to keep abreast of changes in political and regulatory environments, foreign exchange, potential litigation and certain investment risks.	**Section 5**

1.5. Key financials and dividend policy

Topic	Summary	For more information
How do we expect to fund our operations?	Our principal sources of funds are expected to be cash flow generated from operations and cash on hand. We expect to repay drawn borrowings under our Banking Facilities on Completion and as a result will be in a net cash position. We expect that we will have sufficient cash flow from operations to meet our operational requirements and business needs during the forecast period. We will maintain the Banking Facilities on Completion and may draw down on these Banking Facilities or reduce our cash on hand to meet business needs as and when required including to fund future acquisitions.	Section 4.8
What is our dividend policy?	It is the current intention of the Board to target a dividend payout ratio of up to 20% of our annual statutory NPAT. No dividend is expected to be paid for the period from the Offer to 30 June 2016. Depending on the ongoing available earnings and the ongoing financial position of the Company, it is the intention of the Board to declare interim dividends in respect of half years ending 31 December and final dividends in respect of half years ending 30 June each year. No assurances can be given by any person, including the Directors, about the payment of any dividend and the level of franking on any such dividend.	Section 4.15
What is our pro forma historical and forecast performance?	See tables and notes below.	Section 4.3

	Pro Forma Historical Results			Pro Forma Forecast Results	
$m	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**
Revenue	51.9	66.0	79.6	102.0	135.0
EBITDA	8.9	18.6	21.9	30.0	48.0
EBITA	6.1	15.1	16.2	20.9	36.5
NPAT	3.1	9.8	10.4	13.0	25.0
NPATA(1)	4.6	11.2	11.9	14.3	26.1

(1) Net profit after tax and after adding back the tax effected amortisation expense related to acquired amortisation.

	Statutory Historical Results			Statutory Forecast Results	
$m	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**
Revenue	43.0	56.7	70.0	101.3	135.0
NPAT	4.1	12.0	10.1	(0.7)	24.4

The information presented above contains non-IFRS financial measures, is intended as a summary only and should be read in conjunction with the more detailed discussion on the Financial Information disclosed in Section 4 as well as the risk factors set out in Section 5.

The pro forma historical and forecast financial information and the statutory historical and forecast financial information included in this Prospectus have been prepared on the bases described in Section 4 of this Prospectus. The pro forma financial information varies from the statutory financial information as explained in the reconciliation tables in Section 4.3.3.

Topic	Summary	For more information
What will our capital structure be on Completion?	On Completion, based on the Mid-Point Price, we expect to have on issue approximately: • 290.5 million Shares; and • 3.1 million Share Rights. Refer to page 3 for a description on how we are calculating the expected numbers of Shares offered and on issue on Completion. There will be no classes of shares on issue other than fully paid ordinary shares.	Section 7.1.5 and Section 9.4

1.6. Board and management

Topic	Summary	For more information
Who are the Directors of WiseTech?	• Charles Gibbon, Non-Executive Chairman • Richard White, Chief Executive Officer • Michael Gregg, Non-Executive Director • Andrew Harrison, Non-Executive Director • Maree Isaacs, Executive Director	Section 6.1
Who are the key management of WiseTech?	• Richard White, Chief Executive Officer • Maree Isaacs, Executive Director, Head of Invoicing and Licensing • Andrew Cartledge, Chief Financial Officer • Adam Kossak, Chief Commercial Officer • James Powell, Chief Productivity Officer	Section 6.2

1.7. Significant interests of key people and related party transactions

Topic	Summary	For more information
Who are the Existing Shareholders and what is expected to be their interest in the Company at Completion based on Mid-Point Price?	See table and notes below	Section 7.1.5

	Prospectus Date		Shares held on Completion(1) (based on selldown range)			
Shareholder	**Shares**	**%**	**Min. selldown Shares**	**%**	**Max. selldown Shares**	**%**
Richard White(2)(3)	150,771,269	59.71%	150,627,342	51.85%	145,989,759	50.26%
Charles Gibbon(4)	21,348,297	8.46%	21,348,297	7.35%	20,000,000	6.88%
Michael Gregg(5)	16,948,188	6.71%	16,948,188	5.83%	15,298,188	5.27%
Maree Isaacs(6)(7)	11,846,360	4.69%	11,846,360	4.08%	11,433,943	3.94%
Andrew Harrison	–	–	–	–	–	–
Other existing shareholders	51,572,981	20.43%	52,521,290	18.08%	43,682,897	15.04%
New shareholders	–	–	37,202,381	12.81%	54,089,071	18.62%
Total	**252,487,095**	**100.00%**	**290,493,858**	**100.00%**	**290,493,858**	**100.00%**

Notes:

(1) Based on the Mid-Point Price. Refer also to Section 6.3.3 for information on Shares expected to be on issue on Completion.

(2) At the Prospectus Date, Richard White holds 17,560,159 Shares in his own name and controls, and holds 91.83% of the shares in RealWise Holdings Pty Limited, which in turn holds 145,057,470 Shares. As at the Prospectus Date, Richard can therefore control the voting or disposal of 162,617,629 Shares (64.41%). Richard's 150,771,269 Shares shown in this table (59.71%) reflects the Shares he holds directly, and 91.83% of the Shares held by RealWise Holdings Pty Limited, reflecting his economic interest in the Company at the Prospectus Date.

(3) At Completion at the Mid-Point Price, Richard White is expected to hold 17,416,232 Shares in his own name and control, and hold 91.83% of the shares in RealWise Holdings Pty Limited, which in turn is expected to hold between 140,007,470 and 145,057,470 Shares. At Completion, Richard may control the voting or disposal of up to 162,473,702 Shares (approximately 55.93%). Richard's Shares held on Completion shown in this table reflects the Shares he is expected to hold directly, and 91.83% of the Shares expected to be held by RealWise Holdings Pty Limited, reflecting his expected approximate economic interest in the Company at Completion.

(4) Charles Gibbon holds Shares through Fabemu (No. 2) Pty Limited as trustee for the Gibbon Superannuation Fund of which he and his wife are members. Charles Gibbon is a director of Fabemu (No. 2) Pty Limited.

(5) At the Prospectus Date, Michael Gregg's holding of Shares reflects 7,059,523 Shares (2.80%) held by Michael John Gregg and his wife, Suzanne Jane Gregg, and 9,888,665 Shares (3.92%) held by MSG Holdings Pty Limited as trustee for MJ & SJ Gregg Super Fund of which Michael is a beneficiary. Michael Gregg is a director of MSG Holdings Pty Limited.

(6) At the Prospectus Date, Maree Isaacs holds 8.17% of the Shares in RealWise Holdings Pty Limited, which in turn holds 145,057,470 Shares. Maree's 11,846,360 Shares shown in this table (4.69%) reflects her economic interest in the Company at the Prospectus Date.

(7) At Completion, Maree Isaacs is expected to hold 8.17% of the Shares in RealWise Holdings Pty Limited, which in turn is expected to hold between 140,007,470 and 145,057,470 Shares held on Completion. Maree's Shares held on Completion shown in this table reflects her expected approximate economic interest in the Company at Completion.

1.7. Significant interests of key people and related party transactions (continued)

Topic	Summary	For more information
What significant benefits are payable to Directors and other persons connected with the Company or the Offer and what significant interests do they hold?	For Shares expected to be held by Directors on Completion, refer to the table on the preceding page. Non-Executive Directors are entitled to remuneration and fees on commercial terms as disclosed in Section 6.3.1.4. Directors (or their associated entities) will receive funds in respect of the sale of Shares at the Final Price as part of the Offer. Refer to the table on the preceding page. Advisers and other service providers are entitled to fees for services and have other interests as disclosed in Section 6.3.7.	Section 6.3.1.6
Will any Shares be subject to restrictions on disposal following Completion?	Yes. Certain Shareholders (the **Escrowed Shareholders**) have agreed to enter into voluntary escrow arrangements in relation to the Shares retained by them on Completion (and Shares issued on vesting of Share Rights).	Section 6.4

1.8. Overview of the offer

Topic	Summary	For more information
Who are the issuers of the Prospectus?	WiseTech Global Limited (ACN 065 894 724) and WiseTech SaleCo Limited (ACN 610 848 283) (**SaleCo**).	Section 7.1
What is the offer?	Under the components of the Offer in which incoming investors may participate, the Company will offer Shares in number equal to at least $100m divided by the Final Price and up to $150m divided by the Final Price, and SaleCo will offer between zero and 16.9m Shares. The number of these Shares to be offered (and the Final Price at which they will be offered) will be determined by the Joint Lead Managers, Company and SaleCo as part of the Bookbuild.	Section 7.1
Why is the offer being conducted?	The Offer is being conducted to: • provide funding and financial flexibility to support our growth strategy and future growth opportunities; • repay, in part, existing debt; • enable existing shareholders to partially monetise their investment; • broaden our shareholder base; and • provide us with the benefits of an increased brand profile that arises from being a listed entity.	Section 7.1.2
Who is SaleCo?	SaleCo is a special purpose vehicle that has been established to facilitate the sale of Shares held by the Selling Shareholders.	Section 9.6
What is the consideration payable for the Shares?	The Indicative Price Range for the Offer is $2.58 to $4.12 per Share. Successful applicants under the Offer (other than the Employee Gift Offer) will pay the Final Price, which will be determined as part of the Bookbuild and may be set below, within or above the Indicative Price Range. Applicants under the Offer will apply for a set dollar amount of Shares. Accordingly, applicants will not know the number of Shares they will receive at the time they make their investment decision, nor will they know the Final Price or the total number of Shares offered. Except as required by law, applicants cannot withdraw or vary their applications.	Section 7.2

1.8. Overview of the offer (continued)

Topic	Summary	For more information
What is the proposed use of proceeds received in connection with the Offer (assuming a Mid-Point Price)?	The proceeds received by WiseTech from the issue of new Shares under the Offer will be used as follows: • to repay, in part, existing debt (see Section 4.6); • for general corporate purposes, including potentially to fund further acquisitions; and • to pay the costs associated with the Offer. At the Mid-Point Price, up to $56.7m of proceeds received by SaleCo for the sale of existing Shares will be paid to Selling Shareholders.	**Section 7.1.2**
Will the Shares be quoted?	WiseTech will apply for admission to the Official List of the ASX and quotation of Shares on the ASX under the code "WTC". Completion is conditional on the ASX approving this application. If approval is not given within three months after such application is made (or any longer period permitted by law), the Offer will be withdrawn and all application monies received will be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act.	**Section 7.2**
How is the Offer structured?	The Offer comprises: • the Retail Offer, which consists of: – the Broker Firm Offer, which is open to Australian resident retail clients of Brokers who have received a firm allocation of Shares from their Broker (see Section 7.3.1); – the Priority Offer, which is open to selected investors in Australia nominated by the Company (see Section 7.3.2); – the Employee Offer, which is open to Eligible Employees (see Section 7.3.3); and – the Employee Gift Offer which is open to Eligible Gift Employees (see Section 7.3.4); and • the Institutional Offer, which consists of an offer to Institutional Investors in Australia and certain other jurisdictions, made under this Prospectus or the Institutional Offering Memorandum, as applicable (see Section 7.4).	**Section 7.1.1**
Is the Offer underwritten?	No. The Offer is not Underwritten.	**Section 7.2**
What is the allocation policy?	The allocation of Shares between the Retail Offer and the Institutional Offer will be determined by the Joint Lead Managers by agreement with ourselves and SaleCo, having regard to the allocation policies outlined in Sections 7.3, 7.4 and 7.5. With respect to the Broker Firm Offer, it will be a matter for Brokers to determine how they allocate Shares among their eligible retail clients. The allocation of Shares under the Institutional Offer will be determined by agreement between ourselves, SaleCo and the Joint Lead Managers. The allocation of Shares under the Priority Offer and Employee Offer will be determined by the Company.	**Section 7.2, Section 7.3, Section 7.4 & Section 7.5**
Is there any brokerage, commission or stamp duty payable by applicants?	No brokerage, commission or stamp duty is payable by applicants on acquisition of Shares under the Offer. See Section 9.7.1.1 for details of various fees payable by us to the Joint Lead Managers.	**Section 7.2 & Section 9.7.1.1**
Are there any tax considerations for Australian investors?	Refer to Section 9.10 and note that it is recommended that all Shareholders consult their own independent tax advisers regarding the income tax, (including capital gains tax) stamp duty and GST consequences of acquiring, owning and disposing of Shares, having regard to their specific circumstances.	**Section 7.2 & Section 9.10**
When will I receive confirmation that my Application has been successful?	It is expected that initial holding statements will be dispatched by standard post on or around 15 April 2016.	**Section 7.2**

1.8. Overview of the offer (continued)

Topic	Summary	For more information
How can I apply?	Eligible investors may apply for Shares by completing a valid Application Form attached to or accompanying this Prospectus. Broker Firm Offer applicants may apply for Shares by completing an Application Form and lodging it with the Broker who invited them to participate in the Offer. To the extent permitted by law, an Application under the Offer is irrevocable.	**Section 7.3.1.2**
Where can I find more information about this Prospectus or the Offer?	Call the WiseTech Offer Information Line at 1800 828 558 (within Australia) or +61 1800 828 558 (outside Australia) from 8:30am to 5:30pm (Sydney time) Monday to Friday. If you are unclear in relation to any matter or are uncertain as to whether WiseTech is a suitable investment for you, you should seek advice from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest.	**Important Dates and Key Offer Statistics**
Can the Offer be withdrawn?	We may withdraw the Offer at any time before the issue or transfer of Shares to successful applicants or bidders. If the Offer, or any part of it, does not proceed, all relevant application monies will be refunded (without interest).	**Section 7.7**

2 Industry overview

2.1. Introduction

We operate in the logistics service provider software market. Our software enables logistics service providers to manage their involvement in various aspects of the global supply chain, such as freight forwarding, customs clearance, container freight, tracking and tracing, warehousing, cross-border compliance, and air, sea, rail and road transport.

We provide our software solutions as a service to customers who can access the software as needed. This is referred to as Software-as-a-Service or SaaS. We centrally host our software and our customers pay for their use of the software, and are billed predominantly monthly, primarily based on usage under an On-Demand licence model without any significant upfront licence fees. We allow users to access our software at any time, at any location and on internet connected devices (including desktop computers, laptops, tablets and smartphones). We deliver our software solutions through a variety of mechanisms, including the cloud.

This Section first provides an overview of the broader software industry, then the logistics industry and related growth drivers. It then describes the logistics service provider software market and the drivers for commercial logistics software solutions, including cloud-based, SaaS solutions.

2.2. Overview of the software industry

The software industry, which involves the development, maintenance and publication of software, has undergone significant changes in recent decades and is critical to modern business. Software helps business organisations redefine traditional processes, creating new and more efficient ways to use computers to get work done. In the early days of mainframe-based computing, companies generally used proprietary, often self-developed, software. The evolution of business computing hardware from mainframes to servers and PCs and, more recently, to mobile devices, and the development of computer networking (including the internet and cloud-based delivery systems) has expanded the range of possible uses for software. It has also created opportunities for software developers to create and sell software (referred to as "commercial software") that different customers can use, so that businesses do not need to develop and maintain their own proprietary software. As a result, over the last several decades, the commercial software industry has grown rapidly, offering potential substitutes for proprietary software for core business functions, as well as software solutions that create new opportunities for efficiency and automation.

Commercial software can offer advantages over proprietary software, particularly as a result of the economies of scale available when development costs can effectively be spread across many customers. Sophisticated software is expensive to develop, requires significant testing to achieve high levels of robustness and reliability, and can require regular updating to keep pace with developments and the capabilities of hardware and networks. Where commercial software can provide a similar level of functionality to proprietary, self-developed software, it may be more attractive for companies than to invest the capital and incur the risk of developing, upgrading and maintaining proprietary software.

Over recent years, the software industry has seen new business models emerge in terms of how commercial software is delivered and paid for. Traditionally, a customer would buy a licence to use the software, sometimes tied to a specific number of users, and then would be entitled to install the software on its own IT infrastructure. Improvements in connectivity have enabled so-called "cloud" solutions, where the software is hosted by the provider (or in a third-party data centre) and it is accessed as SaaS as needed by the customer's systems via the internet. A cloud-based SaaS model can offer benefits such as a lower upfront cost in licence fees and IT infrastructure, greater scalability and easier updating.

Gartner, Inc. estimates that IT spending on public cloud services (where capabilities are provided as a service to external customers using internet technologies[(1)] will grow at a 4 year CAGR of 16.1% to reach US$318 billion in 2019[(2)]. We believe in particular that businesses offering commercial software which targets a specific industry (such as the logistics industry) have the potential to benefit from this growth due to the cost savings and business process improvements they can deliver to customers using their industry knowledge.

Notes:

(1) Gartner, Inc., IT glossary, Public Cloud Computing, accessed March 2016.

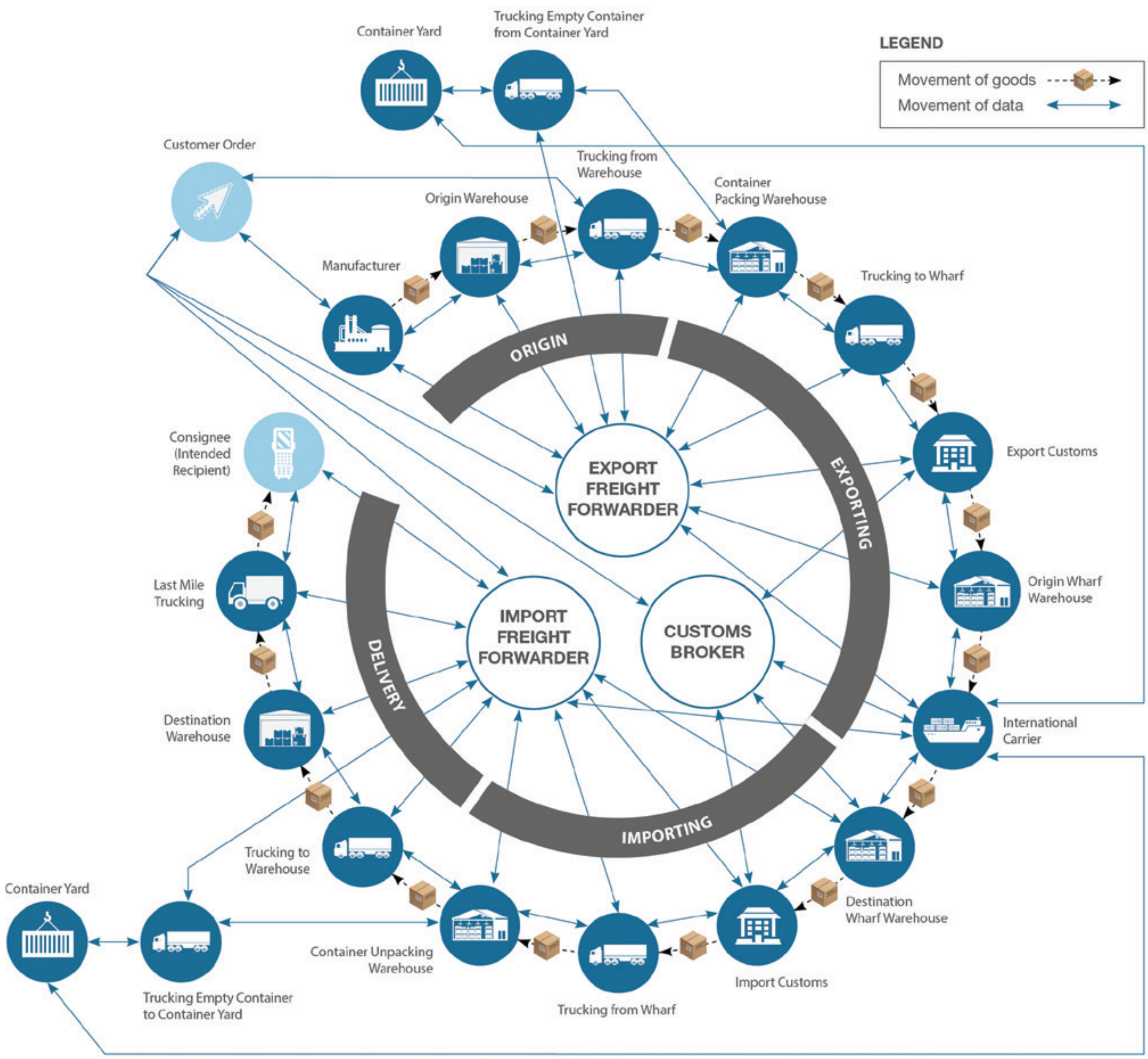
(2) Gartner, Inc., 'Forecast: Public Cloud Services, Worldwide, 2013-2019, 4Q15 Update', 22 December 2015.

2.3. Overview of the logistics industry

2.3.1. Logistics and the logistics industry

Logistics refers to the processes involved in transporting goods around the supply chain. In a globalised economy, supply chains often require precisely timed movements of raw materials, finished goods and intermediate products between multiple locations, into and out of storage and across geographic and national boundaries. To achieve this, a number of logistics functions are required across the supply chain including freight forwarding, air, sea and land transport, warehousing and customs clearance. Figure 1 depicts an example of the movement of one good transported between two countries, and associated flows of data, from a manufacturer to an end customer.

Figure 1: An example of the movement of one good between two countries from a manufacturer to an end customer



The logistics industry consists of a multitude of organisations that provide some or all of the services required to move or store goods, including transport (air, sea and land), warehousing, freight forwarding and customs clearing. Service providers range from small local providers of a single service to multinationals that provide integrated services across the globe. Frost & Sullivan estimates that there are almost 38,500 logistics service providers just within the U.S., Canada, Australia and New Zealand[(1)]. Globally, the industry is highly fragmented, with the 12 largest participants by revenue estimated to account for less than 5% of the total market revenue[(2)].

Within the industry, logistics service providers are often categorised as follows:

- "First party" or "1PL" logistics service providers are the "in-house" logistics capabilities of organisations whose core capabilities are not in logistics (for example, retailers or manufacturers).
- "Second party" or "2PL" logistics service providers are outsourced providers of a single transport service, such as air, sea, rail and road carriers.
- "Third party" or "3PL" logistics service providers are integrated providers of multiple services, including transport but also services such as warehouse, freight forwarding and customs clearance. 3PL logistics service providers often offer their clients a comprehensive solution addressing most or all of the client's logistics needs.

Figure 2: Categories of logistics service providers

Our customers are predominantly 3PL logistics services providers, who are more likely to have operations which will benefit from the full range of capabilities that our software provides.

2.3.2. Outsourced logistics – market size and growth drivers

Frost & Sullivan estimates that in 2014, total expenditure on logistics services (including in-house and outsourced logistics services) was US$9.2 trillion, US$3.7 trillion of which was earned by outsourced logistics service providers.[(1)] Of this, Frost & Sullivan estimates that US$752 billion was earned by 3PL logistics service providers[(1)]. We believe that the key drivers of growth in outsourced logistics include increasing global trade flows (including from retail e-commerce), supply chain complexity, regulatory complexity and cost pressures for outsourced logistics industry customers.

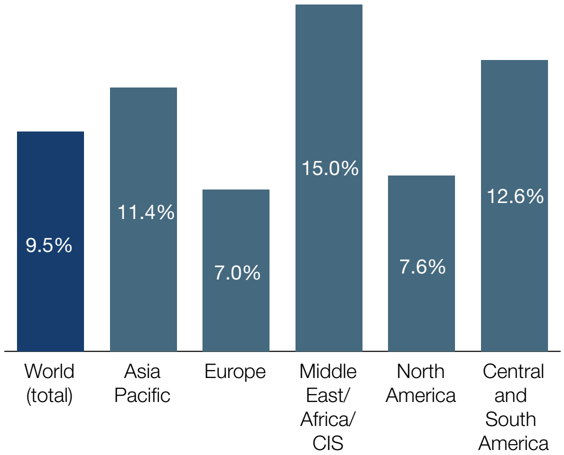
2.3.2.1. Increasing global trade flows

The increase in global trade flows have been a critical driver of growth in the logistics industry. Global merchandise exports grew at a CAGR of 9.5% from 2003 to 2013[(3)], with expansion in merchandise exports in Asia-Pacific, Middle East/Africa/CIS[(4)] and Central and South America outpacing Europe and North America (see Figure 3). More recently, the increase in retail e-commerce (the buying and selling of goods or services over web-based retail portals) has become an important driver of growth in global trade flows. This trend is expected to continue: eMarketer estimates global retail e-commerce will increase from 5.9% of the total retail market in 2014 to 8.8% by 2018[(5)].

Notes:
(1) Frost & Sullivan, 'Independent Market Report on the Logistics Software Market' (5 February 2016), commissioned by WiseTech.
(2) Frost & Sullivan, 'Independent Market Report on the Logistics Software Market' (5 February 2016), commissioned by WiseTech. Revenue based on twelve months ended 31 December 2014.
(3) World Trade Organisation, 'World merchandise exports by region and selected economy, 2003 – 2013', International Trade Statistics 2014.
(4) CIS refers to the Commonwealth of Independent States, which presently includes Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan.
(5) eMarketer, 'Retail Sales Worldwide will top $22 trillion this year' (23 December 2014).

While e-commerce has increased the prevalence of small parcel and air freight based shipments, the global port container throughput has also grown steadily in recent years, with twenty-foot equivalent unit (TEU)[1] container throughput increasing at a CAGR of 4.8% from 2008 to 2014 (see Figure 4).

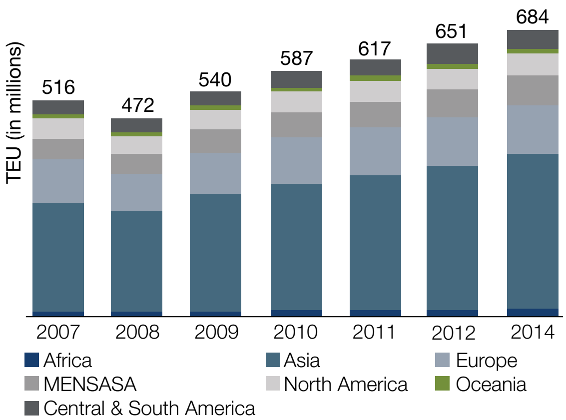
Figure 3: Merchandise exports growth (by region, 2003 – 2013 CAGR)



Source: World Trade Organisation, 'World merchandise exports by region and selected economy, 2003 – 2013', International Trade Statistics 2014.

Note: CIS refers to Commonwealth of Independent States

Figure 4: Port container throughput (by region, 2008 – 2014)



Source: Frost & Sullivan, 'Independent Market Report on the Logistics Software Market' (5 February 2016), with reference to UNCTAD, 'Global Port Container Throughput' (accessed February 2016).

Note: TEU refers to twenty-foot equivalent unit, a measure of cargo capacity. MENASA refers to Middle East, North Africa, South Asia

2.3.2.2. Supply chain complexity

Global supply chains are increasing in complexity, which has driven growth in the engagement of outsourced logistics service providers. We believe that supply chain complexity is the result of a number of factors, including:

- Increased outsourcing by manufacturing companies, which has led to increased dispersion of production processes (for example, the sourcing of raw inputs, the production of components and the assembly of components), requiring the movement of raw and semi-finished materials between cities or countries;
- Increased regulation and the complexity of compliance, as discussed in Section 2.3.2.3; and
- The increased use of just-in-time manufacturing to reduce inventory costs, which requires reliability and speed through the supply chain.

Complex global supply chains can act as a stimulus to demand for logistics services, in particular outsourced logistics solutions. For example, where production processes become more dispersed across the globe, there is an increasing need to transport raw materials, components and semi-finished items between locations, and a corresponding need for logistics services, including outsourced logistics solutions, to manage those processes.

2.3.2.3. Regulation

The cross border movement of goods and services must comply with many layers of international and country based regulations which can vary significantly from country to country and frequently change (for example, to meet safety, health, security, environment and tax collection requirements of different governments). New regulations come into effect regularly. In particular, there has been a recent heightened focus on preventing the supply chain from being used to deliver materials that aid in terrorism, to move illicit or restricted goods or facilitate trade to embargoed countries.

As regulation increases, the complexity of compliance also increases. For example, a multi-country international logistics transaction may involve a large number of documents, relevant parties, regulations and trade agreements.

2.3.2.4. Cost pressures

Manufacturers and retailers face pressures to reduce their costs in order to protect margins and remain competitive. This can drive demand for outsourcing logistics services to logistics service providers that can demonstrate that their services will reduce costs or improve productivity for these manufacturers and retailers.

Note:
(1) Twenty-foot equivalent unit (TEU) is a measure of cargo capacity.

2.4. Overview of the logistics service provider software market

2.4.1. Overview

We operate in the logistics service provider software market with a focus on supply chain execution software that consists of a range of applications that automate the monitoring, documentation and execution of a variety of processes undertaken by logistics service providers. According to Gartner, Inc., supply chain execution is focused on execution-oriented applications, including warehouse management systems, transportation management systems, global trade management systems and other execution applications, such as real-time decision support systems and supply chain visibility systems within the enterprise, as well as throughout the extended supply chain.(1)

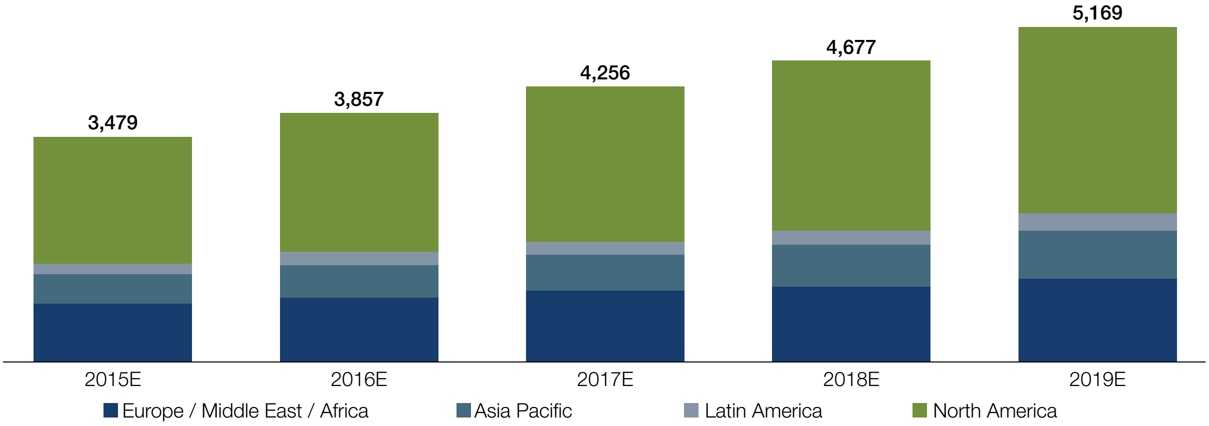
Commercial logistics software is used by logistics service providers to replace manual processes (such as spreadsheets, emails, faxes and paper copies) or self-developed systems. Commercial logistics service provider software solutions can be:

- Accessed through an upfront software licence (one-time licence) or where the user accesses the software on an as-needed basis (Software-as-a-Service).
- Provided via the cloud or self-hosted:
  - in a cloud-based delivery model, the software may be centrally hosted on servers maintained by a third party. This facilitates users' ability to access the software at any time, at any location and on internet connected devices (such as desktop computers, laptops, tablets and smartphones) without the user incurring costs associated with maintaining significant infrastructure and software.
  - in a self-hosted model, the software may be separately hosted on the IT infrastructure maintained by or on behalf of each customer.
- Charged under an On-Demand licence model or a one-time licence model:
  - under an On-Demand pricing model customers pay based on their usage of the software, typically monthly.
  - under a traditional one-time licence model, customers pay a larger upfront fee and typically smaller ongoing maintenance charges.

2.4.2. Market size

Gartner, Inc. estimates supply chain execution software revenue earned by vendors of commercial logistics software was US$3.5 billion globally in 2015 and that it will grow at a CAGR of 10.4% to reach approximately US$5.2 billion in 2019(2).

Figure 5: Global supply chain execution software market (US$ in millions, estimates, 2015 – 2019)



Source: Chart created by WiseTech based on Gartner, Inc. research, 'Forecast: Enterprise Software Markets, Worldwide, 2012-2019, 4Q15 Update', 17 December 2015. Constant US Dollar (2013 Base Year).

Notes:
(1) Gartner, Inc., IT glossary, Supply Chain Execution, accessed March 2016.
(2) Gartner, Inc., 'Forecast: Enterprise Software Markets, Worldwide, 2012-2019, 4Q15 Update', 17 December 2015. Constant US Dollar (2013 Base Year).

We believe the growth in the global commercial logistics software market is likely to be driven by the following factors:

- **Increased volume of transactions and software users:** growth in the underlying logistics industry (see Section 2.3.2), and the number of transactions and software users leads to a growing need for logistics service provider software systems that can manage increased transactions and volumes;
- **Desire for increased functionality to support customer growth and geographic expansion:** the wide range of functions that commercial software offers can assist logistics service providers to expand their service offering into new areas or geographies beyond the capabilities of their existing self-developed logistics software, driving the move to commercial software solutions that cater for end-to-end business processes and have a broader logistics functionality;
- **Margin pressure and the elimination of processes:** the pressure to reduce costs can encourage logistics service providers to seek commercial logistics service provider software solutions that can reduce the significant investment required to maintain the infrastructure to develop and host software, and also provide productivity enhancing tools (for example, by eliminating wasteful processes such as duplication of data entry processes);
- **Government regulation:** developing and updating software to maintain compliance with changes in regulation can be expensive and time consuming for logistics service providers. Complex regulations and regulatory change can encourage providers to use commercial software with strong compliance functionality. For example, the United States Customs and Border Protection agency's transition to the Automated Commercial Environment (ACE) trade processing system is driving logistics service providers to evaluate their software suppliers;
- **Focus on core capabilities:** logistics service providers can focus on their core logistics business instead of developing and maintaining complex software, thereby transferring software development and maintenance risk to vendors whose core business is software solutions and who may have greater resources and incentive to invest in innovation;
- **Industry consolidation:** industry consolidation may occur and act as a catalyst for business to decide to replace self-developed systems with commercial solutions; and
- **Collaboration, real-time visibility and global accessibility:** an increase in the need for logistics service providers to collaborate across regions, either with internal or external parties may increase demand for commercial logistics service provider software which offer accessibility from any location through internet-connected devices, as well as "real-time" visibility of logistics information.

2.4.3. Use of cloud-based SaaS models in the logistics service provider software market

Within the logistics service provider software market, Gartner, Inc. expects "more and more future market opportunity will be driven from cloud-based deployments rather than on premises solutions."[(1)] Cloud-based SaaS solutions can help logistics service providers meet the following challenges:

- **Cost control:** a SaaS solution generally does not include a significant upfront software licence fee. Cloud-based delivery also assists logistics service providers to allocate less time, money and resources to managing and maintaining IT hardware and support;
- **An expanding and increasingly globalised logistics industry:** a cloud-based SaaS solution can assist logistics service providers by allowing users in different regions to access the same files and data simultaneously; and
- **Changing customs and compliance requirements:** logistics service providers must meet government regulations to ensure their transactions are compliant across regions. Updates to compliance tools offered by logistics service providers can be swiftly and efficiently rolled out through a cloud solution, without lengthy system downturn or site visits.

Note:
(1) Gartner, Inc., 'Forecast Overview: Supply Chain Management, Worldwide, 2015 Update', 2 November 2015.

2.4.4. Competitive landscape

The logistics service provider software market is highly fragmented and ranges from large enterprise resource planning (ERP) software companies to specialist logistics service provider software solutions companies, which differ in geographic and functional coverage. Frost & Sullivan considers WiseTech to be one of the very few logistics service provider software companies with an integrated, SaaS-based, global supply chain execution solution across a range of industry-specific and enterprise-wide applications[(1)]. We therefore consider our CargoWise One product to be classified within the "Global software solution" category as shown in Figure 6. In contrast, other vendors that provide multi-country solutions may do so by utilising multiple technology platforms across different regions or functions.

Figure 6: Key categories of competitors in the logistics service provider software market

	Self-developed software solutions	Single-country software solution companies	Multi-country software solution companies	Global software solution	Customised ERP software companies
Description	• Developed in-house by logistics service providers for proprietary use	• Logistics service provider software focused on one country	• Logistics service provider software addressing more than one country	• Logistics service provider software hosted on a single integrated global platform	• ERP software that focuses on enterprise-wide applications
Key observations	• Systems within the logistics service provider's organisation may have been in place for some time • Typically self-hosted • May comprise multiple commercial and self-developed applications • Logistics service provider bears system development and maintenance costs • May require significant IT department to manage • Adding new functionality involves additional cost and development risk	• Usually reflects expertise with a core logistics requirement in one country (e.g. customs) • Often used by domestic logistics service providers • Typically does not include enterprise capabilities e.g. accounting, human resources ('HR'), customer relationship management ('CRM') • Users generally require additional commercial applications • Capability outside country or across borders may be limited	• Typically focused on particular regions (e.g. North America or Europe) • May or may not include enterprise capabilities; therefore, additional commercial applications may be required • Usually consist of multiple, different technology platforms, architectures and databases	• Focused on global and multi-regions • Incorporates end-to-end logistics execution functions and operational management capability • Software modules integrated with each other, across users, countries, languages offering real time visibility across entire platform • Enabled across many countries	• May operate in many countries • Functionality is typically focused on customised ERP software • May have limited logistics specific functionality

Note:
(1) Frost & Sullivan, 'Independent Market Report on the Logistics Software Market' (5 February 2016), commissioned by WiseTech.

2.4.5. Key factors affecting entry into the logistics service provider software market

A number of dynamics and attributes in the logistics service provider software market benefit existing market participants including:

- **Product development investment:** building, developing and maintaining a software platform that meets the needs of the complex logistics industry requires a substantial and ongoing investment of time and capital. For example, the development of our global platform required over 2.5 million development hours over the past 14 years. We believe the substantial investment in development, and the breadth and depth of functionality required to be competitive, represents a significant competitive advantage for existing market leading participants over new entrants, and logistics service providers looking to self-develop or redevelop their logistics software systems;
- **Logistics industry expertise:** logistics service provider software development requires knowledge of business processes in the logistics industry and global trade requirements, such as customs compliance, as well as the capacity to monitor changes in regulatory frameworks around the world;
- **Switching costs:** there are costs associated with switching logistics service provider software companies, which may include the upfront investment required and transitioning of data. These may reduce the propensity for customers to switch between software suppliers or take on a new software supplier readily; and
- **Network effect:** sharing a logistics service provider software platform among logistics service providers and other participants in the supply chain creates a network advantage (or network effect) as it allows logistics service providers and their customers to share information and facilitates the flow and visibility of data between the parties. This creates incentives that may benefit a leading provider.

Although these factors (particularly switching costs and the network effect) may represent competitive advantages to established logistics service provider software companies, they are also factors faced by existing logistics service provider software companies like ourselves when seeking to win market share from competitors.

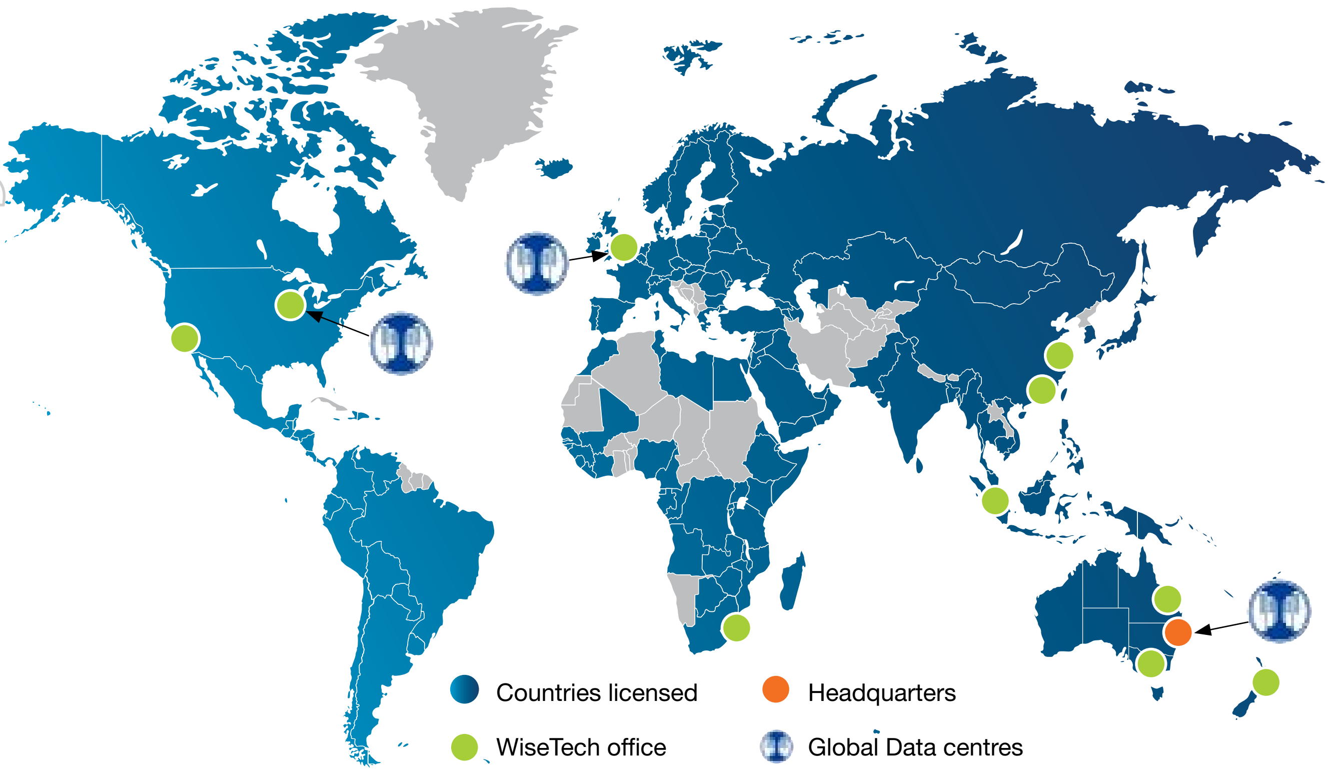
2.4.6. Industry regulation

Logistics service provider software companies are typically subject to general legal requirements (for example ordinary corporate and employment regulations) in the jurisdictions in which they operate. These regulations are distinct from the regulations faced by their customers, which include regulations associated with the movement of goods, such as customs, health and safety standards on imports, and taxation.

3 Company overview

WiseTech GLOBAL

3. Company overview



Note: We own the data centre in Sydney and lease data centres in Chicago and the United Kingdom. As at 31 December 2015.

3.1. Overview of WiseTech

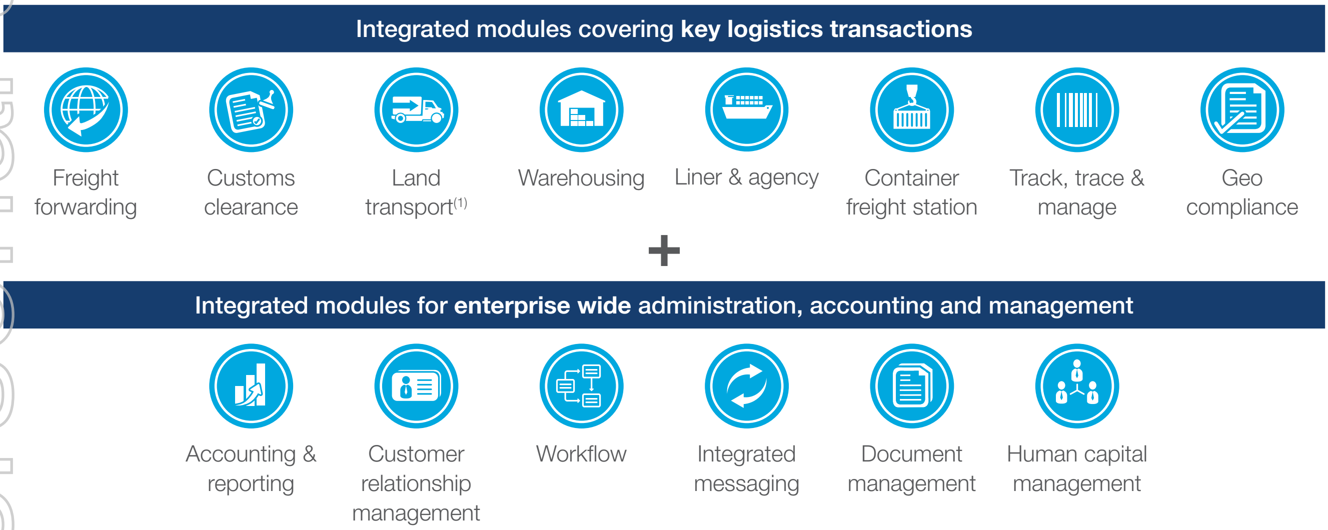
We are a leading provider of software to the logistics services industry globally. We develop, sell and implement software solutions that enable logistics service providers to facilitate the movement and storage of goods and information domestically and internationally. Our software assists our customers to better manage many aspects of the logistics industry globally such as freight forwarding, customs clearance, warehousing, liner and agency, truck and rail management, air, sea, road and rail freight, container pack and unpack, track and trace and many aspects of domestic and cross-border regulatory compliance.

Since 1994, we have grown from an Australian niche logistics software supplier to a global logistics software solution provider. Through investment in technological innovation over this period and an increasingly global focus, we have been able to significantly grow our footprint to more than 115 countries with offices in Australia, New Zealand, China, Singapore, South Africa, the United Kingdom and the United States.

Our customers are logistics service providers in the highly fragmented logistics industry and range from small and mid-sized regional or domestic enterprises to large multinational companies, including 19 of the 20 largest global logistics service providers[1]. We have more than 6,000 customers and approximately 150,000 module users across our platforms (see Section 3.7).

Our flagship software application suite comprises our current generation software product known as CargoWise One, and our software product it was developed from, ediEnterprise, which is still in use by some customers. We refer to these products as “CargoWise One application suite” or simply “CargoWise One”. CargoWise One operates on a global, deeply integrated platform and encompasses a broad range of solutions including industry-specific software modules that facilitate key aspects of logistics services and enterprise-wide software modules that help customers to manage their domestic, regional and global businesses.

Figure 7: Overview of the CargoWise One application suite’s modules



This software is designed to assist our customers to better address and adapt to the complexities of the logistics industry while increasing their productivity, reducing costs and mitigating risks. We believe our software is “mission-critical” for many of our customers, particularly when it becomes deeply embedded in their organisational processes and procedures. Our CargoWise One software application suite executed more than 27 billion data transactions in 2015[3].

We also operate a number of legacy platforms that were developed and operated by businesses that we recently acquired as described in Section 3.7.3. Our strategy is to transition customers on these platforms to CargoWise One over time.

Notes:

(1) Ranked by Armstrong & Associates: Top Global 3PL (Third-Party) Logistics Providers List, ranked using a combined overall average based on their individual rankings for gross revenue, ocean TEUs and air metric tons, for the 12 months ended 31 December 2014. Customers are as at 31 December 2015.

(2) Available in CargoWise One but not in ediEnterprise.

(3) Based on hosted CargoWise One data transaction levels for the 12 months ended 31 December 2015, extrapolated across the CargoWise One application suite platform excluding acquired legacy systems such as Translogix, Corefreight, Compu-Clearing and Zsoft.

3.2. Company history

The company was founded by Richard White, our Chief Executive Officer, with Maree Isaacs, our Head of Invoicing and Licensing, and Brett Shearer, our Chief Architect, in October 1994 for the purpose of developing freight forwarding and customs software solutions for Australian logistics service providers. Over time, our company became increasingly globally focused and additional industry-specific and enterprise-wide modules were developed to address the broader international supply chain.

Figure 8: Key phases and events in WiseTech's history

1994 - 2003 Design, development, test model	2004 - 2007 Rebuild to global	2008 - 2013 Build on global foundation	2014+ Global expansion and innovation
• Commenced writing code for Australian freight forwarding/customs package • Proved concepts and capabilities followed by domestic deployment • Acquired a number of small businesses to expand product capability and customer base	• Entire product was rewritten to focus on global and scalable capabilities – launched ediEnterprise • Raised capital to fund global expansion • Rolled out product in North America, South East Asia and the UK • Early penetration of global freight forwarders • One-time licence (+ maintenance) pricing model • Renamed company to CargoWise (2006)	• Transitioned to an On-Demand licensing model (2008) • Renamed company to 'WiseTech Global' • Adopted a cloud-based solution (2012) • Globalisation of customer base	• Next generation of ediEnterprise launched – branded 'CargoWise One' • Introduced transaction pricing • Developed next generation productivity tools • Made strategic acquisitions in key geographies (including China and South Africa)

Prior to 2003, we focused on developing a core freight forwarding and customs functionality through a first generation solution and building a leading position in the Australian logistics service provider software market. In 2003, we turned our attention to developing a feature-rich software solution that could meet the needs of multi-region logistics service providers. Between 2004 and 2007, we developed our second generation global software solution (ediEnterprise), raised capital and expanded our operations through North America, South-East Asia and the United Kingdom.

From 2008, we started to build on our global foundation, introducing Software-as-a-Service and On-Demand pricing which allowed us to accelerate sales and further build market share by making it easier for customers to access our product without significant upfront costs or prolonged sign-on processes. In 2012, we released cloud-based capability, further enabling customers to access our software solution anywhere, anytime via internet connected devices.

In 2014, we launched the current generation of our software solution which was branded CargoWise One.

During the last 20 years, we have made a number of strategic acquisitions of small logistics service provider software suppliers to accelerate growth, acquire customers and penetrate new markets. In 2015, we acquired freight forwarding and customs clearance software suppliers in China and South Africa.

Throughout our history, our core focus has been technology innovation and product development. We have invested over 2.5 million development hours across 14 years in building our platform. In 1H16 we invested 41% of our pro forma revenues and more than 50% of our workforce in product development and innovation[1]. Our development activities remain centred in Australia where we incubate, develop and commercialise product innovations.

Note:

(1) Measured by number of employees as at 31 December 2015.

3.3. Business model

3.3.1. Business model and key strengths that underpin it

We earn revenue from fees paid by logistics services providers who use our software. As a software company, our key costs are employees and product development. The core of our business is our industry leading logistics service provider software platform, CargoWise One. Our business model prioritises product development and "empowering and enabling" customers, and features the following:

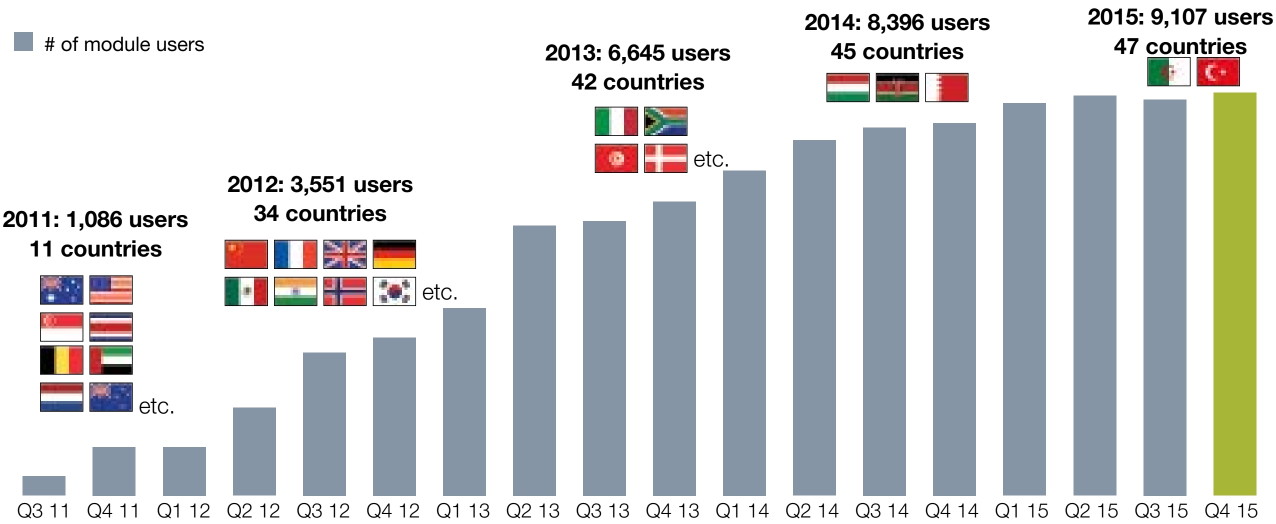
- **Relentless product development and innovation:** We make significant investment in relentless product innovation to further develop our software platform. More than half our workforce is dedicated to product development and our cumulative development spending over the 3.5 years has exceeded $90m[1]. We own the intellectual property arising from our product development (see Section 3.8.3). By adhering to a single source code, single platform solution in CargoWise One, and by controlling our own data centres, we can efficiently manage the substantial expansion of our product offering and the increase in the number of users and volume of transactions. See Section 3.4.3 for more information on our product development and innovations.
- **Open access, efficient "empower and enable" sales and marketing strategy:** We focus on building products that are compelling for our customers to buy, rather than on extensive sales and marketing activities. We provide our customers with open access to our technology platform so that, regardless of which software modules a customer initially chooses to use and the geographies they use them in, our customers are given full and immediate access to our entire global software platform from day one. We also enable our customers to configure our platform to suit their specific needs and then to use more modules and add more users and locations without additional sales contracts or customisation, site visits or coding changes. We refer to this as our "empower and enable" sales and marketing strategy. This strategy assists us to streamline the sales and on-boarding process, reduce dependence on direct sales, lower our customer acquisition costs and drive customer adoption of our product. Our sales and marketing expense represented 15% of pro forma revenues in FY15 and 1H16. See Section 3.5 for more information on sales and marketing.

Note:

(1) Total investment in product development and innovation includes both expensed and capitalised amounts each year spent on product development and innovation. In this Prospectus, references to 'product development and innovation' and 'R&D' or "research and development" refer to the same activity. 'Product development and innovation spend'/'total R&D' is the aggregate of product design and development expense and capitalised development cost. Based on FY13 to 1H16 inclusive.

Figure 9 below provides an example in which the number of users steadily increased as the customer rolled out CargoWise One across more geographies.

Figure 9: Example of the growth in module users and geographies for a customer using CargoWise One of an existing customer



Note: This represents a specific example of the growth in users and geographies for one specific large-scale, multi-national customer using CargoWise One over time. It does not purport to represent the growth profiles for all customers or the growth rate of users and geographies of this specific customer in the future. Quarters refer to calendar year quarters ending 31 March (Q1), 30 June (Q2), 30 September (Q3) and 31 December (Q4).

- **On-Demand, usage-driven licensing models:** Customers can access all CargoWise One modules offered by the software they are using across geographies as they need without limitation on users or transactions and are primarily charged for their actual usage. Our revenues grow with increased use, increased number of users (including users in new geographies) or increased number of modules used. See Section 3.3.2 for more information on our licensing models.
- **Support services through automation or external consultants:** We enable users to access our online help 24-hours a day, 7-days a week with fast response times via "WiseSupport", our online system which is highly automated and facilitated by extensive online content. In addition, the WisePartner network of external authorised consultants can assist customers to buy and implement CargoWise One. See Section 3.4.4.1 for more information on customer support.

We believe our software is "mission-critical" for many of our customers as it enables them to manage highly complex, time-critical operations, and often heavily regulated compliance requirements, that are essential to their core business activities. As a result our software can become embedded in our customers' organisational processes and procedures. This, along with other business model attributes as described above, contribute to our extremely low customer Annual Attrition Rates measured by CargoWise One customer numbers (measuring 0.4% in FY15, 0.3% in FY14 and 0.5% in FY13).

3.3.2. Revenue generation and the evolution of the licensing model

We primarily generate revenue via On-Demand licensing under which customers can access our software on an as-needed basis and typically pay monthly based on usage without any upfront licence fee. As referred to above, we do not require customers to enter long term contracts and we make all of CargoWise One's modules available immediately to customers using that software application suite for as many users and in as many geographies as the customer chooses, without the need for further contracting. Enabling customers to expand their usage on an as-needed basis assists us to grow revenues over time, as customers become more familiar with our product and can add more transactions, module users and modules.

We currently primarily operate under two separate On-Demand licensing models:

- Module User Licence (**MUL**) model where customers pay on: (i) a per user, per module, per month basis; and (ii) additional fees for using services such as excess cloud-based storage; and
- Seat plus Transaction Licence (**STL**) model where customers pay: (i) a fee per active user per month; (ii) a fee per transaction, varying depending on function and module used; and (iii) additional fees for using services such as excess cloud-based storage. The triggers for transaction charges are linked to the transfer of data or execution of activities contained within each active module. For example, the transaction fees in the freight forwarding module may reflect shipment, bookings, spot quotes or orders; whereas the transaction fees in the land transport module could relate to consignments, moves or containers; and the transaction fees in the warehousing module could relate to material work orders or receipt headers.

Our On-Demand revenues (the aggregate of MUL and STL revenues) together represented 72% and 79% of our pro forma revenues for FY15 and 1H16, respectively, with 78% and 69% of these revenues from MUL, respectively.

We introduced the MUL model in 2008. We introduced the STL model in January 2014 when releasing our current flagship product CargoWise One. The STL model is designed to align our revenues with the productivity benefits that our software provides to our customers: it enables our revenues to grow as transaction volumes and customer productivity grow, even where fewer users are required to handle the workflow. It is also designed to provide us with greater margin stability through downturns in economic cycles where a customer's user headcount may decrease but logistics volumes may not be affected.

Prior to On-Demand licensing, we offered a one-time licence (**OTL**) model, which involved customers paying an upfront licence fee, plus recurring (annual) maintenance fees. We ceased offering OTL to new CargoWise One application suite customers in 2012, although we continue to use the OTL model for certain legacy platforms in some jurisdictions. Only 25% of FY15 pro forma revenues and 19% of 1H16 pro forma revenues represented maintenance fees earned from customers under the legacy OTL licence model.

Over time, we will seek to transition all customers to the On-Demand model.

Figure 27 in Section 4.11.1.1. contains a summary of the key revenue, price and volume drivers, and our software platforms and revenue categories, as they relate to the above licensing models to assists understanding financial information in Section 4.

We experience a high degree of revenue visibility as a result of the monthly billing of our customers (with 97% and 98% of pro-forma revenues being Recurring Revenue for FY15 and 1H16, respectively), and low customer Annual Attrition Rates measured by CargoWise One customers (see further Section 4).

3.4. Product overview

CargoWise One, the current generation of our flagship product, is a global, single platform software solution for logistics service providers that enables customers to execute logistics transactions and manage their operations on one database across multiple users, functions, offices, countries and languages.

3.4.1. CargoWise One

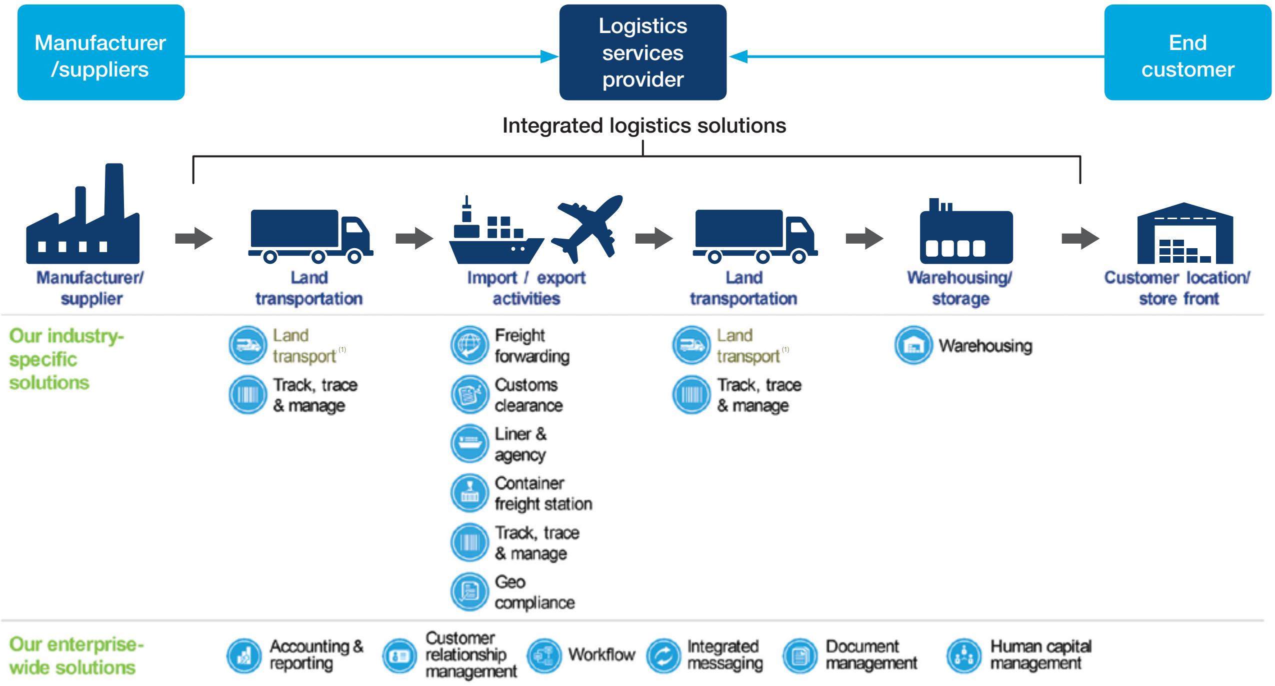
3.4.1.1. Overview of CargoWise One

CargoWise One facilitates the movement, customs clearance and storage of goods and the management of related information by our customers within countries and internationally. CargoWise One comprises:

- *Industry-specific* software, which facilitates logistics industry transactions, including solutions for freight forwarding, customs clearance, land transport, warehousing, liner and agency, container freight, tracking and tracing and geo-compliance; and
- *Enterprise-wide* software, which helps our customers manage their businesses, including accounting and reporting, customer relationship management, workflow, integrated messaging, document management and human capital management.

An illustration of our CargoWise One modules is set out below in Figure 10, Figure 12 and Figure 13.

Figure 10: CargoWise One modules across the logistics industry



CargoWise One is designed to operate across a range of technology platforms, including desktop web deployment (e.g., Windows; Apple Mac; Linux), tablet deployment (e.g., iPad; Android tablet; and Windows tablet) and mobile deployment (e.g., iPhone; Android phone; Windows phone; Windows CE and Windows mobile). Our single-source code integrated platform enables new product developments or functionality enhancements to be rolled out across a customer's operations quickly without complex manual processes. Figure 11 provides screenshots of our user interface on desktop and mobile deployment.

Note:

(1) Available in CargoWise One but not in ediEnterprise.

Figure 11: Example CargoWise One user interface

CargoWise One was released in 2014, based on a substantially enhanced version of the source code of its predecessor, ediEnterprise. Except as indicated below, the descriptions of CargoWise One features also apply to ediEnterprise. We will continue to support product fixes and regulatory and compliance upgrades for ediEnterprise for some time. However, customers must migrate to CargoWise One to access new product capabilities, modules and module upgrades, such as the land transport module that we introduced in 2014.

3.4.1.2. Overview of CargoWise One modules

Figure 12: Integrated industry-specific modules

	Module	Description
	Freight forwarding	Comprehensive freight forwarding solution designed to organise and coordinate shipments, consolidations, container management, retail, NVOCC (non-vessel operating common carrier), airfreight wholesale and integrated forwarding operations, imports, exports, trans-shipments, and on-forwarding for both international and domestic operations and multiple transport modes Allows foreign agent (e.g. customs agent) access for increased efficiencies
	Customs clearance	Multi-country based customs clearance system to assist customers comply with their import and export clearance and other compliance obligations Manages the classification of goods and helps customers calculate duty, tax, and entry fees required by the relevant customs authorities
	Land transport(1)	Software for the management of freight movements and processes that occur over land – either by road or rail Carrier solution for the management of consignments, pallets, containers, liquids, livestock, dry bulk and direct point to point carriage Provides visibility, depot and driver management, and supports sign on glass for proof-of-delivery purposes across hand held devices and mobile applications
	Warehousing	Warehouse management system and inventory control system Integrates common warehouse functions including receiving, put-away, order picking, packing and scan packing

Note:

(1) Available in CargoWise One but not in ediEnterprise.

Module	Description
Liner & agency	Assists ocean carriers (e.g. vessel owning cargo carriers) to manage bookings, containers and ocean bills of lading Integrates sailing schedules and space allocations, bookings, container control and detention, invoicing, accounting, and automated data exchange into a set of integrated workflows
Container freight station	Manages loose, pallet and container cargo to enhance accurate and optimal packing and unpacking of less-than-container-load and full-container-load freight Provides shipment visibility for delayed or advanced shipments to assist in the seamless transition between transportation modes
Track, trace & order management	An electronic shipment hub bringing together multiple parties in the supply chain including customers and other logistics service providers Web portal that provides an integrated view of freight as it moves through various departments and modules so shipments, declarations, orders, security filing, inventory, receipts, and accounting information can be visualised and tracked Facilitates interaction between logistics service providers and their consignees and the upload of important shipment-related documentation to effect the movement and clearance of the freight for delivery to the consignee
Geo compliance	Assists logistics service providers comply with their global and country based regulatory requirements and practices such as local tariff classifications, local language, local forms and documents, supply chain security, dangerous goods management, environmental and greenhouse obligations, value-added/consumption taxes (e.g. GST, VAT), withholding tax, and other monthly, quarterly and annual general accounting and reporting procedures We continually monitor local compliance regulations around the world that affect our customers and upgrade CargoWise One to extend regulatory coverage in existing jurisdictions, accommodate regulatory changes and to add new jurisdictions to assist our customers with their compliance obligations

Figure 13: Integrated enterprise-wide modules

Module	Description
Accounting & reporting	Enterprise-wide, multi-company and multi-currency accounting software system to manage invoicing, receivables and payables Integrated with the wider system to assist accurate recording of transactions, management of accounts receivables and payables and control of credit terms
Customer relationship management	Integrated CRM to manage customer profiles, campaigns, opportunities, sales and marketing activity
Workflow	Integrated workflow management with the ability to customise the flow of work and monitor and control the planning and execution of operational activities and events across customers' operations Allows for high levels of automation when used in conjunction with the integrated messaging module as it can automate the communication between parties in the global supply chain
Integrated messaging	Integrated, secure data messaging that links all major functions of CargoWise One with other parties in the global supply chain Allows customers to create their own electronic connections between CargoWise One and other parties
Document management	Centralised, cloud-based document management system Integrated with all of the associated and relevant shipments, orders, products and other operations across the CargoWise One platform
Human capital management	Integrated Human capital management system provides a centralised staff and resource database to record, maintain and access employee data Manages user security access and activities within CargoWise One

3.4.2. Product differentiation to competitors

3.4.2.1. Key competitive strengths of CargoWise One

We believe CargoWise One has a number of key competitive strengths as a result of being a global application built on a single database with integrated modules that might otherwise be provided by separate software applications and multiple vendors. These features include the following:

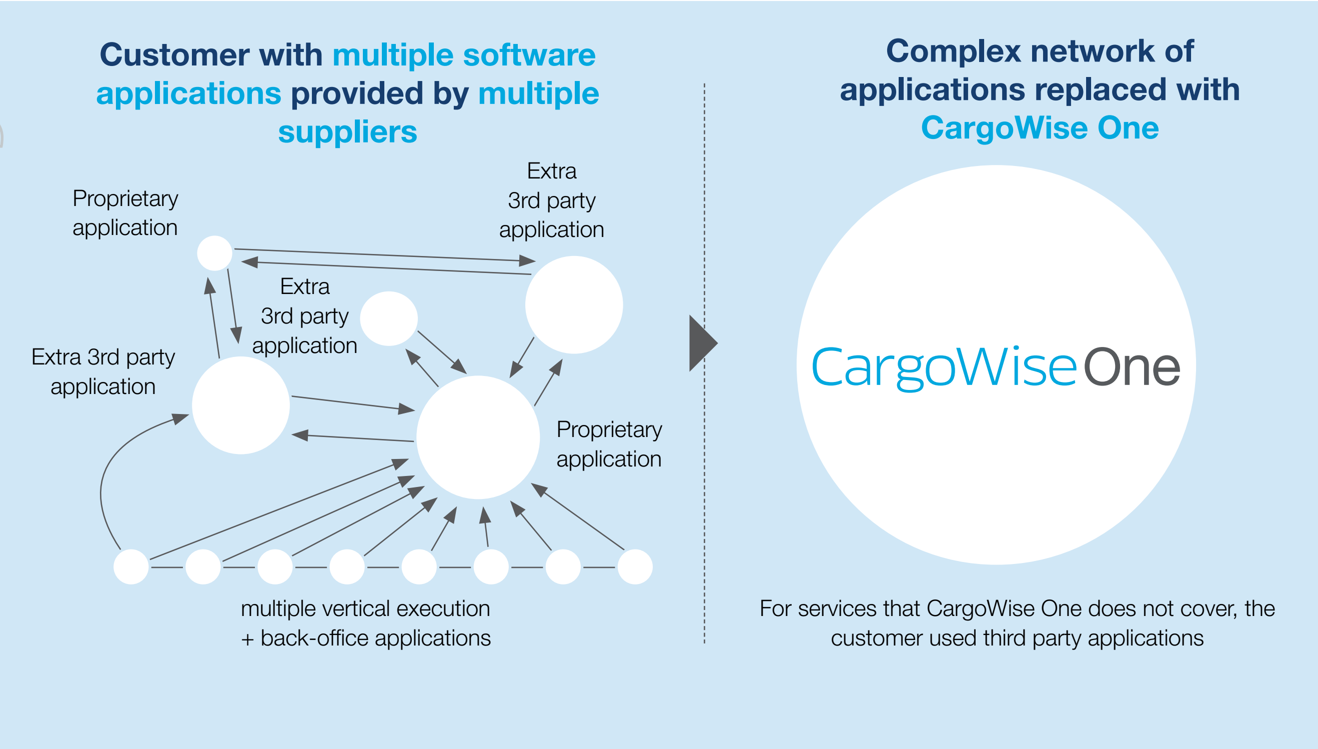
- **Integration within and across modules:** Data is available immediately in other modules, thereby eliminating duplicate inputs and allowing real time access across functions. This can significantly reduce data entry costs, error rates and delays and result in improved productivity and operational management.
- **Integration across geographies:** Data is instantly available across all regions and in many instances is translated across currencies and up to 26 languages where required. This can provide our customers with visibility and can increase the efficiency of their operations.
- **Integration with other customers:** Logistics service providers who interact with each other can benefit from improved productivity when they both operate on CargoWise One, with data flowing through the system allowing improved operational visibility.
- **Integration with other third-party systems:** CargoWise One also allows for the integration with third-party systems which gives customers the flexibility to use CargoWise One for all or part of their business, in selected geographies and to expand their use over time. The platform can integrate with their existing proprietary systems, other vendors' products and even link to their customers' systems. This integration can be done directly by the customer's IT department or by a WiseService Partner (refer to Section 3.4.4.1).
- **Integration with government systems:** CargoWise One is capable of integration with customs, quarantine, tax, food and drug and other government agencies allowing electronic processing, faster turnaround and reduced rework.

In this way, we refer to CargoWise One as deeply integrated.

These features can create numerous benefits to our customers, including:

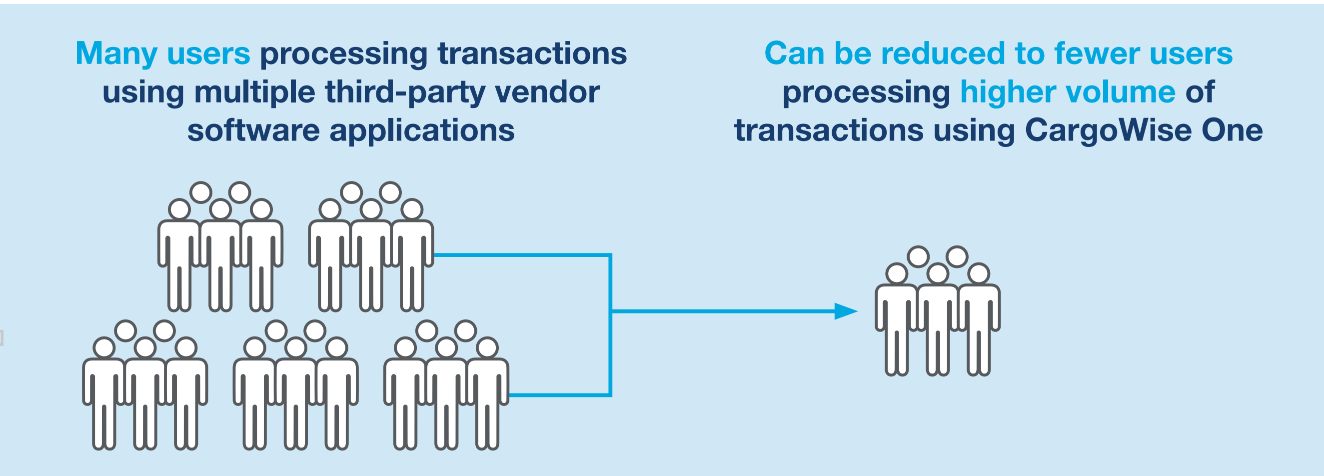
- **Productivity gains:** our customers can realise productivity gains through a reduction in third-party vendor software applications. In one specific example, a customer with multiple logistics execution and back office software applications provided by multiple suppliers was able to replace that complex network of applications with CargoWise One. For services that CargoWise One does not cover, the customer used third party applications. See Figure 14.
- **Reduction in operational resources:** as our customers can realise productivity gains through a reduction in third-party vendor software applications, they may also be able to reduce their operational resources required to run their businesses. See Figure 15.
- **Reduction in costs:** The ability to replace multiple proprietary systems and/or other third-party applications with a single, deeply integrated platform eliminates technology and operational costs associated with managing multiple systems, vendors and applications. In addition, our cloud–based delivery system can further reduce IT infrastructure and maintenance costs for the customer. Eliminating or automating labour-intensive processes can also significantly lower labour and related costs.
- **Risk mitigation:** In today's logistics industry, the timely transmission of accurate information associated with the movement of goods can be critically important to logistics service providers. If a shipment arrives at an international border before the customs clearing requirements have been met, that shipment may be delayed or subject to penalties and seizures. If a customs declaration contains errors, penalties and appropriations may also be levied. Both of these risks can be significantly mitigated through the CargoWise One application suite because of the increased visibility and alerts, real time data availability globally and elimination of errors associated with re-entering data.
- **Scalability and expansion into new geographies and services:** Customers can easily add new geographies and users and start using additional modules without needing to contact WiseTech or have physical site visits. In CargoWise One, customers are able to use all modules, when and where they need them. Our "empower and enable" sales and marketing approach assists customers to adapt their use of the system to meet their scale requirements, whether they are large multi-function organisations or smaller logistics services providers.
- **Sustainability and maintainability:** CargoWise One was built using the philosophy of "configurability" rather than "customisation". By this we mean that we have invested significant time and resources to develop a simple-to-use, single-source code system that is highly configurable for our clients; we do not need to perform customer-specific customisation at the coding level. This ensures faster rollout of enhancements and functionality. Between 2013 and 2015, we rolled out more than 550 product enhancements on average per year.
- **Intelligent development:** CargoWise One contains "intelligent" features beyond standard logistics functionality such as self-automation, self-generated ad-hoc fields and self-developed reporting.
  - *Self-automation:* The simplicity of the user interface allows users to quickly create automated processes without the involvement of a software programmer.
  - *Self-generated ad hoc fields and self-developed reporting:* Users can tailor documentation and create data fields customised for their organisation or for a specific customer and automate many manual reporting tasks.

Figure 14: Customer case study: multiple third-party vendor software applications



Note: This represents a specific example for one specific large-scale, multi-national customer using CargoWise One over time. It does not purport to represent the profiles for all customers or to be indicative of any future trend.

Figure 15: Our potential to reduce operational resources



3.4.3. Product development

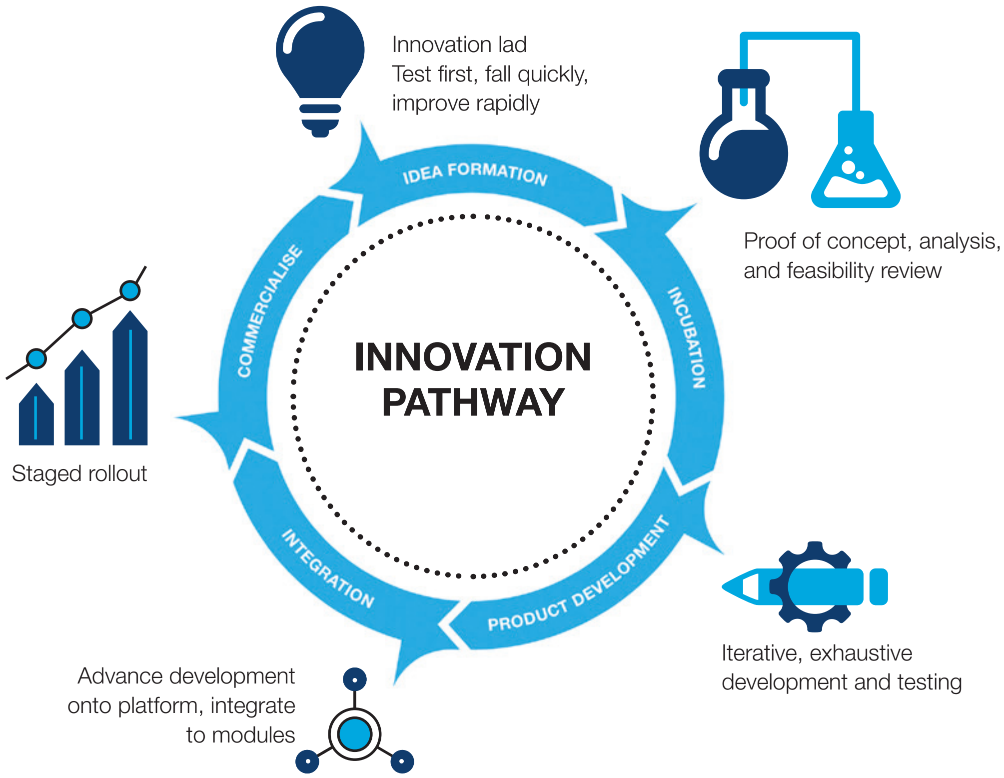
Relentless product development and innovation is at the core of what we do. In FY15, more than half our workforce was engaged in improving and extending CargoWise One, developing the next generation of features and new products that we intend to bring to market in the future.

We expand our global platform by developing and commercialising innovations, including through:

- developing new modules to enable additional logistics activities or market segments;
- developing new product components to expand functionality of existing modules;
- developing hardware components to complement our logistics service provider software modules, such as the devices to be used in our telematics solutions;
- extending access to new geographies;
- upgrading capabilities to cover compliance with additional existing and new regulatory requirements/technology;
- incorporating new technology or delivery mechanisms;
- adding quality improvements;
- building next-generation productivity tools developed to accelerate our customers' productivity, resource efficiency and business growth; and
- investing in disciplined development processes, our data centres and scalable technology to ensure our platform can accommodate growth in transaction volumes, data storage and user numbers.

Figure 16 is a visualisation of our innovation process.

Figure 16: Innovation workflow chart



Our software is developed using a "test driven development" approach. Each time a new feature is developed, automated unit tests are built first and the code for that feature is therefore tested against over 550,000 unit tests to ensure compatibility with the existing software and functionality. The use of the automated unit tests improves the software's stability through the early detection of potential problems.

We are also currently developing additional technology offerings. Three examples of different types of development are PAVE (a workflow management tool with broad application), Telematics (expansion into an adjacent logistics segment) and GLOW (a system to facilitate software development without the need for substantial numbers of software developers):

- **PAVE:** "Productivity, Acceleration & Visualisation Engine" is an innovative workflow management tool and is currently used by us internally for tactical and strategic management. We expect to add PAVE across the entire platform and anticipate it will offer a number of productivity opportunities to our customer base, including improved visibility of work across an organisation, ability to measure and analyse workflow trends and the automation of many enterprise-wide tasks.
- **Telematics:** This suite of telematics solutions will be targeted at the road transport segment of logistics. Telematics is the use of intelligent devices to collect data on a physical object such as a vehicle, container, trailer or pallet in real time, and transmit this data to interested parties, such as the vehicle operator, the logistics companies, logistics services providers and government and regulatory authorities. For example, telematics enables a trucking company to collect data, such as vehicle location, load position and weight, tyre pressure, temperature, and driver behaviour, in real time.
- **GLOW:** GLOW is a set of software extensions to CargoWise One that will allow product managers, business analysts and customers to build on and extend the functionality of our platform without knowledge of software programming. GLOW will seek to facilitate rapid, high quality and less costly product development.

3.4.4. Customer support and infrastructure

CargoWise One is backed by comprehensive user support which includes customer training and e-learning, support services and relationship management. These processes are designed to enable our customers to receive assistance quickly and efficiently.

3.4.4.1. Customer training, consultation and e-learning

Customer training is delivered to customers free of charge via "WiseLearning", our online training and education portal. The online portal includes more than 2,000 videos, workbooks, and activities designed to give users a clear understanding of CargoWise One.

We also have a partner program under which we authorise third parties, which we call "WisePartners", to sell and implement CargoWise One and provide training and technical support to our customers. Customers typically pay WisePartners directly on a fee-for-service basis[(1)]. We currently have over 100 WisePartners comprising more than 150 consultants in total.

Our WisePartner programs include:

- **WiseService Partner:** A network of partners with extensive knowledge of WiseTech products and services that are available to assist customers in optimising the use of our products;
- **WiseBusiness Partner:** Authorised partners for our products in selected markets. WiseBusiness Partners may include software developers or resellers, compliance providers, IT service and systems providers and consultants; and
- **WiseTechnical Partner:** Partners who provide our customers with access to a network of skilled certified technical professionals who have been trained, assessed and certified by us to assist our customers.

3.4.4.2. Support services

Our customer support services are known as the "WiseAdvantage Program" – a suite of automated, online application support services comprising:

- **WiseCloud:** Our application delivery and management service, WiseCloud, is available 24 hours a day, 7 days a week providing global disaster recovery capability, data management, upgrades and maintenance, backup and continuity planning;
- **WiseSupport:** Our incident management system, eRequest, is accessible 24 hours a day, 7 days a week, across all regions. eRequest automatically captures diagnostic data and related information. This allows the incident to be assessed and directed to the appropriate specialist quickly, ensuring the response is fast and accurate; and
- **WiseMaintenance:** Through "WiseMaintenance" all product upgrades (including quarterly general releases) and patches are delivered through our cloud-based delivery model without interruption to the end user. Such upgrades include product enhancements, software quality management, defect resolution, patching and release control.

3.4.4.3. Relationship managers

Our internal relationship managers help facilitate our customers' initial implementation process and assist customers in understanding CargoWise One and the support processes we offer throughout the customer lifecycle.

Note:

(1) In select cases, our partners may receive compensation from us, for example, WiseBusiness Partners may receive a trail commission fee based on customer monthly billings. All other active partners are compensated directly by the end customer / user.

3.5. Sales and marketing

Sales of our CargoWise One product are derived from a combination of growth from existing customers, direct-to-customer sales via our internal sales team, referrals and a network effect. Key elements of our sales and marketing strategy include:

- **Open access, "empower and enable":** The unrestricted access to any module for any number of users and transactions across geographies can create significant growth from existing customers without additional sales expenditure. Customers simply increase transactions, users, modules, and countries on an as needed basis, that is, customers can "self-serve". This differs to a common approach which requires more sales interaction and negotiation, site visits and additional licences to expand a customer's usage. See Section 3.3.1.
- **Direct sales:** Global sales personnel from regional headquarters in Australia, US, UK and China predominantly focus on securing new clients. Certain aspects of our business model, such as On-Demand licensing, usage driven revenue, and no requirement for long-term contracting together support our sales process, and assist to shorten the sales cycle and increase the efficiency of our direct sales activities.
- **Configurability:** Our software is configurable by our customers, without customisation by our technical staff or complex implementation specification and customisation, which assists to on-board new customers quickly.
- **Network effect:** The interconnectedness and collaboration required throughout the supply chain encourages a strong network effect as various participants benefit from utilising common logistics service provider software. Our business grows as customers encourage other logistics providers to adopt our platform which can increase their efficiency, productivity, accuracy, speed, cost savings and visibility of information between the organisations. This assists us to reduce our sales and marketing spend and reduce reliance on active sales personnel activities and potentially costly marketing programs to win new customers.
- We encourage the network effect through:
  - *Wise Agent Referral Program (**WARP**)*: Enables our customers to refer other logistics service providers to us as potential customers. Our customers elect to do this to access benefits derived from having their customers, partners and agents on the same platform. When a referred customer comes onto the CargoWise One platform, both the existing and nominated customers may receive financial incentives from us such as discounted usage fees or free messaging services for a period of time.
  - *Agent networks referrals – "Wise Industry Program":* In addition to our referral programs we also have arrangements with leading global and regional agent networks, associations and professional organisations within the logistics services industry.
  - *CargoWise certification program:* We provide online education and certification for experienced logistics service provider software users skilled in operating the CargoWise One platform within existing customers. These users can assist other users in their organisation extend their use of the system into new modules or for additional transactions.
  - *Industry education for logistics service providers:* We invest in the education of logistics service providers through our relationships with WiseEducation Partners. These partners include education faculties such as The University of Sydney and New York University and other trade colleges and employment organisations.
- **Leveraging "go to market developments":** Software sales cycles can be lengthy as potential customers may only tender or seek logistics service provider software services ("go to market") after a cycle of a number of years. For this reason, we employ focused targeting around events such as new government initiatives or regulations that prompt logistics service providers to review third-party software vendors to see what options are available for managing such new developments. A recent example of this was the ACE initiative in the US (as described in Section 2.4.2). To capitalise on this initiative we ensured that we were one of the first service providers to be testing a software solution with the US government and the first to be compliant with ACE requirements.

The combination of these initiatives assists us to lower our sales and marketing expenses which represented only 15% of pro forma revenues in FY15 and 1H16.

3.6. Customers and suppliers

3.6.1. Customers

We provide our software solutions to over 6,000 logistics service provider customers where they are licensed for use by approximately 150,000 module users in over 115 countries across the CargoWise One application suite and legacy platforms of acquired companies. Our CargoWise One application suite is suitable for logistics service providers of all sizes and is designed to be scalable from a small number of users to tens of thousands of users. Our customers operate across the supply chain and represent a broad mix of logistics service providers, ranging from small to mid-sized regional or single country businesses to large global logistics organisations. We have long term relationships with many of our customers and low Annual Attrition Rates (measured by CargoWise One customers) of 0.4% in FY15, 0.3% in FY14 and 0.5% in FY13, while, on average, our 10 largest customers (by 1H16 revenue) have been with us for more than ten years.[1]

Our customer base is diverse, with our top 10 customers combined representing approximately 21% of FY15 pro forma revenue, and expected to represent approximately 22% of FY16 pro forma revenue and 28% of FY17 pro forma revenue.

Our largest customers by revenue for FY15 were:

- Australia Post
- DSV
- GEODIS
- IJS Global
- JAS Forwarding Worldwide
- Mainfreight
- OHL
- Rohlig
- Toll
- Yusen Logistics

Our success in penetrating the global logistics industry is highlighted by the fact that 9 of the top 10, and 19 (as shown below) of the top 20, global 3PLs are existing customers[2].

- Agility
- CEVA Logistics
- C.H. Robinson
- Damco
- DB Schenker Logistics
- DHL
- DSV
- Expeditors International
- GEODIS
- Hellmann Worldwide Logistics
- Kerry Logistics
- Kintetsu World Express
- Kuehne + Nagel
- Nippon Express
- Panalpina
- SDV (Bollore Group)
- UPS
- UTi Worldwide
- Yusen Logistics

Many of these larger customers use our software for only a small number of modules or only in certain regions and we believe that we have a significant growth opportunity to increase the usage of our software by these customers.

We recently entered into a 4.5 year contract with DHL Global Forwarding Gmbh (**DHL GF**), the world's largest logistics forwarder to utilise CargoWise One. DHL GF is expected to use CargoWise One primarily for its air and sea freight forwarding business. The worldwide roll out of CargoWise One across its business is expected to take up to 4.5 years and deliver estimated revenues of up to $60m based on contracted, agreed payments over the rollout period (assuming that DHL GF does not exercise its right to terminate the contract on notice). We also have in place agreements with other large global forwarding groups including DSV, Geodis, Hitachi, IJS, JAS, Mainfreight, OHL, Rohlig, Toll, Yusen which are at various stages of global roll out.

In addition, our customer base continues to evolve with our geographic expansion, product innovation and strategic acquisitions. As at 31 December 2015, we had 105,546 CargoWise One application suite module users derived from a total of more than 3,500 customers. The remaining 45,730 module users, derived from a total of more than 2,600 customers, have been acquired with the purchase of businesses such as Translogix, CoreFreight, Zsoft and Compu-Clearing and currently remain users of the acquired legacy platforms. We offer to support these customers on their existing products until such time as they transition to the CargoWise One platform. See Section 3.7.3 for information on the transition of acquired applications.

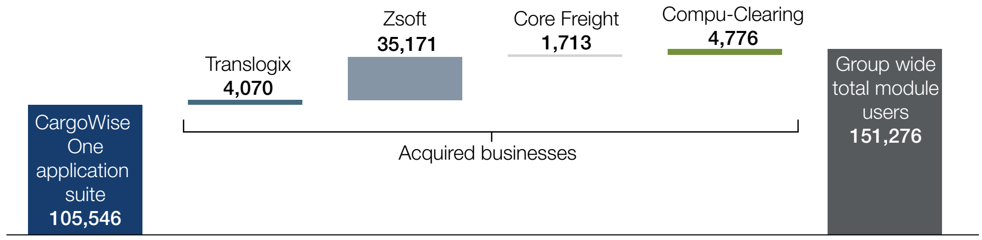
Notes:

(1) As at 31 December 2015, length of customer relationship measured from the date of the customer's first invoice date.

(2) Ranked by Armstrong & Associates: Top Global 3PL (Third-Party) Logistics Providers List, ranked using a combined overall average based on their individual rankings for gross revenue, ocean TEUs and air metric tons, for the 12 months ended 31 December 2014. Customers are as at 31 December 2015.

Figure 17 shows module users (including those at companies we have recently acquired) across WiseTech as at 31 December 2015.

Figure 17: Module users



See Section 3.8.4 for information on our customer contracts.

3.6.2. Suppliers

We produce or develop internally many of the software tools and inputs that we require to operate our business, for example, CargoWise One operates as our key internal system across our company.

Our key external supplier is Microsoft, which provides several necessary infrastructure and software development technologies, including Microsoft SQL Server 2014 (which contains our underlying data source for CargoWise One), Windows Server 2012 R2, Microsoft Internet Information Services 8.5 and Microsoft Entity Framework (see Section 5.1.6).

Other external suppliers of goods and services relate to our data centres, such as telecommunications and electricity providers as well as computer hardware and equipment providers. For these suppliers, we believe that there are currently alternate suppliers from which we could readily acquire replacement goods or services should the need arise.

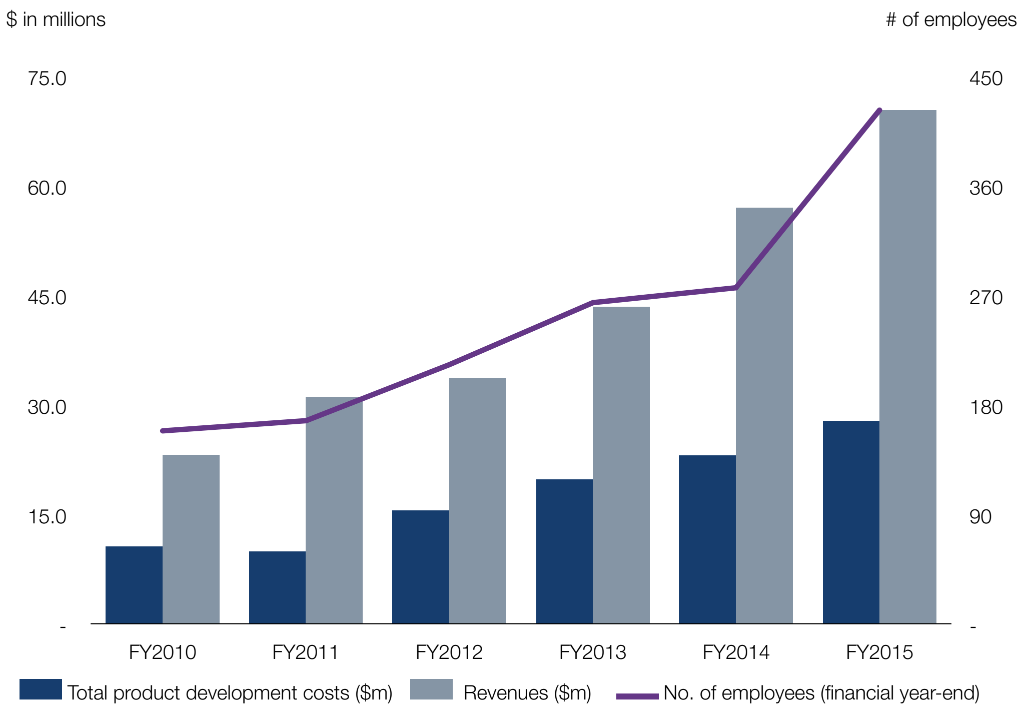
3.7. Our growth

3.7.1. Growth track record

We have a track record of strong and consistent growth supported by our product innovation. We focus on product innovation to address faster, smarter and more efficient ways of solving logistics industry problems and improving productivity. We seek to build highly specialised solutions that can be applied globally.

The following chart sets forth the information of our increase in headcount, growth in revenue and expenditure on product development over the indicated periods.

Figure 18: WiseTech growth in employees, revenue and product development total expenditure



Note: Revenue represents statutory financials. Total product development costs are calculated based on management accounts and statutory financials.

3.7.2. Key pillars of our growth strategy

Our growth strategy is based on five key components:

1. **Expanding our global platform through innovation:** The core of our growth strategy is relentless product development and investment in innovation to expand our CargoWise One platform. In 1H16 we invested 41% of our pro forma revenues and more than half our workforce in product development and innovation as we believe that the quality, depth and breadth of our software drives our success. We plan to regularly upgrade and expand our CargoWise One platform to broaden our product offering and expand our addressable market. Section 3.4.3 describes our product development process and examples of the innovations we are currently developing.

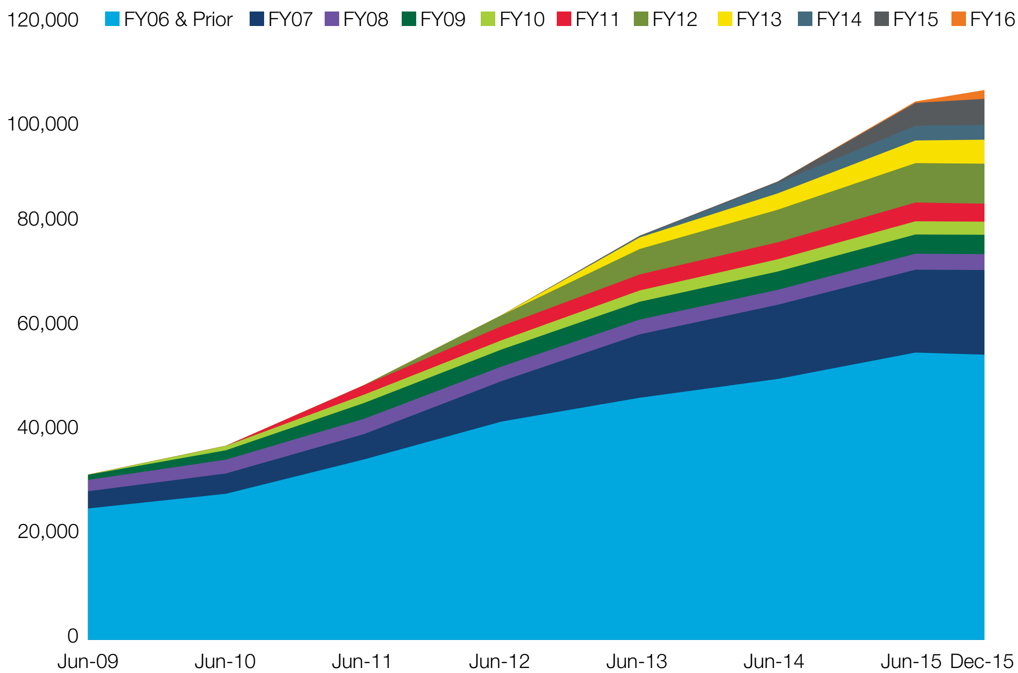
2. **Enabling greater usage by existing customers:** The scalability of our CargoWise One platform and our "empower and enable" sales and marketing strategy enables customers to increase their use of our software as their businesses grow and they take advantage of additional functions. See further Section 3.3.1. We plan to grow the use of CargoWise One by our customers who currently use only a small number of our modules, and/or use our software only in certain regions, including by active promotions led by account managers in our customer service teams of features of our software that a particular client is not using (or we think is underusing) in existing or new geographies. Once on our platform, the growth over time from large global logistics service providers can be significant as their operations may span across many functions across the supply chain and many countries across many trade routes. We have experienced this for example with DHL GF, DSV, Geodis, Hitachi, IJS, JAS, Mainfreight, OHL, Rohlig, Toll and Yusen. See Section 3.6.1 for further information on our customers. Figure 19 shows the increase of module users in our customers from 30 June 2009 to 31 December 2015 and Figure 20 shows the increase in revenue from FY13 to the last twelve months ending (**LTM**) 31 December 2015 by tracking customer sales cohorts (that is, grouped according to the year they first became users of CargoWise One).

3. **Increasing the number of customers and users using the platform:** Our sales and marketing approach comprises a combination of direct sales and referral programs. This strategy has proved successful in obtaining new customers in the past, from small-to-medium regional providers through to large multi-region logistics service providers, and we intend to continue these strategies going forward to obtain new customers who, once on our platform, tend to expand their use across transactions, users, modules and regions over time See further Section 3.5 and Section 3.6.1. In addition, we grow the number of users on the CargoWise One platform by transitioning the customers from companies we acquire over time. These customers will be offered full access to CargoWise One which may assist in enabling their transaction volumes and module use to increase further.

4. **Stimulating network effects:** The interconnectedness and collaboration required throughout the supply chain encourages a strong network effect as various participants benefit from utilising common logistics service provider software. Our business grows as customers encourage other logistics providers to adopt our platform which can increase their efficiency, productivity, accuracy, speed, cost savings and visibility of information between the organisations. We plan to stimulate the natural "network effect" through acceleration programs including WARP, agent network referrals, the CargoWise certification program, and industry education partnering. See further Sections 3.4.2 and 3.5.

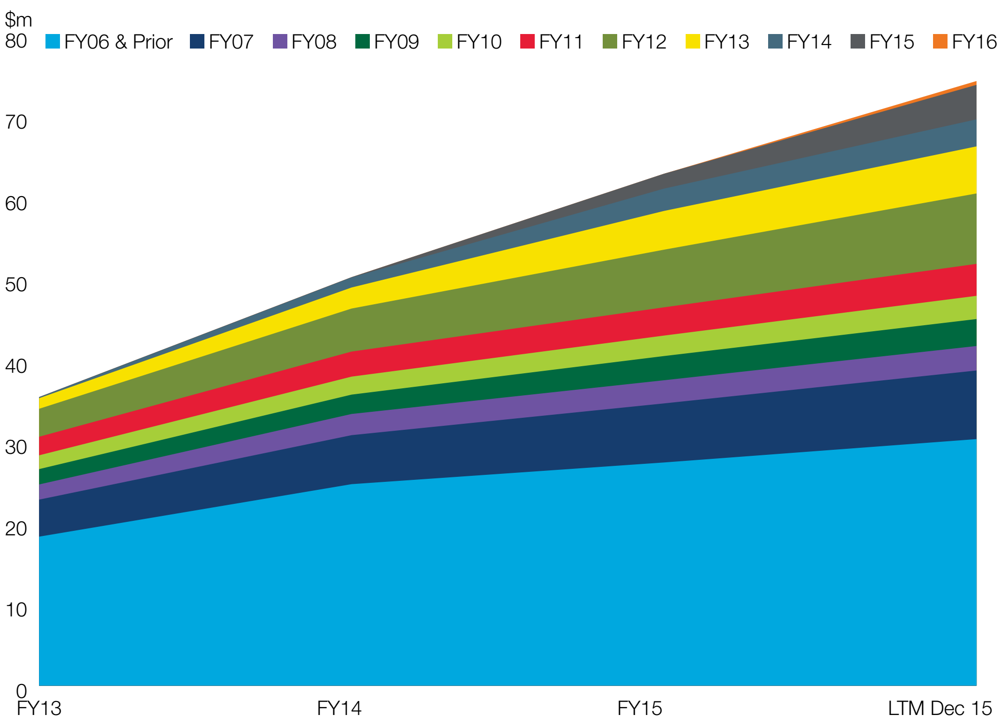
5. **Accelerating execution of strategy and growth through acquisitions:** To accelerate the execution of our strategy and growth we make strategic acquisitions of logistics software providers. We use acquisitions to enter new geographies and enter new areas of logistics execution. We buy to acquire customers, compliance capabilities and skilled employees with technical knowledge and we integrate these onto our global CargoWise One platform over time. We believe the acquisition of customer bases of leading local providers to be an efficient and low cost growth strategy to build a presence in markets where we currently have a low, or non-existent customer base. Our approach to acquisitions is further described in Section 3.7.3.

Figure 19: CargoWise One application suite module users by sales cohort (30 June 2009 – 31 December 2015)



Note: CargoWise One application suite module users excludes users on legacy platforms from acquired businesses (Translogix, Zsoft, CoreFreight, Compu-Clearing). A customer is included in a sales cohort if their first invoice is issued in the financial year.

Figure 20: CargoWise One application suite revenue by sales cohort (FY13 – LTM December 2015)



Note: CargoWise One application suite revenue ($m) excludes revenue on legacy platforms from acquired businesses (Translogix, Zsoft, CoreFreight, Compu-Clearing). A customer is included in a sales cohort if their first invoice is issued in the financial year.

3.7.3. Acquisition strategy and process

As described above, acquisitions have been a significant part of our growth strategy and we expect that to continue. When considering acquisitions, we look for one or more of the following characteristics:

- New geographies or countries, particularly non-English speaking countries (as we acquire local management and expertise);
- New, complex, adjacent competencies that allow us to acquire specialist market knowledge to support product development;
- Where we believe that the likely time to penetrate by building organically will be long, or involve high cost and/or high risk as result of existing domestic competition;
- One or two dominant providers are already strongly entrenched;
- Complex compliance requirements exist (e.g. customs and quarantine); or
- An opportunity to exploit network effects exists if a strong market position can be obtained.

We seek to migrate customers on acquired legacy products (and associated pre-existing licence models) to our CargoWise One platform and our On-Demand licence model over time and in a staged process. For example, we stage the timing and process of transition having taken into consideration customers' current requirements, the degree to which the pre-existing licence models provide a recurring revenue stream, and the quality of the acquired legacy products themselves. To facilitate customer adoption and drive transition over time we educate these customers on the potential benefits and increased functionality of the CargoWise One platform including potential productivity gains. We may also provide commercial incentives to facilitate migration to our CargoWise One platform.

An example of our strategic acquisition accelerating organic growth can be seen in our development of Land Transport. In 2012 we acquired Translogix, a business providing software solutions (Sapphire, Odyssey, Advanta) to the Australian land transport and logistics market. While maintaining that platform, we commenced expanding our existing land transport solution to meet the specialist needs of road and rail transport logistics service providers. We expect to commercialise this expanded offering through CargoWise One, and we believe that it will provide an opportunity to bring Translogix's customer base onto our global platform which in turn will grow our customer base and expand our addressable market.

Figure 21: Recent acquisitions

Company	Country	Key solution	Key statistics (as at 31 Dec 2015)	Acquisition rationale
Compu-Clearing (completed September 2015)	South Africa	Customs clearance – CompuSolutions Classic – CompuSolutions Diamond	Number of module users: 4,776 Number of customers: 400+	A leading supplier of South African customs clearance software and a reseller of our freight forwarding solution (CargoWise One) Compu-Clearing will become our primary business centre for European support and customs development Platform to expand and service the broader sub-Saharan market
CoreFreight (completed June 2015)	South Africa	Customs clearance – CoreFreight	Number of module users: 1,713 Number of customers: 150+	A leading supplier in the South African market
Zsoft (completed March 2015)	China	Freight forwarding – FMS – ERP	Number of module users: 35,171 Number of customers: 1,750+	A leading freight forwarding software in China, the world's largest export market in 2015 Platform to expand and service the greater China market

3.8. Further information on WiseTech

3.8.1. Employees and culture

As at 31 December 2015, we had 510 full-time employees. Figure 22, Figure 23 and Figure 24, below provide a breakdown of our employees by region, a breakdown of our employees by function as at 31 December 2015 and the increase in our employees over the indicated periods, respectively.

Figure 22: Employees by region

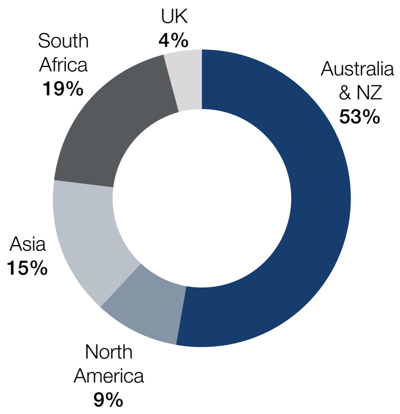


Figure 23: Employees by function

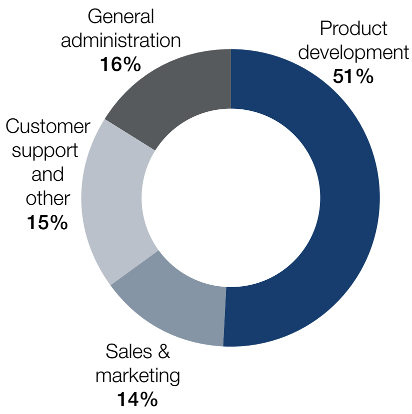
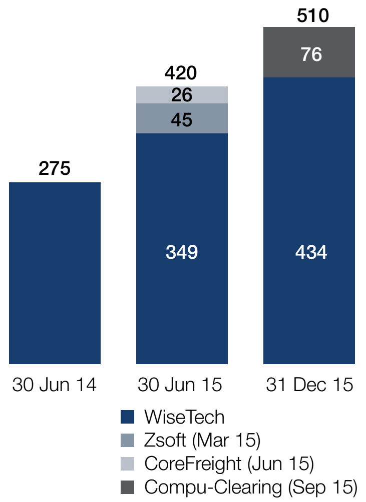


Figure 24: Growth in number of full time employees



We have built a culture of innovation and productivity where we seek to solve complex industry problems and challenges with a "test first, fail quickly and improve rapidly" approach. An illustration of the elements of the culture that we strive for is contained in Figure 25. We seek to recruit and develop individuals with a diverse range of professional backgrounds and experience and provide extensive upfront and ongoing technical and strategic training.

We seek to create a work environment for our "tech creatives" that supports bold ideas and innovation and a focus on "freedom and responsibility": we operate a flat, low hierarchy management with small diverse teams in open plan hubs to stimulate creativity and workflow.

A number of our employees are currently Shareholders in the business. Employees resident in Australia, New Zealand, the United Kingdom, Singapore, the United States and Canada are being given the opportunity to become Shareholders as part of the Offer through the Employee Offer, or the Employee Gift Offer, details of which are provided in Sections 7.3.3 and 7.3.4.

Figure 25: Elements of the culture of product innovation and productivity we strive for

3.8.2. Technology

3.8.2.1. Data centres

We host our CargoWise One software through our three global data centres with customers served by their closest centre to reduce latency and enhance performance. We own our data centre in Sydney (serving Australia, New Zealand and China) and lease data centres in Chicago (serving the United States and other locations)[(1)] and the United Kingdom (serving operations in Europe, the Middle East and Africa). We have control over data centre operations and assets in all three data centres. Our data centres have "24/7" disaster recovery capability. The data centres are all replicated (i.e. backed up) to a secondary location, further protecting against loss of customer data or outages.

3.8.2.2. Technology components

CargoWise One is underpinned by Microsoft SQL Server 2014 Enterprise Edition database and we utilise additional technology components which provide a base upon which we build, enhance and deploy CargoWise One. Additionally, we manage the CargoWise One source code using a secure replicated source code control system, which helps to maintain the security and integrity of our source code.

3.8.3. Intellectual property

Below is an overview of our intellectual property assets and the various ways in which we seek to protect our intellectual property.

3.8.3.1. Formal intellectual property regimes

- **Copyright:** We assert, maintain and enforce copyright over all our expressed representations of creative works. These include source code, marketing content, product documentation and specifications. Our content consists of written, visual and audio content;
- **Trademarks:** We have registered trademarks of key names and logos in 49 countries which includes 27 European Union member countries. We have trademark applications pending in an additional 6 countries; and
- **Patents:** Since July 2015, we have employed an in-house patent attorney to evaluate our technologies for patentable inventions and to submit appropriate patent applications.

3.8.3.2. Operational practices

- **Physical security:** We have policies and physical security measures designed to restrict access to all our premises globally to authorised personnel; and
- **Electronic security:** Intellectual property that is available electronically is restricted to those employees/contractors that have a requirement to access such information. Source code is made available under controlled conditions to employees working with the source code. We do not generally make source code available to customers or third parties.

3.8.3.3. Contracting practices

- **Non-disclosure agreements:** It is our policy that parties are given access to confidential intellectual property subject to entering a non-disclosure agreement which prohibits them from disclosing any of our confidential information to which they have access;
- **Customer contracts:** Customers are under non-disclosure and confidentiality obligations contained in the agreements they enter into with us to access our software and other confidential intellectual property. Additionally, our customer contracts contain provisions which, to the extent available at law, transfer the ownership of any intellectual property developed by us under the contract; and
- **Employee and contracting practices:** It is our policy that employees and contractors enter into agreements with us under which all intellectual property developed by the employee/contractor is our sole and exclusive property. Additionally employee and contractor agreements contain confidentiality obligations and other restrictive covenants.

Note:

(1) We lease this data centre from a company controlled by our CEO. Refer to Section 6.6 for further information.

3.8.4. Customer contracts

We describe key customer relationships in Section 3.6.1. We do not require our customers to enter long, fixed-term contracts that commit them to minimum levels of usage or minimum time commitments. Customers may choose to enter contracts which are intended to operate for many years, for example our agreements with large global forwarding groups like DHL GF, DSV, Geodis, Hitachi, IJS, JAS, Mainfreight, OHL, Rohlig, Toll and Yusen which are at various stages of global roll out. Our customer contracts can typically be terminated by the customer with notice (generally 30 days). Our customer contracts for CargoWise One typically comprise a maintenance and licence agreement that covers general terms and conditions, and a products and services agreement that addresses specific commercial terms and applicable pricing arrangements. Under these agreements, customers may use, at their discretion, any and all modules/functions within the CargoWise One platform. Customers using the current generation of CargoWise One are entitled to any and all upgrades which we make available to our CargoWise One customer base.

Customers who are using our acquired legacy platforms are either contracted under the arrangements described above or under the existing contract under which they obtained the software. These contracts can vary in their form and content but generally are rolling annual contracts which allow us to adjust applicable terms, and allow the parties to terminate the agreement if they wish, at the end of the applicable period.

3.8.5. Data protection, information and risk management

As custodians of our customers' data we understand the importance of data protection and information security. We utilise security firms to help ensure that our data protection and security practices remain appropriate. Our key technology risk mitigation tools include:

- **Risk infrastructure**
  - Our information security specialist initiates and co-ordinates risk assessments and evaluations of new technology risks;
  - Our CEO chairs regular meetings with our global information systems staff to address strategy and infrastructure risks; and
  - Product managers have been trained to identify and mitigate vulnerabilities in product design and development.
- **Standards**
  - In 2015 KPMG conducted a SOC 1 and 2 assessment[(1)]; and
  - We have developed and implemented internal standards related to redundancy, security, capacity and performance.
- **Monitoring and testing**
  - We have testing processes for software and infrastructure changes with structured release of updates and containment barriers to enhance the quality of our software;
  - We conduct both static and dynamic analysis testing on software changes prior to release;
  - We continually monitor our environment using a selection of software infrastructure tools; and
  - We perform periodic internal and external testing of our environment to verify security and control effectiveness.

Note:

(1) SOC (Service Organisation Controls) are a series of accounting standards that measure the control of financial information for a service organisation. SOC 1 is a report on policies and procedures that evaluate the design effectiveness of a service provider's controls. SOC 2 is a report on policies and procedures placed in operation and tests of operating effectiveness for a period of time.

4 Financial information

4.1. Introduction

The financial information contained in Section 4 includes historical consolidated financial information for FY13, FY14, FY15, 1H15 and 1H16 and forecast consolidated financial information for FY16 and FY17 (Financial Information), as summarised in Figure 26:

Figure 26: Overview of WiseTech Financial Information

	Statutory Financial Information	Pro Forma Financial Information
Historical Financial Information	– **Statutory Historical Financial Information** includes the: – statutory historical consolidated statements of profit or loss for FY13, FY14, FY15 (**Statutory Historical Annual Results**) and condensed historical consolidated statements of profit or loss for 1H15 and 1H16 (**Statutory Historical Half Year Results**) (together **Statutory Historical Results**); – statutory historical consolidated cash flow information for FY13, FY14, FY15 (**Statutory Historical Annual Cash Flows**) and condensed historical consolidated cash flow information for 1H15 and 1H16 (**Statutory Historical Half Year Cash Flows**) (together **Statutory Historical Cash Flows**); and – condensed historical consolidated statement of financial position as at 31 December 2015 (**Statutory Historical Statement of Financial Position**).	– **Pro Forma Historical Financial Information** includes the: – pro forma historical consolidated statements of profit or loss for FY13, FY14, FY15 (**Pro Forma Historical Annual Results**) and 1H15 and 1H16 (**Pro Forma Historical Half Year Results**) (together **Pro Forma Historical Results**); – pro forma historical consolidated cash flow information for FY13, FY14, FY15 (**Pro Forma Historical Annual Cash Flows**) and 1H15 and 1H16 (**Pro Forma Historical Half Year Cash Flows**) (together **Pro Forma Historical Cash Flows**); and – pro forma historical consolidated statement of financial position as at 31 December 2015 (**Pro Forma Historical Statement of Financial Position**).
Forecast Financial Information	– **Statutory Forecast Financial Information** includes the: – statutory forecast consolidated statement of profit or loss for FY16 and FY17 (**Statutory Forecast Results**); and – statutory forecast consolidated cash flow information for FY16 and FY17 (**Statutory Forecast Cash Flows**).	– **Pro Forma Forecast Financial Information** includes the: – pro forma forecast consolidated statement of profit or loss for FY16 and FY17 (**Pro Forma Forecast Results**); and – pro forma forecast consolidated cash flow information for FY16 and FY17 (**Pro Forma Forecast Cash Flows**).

Also summarised in Section 4 are:

- the basis of preparation and presentation of the Financial Information (see Section 4.2);
- information regarding certain non-IFRS financial measures (see Section 4.2.4);
- summary of key pro forma operating and financial metrics (Section 4.3.2);
- the pro forma adjustments to the Statutory Historical Financial Information and the Statutory Forecast Financial Information, and reconciliations to the Pro Forma Historical Financial Information and the Pro Forma Forecast Financial Information respectively (see Sections 4.3.3, 4.4.2, 4.4.3 and 4.5);
- details of our net cash/debt and a summary of our Banking Facilities (see Section 4.6 and 4.7);
- information regarding our liquidity and capital resources (see Section 4.8);
- information regarding our contractual obligations, commitments and contingent liabilities (see Section 4.9);
- quantitative and qualitative disclosures about market risk (see Section 4.10);
- a discussion of the key elements of our operating results and their drivers (see Section 4.11.1);
- management discussion and analysis of the Pro Forma Historical Financial Information and of the Pro Forma Forecast Financial Information (see Sections 4.11 and 4.12);
- the Directors' best estimate general and specific assumptions underlying the Forecast Financial Information (see Sections 4.12.1 and 4.12.2);
- an analysis of the key sensitivities in respect of the Forecast Financial Information (see Section 4.13);
- a description of our critical accounting estimates and judgments (see Section 4.14); and
- a summary of our proposed dividend policy (see Section 4.15).

The information in Section 4 should also be read in conjunction with the risk factors set out in Section 5, Appendices A and B and other information contained in this Prospectus. All amounts disclosed in Section 4 and the Appendices are presented in Australian dollars and, unless otherwise noted, are rounded to the nearest $0.1m. Some numerical figures included in this Prospectus have been subject to rounding adjustments. Any differences between totals and sums of components in figures or tables contained in this Prospectus are due to rounding.

4.2. Basis of preparation and presentation of the Financial Information

4.2.1. Overview and preparation and presentation of the Financial Information

The Financial Information in this Prospectus has been prepared in accordance with the measurement and recognition principles of Australian Accounting Standards (**AAS**) adopted by the Australian Accounting Standards Board (**AASB**), which are consistent with International Financial Reporting Standards (**IFRS**) issued by the International Accounting Standards Board and our accounting policies. Our significant accounting policies are described in Appendix A and our critical accounting estimates and judgments are described in Section 4.14.

The Financial Information is presented in an abbreviated form insofar as it does not include all the presentation and disclosures, statements or comparative information required by AAS and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act.

We manage our operations as a single business operation and there are no parts of our business that qualify as operating segments under AASB 8 *Operating Segments*. The amounts for revenue by region disclosed in our half year condensed consolidated financial statements for 1H16 are based on the invoicing location of the customer. In general, a large amount of our revenue is generated by customers that are global, from transactions that cross multiple countries and where the source of revenue can be unrelated to the location of the users using the software.

Accordingly we manage our business as a single segment.

In addition to the Financial Information, Section 4 describes certain non-IFRS financial measures that we use to manage and report on our business that are not defined under or recognised by AAS or IFRS.

The Directors are responsible for the preparation and presentation of the Financial Information.

4.2.2. Preparation of Historical Financial Information

The Statutory Historical Financial Information has been derived from our general purpose statutory consolidated financial statements for FY14 (which include comparative financial information for FY13) and FY15 and our half year condensed consolidated financial statements for 1H16 (which include comparative financial information for 1H15). Our general purpose statutory consolidated financial statements for FY14 and FY15 were audited by KPMG in accordance with Australian Auditing Standards. KPMG has issued unqualified audit opinions in respect of our financial statements for the period covered by the financial statements. Our half year condensed consolidated financial statements for 1H16 (including the comparative financial information for 1H15) were prepared in accordance with AASB 134, *Interim Financial Reporting*, and were reviewed by KPMG in accordance with Australian Auditing Standards on Review Engagements ASRE 2410, *Review of a Financial Report Performed by the Independent Auditor of the entity*, and KPMG issued an unqualified review report with respect to these financial statements.

Our statutory consolidated financial statements for FY13 were audited by our auditor at that time. In our statutory consolidated financial statements for FY14, the FY13 comparative financial information was restated in order to show share-based payments on a consistent basis with our financial reporting practice adopted in FY14 to recognise the expense in instalments over the vesting period rather than on a straight line basis. Financial information for FY13 included in this Prospectus has been derived from the FY13 comparative financial information included in our statutory consolidated financial statements for FY14.

In our FY14 statutory consolidated financial statements, our eHealthWise business, which we sold on 31 January 2014, is accounted for as a discontinued operation for FY14 and FY13. eHealthWise is presented in the discontinued operations line in the statutory historical financial statements for FY14 and FY15. The Pro Forma Historical Financial Information shows our continuing operations only, and does not include the results of eHealthWise.

Our statutory consolidated financial statements for FY14 and FY15 and our half year condensed consolidated financial statements for 1H16 are available at http://www.wisetechglobal-ipo.com.au/

The Pro Forma Historical Financial Information has been prepared solely for the purpose of inclusion in this Prospectus and has been derived from the Statutory Historical Financial Information.

We have made pro forma adjustments to the Statutory Historical Financial Information for the following businesses, which we acquired during the period of the Statutory Historical Financial Information:

- CoreFreight Systems (Proprietary) Limited (**CoreFreight**), which we acquired on 1 June 2015; and
- Compu-Clearing Outsourcing Limited (**Compu-Clearing**), which we controlled from 31 July 2015,

(together, the **Acquisitions**).

The pro forma adjustments reflect the impact of the Acquisitions as though they had occurred as at 1 July 2012. The financial information for Compu-Clearing and CoreFreight used in preparing the Pro Forma Historical Financial Information has been derived from:

- The financial statements of CoreFreight for the years ended 30 September 2013 and 30 September 2014, which were audited in accordance with International Standards on Auditing. Prior to being acquired, CoreFreight's financial year ended on 30 September, accordingly, in order to align the accounting periods of CoreFreight with our 30 June financial year, the financial information for the CoreFreight pro forma adjustments for FY13 and FY14 has been derived from the accounting records underlying CoreFreight's audited consolidated financial statements for the years ended 30 September 2013 and 30 September 2014 and converted to Australian dollars. The financial information for the pro forma adjustments for FY15 and 1H15 have been derived from the accounting records underlying CoreFreight's audited consolidated financial statements for the nine months ended 30 June 2015, which were audited by KPMG Inc (South Africa) in accordance with International Standards on Auditing, and converted into Australian dollars. KPMG Inc (South Africa) has issued an unqualified audit opinion for this period.
- The consolidated financial statements of Compu-Clearing for FY13, FY14 and FY15, which were audited by KPMG Inc (South Africa) in accordance with International Standards on Auditing, and converted to Australian dollars. KPMG Inc (South Africa) has issued unqualified audit opinions in respect of Compu-Clearing's financial statements for these periods. The financial information for the pro forma adjustments relating to 1H15 and 1H16 has been derived from Compu-Clearing's accounting records for the six month period to 31 December 2014 and the one month stub period to 31 July 2015 and converted to Australian dollars.

We also acquired certain assets of Shenzhen Zsoft Software Development Co., Ltd (**Zsoft**) on 16 March 2015. As the acquisition was effected by our acquisition of certain assets of Zsoft, no pro forma adjustments have been made to the Statutory Historical Financial Information, and the earnings and cash flow contributions of the acquired assets are reflected in the Historical Financial Information from 16 March 2015.

In preparing the Pro Forma Historical Results we have made other pro forma adjustments to reflect:

- the impact of incremental costs associated with operating as a listed public company as if they were incurred from 1 July 2012;
- the removal of costs we incurred in relation to the Acquisitions and the Zsoft asset acquisition;
- the elimination of costs associated with the Offer;
- the removal of finance costs associated with our drawn Banking Facilities which will be repaid on Completion; and
- the tax effect of the above pro forma adjustments.

Section 4.3.3, Table 4 sets out the pro forma adjustments made to the Statutory Historical Results and a reconciliation of the Statutory Historical Results to the Pro Forma Historical Results.

Section 4.4.2, Table 8 sets out the pro forma adjustments to the Statutory Historical Cash Flows and a reconciliation of the Statutory Historical Cash Flows to the Pro Forma Historical Cash Flows. Pro forma adjustments were made to the Statutory Historical Cash Flows to reflect the cash impact of the pro forma adjustments to the Statutory Historical Results.

Section 4.5, Table 10 sets out the pro forma adjustments to the Statutory Historical Statement of Financial Position, and a reconciliation of the Statutory Historical Statement of Financial Position to the Pro Forma Historical Statement of Financial Position. Pro forma adjustments were made to the Statutory Historical Statement of Financial Position to reflect the impact of the Offer as if it had occurred as at 31 December 2015.

In preparing the Historical Financial Information, our accounting policies have been consistently applied throughout the periods presented.

The Pro Forma Historical Financial Information presented in Tables 1, 2, 6, 7 and 10 in this Prospectus has been reviewed by KPMG Transaction Services, in accordance with the *Australian Standard on Assurance Engagements ASAE 3450 Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*, as stated in its Investigating Accountant's Report on the Pro Forma Historical Financial Information. Investors should note the scope and limitations of the Limited Assurance Investigating Accountant's Report on the Pro Forma Historical Financial Information (contained in Section 8). Investors should note that past results are not a guarantee of future performance.

4.2.3. Preparation of Forecast Financial Information

We have prepared the Forecast Financial Information solely for inclusion in this Prospectus. The Forecast Financial Information is presented on both statutory and pro forma bases for FY16. For ease of review, the Forecast Financial Information for FY17 is also presented on a pro forma basis, although no pro forma adjustments have been made to the Statutory Forecast Financial Information for FY17. The Statutory Forecast Financial Information represents our best estimates of the financial performance and cash flows that we expect to report in our general purpose statutory consolidated financial statements for FY16 and FY17. The Statutory Forecast Financial Information and Pro Forma Forecast Financial Information for FY16 is based on actual results for 1H16. The statutory forecast results for 2H16 also has regard to our current trading performance up until the date of lodgement of the Prospectus. The Pro Forma Forecast Financial Information has been derived from the Statutory Forecast Financial Information.

In preparing the Pro Forma Forecast Results, pro forma adjustments have been made to the Statutory Forecast Results to:

- include incremental public company costs for the portion of FY16 before Completion;
- remove the impact of Offer costs including the option premium on foreign currency contracts entered into in connection with the Offer;
- exclude the acceleration of share based payment expense resulting from the close-out of our existing employee incentive arrangements concurrent with the Offer;
- exclude the costs associated with the acceleration and close-out of our legacy uncapped sales commission arrangements concurrent with the Offer;
- remove finance costs associated with our drawn Banking Facilities which will be repaid on Completion;
- reflect the impact of the acquisition of Compu-Clearing as if it had occurred as at 1 July 2012; and
- reflect the tax impact of the above adjustments.

Section 4.3.3, Table 4 sets out the pro forma adjustments made to the Statutory Forecast Results and a reconciliation of Statutory Forecast Results to Pro Forma Forecast Results.

Pro forma adjustments were also made to the statutory forecast net cash flows to reflect:

- the cash impact of the pro forma adjustments to the Statutory Forecast Results; and
- the cash impact of costs and proceeds associated with the Offer.

Section 4.4.2, Table 8 sets out a reconciliation of statutory forecast free cash flow to pro forma forecast free cash flow. Section 4.4.3, Table 9 sets out a reconciliation of statutory forecast net cash flow before dividends to pro forma forecast net cash flow before dividends.

No acquisitions are assumed to occur in the period covered by the Forecast Financial Information.

The basis of preparation and presentation of the Forecast Financial Information is consistent with the basis of preparation and presentation of the Pro Forma Historical Financial Information. The Forecast Financial Information we have prepared is based on an assessment of current economic and operating conditions and on the general and specific assumptions regarding future events and actions set out in Sections 4.12.1 and 4.12.2. The Forecast Financial Information is subject to the risk factors as set out in Section 5. The disclosure of these assumptions is intended to assist investors in assessing the reasonableness and likelihood of the assumptions occurring and the effect on the Forecast Financial Information if they do not occur, and is not intended to be a representation that the assumptions will occur.

The Forecast Financial Information presented in this Prospectus has been reviewed by KPMG Transaction Services, in accordance with the *Australian Standard on Assurance Engagements ASAE 3450 Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*, as stated in its Limited Assurance Investigating Accountant's Report on the Forecast Financial Information. Investors should note the scope and limitations of the Limited Assurance Investigating Accountant's Report on the Forecast Financial Information (contained in Section 8). The Limited Assurance Investigating Accountant's Report on the Forecast Financial Information has been prepared solely in connection with the offer of Shares in Australia and has been omitted from the Institutional Offering Memorandum being distributed outside of Australia.

The Directors believe the general and specific assumptions, when taken as a whole, to be reasonable at the time of preparing the Prospectus. However, the information is not fact, and investors are cautioned not to place undue reliance on the Forecast Financial Information. Investors should be aware that the timing of actual events and the magnitude of their impact might differ from that assumed in preparing the Forecast Financial Information and that this may have a material positive or negative effect on our actual financial performance, cash flows or financial position. In addition, the assumptions upon which the Forecast Financial Information is based are by their very nature subject to significant uncertainties and contingencies, many of which will be outside the control of the Company, the Directors and WiseTech management, and are not reliably predictable. Accordingly, none of the Company or SaleCo, their respective Directors and WiseTech management or any other person can give investors any assurance that the outcomes disclosed in the Forecast Financial Information will arise. Events and outcomes might differ in amount and timing from the assumptions, with a material consequential impact on the Forecast Financial Information.

The Forecast Financial Information should be read in conjunction with the general assumptions set out in Section 4.12.1, the specific assumptions set out in Section 4.12.2, the sensitivity analysis described in Section 4.13, the risk factors described in Section 5, the critical accounting policies set out in Section 4.14, the significant accounting policies set out in Appendix A, and the other information in this Prospectus. We do not intend to update or revise the Forecast Financial Information or other forward-looking statements or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law or regulation.

For the purpose of Section 4 (and Sections 11 and Section 12), an indicative Final Price of $3.36 per Share (the Mid-Point Price), with the issue of 37.2m Shares by the Company and the sale of 16.9m Shares by SaleCo, has been used in calculations. The actual Final Price may be higher or lower than the Mid-Point Price, the number of Shares issued by the Company may be higher or lower than 37.2m and the number of Shares sold by SaleCo may be less than 16.9m.

4.2.4. Explanation of Certain Non-IFRS Financial Measures

To assist us in our evaluation of the performance of our business we use certain measures to report on our business that are not recognised under AAS or IFRS. These measures are collectively referred in this Section 4 and under Regulatory Guide 230 *Disclosing Non-IFRS Financial Information* published by ASIC as "non-IFRS financial measures". The principal non-IFRS financial measures that are referred to in this Prospectus are as follows:

- **Recurring Revenue** is the sum of revenue categorised as On-Demand and OTL Maintenance on our pro forma statement of profit or loss. This reflects revenue generated from On-Demand customers, OTL customers paying maintenance fees and customers who pay a fixed monthly amount for a pre-determined level of access. Although we generally do not enter into long, fixed term contracts with customers that commit minimum levels of usage or minimum time commitments (and the exact level of revenue is not normally fixed on a customer by customer basis), our experience is that these revenue streams generate revenue with a high degree of consistency period to period. This characterisation is supported by the low customer attrition rates we experience and the consistent revenue growth over the period of the Historical Financial Information including across each of our annual new customer groups. In the notes to our half year condensed consolidated financial statements for 1H16, Recurring Revenue is described as "Recurring monthly and recurring annual software usage revenue". OTL & Support Services revenue is not considered part of Recurring Revenue as this includes ad hoc customer revenue and some revenue from the sale of licences under the legacy OTL model which do not typically recur consistently on a period to period basis. We use Recurring Revenue as we believe it provides visibility of revenue in future periods. We also calculate Recurring Revenue percentage, which is Recurring Revenue as a percentage of total revenue;
- **Total research and development costs (R&D)** is product design and development expenses (excluding depreciation and amortisation) plus capitalised development costs, which we use as a measure of our total R&D investment. Total R&D costs expressed as a percentage of total revenue is a ratio which we calculate and use to consider the total investment in R&D relative to the total revenue of the business period to period and in comparison to other similar businesses;
- **EBITDA** is earnings before interest (net finance income), taxation, depreciation and amortisation. Management uses EBITDA to evaluate the operating performance of the business without the non-cash impact of depreciation, amortisation and before interest and taxation. We also calculate EBITDA margin, which is EBITDA expressed as a percentage of total revenue. EBITDA can be useful to help understand the cash generation potential of the business. EBITDA and EBITDA margin should not be considered as an alternative to measures of cash flow under IFRS and investors should not consider EBITDA in isolation from, or as a substitute for, an analysis of the results of our operations;
- **EBITA** is earnings before interest (net finance income), taxation and amortisation related to acquired intangibles. Amortisation of acquired intangibles, which we refer to as "acquired amortisation", comprises the amortisation of the value attributed to the customer lists, brands, distribution rights and intellectual property of acquired businesses at the time of acquisition. However, in calculating EBITA, we do not remove the amortisation expense relating to capitalised internally developed software and licence fees because we consider it to be integral to the ongoing operating performance of the business. We also calculate EBITA margin which is EBITA expressed as a percentage of total revenue;
- **EBIT** is earnings before interest (net finance income) and taxation;
- **NPATA** is net profit after tax and after adding back the tax effected amortisation expense related to acquired amortisation. We consider NPATA to be a meaningful measure of after tax profit due to non-cash amortisation of customer lists, brands, distribution rights and intellectual property reflected in NPAT. The tax effected amortisation expense relating to capitalised internally developed software is integral to the ongoing operating performance of the business and accordingly is not added back in calculating NPATA;
- **Operating cash flow** is EBITDA after the removal of non-cash items in EBITDA (e.g. share-based payment expenses and movements in provisions) and changes in working capital. Operating cash flow conversion ratio is operating cash flow divided by EBITDA and expressed as a percentage. We use operating cash flow and operating cash flow conversion ratio as measures to indicate the level of operating cash flow generated from EBITDA;
- **Free cash flow** is operating cash flow less capitalised development cost and other capital expenditure. Free cash flow conversion ratio is free cash flow divided by EBITDA and expressed as a percentage. We use free cash flow and free cash flow conversion ratio as measures of the net cash we generate before tax, interest and other investing cash flows; and
- **Working capital** is trade and other receivables and other current assets less trade and other payables, deferred revenue and other current liabilities.

Although the Directors believe that these measures provide useful information about our financial performance, they should be considered as supplements to the consolidated statement of profit or loss measures that have been presented in accordance with the AAS and IFRS and not as a replacement for them. Because these non-IFRS financial measures are not based on AAS or IFRS, they do not have standard definitions, and the way we calculate these measures may differ from similarly titled measures used by other companies. Investors and readers of this Prospectus should therefore not place undue reliance on these non-IFRS financial measures.

4.3. Pro Forma Historical Results, Pro Forma Forecast Results and Statutory Forecast Results

4.3.1. Pro Forma Historical Results, Pro Forma Forecast Results and Statutory Forecast Results

Table 1 summarises our Pro Forma Historical Annual Results, the Pro Forma Forecast Results and the Statutory Forecast Results. The Statutory Historical Annual Results and the Statutory Forecast Results are reconciled to the Pro Forma Historical Annual Results and Pro Forma Forecast Results respectively in Section 4.3.3 and Appendix C. See Section 4.11.1.2 for a description of the presentation and composition of the cost and expense categories in Table 1.

Table 1

Summary of Pro Forma Historical Annual Results, Pro Forma Forecast Results and Statutory Forecast Results

$m		Pro forma historical[1]			Pro forma forecast		Statutory forecast	
Year Ended 30 June	**Note**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY16**	**FY17**
On-Demand		22.6	39.1	56.9	84.9	125.4	84.2	125.4
OTL Maintenance		23.6	24.0	20.0	15.4	8.1	15.4	8.1
OTL & Support Services		5.7	2.9	2.7	1.7	1.5	1.7	1.5
Total revenue		**51.9**	**66.0**	**79.6**	**102.0**	**135.0**	**101.3**	**135.0**
Cost of revenues		(9.8)	(10.4)	(12.9)	(13.0)	(15.9)	(12.9)	(15.9)
Gross profit		**42.1**	**55.6**	**66.7**	**89.0**	**119.1**	**88.4**	**119.1**
Operating expenses								
Product design and development		(14.9)	(15.8)	(17.0)	(21.2)	(26.6)	(21.1)	(26.6)
Sales and marketing		(8.7)	(9.5)	(12.1)	(15.1)	(17.1)	(15.1)	(17.1)
General and administration		(9.6)	(11.7)	(15.7)	(22.7)	(27.4)	(41.0)	(27.4)
Total operating expenses		**(33.2)**	**(37.0)**	**(44.8)**	**(59.0)**	**(71.1)**	**(77.2)**	**(71.1)**
EBITDA		**8.9**	**18.6**	**21.9**	**30.0**	**48.0**	**11.2**	**48.0**
Depreciation	2	(0.9)	(1.2)	(2.7)	(4.5)	(5.7)	(4.5)	(5.7)
Amortisation	2, 3	(1.9)	(2.3)	(3.0)	(4.6)	(5.8)	(4.6)	(5.8)
EBITA		**6.1**	**15.1**	**16.2**	**20.9**	**36.5**	**2.1**	**36.5**
Acquired amortisation	2, 4	(2.2)	(2.0)	(2.1)	(1.8)	(1.5)	(1.8)	(1.5)
EBIT		**3.9**	**13.1**	**14.1**	**19.1**	**35.0**	**0.3**	**35.0**
Net finance income/(costs)	5	0.0	0.1	0.5	0.4	1.5	(1.0)	0.6
Profit before income tax		**3.9**	**13.2**	**14.6**	**19.5**	**36.5**	**(0.7)**	**35.6**
Tax expense	6	(0.8)	(3.4)	(4.2)	(6.5)	(11.5)	-	(11.2)
NPAT		**3.1**	**9.8**	**10.4**	**13.0**	**25.0**	**(0.7)**	**24.4**
Acquired amortisation after tax		1.5	1.4	1.5	1.3	1.1	1.3	1.1
NPATA		**4.6**	**11.2**	**11.9**	**14.3**	**26.1**	**0.6**	**25.5**

Notes:

(1) The Pro Forma Historical Financial Information shows our continuing operations only and excludes the results of our eHealthwise business, which we sold on 31 January 2014 and which is treated as a discontinued operation in our FY14 statutory consolidated financial statements (for FY14 and FY13).

(2) In our statutory consolidated financial statements, the relevant portions of depreciation and amortisation charges are included in cost of revenues and the various operating expense categories. In order to present EBITDA in the Financial Information, we have included all depreciation in a single line item and amortisation expense in two line items: Amortisation and Acquired amortisation (see notes 3 and 4 below). A detailed reconciliation of Statutory Historical Results to Pro Forma Historical Results, including the reallocation of depreciation and amortisation expense is included in Appendix C.

(3) Represents amortisation expense relating to capitalised internally developed software and capitalised software licence fees. As we consider this expense to be integral to the ongoing operating performance of the business we do not exclude this from EBITA. Amortisation excludes acquired amortisation (see note 4 below).

(4) Acquired amortisation represents the non-cash amortisation of customer lists, brands, distribution rights and intellectual property revalued as part of acquisition accounting for the Acquisitions and Zsoft asset acquisition.

(5) Pro forma net finance income includes interest income on our cash balances, interest expense on finance leases and the unwinding of the discount applied to calculate the present value of the contingent consideration that may become due in respect of the Zsoft asset acquisition. Pro forma net finance income excludes interest expense on our drawn debt under our Banking Facilities as this will be repaid on Completion and the option premium on foreign currency option contracts entered into for the purpose of the Offer. Statutory net finance cost for FY16 includes interest on drawn debt under our Banking Facilities from 1 July 2015 up until Completion and FY16 and FY17 statutory net finance costs include the option incurred on the foreign currency option contracts.

(6) Tax expense represents taxable profit at the tax rates relevant to the jurisdictions in which we operate. Taxable profit includes adjustments for share based payments and tax benefits from R&D tax credits where available.

Table 2 sets out the Pro Forma Historical Half Year Results. The Statutory Historical Half Year Results are reconciled to the Pro Forma Historical Half Year Results in Section 4.3.3 and Appendix C.

Table 2

Summary of Pro Forma Historical Half Year Results

$m		Pro forma historical[1]	
	Note	**1H15**	**1H16**
On-Demand		25.7	38.9
OTL Maintenance		10.1	9.4
OTL & Support Services		1.2	1.0
Total revenue		**37.0**	**49.3**
Cost of revenues		(6.2)	(6.0)
Gross profit		**30.8**	**43.3**
Operating expenses			
Product design and development		(7.9)	(10.7)
Sales and marketing		(5.5)	(7.6)
General and administration		(6.9)	(10.9)
Total operating expenses		**(20.3)**	**(29.2)**
EBITDA		**10.5**	**14.1**
Depreciation	2	(1.1)	(2.6)
Amortisation	2, 3	(1.3)	(2.1)
EBITA		**8.1**	**9.4**
Acquired amortisation	2, 4	(1.0)	(1.1)
EBIT		**7.1**	**8.3**
Net finance income/(costs)	5	0.4	0.1
Profit before income tax		**7.5**	**8.4**
Tax expense	6	(2.3)	(3.4)
NPAT		**5.2**	**5.0**
Acquired amortisation after tax		0.7	0.8
NPATA		**5.9**	**5.8**

Notes: See notes to Table 1.

4.3.2. Key operating and financial metrics

Table 3 summarises our key pro forma historical operating and financial metrics for FY13, FY14, FY15, 1H15 and 1H16 and the key pro forma forecast operating and financial metrics for FY16 and FY17.

Table 3

Key operating and financial metrics for FY13 to FY17

		Pro forma historical			Pro forma forecast		Pro forma historical	
Year Ended 30 June	**Note**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**1H15**	**1H16**
Recurring Revenue %	1	89%	96%	97%	98%	99%	97%	98%
Pro forma Recurring Revenue growth %		n/a	37%	22%	30%	33%	n/a	35%
Total revenue growth %		n/a	27%	21%	28%	32%	n/a	33%
Gross profit margin		81%	84%	84%	87%	88%	83%	88%
EBITDA growth %	2	n/a	109%	18%	37%	60%	n/a	34%
EBITDA margin	2	17%	28%	28%	29%	36%	28%	29%
EBITA growth %	2	n/a	148%	7%	29%	75%	n/a	16%
EBITA margin	2	12%	23%	20%	20%	27%	22%	19%
Product design and development expense ($m)		14.9	15.8	17.0	21.2	26.6	7.9	10.7
Capitalised development cost ($m)		7.0	9.8	13.6	17.5	21.4	7.0	9.6
Total R&D ($m)		21.9	25.6	30.6	38.7	48.0	14.9	20.3
Total R&D (% of total revenue)	3	42%	39%	38%	38%	36%	40%	41%
Sales & marketing expense (% of total revenue)		17%	14%	15%	15%	13%	15%	15%
General & administration expense (% of total revenue)		18%	18%	20%	22%	20%	19%	22%

Notes:
(1) Recurring Revenue % is calculated as Recurring Revenue (On-Demand revenue plus OTL Maintenance revenue) expressed as a percentage of total revenue (see Section 4.2.4).
(2) Refer to definitions in Section 4.2.4.
(3) Total R&D (% of total revenue) for the historical periods is calculated as the sum of product design and development expense per the Pro Forma Historical Results and capitalised development costs per the Pro Forma Historical Cash Flows expressed as a percentage of total revenue. Total R&D (% of total revenue) for the forecast periods is calculated as the sum of product design and development expense per the Pro Forma Forecast Results and capitalised development costs per the Pro Forma Forecast Cash Flows expressed as a percentage of total revenue.

4.3.3. Pro Forma Adjustments to the Statutory Historical Results and Statutory Forecast Results

Table 4 sets out the pro forma adjustments that have been made to revenue and NPAT in the historical and forecast periods.

Table 4

Pro forma adjustments to the Statutory Historical Results and the Statutory Forecast Results

$m			Historical		Forecast		Historical	
Year Ended 30 June	**Note**	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**1H15**	**1H16**
Statutory revenue	**1**	**43.0**	**56.7**	**70.0**	**101.3**	**135.0**	**32.3**	**48.6**
Net impact of Acquisitions	2	8.9	9.3	9.6	0.7	-	4.7	0.7
Pro forma revenue		**51.9**	**66.0**	**79.6**	**102.0**	**135.0**	**37.0**	**49.3**
Statutory NPAT continuing operations	**1**	**3.7**	**10.1**	**10.1**	**(0.7)**	**24.4**	**5.1**	**3.1**
Net impact of Acquisitions	2	1.3	1.7	1.5	0.3	-	1.1	0.3
Acquisition transaction costs	3	-	-	0.5	0.3	-	-	0.3
Incremental public company costs	4	(2.6)	(2.6)	(2.6)	(2.0)	-	(1.3)	(1.3)
Offer costs	5	-	-	0.3	10.6	0.9	0.2	2.7
Net finance costs	6	0.4	0.3	0.4	0.8	-	0.2	0.5
Employee incentive scheme close-out	7	-	-	-	3.1	-	-	-
Commission scheme close out	8	-	-	-	7.1	-	-	-
Tax impact of pro forma adjustments	9	0.3	0.3	0.2	(6.5)	(0.3)	(0.1)	(0.6)
Pro forma NPAT		**3.1**	**9.8**	**10.4**	**13.0**	**25.0**	**5.2**	**5.0**

Notes:

(1) Represents the Statutory revenue and NPAT from continuing operations as set out in our statutory consolidated financial statements. These amounts exclude any earnings or gain on the divestment of our 100% interest in eHealthWise, which was divested on 31 January 2014 and the profit/loss in relation to which was classified as a discontinued operation in our statutory consolidated financial statements for FY14 including FY13 comparatives.

(2) Adjustment to reflect the revenues and NPAT of the Acquisitions as if they had been completed on 1 July 2012. These adjustments are based on actual historical information for Compu-Clearing and CoreFreight. Foreign currency amounts have been converted to Australian dollars using an average rate applicable in the relevant period.

(3) Adjustment removes the transaction costs we incurred in connection with the Acquisitions and the Zsoft asset acquisition in FY15 and FY16 such as financial and legal due diligence costs and other advisory related costs.

(4) Reflects our estimate of the incremental annual costs that we will incur as a result of being a listed public entity. These costs include Chairman and other Non-Executive Director remuneration, additional audit and legal costs, listing fees, share registry costs, Directors' and officers' insurance premiums as well as investor relations, annual general meeting and annual reporting costs. The adjustment for FY16 reflects the inclusion of estimated costs for the months before we expect to be a listed public company on a pro rata basis.

(5) Total transaction expenses of the Offer are estimated at $18.6m in FY16, of which $8.6m (before tax) are directly attributable to the issue of new Shares by the Company and will be offset against equity raised in the Offer. The remaining $10.0m (before tax) relates to the sale of existing Shares by the Selling Shareholders and is treated as an expense (within general and administration) in the FY16 Statutory Forecast Results. A further $0.6m of Offer costs in FY16 and $0.9m in FY17 relate to the option premium on foreign currency option contracts entered into in connection with the Offer and are treated as an expense within net finance income/(costs) in the FY16 and FY17 Statutory Forecast Results. $0.3m of Offer costs were incurred during FY15.

(6) Adjustment removes the interest paid on borrowings during the relevant historical period to reflect the repayment of borrowings with proceeds from the Offer. This adjustment does not impact interest expense associated with finance leases or the cost of the interest unwind on deferred consideration payments.

(7) Adjustment removes the cost associated with the acceleration and close-out of our current employee incentive scheme concurrent with the Offer. A new scheme will be implemented post Offer and the anticipated ongoing cost of the new scheme is included within forecast expense for FY17.

(8) Adjustment removes the cost associated with the acceleration and close-out cost of our "un-capped" legacy sales commission arrangement. In connection with the Offer, this will be settled through the issue of equity based payments in the form of Share Rights to be granted to certain sales employees as referred to in Section 6.3.3. A new sales commission arrangement is being implemented following the Offer. FY16 and FY17 forecast expenses include the assumed level of sales commission expense expected to be incurred under the new commission arrangement.

(9) Reflects the net tax impact of the pro forma adjustments calculated at the relevant tax rates on the deductible amounts.

4.3.4. Summary of Statutory Historical Results

Table 5 summarises our Statutory Historical Results.

Table 5

Summary of Statutory Historical Results

$m		Statutory Historical[1]			Statutory Historical[1]	
	Note	FY13	FY14	FY15	1H15	1H16
Total revenue	2	**43.0**	**56.7**	**70.0**	**32.3**	**48.6**
Cost of revenues	3	(7.7)	(8.5)	(11.4)	(5.4)	(7.1)
Gross profit		**35.3**	**48.2**	**58.6**	**26.9**	**41.5**
Operating expenses						
Product design and development	3	(15.9)	(17.1)	(19.6)	(9.2)	(14.1)
Sales and marketing	3	(8.2)	(9.0)	(11.7)	(5.3)	(8.3)
General and administration	3	(6.0)	(8.1)	(12.9)	(5.3)	(12.8)
Total operating expenses		**(30.1)**	**(34.2)**	**(44.2)**	**(19.8)**	**(35.2)**
EBIT		**5.2**	**14.0**	**14.4**	**7.1**	**6.3**
Net finance income/(costs)		(0.4)	(0.2)	0.1	0.2	(0.4)
Share of profit of equity-accounted investees	4	-	-	0.0	-	-
Profit before income tax		**4.8**	**13.8**	**14.5**	**7.3**	**5.9**
Tax expense		(1.1)	(3.7)	(4.4)	(2.2)	(2.8)
NPAT continuing operations		**3.7**	**10.1**	**10.1**	**5.1**	**3.1**
Discontinued operations		0.4	1.9	-	-	-
NPAT		**4.1**	**12.0**	**10.1**	**5.1**	**3.1**

Notes:
(1) See Appendix C for a more detailed reconciliation of Statutory Historical Results to Pro Forma Historical Results.
(2) Total revenue is presented consistent with the presentation in our half year condensed consolidated financial statements for 1H16.
(3) Cost of revenues and operating expenses include depreciation and amortisation charges. A detailed reconciliation of Statutory Historical Results to Pro Forma Historical Results, including the reallocation of depreciation and amortisation expense, is included in Appendix C.
(4) Represents share of profits from our investment (23.5% ownership) in Compu-Clearing from 17 June 2015 to 30 June 2015 which was less than $50,000.

4.4. Pro Forma Historical Cash Flows, Pro Forma Forecast Cash Flows and Statutory Forecast Cash Flows

4.4.1. Pro Forma Historical Cash Flows, Pro Forma Forecast Cash Flows and Statutory Forecast Cash Flows

Table 6 summarises our Pro Forma Historical Annual Cash Flows, the Pro Forma Forecast Cash Flows, and the Statutory Forecast Cash Flows.

Table 6

Summary of Pro Forma Historical Annual Cash Flows, Pro Forma Forecast Cash Flows and Statutory Forecast Cash Flow

$m		Pro forma historical			Pro forma forecast		Statutory forecast	
	Note	FY13	FY14	FY15	FY16	FY17	FY16	FY17
EBITDA		**8.9**	**18.6**	**21.9**	**30.0**	**48.0**	**11.2**	**48.0**
Non-cash items in EBITDA	1	3.3	1.2	3.5	5.6	4.0	10.4	4.0
Changes in working capital	2	1.2	(2.2)	(1.2)	(4.4)	(4.2)	(4.4)	(4.2)
Operating cash flow	**3**	**13.4**	**17.6**	**24.2**	**31.2**	**47.8**	**17.2**	**47.8**
Capitalised development cost	4	(7.0)	(9.8)	(13.6)	(17.5)	(21.4)	(17.5)	(21.4)
Other net capital expenditure		(1.8)	(1.7)	(2.9)	(3.1)	(4.2)	(3.1)	(4.2)
Free cash flow		**4.6**	**6.1**	**7.7**	**10.6**	**22.2**	**(3.4)**	**22.2**
Tax	5				(4.5)	(2.9)	(2.7)	(2.9)
Interest	6				0.8	1.6	(1.5)	1.6
Repayment of loans	7				-	-	(26.4)	-
Repayment of finance lease facilities					(2.5)	(3.6)	(2.5)	(3.6)
Proceeds from new banking facilities	8				-	-	2.4	-
Proceeds from the Offer	9				-	-	116.4	-
Other investing cashflow	10				(1.8)	(0.9)	(19.3)	(0.9)
Net cash flow before dividends					**2.6**	**16.4**	**63.0**	**16.4**
Operating cash flow conversion ratio		151%	95%	111%	104%	100%	154%	100%
Free cash flow conversion ratio		52%	33%	35%	35%	46%	(30%)	46%

Notes:

(1) Non-cash items in EBITDA mainly reflect the impact of share-based payment expenses, movements in provisions, and the interest unwind relating to deferred consideration.

(2) The key drivers of changes in working capital are timing differences around customer payments, the payment of suppliers (including capital expenditure creditors) and changes in deferred revenue which arises when customers pay in advance. The forecast working capital is also impacted by the transition of customers from OTL Maintenance licensing, under which customers pay annually in advance, to STL licensing under which customers are typically charged monthly. Working capital balances and movements have been adjusted to reflect the impact of the Acquisitions. See Section 4.11.1.6 for more information on working capital.

(3) Operating cash flow is a non-IFRS term as defined in section 4.2.4. Refer to Appendix B for a reconciliation of historical operating cash flow to net cash provided from operating activities per the general purpose statutory consolidated financial statements.

(4) Reflects the capitalisation of product design and development expenditure (including acquired software costs) where the expenditure is measureable and related to products which are expected to have a probable future economic benefit.

(5) Tax is calculated based on the corporate tax rate in relevant jurisdictions and the timing of tax payments in those jurisdictions.

(6) Pro forma interest income is based on the forecast cash balance reflecting the impact of the Offer and repayment of debt. Statutory interest includes interest on debt facilities drawn up until Completion and the option premium on foreign currency option contracts entered into in connection with to the Offer.

(7) Repayment of borrowings under the Banking Facilities, which will be finalised post Completion.

(8) During 1H16 we drew down debt of $2.4m from Tranche A of our Banking Facilities.

(9) We have forecast proceeds from the Offer, net of Offer costs directly attributable to the issue of new Shares of $8.6m to be $116.4m.

(10) Statutory other investing cashflow includes payment for the acquisition of the remaining share capital of Compu-Clearing that was acquired in 1H16 and contingent consideration payments in respect of the Zsoft asset acquisition and CoreFreight.

Table 7 summarises our Pro Forma Historical Half Year Cash Flows.

Table 7

Summary of Pro Forma Historical Half Year Cash Flows

$m		Pro forma historical	
	Note	1H15	1H16
EBITDA		**10.5**	**14.1**
Non-cash items in EBITDA	1	1.4	3.0
Changes in working capital	2	(1.9)	(3.7)
Operating cash flow	**3**	**10.0**	**13.4**
Capitalised development cost	4	(7.0)	(9.6)
Other net capital expenditure		(1.1)	(2.4)
Free cash flow		**1.9**	**1.4**
Operating cash flow conversion ratio		95%	95%
Free cash flow conversion ratio		18%	10%

Notes: See notes 1-4 to Table 6.

4.4.2. Pro Forma Adjustments to the Statutory Historical Cash Flow and the Statutory Forecast Cash Flows

Table 8 sets out the pro forma adjustments that have been made to our historical and forecast statutory free cash flow. These adjustments are summarised and explained below.

Table 8

Pro forma adjustments to statutory historical free cash flow and statutory forecast free cash flow

$m		Historical			Forecast		Historical	
	Note	FY13	FY14	FY15	FY16	FY17	1H15	1H16
Statutory free cash flow		**5.2**	**6.6**	**7.4**	**(3.4)**	**22.2**	**2.1**	**1.2**
Net impact of Acquisitions	1	2.0	2.1	2.1	0.3	-	0.9	0.3
Acquisition transaction costs	2	-	-	0.5	0.3	-	-	0.3
Incremental public company costs	3	(2.6)	(2.6)	(2.6)	(2.0)	-	(1.3)	(1.3)
Offer costs	4	-	-	0.3	10.0	-	0.2	0.9
Employee incentive scheme close-out	5	-	-	-	5.4	-	-	-
Pro Forma free cash flow		**4.6**	**6.1**	**7.7**	**10.6**	**22.2**	**1.9**	**1.4**

Notes:
(1) Adjustment to include the free cash flow relating to the Acquisitions as if the Acquisitions had been completed on 1 July 2012 as described in Section 4.2.2 of this Prospectus.
(2) Excludes the cash impact of the transaction costs we incurred in connection with the Acquisitions and the Zsoft asset acquisition in FY15 and FY16 such as financial and legal due diligence costs and other advisory related costs discussed in note 3, Table 4.
(3) Reflects the cash costs related to the incremental costs of being a listed public company as described in note 4, Table 4.
(4) Adjustment to remove the cash impact of the Offer costs incurred in FY15 and the additional Offer costs of $10.0m (before tax) in FY16 which relate to the sale of existing Shares by the Selling Shareholders.
(5) Reflects the cash cost of accelerating and closing out the existing employee incentive scheme which will be replaced by a new scheme post the Offer. The anticipated ongoing cost of the new scheme is included within the forecast expense for FY17.

4.4.3. Pro Forma Adjustments to the Statutory Historical and Statutory Forecast Cash Flows

Table 9 sets out the pro forma adjustments that have been made to the forecast statutory net cash flow before dividends to reflect the post tax cash impact of the pro forma adjustments summarised in Table 4.

Table 9

Pro forma adjustments to the Statutory Forecast Net Cash Flows

$m		Forecast	
	Note	FY16	FY17
Statutory net cash flow before dividends		**63.0**	**16.4**
Net impact of Acquisitions	1	0.3	-
Acquisition transaction costs	2	0.3	-
Incremental public company costs	3	(1.4)	-
Offer costs	4	10.9	-
Employee incentive scheme close-out	5	3.8	-
Net Finance Costs	6	0.6	-
Repayment of loans	7	24.0	-
Proceeds from the Offer	8	(116.4)	-
Payments for acquisitions	9	17.5	-
Pro Forma net cash flow before dividends		**2.6**	**16.4**

Notes:
(1) See note 1 to Table 8.
(2) See note 2 to Table 8.
(3) See note 3 to Table 8.
(4) Adjustment to remove the forecast after tax cash impact of the Offer costs incurred in FY16, which relates to the sale of existing Shares by the Selling Shareholders and the after tax impact of the option premium on foreign currency option contracts entered into in connection with the Offer.
(5) See note 5 to Table 8.
(6) Reflects the cash impact on net finance cost post Completion including the repayment of drawn debt under our Banking Facilities and interest income on the forecast post Completion cash balance.
(7) Represents the repayment on Completion of drawn debt under our Banking Facilities from proceeds of the Offer.
(8) Represents the proceeds from the Offer of $125m net of costs attributable to the issue of new equity ($8.6m) under the Offer.
(9) Represents the payment of consideration for the remaining share capital of Compu-Clearing in 1H16. Pro forma cash flows include the cash impact of ongoing payments relating to the payment of contingent consideration relating to the acquisition of CoreFreight and the Zsoft asset acquisition.

4.5. Statutory Historical Statement of Financial Position and Pro Forma Historical Statement of Financial Position

Table 10 sets out a summary of the statutory historical consolidated Statement of Financial Position as at 31 December 2015, adjusted for certain pro forma adjustments to take into account the effect of the Offer proceeds, transaction costs and the repayment of drawn borrowings under our Banking Facilities. These adjustments reflect the impact of the change in capital structure that will take place as part of the Offer, as if it were in place as at 31 December 2015.

The Company has no off-balance sheet arrangements.

Table 10

Statutory Historical Statement of Financial Position and Pro Forma Historical Statement of Financial Position as at 31 December 2015

$m	Note	Statutory 31 December 2015	Impact of the Offer	Pro Forma 31 December 2015
CURRENT ASSETS				
Cash and cash equivalents	1	22.0	72.4	94.4
Trade and other receivables	2	13.0	(0.2)	12.8
Current tax assets		0.5	-	0.5
Other assets	3	1.9	1.5	3.4
TOTAL CURRENT ASSETS		**37.4**	**73.7**	**111.1**
NON-CURRENT ASSETS				
Property, plant and equipment		15.2	-	15.2
Intangible assets	4	90.7	-	90.7
Equity-accounted investees		-	-	-
Equity securities - available for sale		1.6	-	1.6
Other non-current assets		4.4	-	4.4
TOTAL NON-CURRENT ASSETS		**111.9**	**-**	**111.9**
TOTAL ASSETS		**149.3**	**73.7**	**223.0**
CURRENT LIABILITIES				
Trade and other payables	5	7.0	(1.9)	5.1
Borrowings		3.6	-	3.6
Current tax liabilities		0.2	-	0.2
Employee benefits		4.5	-	4.5
Deferred revenue		13.6	-	13.6
Other liabilities	6	1.8	-	1.8
TOTAL CURRENT LIABILITIES		**30.7**	**(1.9)**	**28.8**
NON-CURRENT LIABILITIES				
Borrowings	7	31.0	(26.4)	4.6
Deferred tax liabilities	8	13.0	(5.9)	7.1
Employee benefits		0.6	-	0.6
Other liabilities	6	1.9	-	1.9
TOTAL NON-CURRENT LIABILITIES		**46.5**	**(32.3)**	**14.2**
TOTAL LIABILITIES		**77.2**	**(34.2)**	**43.0**
NET ASSETS		**72.1**	**107.9**	**180.0**
EQUITY				
Share capital	9	44.8	118.3	163.1
Reserves	10	(0.4)	4.8	4.4
Retained earnings	11	27.7	(15.2)	12.5
TOTAL EQUITY		**72.1**	**107.9**	**180.0**

Notes:
(1) Cash and cash equivalents is expected to increase by $72.4m as a result of proceeds from the Offer ($125.0m), assuming the issue of 37.2m new Shares at the Mid-Point Price, offset by the cash impact of Offer costs ($19.3m) ($18.6m of transactions costs, $1.5m of option premium costs less $0.8m costs already paid as at 31 December 2015), the repayment of borrowings under our Banking Facilities ($26.4m), a pre-IPO dividend ($1.5m) and the cash cost of closing out the current employee incentive scheme ($5.4m).
(2) As at 31 December 2015 $0.2m of Offer costs already incurred and directly attributable to the issue of new Shares were held within prepayments. On Completion these costs will be transferred and netted off against issued share capital.
(3) Offer costs paid include $1.5m relating to the option premium paid in connection with foreign currency option contracts which will be recognised as a derivative asset and included in other current assets and expensed during the remainder of FY16 and FY17.
(4) Primarily includes capitalised software development costs which have yet to be commercialised and amortised, the cost of acquired and internally developed software in use net of amortisation and goodwill, intellectual property and customer relationships acquired as part of historical acquisitions net of amortisation.
(5) Represents the payment of $1.9m of Offer costs accrued but not paid as at 31 December 2015.
(6) Current and non-current other liabilities primarily reflect contingent consideration relating to the acquisition of CoreFreight and the Zsoft asset acquisition.
(7) Represents the repayment of drawn debt under our Banking Facilities from the proceeds of the Offer.
(8) The recognition of Offer costs is expected to give rise to a deferred tax asset which will reduce the net deferred tax liability by $3.8m relating to the transaction Offer costs totalling $18.6m. Transaction costs are expected to be deductible over a period of five years for income tax purposes. In addition, the close out of the legacy sales commission arrangements is also expected to result in a deferred tax asset of $2.1m which is expected to be deductible over a three year period.
(9) issued capital is expected to increase as a result of $125m new share capital issued in connection with the Offer, offset by the after-tax amount of transaction costs directly attributable to the issue of new shares which are applied against shareholders' equity ($8.6m) net of the deferred tax impact of costs attributable to equity of $2.1m and $0.2m of costs capitalised in prepayment at 31 December 2015.
(10) Reserves are forecast to increase by $4.8m reflecting the close-out of the legacy sales commission arrangements through equity based payments of $7.1m offset by the net impact of the close out of the legacy employee incentive amounts recognised up to 31 December 2015 and settled in cash of $2.3m.
(11) Retained earnings are forecast to fall by $15.2m representing $10.0m of Offer costs not directly attributable to the issue of new shares less Offer costs already expensed as at 31 December 2015 ($2.7m) and the deferred tax impact of these costs $1.7m. In addition, retained earnings are impacted by a pre-IPO dividend ($1.5m), $3.1m of additional legacy employee incentive scheme close out relating to scheme costs incurred post 31 December 2015 and the after tax impact of the close-out of the legacy sales commission scheme ($5.0m).

4.6. Summary of net cash/(debt)

Table 11 sets out the net cash/(debt) position as at 31 December 2015, on a statutory basis (before Completion) and on a pro forma basis (following Completion).

Table 11

Pro forma indebtedness as at 31 December 2015

$m

	Note	Statutory	Pro forma	Change
Cash and cash equivalents	1	22.0	94.4	72.4
Current borrowings				
Bank overdraft		-	-	-
Finance lease liability	2	(3.6)	(3.6)	-
Bank loans		-	-	-
Current borrowings		**(3.6)**	**(3.6)**	**-**
Non-current borrowings				
Finance lease liability	2	(4.6)	(4.6)	-
Bank loans	3	(26.4)	(0.0)	26.4
Non-current borrowings		**(31.1)**	**(4.7)**	**26.4**
Total borrowings		**(34.7)**	**(8.2)**	**26.4**
Net total cash/(debt)		**(12.6)**	**86.2**	**98.8**
Net debt/FY2015 pro forma EBITDA (times)[4]		(0.6)	na	
Net debt/FY2016 pro forma EBITDA (times)[4]		(0.4)	na	

Notes:
(1) Cash and cash equivalents is expected to increase by $72.4m as a result of proceeds from the Offer ($125.0m), assuming the issue of 37.2m new Shares at the Mid-Point Price offset by the cash impact of Offer costs ($19.3m), (including the option premium paid on foreign currency option contracts entered into in connection with the Offer of $1.5m and net of $0.8m costs already paid), the repayment of borrowings under the Banking Facilities ($26.4m), a pre-IPO dividend ($1.5m) and acceleration and close-out of the employee incentive scheme ($5.4m).
(2) Relates mainly to finance lease liabilities for IT and data centre equipment.
(3) Reflects the repayment of drawn debt under our Banking Facilities with proceeds from the Offer.
(4) Immediately post Completion we will repay the borrowings under our Banking Facilities and as a result will be in a net cash position.

4.7. Description of banking facilities

Overview

We have entered into documentation for $55m of multi-currency revolving facilities (**Banking Facilities**) with Westpac Banking Corporation. The Banking Facilities are for a term of approximately 3.5 years and will be available from the date of Completion.

The Banking Facilities are guaranteed by a group of our subsidiaries (**Obligors**). Each Obligor grants security over all of its assets to secure the Banking Facilities.

The Banking Facilities comprise:

- $10m Tranche A revolving multi-option facility to be available as cash advances or bank guarantees for general corporate purposes (**Tranche A**); and
- $45m Tranche B revolving acquisition facility (**Tranche B**).

The Banking Facilities have variable interest rates applying to cash advances based on a base rate, being the bank bill swap rate (bid) for cash advances in Australian dollars or LIBOR for cash advances in US dollars, plus a margin which varies depending on our most recently determined gearing ratio. We are required to pay a customary undrawn commitment fee on any undrawn portion of Tranches A and B.

The Banking Facilities are subject to the following financial covenants which are tested semi-annually:

- Interest cover ratio (the ratio of EBIT to interest expense for the last 12 months) must be no less than 3.75 : 1
- Gearing ratio (the ratio of our total debt to EBITDA for the last 12 months) must not exceed 3.00 : 1
- Shareholders' funds (the sum of paid up equity contributions and all retained earnings and shareholders reserves) must not be less than the greater of $20m or 80% of the shareholders' funds for the immediately preceding financial year.

Each of the above ratios is as described in the Banking Facilities. EBITDA and other terms are defined in the Banking Facilities and are subject to a number of specific adjustments. These adjustments are not shown in this Prospectus and, as such, the actual covenant calculations will differ from those based on total debt and EBITDA as defined in this Prospectus.

The agreements under which the Banking Facilities are made available contain certain conditions precedent to drawdown, representations, warranties, undertakings and events of default which are customary for facilities of this nature. Any breach by the Obligors or any event of default may lead to the funds borrowed becoming due, the facilities being cancelled and the guarantees and security referred to above being enforced.

It is an event of default if the Company is delisted.

Dividends and other distributions may not be made if a default or review event is subsisting and may not exceed 100% of net profit after tax for any financial year.

It will be a review event under the facilities if:

(a) a person (alone or with its related or associated entities) that does not currently have control (control has the meaning given in Section 50AA of the Corporations Act) of the Company acquires, directly or indirectly, control of the Company;

(b) there is a change in CEO (Richard White) of the Company and he is not replaced within 180 days with an appropriately qualified person; or

(c) the Company's securities are suspended from trading for a period of more than 10 business days (other than if due to an imminent announcement of a major acquisition or merger transaction).

Following such review event, the lender may either agree to revised terms with the Company or, if agreement cannot be reached within 30 days, may cancel the facilities, requiring repayment of the facilities within 60 days of the facilities being cancelled.

4.8. Liquidity and capital resources

Following Completion, our principal sources of funds are expected to be cash flow generated from operations and cash on hand. We expect to repay drawn borrowings under our Banking Facilities on Completion and as a result will be in a net cash position. Our main use of cash is to fund operations and support global growth initiatives including acquisitions. Historical and forecast capital expenditure and working capital trends are described in Sections 4.11 and 4.12. We expect that we will have sufficient cash flow from operations to meet our operational requirements and business needs during the forecast period.

We will maintain the Banking Facilities on Completion and may draw down on these facilities or reduce our cash on hand to meet business needs as and when required including to fund future acquisitions. Our ability to generate sufficient cash depends on our future performance. Quantitative and qualitative disclosures about market risk sensitive instruments are addressed in Section 4.10.

4.9. Contractual obligations, commitments and contingent liabilities

Table 12 sets out the statutory contractual obligations and commitments as at 31 December 2015.

Table 12

Statutory contractual obligations and commitments

$m

31 December 2015	Note	<1 year	1 - 3 years	3 - 5 years	> 5 years	Total
Operating lease commitments	1	1.6	2.3	1.7	2.9	8.5
Finance lease commitments	2	4.0	4.4	-	-	8.4

Notes:
(1) Operating lease commitments include contracted amounts for office accommodation and computer equipment under non-cancellable operating leases. Contractual escalation clauses have been factored in to the commitments disclosed.

(2) Commitments shown includes future interest changes.

In addition to the above, we have $3.9m of contingent consideration that may become payable in relation to the acquisition of Zsoft's assets, depending on a number of milestones up until 31 December 2017 the present value of which is $3.3m and is classified within current and non-current other liabilities on the Pro Forma Historical Statement of Financial Position. In addition, we have $0.9m of contingent consideration that may become payable in relation to the acquisition of CoreFreight based on a number of milestones up until 1 June 2018 of which $0.3m is classified within current and non-current other liabilities on the Pro Forma Historical Statement of Financial Position, the remainder being expensed in FY16, FY17 and beyond.

4.10. Quantitative and qualitative disclosures about market risk

4.10.1. Interest rate risk

We are exposed to interest rate risk arising from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The primary financial liabilities impacted by interest rate movements include cash balances, loans and borrowings. We monitor and analyse our interest rate exposure. Within this analysis, consideration is given to potential renewals of existing positions, uses of funds and alternative financing options and the mix of fixed and variable interest rates.

4.10.2. Foreign Exchange Risk

We transact in various currencies other than our reporting currency, the Australian dollar, including the United States dollar, South African rand, United Kingdom pound, Chinese yuan, New Zealand dollar and Euro. We have not historically hedged our foreign currency exposure and as a result our earnings are exposed to the net impact of movements in foreign exchange rates on our sales, employee expenses and purchases in the foreign currencies in which the transactions occur. In connection with the Offer, we have entered into foreign currency option contracts to protect approximately 60% of our forecast revenue exposure which equates to approximately 90% of our net exposure to fluctuations in the United States dollar exchange rate in FY16 and FY17 (see 4.12.2.1).

The potential impact on NPAT of movements in foreign currency exchange rates over the forecast period is considered in Table 23, Section 4.13.

We have foreign currency bank accounts, receivable and payables that are denominated in a currency other than our reporting currency, being the Australian dollar, and we hold investments in overseas subsidiaries which are not hedged. Any foreign exchange rate movements in respect to the transactional currency in which the net investment in foreign subsidiaries are held, are recognised in the foreign currency translation reserve.

4.11. Management Discussion and Analysis of the Pro Forma Historical Financial Information

4.11.1. Key elements of our operating results and their drivers

Below is a discussion of the composition of our revenue and expenses and the main factors which affected our operating and financial performance during the period of the Historical Financial Information and which we expect may continue to affect us over the period of the Forecast Financial Information. The discussion of these general factors is intended to provide a brief summary only and does not detail all factors that affected our historical operating and financial performance, or everything that may affect our operations and financial performance in the future. The information in this Section 4 should be read in conjunction with the risk factors set out in Section 5 and other information contained in this Prospectus.

Discussion and analysis of the Statutory Historical Results and Statutory Historical Cash Flows are included in Appendix B.

4.11.1.1. Revenue

We earn revenue from fees paid by logistics services providers who use our software.

In addition to the factors discussed below that drive particular categories of revenue, our revenue is generally driven by a number of factors discussed in Sections 2 and 3 of this Prospectus. These include:

- the growth of global trade flows and the logistics industry, discussed in Section 2.3.2;
- the growth of the market for commercial logistics software, discussed in Section 2.4.2;
- the attractiveness and cost of alternatives to our software and the entry of new competitors, discussed in Sections 2.4.4 and 2.4.5;
- our business model, discussed in Section 3.3;
- the attributes of our product, discussed in Section 3.4;
- our sales and marketing efforts, discussed in Section 3.5; and
- the success of our growth strategies, discussed in Section 3.7.

Revenue categories

We categorise our revenue according to the licence model under which it is generated as discussed in Section 3.3.2. Figure 27 summarises those models, the key drivers of each licence model and illustrates the platforms on which revenue is generated.

Figure 27: Overview of the key drivers and categories of our revenue

Nature of revenue:	*Recurring Revenue 98%(1)*				*Other revenue 2%(1)*	
Revenue categories:	On-Demand 79%(1)			OTL Maintenance 19%(1)	OTL & Support Services 2%(1)	
Licence model:	Seat plus Transaction Licence (STL)	Module User Licence (MUL)		One Time Licence (OTL)		Support Services
				Maintenance	Licence	
Revenue driver:	Transactions	Modules used	Services(2)	Licences		
Price drivers:	• Price per transaction executed • Price per user	• Price per individual user • Price per module used	Level of usage	Annual maintenance price per licence	One time price per perpetual licence	Ad hoc revenue such as professional services and training
Volume drivers:	Transactions executed per month and number of individual users • Number and size of customers • Activity level of customers	Number of MUL users per month • Number and size of customers • Activity level of customers		Number of licences	Number of licences	
Foreign exchange	• Foreign exchange rates for customers invoiced in foreign currency					
Platform:						
- CargoWise One	✓	✓	✓	✗	✗	✗
- ediEnterprise(3)	✗	✓	✓	✓	✓	✗
- Legacy platforms	✗	Translogix, Compu-Clearing	✓	Translogix, Zsoft, CoreFreight	Translogix, Zsoft	Translogix, Zsoft

Notes:
(1) Represents percentage of 1H16 pro forma total revenue.
(2) Mainly comprises additional services such as e-Services (connections to commercial information systems) and hosting fees provided to STL and MUL customers. Fees are typically based on the transfer of data or execution of activities contained within each active module. Such revenue represented approximately 9% of 1H16 pro forma revenue and recurs with similar consistency to STL and MUL services.
(3) ediEnterprise is our software product that CargoWise One was developed from.

On-Demand revenue

As discussed in Section 3.3.2, our licensing model has evolved over time to predominantly On-Demand licensing, under which customers are charged monthly based on their actual usage.

We use two forms of On-Demand licences with different pricing mechanisms:

- Seat Plus Transactions Licence (**STL**) is our current licence model, under which customers pay a fee per active user and for transactions executed within the platform and additional services fees for using services such as excess cloud-based storage. The triggers for transaction charges are linked to the transfer of data or execution of activities contained within each active module. For example the transaction fees for the freight forwarding module may reflect shipment, booking, spot quotes or orders; and
- Module User Licence (**MUL**) is our original On-Demand licence model, under which customers are charged on a per user per module per month basis and additional service fees for using services such as excess cloud-based storage.

The purpose of introducing an On-Demand licence model was to reduce the upfront cost of our product to customers, therefore attracting new customers, and facilitate the growth of revenue from existing customers over time as they become more familiar with our product and therefore add more transactions, module users and/or modules as they require.

The transition from the MUL licence model which focuses on users to the STL model focused on transactions is designed to align our revenues with the productivity benefits that our software can provide for our customers. By charging for transactions executed by our software, our revenue can continue to grow even when the productivity benefits of our software reduces the number of users required to execute transactions.

We may, at our discretion, offer temporary pricing arrangements to some customers transitioning from OTL to On-Demand licences, or during a roll out period. Revenue under these temporary arrangements is included in On-Demand revenue and when these arrangements conclude they revert to standard On-Demand pricing.

We adjust user, module and transaction pricing from time to time. We focus mainly on total revenue growth across our customer groups rather than on metrics such as average price per user/module/transaction which varies as a result of both price changes to individual modules and transactions as well as changes in the mix of modules used or the type of transactions executed.

OTL Maintenance revenue

Customers on OTL Maintenance agreements pay annual maintenance fees for each licence held which may be subject to price changes from time to time.

Customers that remain on OTL arrangements can continue to use the modules covered by their licences. However, when they expand their usage beyond what is covered by their OTL licences, the additional access is charged on an On-Demand basis. As a result, we generate both On-Demand and OTL Maintenance revenue from these customers.

OTL & Support Services revenue

OTL & Support Services revenue includes sales of OTL in certain territories for acquired legacy platforms, customer funded development activities and ad hoc services. Sales of one-time licences represent a very small part of our current revenue and will reduce further as acquired legacy products are phased out. Revenue from support services is driven by customer needs, which are not necessarily consistent period to period. Accordingly OTL and Support Services revenue is not included in our definition of Recurring Revenue.

Revenue trends

We monitor and forecast revenue under four main categories:

- *Existing customer growth* – this is year on year revenue growth from CargoWise One application suite customers who were customers for a full year in the preceding two years. Existing customer growth has historically been driven mainly by growth in usage of our software platform combined with our low rate of customer attrition. We categorise customers into groups based on the year in which they first became a customer. For FY14 existing customer growth represents growth in revenue from customers in groups prior to and including the FY11 group. In FY15 existing customer growth also includes customers in the FY12 and prior group.
- *New customer growth* – this is categorised as revenue growth from CargoWise One application suite customers won in the current year and the full year impact of customers won in the previous two years (who are likely to have contributed only part of a years revenue in the preceding year, or were still in the initial implementation and roll-out phase in the preceding years). For FY14 new customer revenue growth included the FY14 customer group and growth from the FY13 and FY12 customer groups.
- *Foreign exchange* – as discussed in Section 4.10.2 we invoice our customers in a range of currencies. As a result, the portion of our revenue which is not invoiced in Australian dollars is subject to fluctuations due to the movement of these currencies relative to our reporting currency, the Australian dollar. For a discussion of the impact of foreign exchange rates on our historical performance, see sections 4.11.2, 4.11.4 and 4.11.6.
- *Acquired legacy revenue growth* – we separately consider revenue movements from acquired legacy software platforms (Translogix, Compu-Clearing, CoreFreight and Zsoft) where customers have yet to be migrated to CargoWise One application suite software.

4.11.1.2. Expenses

We present our expense categories within the consolidated statement of profit or loss on a functional basis. The categories used are cost of revenues, product design and development, sales and marketing and general and administration. We believe this presentation style, along with other information such as the level of capitalised costs relating to product design and development, assists management and other users to consider the level of product design and development, sales and marketing expenses and other results of the Group compared to other major (SaaS) companies.

We incur expenses in a number of currencies as discussed in Section 4.10.2 although the majority of our expenses are incurred in Australian dollars reflecting the location of most of our operations and staff.

On our statement of profit and loss, we categorise our expenses by function as follows:

- **Cost of revenues:** expenses associated with securely hosting our services and providing support to customers. Costs include data centre leasing and maintenance costs, personnel and related costs (including salaries, benefits, bonuses, payroll taxes, and share-based compensation) and customer support (e.g. helpdesk), contracted third party costs (e.g. for data services) and allocated overheads.

  Data centre costs reflect the cloud based hosted services provided to certain clients. These expenses are not directly related to individual customers but do typically increase as client activity increases such as when we invest in additional data centre capacity or upgrade service support to improve customer performance on our platform. Some clients choose to self-host their services and accordingly do not directly generate any data centre cost within cost of revenues;
- **Product design and development:** primarily personnel and related costs (including salaries, benefits, bonuses, payroll taxes, and share-based compensation) directly associated with our product design and development employees, as well as allocated overhead;

- **Sales and marketing:** personnel and related costs (including salaries, sales commissions, bonuses, payroll taxes, and share-based payments) directly associated with sales and marketing teams activities to acquire new customers and grow revenue from existing customers. Other costs included are external advertising, marketing, website and promotional event expenses as well as allocated overheads; and
- **General and administration expenses:** personnel and related costs (including salaries, benefits, bonuses, payroll taxes, and share-based compensation) for our executive team, finance, legal, human resources and administration employees. Also includes professional fees for legal, accounting and other services, insurance premiums and corporate expenses.

People-related expenses such as salaries, payroll taxes and benefits, share-based payments and sales commissions are allocated across these expense categories according to functions on which personnel spend their time. As at 31 December 2015, 51% of our staff were focused on product development functions. When their activity is directly attributable to development, can be reliably measured and where we judge that future economic benefits from the development are probable, their costs related to that activity are capitalised instead of being treated as an expense (see Section 4.11.1.5). Our people-related costs are our largest individual cost by nature, comprising 57% (net of capitalised developments costs) of total expenses based on the Pro Forma Historical Half Year Results for 1H16, or 66% including the capitalised portion of these costs.

Other significant expenses by type include facilities, professional services, contractors, IT equipment and data services. These expenses are also allocated to the relevant functional category.

We believe our focus on developing an industry leading logistics service provider software platform which meets our customers needs results in a relatively high total R&D cost as a percentage of total revenue, but also results in a relatively low percentage of sales and marketing expense.

4.11.1.3. Depreciation and Amortisation

Depreciation is a non-cash expense that predominantly relates to the ongoing use of our fixed asset base, including items such as IT equipment, furniture and leasehold improvements that have been capitalised. Depreciation expense is based on an existing useful life profile, with any new capital expenditure being depreciated over its useful life in accordance with our accounting policies.

Amortisation is a non-cash expense that relates to both internally generated and externally acquired intangible assets. This expense includes amortisation of capitalised internally developed software.

Acquired amortisation represents the amortisation of the value attributed to customer lists, brands, distribution rights and intellectual property on acquisition of a business.

In our statutory consolidated financial statements, the relevant portions of depreciation and amortisation charges are recognised in cost of revenues and the various operating expense categories. For the purposes of the Pro Forma Financial Information, we have recognised all depreciation in a single line item and amortisation expense in two line items: Amortisation and Acquired amortisation. A reconciliation of depreciation and amortisation as presented in the pro forma results compared to the presentation in the statutory consolidated financial statements is included in Appendix C.

4.11.1.4. Net finance income/cost

Net finance income/cost includes both interest income generated on cash balances and interest expense relating to borrowings, finance leases and the unwinding of discounts on future expected contingent consideration payments relating to the acquisition of CoreFreight and the Zsoft asset acquisition. We will repay our borrowings under the Banking Facilities with the proceeds from the Offer and therefore do not have any pro forma indebtedness outstanding. Accordingly we have not forecast any interest expense relating to our debt facilities as part of the Forecast Financial Information and have removed historical interest expense relating to the drawn Banking Facilities. However, we do incur a facility fee on our undrawn Banking Facilities, the costs of which are included within general and administration expenses. Details of the Banking Facilities have been provided in Section 4.7.

4.11.1.5. Capitalised development costs and other capital expenditure

We capitalise product development costs related to the development of new products or significant enhancements to existing products. Expenses capitalised are directly attributable to development, can be measured reliably and future economic benefits are probable. All other product development costs are expensed through the consolidated statement of profit or loss.

Other capital expenditure relates mainly to leasehold improvements and plant and equipment investments including IT assets.

4.11.1.6. Working Capital

Working capital is defined to include trade and other receivables and other current assets less trade and other payables and deferred revenue. The major components of working capital are customer receivables and deferred revenue. Debtors are created by the invoicing of monthly fees from usage and transactions to customers, who are given credit terms to settle their accounts. Customers are offered discount incentives to prepay their estimated monthly invoices which drives positive cash performance. OTL Maintenance revenue is typically invoiced annually in advance, usually in the first half of the financial year. Creditors are paid when due.

We recognise revenue as the corresponding services are performed. Because we receive certain cash in advance of recognising revenue, mainly OTL Maintenance revenue, at any given time our working capital balance usually includes a liability for deferred revenue representing these amounts. Because most of our OTL Maintenance revenue is invoiced in the first half of the year, we typically have a significant deferred revenue balance at the end of the first half of each financial year, which declines through the year. As customers transition from the OTL licence model to On-Demand licence models, customers payment terms will typically change from annually in advance to monthly. In FY16 and FY17 we have forecast this movement net of certain customers whom we expect to choose to pay annually in advance during the transitional period.

4.11.1.7. Taxation

We operate in Australia, which has a corporate tax rate of 30%. In addition, our main wholly-owned subsidiaries are located in China, which has a corporate tax rate of 25%, in South Africa which has a corporate tax rate of 28%, in the United States where the effective rate is 37% and in the United Kingdom which has a corporate tax rate of 20%. Income tax expense included in the Financial Information has been based on the actual and effective tax rates applicable to the relevant countries in which we operate.

We have a number of non-deductible expenses including share based payments and certain acquisition costs. These have historically been largely offset by taxation incentive offset claims relating to eligible research and development activities.

4.11.1.8. Foreign Exchange

The Financial Information in this Prospectus is presented in Australian dollars, our reporting currency. Net assets of each of our foreign wholly-owned subsidiaries have been translated for the purposes of the Historical Financial Information at the exchange rate applicable to each subsidiary on the relevant date of the statement of financial position.

We invoice customers in a variety of currencies. Earnings of each of our foreign wholly-owned subsidiaries have been translated for the purposes of the Historical Financial Information at the exchange rate applicable to the relevant financial periods.

4.11.2. Management discussion and analysis: Pro Forma Historical Annual Results for FY14 compared to FY13

Table 13 sets out the summary Pro Forma Historical Annual Results and selected key operational and financial metrics for FY13 and FY14.

Table 13

Summary of Pro Forma Historical Annual Results for FY13 and FY14

$m		Pro forma historical[1]			
	Note	FY13	FY14	Change	%
On-Demand		22.6	39.1	16.5	73%
OTL Maintenance		23.6	24.0	0.4	2%
OTL & Support Services		5.7	2.9	(2.8)	(49)%
Total revenue		**51.9**	**66.0**	**14.1**	**27%**
Cost of revenues		(9.8)	(10.4)	(0.6)	6%
Gross profit		**42.1**	**55.6**	**13.5**	**32%**
Operating expenses					
Product design and development		(14.9)	(15.8)	(0.9)	6%
Sales and marketing		(8.7)	(9.5)	(0.8)	9%
General and administration		(9.6)	(11.7)	(2.1)	22%
Total operating expenses		**(33.2)**	**(37.0)**	**(3.8)**	**11%**
EBITDA		**8.9**	**18.6**	**9.7**	**109%**
Depreciation	2	(0.9)	(1.2)	(0.3)	33%
Amortisation	2, 3	(1.9)	(2.3)	(0.4)	21%
EBITA		**6.1**	**15.1**	**9.0**	**148%**
Acquired amortisation	2, 4	(2.2)	(2.0)	0.2	(9)%
EBIT		**3.9**	**13.1**	**9.2**	**236%**
Recurring Revenue %		*89%*	*96%*	7pts	
Gross profit margin		*81%*	*84%*	3pts	
Product design and development expense ($m)		14.9	15.8	0.9	6%
Capitalised development cost ($m)		7.0	9.8	2.8	40%
Total R&D ($m)		21.9	25.6	3.7	17%
Total R&D (% of total revenue)		*42%*	*39%*	(3)pts	
Sales & marketing expense (% of total revenue)		*17%*	*14%*	(3)pts	
EBITDA margin		*17%*	*28%*	11pts	
EBITA margin		*12%*	*23%*	11pts	

Refer to Notes in Table 1 and Table 3.

Below is a summary of the key drivers of changes in the Pro Forma Historical Results between FY13 and FY14.

- **Total revenue**

Total revenue increased by $14.1m or 27% from $51.9m in FY13 to $66.0m in FY14 driven by growth from existing customers of $10.6m and growth from new customers of $4.3m. This growth was partially offset by a $0.8m reduction in acquired legacy revenue.

On-Demand revenue increased $16.5m or 73% mainly from MUL revenue and related services, mostly driven by existing customer usage. We introduced the STL model and recorded our first STL revenue in FY14 which was less than $1m in total. During FY14 we commenced On-Demand charging to customers that had user numbers in excess of contracted OTL licences. These changes added a significant step increase in revenue growth of approximately $4.9m within our existing customers.

In line with our strategy to increase the level of On-Demand licensing, OTL Maintenance revenue remained largely constant year on year, increasing $0.4m or 2% from $23.6m in FY13 to $24.0m in FY14. Similarly, OTL and Support Services revenue decreased $2.8m or 49% in FY14.

Recurring Revenue increased from 89% of total revenue in FY13 to 96% in FY14.

The favourable impact from foreign currency exchange rate movements, mainly the US dollar, contributed an additional $3.2m of revenue in FY14 compared to FY13, of which $2.8m related to existing CargoWise One customers and $0.9m related to new CargoWise One customers. This was partially offset by a $0.5m reduction from acquired legacy revenue.

- **Gross profit and gross profit margin**

Gross profit increased by $13.5m or 32% from $42.1m in FY13 to $55.6m in FY14 driven by increases in revenue and an expansion in gross profit margin from 81% in FY13 to 84% in FY14, resulting from scale efficiencies from our IT equipment and customer support teams as the business grew.

- **Operating expenses**

Product design and development expenses increased by $0.9m or 6% from $14.9m in FY13 to $15.8m in FY14 mainly reflecting additional investment in staff, to support current and future growth, and wage cost inflation.

Total R&D costs increased by $3.7m or 17% from $21.9m in FY13 to $25.6m in FY14, representing 39% of total revenue reinvested in product development for the year compared to 42% in FY13.

Sales and marketing expenses increased $0.8m or 9% from $8.7m to $9.5m in FY14 driven mainly by wage cost inflation and higher marketing and advertising expenses but reduced as a percentage of total revenue from 17% in FY13 to 14% in FY14 reflecting scale efficiencies as our business grew.

General and administration expenses increased $2.1m or 22% from $9.6m in FY13 to $11.7m in FY14 mainly reflecting additional staff and other general expenses tied to the growth in business activity level, partially offset by a foreign exchange gain of $0.6m.

- **Depreciation and amortisation**

Depreciation increased $0.3m or 33% from $0.9m in FY13 to $1.2m in FY14 mainly reflecting investment in capital equipment, such as IT equipment, to support current and future growth. Amortisation increased $0.4m or 21% from $1.9m in FY13 to $2.3m in FY14 as a result of ongoing investments in product development that were capitalised during the year and in prior years.

- **EBITDA and EBITDA margin**

EBITDA increased by $9.7m or 109% from $8.9m in FY13 to $18.6m in FY14. The 27% increase in total revenue combined with a 3 percentage point expansion in gross profit margin and only an 11% increase in total operating expenses drove an increase in EBITDA margin of 11 percentage points from 17% in FY13 to 28% in FY14.

4.11.3. Management discussion and analysis: Pro Forma Historical Annual Cash Flows for FY14 compared to FY13

Table 14 sets out the summary Pro Forma Historical Annual Cash Flows for FY13 and FY14.

Table 14

Summary of Pro Forma Historical Annual Cash Flows for FY13 and FY14

$m		Pro forma historical			
	Note	FY13	FY14	Change	%
EBITDA		**8.9**	**18.6**	**9.7**	**109%**
Non-cash items in EBITDA	1	3.3	1.2	(2.1)	(64)%
Changes in working capital	2	1.2	(2.2)	(3.4)	(283)%
Operating cash flow	**3**	**13.4**	**17.6**	**4.2**	**31%**
Capitalised development cost	4	(7.0)	(9.8)	(2.8)	40%
Other net capital expenditure		(1.8)	(1.7)	0.1	(6)%
Free cash flow		**4.6**	**6.1**	**1.5**	**33%**
Operating cash flow conversion ratio		151%	95%	(56)pts	
Free cash flow conversion ratio		52%	33%	(19)pts	

Refer to Notes in Table 6.

Operating cash flow increased $4.2m or 31% from $13.4m in FY13 to $17.6m in FY14. This increase reflected a $9.7m increase in EBITDA, partially offset by the year on year movement in working capital, which changed from a $1.2m inflow in FY13 resulting from a decrease in receivables, to a $2.2m outflow in FY14 driven mainly by increases in receivables, both movements reflecting the timing of customer payments year on year. The change in working capital resulted in a decrease in operating cash flow conversion ratio from 151% in FY13 to 95% in FY14.

Capitalised development cost increased by $2.8m or 40% from $7.0m in FY13 to $9.8m in FY14 reflecting additional investment for current and future growth. Investment in other net capital expenditure was broadly consistent at $1.7m.

Free cash flow increased $1.5m or 33% from $4.6m in FY13 to $6.1m in FY14 while the cash outflow from working capital and the increased investment in capitalised development resulted in a decrease in free cash flow conversation ratio from 52% in FY13 to 33% in FY14.

4.11.4. Management discussion and analysis: Pro Forma Historical Annual Results for FY15 compared to FY14

Table 15 sets out the summary Pro Forma Historical Annual Results and selected key operational and financial metrics for FY14 and FY15.

Table 15

Summary of Pro Forma Historical Annual Results for FY14 and FY15

$m		Pro forma historical[1]			
	Note	FY14	FY15	Change	%
On-Demand		39.1	56.9	17.8	46%
OTL Maintenance		24.0	20.0	(4.0)	(17)%
OTL & Support Services		2.9	2.7	(0.2)	(7)%
Total revenue		**66.0**	**79.6**	**13.6**	**21%**
Cost of revenues		(10.4)	(12.9)	(2.5)	24%
Gross profit		**55.6**	**66.7**	**11.1**	**20%**
Operating expenses					
Product design and development		(15.8)	(17.0)	(1.2)	8%
Sales and marketing		(9.5)	(12.1)	(2.6)	27%
General and administration		(11.7)	(15.7)	(4.0)	34%
Total operating expenses		**(37.0)**	**(44.8)**	**(7.8)**	**21%**
EBITDA		**18.6**	**21.9**	**3.3**	**18%**
Depreciation	2	(1.2)	(2.7)	(1.5)	125%
Amortisation	2, 3	(2.3)	(3.0)	(0.7)	30%
EBITA		**15.1**	**16.2**	**1.1**	**7%**
Acquired amortisation	2, 4	(2.0)	(2.1)	(0.1)	5%
EBIT		**13.1**	**14.1**	**1.0**	**8%**
Recurring Revenue %		*96%*	*97%*	1pt	
Gross profit margin		*84%*	*84%*	-pts	
Product design and development expense ($m)		15.8	17.0	1.2	8%
Capitalised development cost ($m)		9.8	13.6	3.8	39%
Total R&D ($m)		25.6	30.6	5.0	20%
Total R&D (% of total revenue)		*39%*	*38%*	(1)pt	
Sales & marketing expense (% of total revenue)		*14%*	*15%*	1pt	
EBITDA margin		*28%*	*28%*	-pts	
EBITA margin		*23%*	*20%*	(3)pts	

Refer to Notes in Table 1 and Table 3.

Below is a summary of the key drivers of changes in the Pro Forma Historical Results between FY14 and FY15.

- **Total revenue**

Total revenue increased by $13.6m or 21% from $66.0m in FY14 to $79.6m in FY15, driven by growth from existing customers of $7.2m and growth from new customers of $5.5m. Acquired legacy platforms contributed $0.9m of revenue growth including the year on year pro forma revenue growth from Compu-Clearing and CoreFreight which we acquired during FY15 and FY16 and the impact of three months of results from Zsoft which we acquired during FY15.

On-Demand growth was also driven by a number of customers converting from their previous OTL Maintenance licences to either MUL or STL licence models. Throughout the period of the historical information we experienced customer revenue growth for the group of customers transferring from OTL Maintenance licences to On-Demand licence models.

Reflecting our strategy to move to an On-Demand licence model, OTL Maintenance revenue reduced by $4.0m or 17% from $24.0m in FY14 to $20.0m in FY15. Similarly, OTL and Support Services revenue was $2.7m in FY15, broadly consistent with $2.9m in FY14.

Recurring Revenue increased from 96% in FY14 to 97% in FY15.

The favourable impact of foreign currency exchange rate movements, mainly the US dollar, contributed an additional $3.5m to total revenue in FY15 of which $2.4m contributed to existing customer growth and $1.1m contributed to new customer growth.

- **Gross profit and gross profit margin**

Gross profit increased by $11.1m or 20% from $55.6m in FY14 to $66.7m in FY15. Cost of revenues increased $2.5m or 24% from $10.4m in FY14 to $12.9m in FY15 driven partly by investment in employee headcount and wages and also by additional data centre investment. Despite the increased investment in our hosted cloud services, which benefits current and future years, gross profit margin remained stable at 84%.

- **Operating expenses**

Operating expenses increased by $7.8m or 21% from $37.0m in FY14 to $44.8m in FY15 mainly due to investment in headcount and market based salary cost inflation.

Product design and development expenses increased $1.2m or 8% from $15.8m in FY14 to $17.0m in FY15, as a result of increased investment in headcount. The expense associated with the increase in headcount was partially offset by product design and development staff spending a higher proportion of time on new product and functionality enhancements, to drive growth in future years revenue, the costs of which are capitalised.

Total R&D costs as a percentage of total revenue remained broadly constant at 38%, reflecting strong continued investment in new products and functionality enhancements.

Sales and marketing expenses grew by $2.6m or 27% from $9.5m in FY14 to $12.1m in FY15 mainly reflecting increased selling activities in line with business growth. As a percentage of total revenue, sales and marketing expenses were 1 percentage point higher at 15%.

General and administration expenses in FY15 increased by $4.0m or 34% from $11.7m in FY14 to $15.7m in FY15, generally reflecting additional expenses to support our business growth. The increase partly reflected further headcount investments but also additional tax and legal costs related to a transfer pricing project and increases in other expenses reflecting growth in business activity. Facilities costs also increased as a result of an upgrade and expansion in premises to a new corporate facility in the United States and duplicate lease costs in relation to the previous facility.

- **Depreciation and amortisation**

Depreciation and amortisation expense increased by a total of $2.2m or 63% from $3.5m in FY14 to $5.7m in FY15, mainly reflecting growth in depreciation from capital investment on IT assets and leasehold improvements in FY14. The remainder of the increase reflected growth in amortisation of capitalised development cost.

- **EBITDA and EBITDA margin**

EBITDA increased by $3.3m or 18% from $18.6m in FY14 to $21.9m in FY15. The total cost base increased at broadly the same rate as total revenue growth and as a result EBITDA margin remained level at 28%.

4.11.5. Management discussion and analysis: Pro Forma Historical Annual Cash Flows for FY15 Compared to FY14

Table 16 sets out the summary Pro Forma Historical Annual Cash Flows for FY14 and FY15.

Table 16

Summary of Pro Forma Historical Annual Cash Flows for FY14 and FY15

$m		Pro forma historical			
	Note	FY14	FY15	Change	%
EBITDA		**18.6**	**21.9**	**3.3**	**18%**
Non-cash items in EBITDA	1	1.2	3.5	2.3	192%
Changes in working capital	2	(2.2)	(1.2)	1.0	(45)%
Operating cash flow	**3**	**17.6**	**24.2**	**6.6**	**38%**
Capitalised development cost	4	(9.8)	(13.6)	(3.8)	39%
Other net capital expenditure		(1.7)	(2.9)	(1.2)	71%
Free cash flow		**6.1**	**7.7**	**1.6**	**26%**
Operating cash flow conversion ratio		95%	111%	16pts	
Free cash flow conversion ratio		33%	35%	2pts	

Refer to Notes in Table 6.

Operating cash flow increased $6.6m or 38% from $17.6m in FY14 to $24.2m in FY15. The increase was mainly driven by the increase in EBITDA as well as non-cash items in EBITDA which were $2.3m higher in FY15. A $1.2m increase in working capital in FY15 compared to a $2.2m increase in FY14, also contributed to the increase in operating cashflow. Operating cash flow conversion was 111% of EBITDA in FY15 up from 95% in FY14, an increase of 16 percentage points.

Capitalised development cost increased by $3.8m or 39% from $9.8m in FY14 to $13.6m in FY15 reflecting additional investment in product development. Other net capital expenditure also increased in the year by $1.2m or 71% from $1.7m in FY14 to $2.9m in FY15 reflecting additional expenditure to support growth of the business, including in relation to our new facilities in the United States.

Free cash flow increased $1.6m or 26% from $6.1m in FY14 to $7.7m in FY15 and the free cash flow conversion ratio increased by 2 percentage points to 35%.

4.11.6. Management discussion and analysis: Pro Forma Historical Half Year Results for 1H16 compared to 1H15

Table 17 sets out the summary Pro Forma Historical Half Year Results for 1H15 and 1H16.

Table 17

Summary of Pro Forma Historical Half Year Results for 1H15 and 1H16

$m		Pro forma historical[1]			
	Note	1H15	1H16	Change	%
On-Demand		25.7	38.9	13.2	51%
OTL Maintenance		10.1	9.4	(0.7)	(7)%
OTL & Support Services		1.2	1.0	(0.2)	(17)%
Total revenue		**37.0**	**49.3**	**12.3**	**33%**
Cost of revenues		(6.2)	(6.0)	0.2	(3)%
Gross profit		**30.8**	**43.3**	**12.5**	**41%**
Operating expenses					
Product design and development		(7.9)	(10.7)	(2.8)	35%
Sales and marketing		(5.5)	(7.6)	(2.1)	38%
General and administration		(6.9)	(10.9)	(4.0)	58%
Total operating expenses		**(20.3)**	**(29.2)**	**(8.9)**	44%
EBITDA		**10.5**	**14.1**	**3.6**	**34%**
Depreciation	2	(1.1)	(2.6)	(1.5)	136%
Amortisation	2, 3	(1.3)	(2.1)	(0.8)	62%
EBITA		**8.1**	**9.4**	**1.3**	**16%**
Acquired amortisation	2, 4	(1.0)	(1.1)	(0.1)	10%
EBIT		**7.1**	**8.3**	**1.2**	**17%**
Recurring Revenue %		97%	98%	1pt	
Gross profit margin		83%	88%	5pts	
Product design and development expense ($m)		7.9	10.7	2.8	35%
Capitalised development cost ($m)		7.0	9.6	2.6	37%
Total R&D ($m)		14.9	20.3	5.4	36%
Total R&D (% of total revenue)		40%	41%	1pt	
Sales & marketing expense (% of total revenue)		15%	15%	-pts	
EBITDA margin		28%	29%	1pt	
EBITA margin		22%	19%	(3)pts	

Refer to Notes in Table 1 and Table 3.

Below is a summary of the key drivers of changes in the Pro Forma Historical Half Year Results between 1H15 and 1H16.

- **Total revenue**

Total revenue increased by $12.3m or 33% from $37.0m in 1H15 to $49.3m in 1H16 driven by growth from existing customers of $7.9m and growth from new customers of $3.5m. Acquired legacy platforms, including the year on year pro forma growth from Compu-Clearing and CoreFreight contributed $0.9m of revenue growth in 1H16.

The increase in revenue mainly reflected growth in On-Demand revenue which increased by $13.2m or 51% from $25.7m in 1H15 to $38.9m in 1H16. Growth was mainly driven by increases in usage by existing customers under both the STL and MUL licence models as well as new customer wins and the full year impact of customers won during FY15 and FY14.

Reflecting our strategy to move to an On-Demand licence model OTL Maintenance revenue reduced by $0.7m to $9.4m. Similarly OTL and Support Services revenue reduced by $0.2m or 17%.

Recurring Revenue increased from 97% in 1H15 to 98% in 1H16.

The favourable impact of foreign currency exchange rate movements, mainly the US dollar, contributed an additional $5.9m to total revenue in 1H16 of which $4.9m contributed to existing customer growth, $0.8m to new customer growth and $0.2m to acquired legacy platform revenue growth.

- **Gross profit and gross profit margin**

Gross profit increased by $12.5m or 41% from $30.8m in 1H15 to $43.3m in 1H16. Cost of revenues reduced $0.2m or 3% from $6.2m in 1H15 to $6.0m in 1H16. Underlying growth in expenditure to support business growth was offset by reallocation of costs to product development for employees that spend the majority of their time developing new product rather than supporting existing revenue.

The increase in revenue and slight decline in cost of revenues resulted in an increase in gross profit margin from 83% in 1H15 to 88% in 1H16.

- **Operating expenses**

Operating expenses increased by $8.9m or 44% from $20.3m in 1H15 to $29.2m in 1H16 mainly due to investment in staff reflecting both headcount and salary cost inflation.

Product design and development expenses increased $2.8m or 35% from $7.9m to $10.7m in 1H16. Costs increased as a result of both investment in headcount and staff cost inflation partially offset by increased capitalisation of development costs.

Total R&D costs as a percentage of total revenue increased by 1 percentage point to 41%.

Sales and marketing expenses increased by $2.1m or 38% from $5.5m in 1H15 to $7.6m in 1H16, remaining constant as a percentage of total revenue at 15%.

General and administration expenses in FY15 increased by $4.0m or 58% from $6.9m in 1H15 to $10.9m in 1H16. The increase mainly reflected investment in staff through headcount and salary inflation but also included increases in professional services supporting growth in business activity and higher facilities costs including as a result of the expansion of our corporate facilities in the United States.

- **Depreciation and amortisation**

Depreciation and amortisation expense increased by a total of $2.3m or 96% from $2.4m in 1H15 to $4.7m in 1H16. The increase mainly reflected growth in depreciation from leasehold improvements and IT investments made during FY15 and 1H16 and the establishment of a lease make good provision of $0.6m.

- **EBITDA and EBITDA margin**

EBITDA increased by $3.6m or 34% from $10.5m in 1H15 to $14.1m in 1H16. The 5 percentage point increase in gross profit margin was partially offset by increases in operating expenses, the net effect being an increase of EBITDA margin from 28% in 1H15 to 29% in 1H16.

4.11.7. Management discussion and analysis: Pro Forma Historical Half Year Cash Flows for 1H16 compared to 1H15

Table 18 sets out the summary Pro Forma Historical Half Year Cash Flows for 1H15 and 1H16.

Table 18

Summary of Pro Forma Historical Half Year Cash Flows for 1H15 and 1H16

$m		Pro forma historical			
	Note	1H15	1H16	Change	%
EBITDA		**10.5**	**14.1**	**3.6**	**34%**
Non-cash items in EBITDA	1	1.4	3.0	1.6	114%
Changes in working capital	2	(1.9)	(3.7)	(1.8)	95%
Operating cash flow	**3**	**10.0**	**13.4**	**3.4**	**34%**
Capitalised development cost	4	(7.0)	(9.6)	(2.6)	37%
Other net capital expenditure		(1.1)	(2.4)	(1.3)	118%
Free cash flow		**1.9**	**1.4**	**(0.5)**	**(26)%**
Operating cash flow conversion ratio		95%	95%	-pts	
Free cash flow conversion ratio		18%	10%	(8)pts	

Refer to Notes in Table 6.

Operating cash flow increased $3.4m or 34% from $10.0m in 1H15 to $13.4m in 1H16 mainly driven by a $3.6m increase in EBITDA. There was an increase in non-cash items in EBITDA of $1.6m reflecting higher share based payments offset by an increase in working capital. Operating cash flow conversion ratio remained consistent at 95% in 1H16.

Capitalised development cost increased by $2.6m or 37% from $7.0m in 1H15 to $9.6m in 1H16 reflecting additional investment in development. Other net capital expenditure also increased in the year by $1.3m or 118% reflecting additional expenditure on IT equipment to support growth of the business.

Free cash flow decreased $0.5m or 26% from $1.9m in 1H15 to $1.4m in 1H16 and the free cash flow conversion ratio reduced from 18% in 1H15 to 10% in 1H 16. Lower conversion of EBITDA into cash flow in the first half of the financial year is reflective of the timing of invoicing of OTL Maintenance customers in the first half of the year, which are typically paid in the second half of the year.

4.12. Forecast Financial Information

The Forecast Financial Information is based on various specific and general assumptions, including those set out in this Section 4.12. In preparing the Forecast Financial Information, we have undertaken an analysis of historical performance and applied assumptions where appropriate in order to forecast future performance for FY16 and FY17. We believe that we have prepared the Forecast Financial Information with due care and attention and consider all assumptions when taken as a whole to be reasonable at the time of preparing the Prospectus.

The Forecast Financial Information has been prepared based on the significant accounting policies we adopted, which are in accordance with the AAS.

4.12.1. General Assumptions

In preparing the Forecast Financial Information, the Directors have adopted the following general assumptions:

- no acquisitions are assumed to occur;
- no material change in the competitive environment in which we operate;
- no significant deviation from current market expectations of economic conditions relevant to the industry in which we operate, including the value of global trade flows relevant to the software logistics market, business confidence, consumer sentiment, economic growth, inflation, fiscal and taxation policies throughout the countries in which we operate (including, but not limited to, Australia, the United States, South Africa, the United Kingdom, New Zealand and China);
- no material changes in government regulations or policies which impact our business or our customers;
- no material changes in foreign currency exchange rates, particularly as they relate to the Australian dollar, the United States dollar, the South African rand, the Euro, the New Zealand dollar and the Chinese yuan amongst others;
- no significant interruptions, industry disturbances or disruptions in relation to our technology, platform, software solutions or operations;
- no material amendment to any material agreement or arrangement relating to our business, nor any material change in licences and licence providers relating to our business;
- no material industrial actions or other disturbances, environmental costs or legal claims;
- no material cash flow or consolidated statement of profit or loss or financial position impact in relation to litigation (existing or otherwise);
- no material changes in key personnel, including key management personnel, and we are able to continue to recruit and retain personnel which will be required to support future growth of the Company;
- no material change in our corporate or funding structure other than as contemplated by this Prospectus;
- the Offer proceeds in accordance with the timetable set out in the Important Information section of this Prospectus;
- no material change in applicable AAS, the Corporations Act or other mandatory professional reporting requirements which have a material effect on our financial performance or cash flows, financial position, accounting policies, or financial reporting or disclosures; and
- none of the key risks listed in Section 5 occurs, or if they do, none of them has a material adverse impact on our operations.

4.12.2. Specific Assumptions

The Forecast Financial Information is based on various best estimate assumptions, including those set out below. In preparing the Forecast Financial Information, we have analysed historical performance including the current rates of revenue and expenses and applied assumptions, where appropriate, across the business. The assumptions set out below should be read in conjunction with the sensitivity analysis set out in Section 4.13, the risk factors set out in Section 5, the Independent Limited Assurance Report set out in Section 8 and other information contained in this Prospectus.

4.12.2.1. Group Assumptions

The Forecast Financial Information is based on the following group assumptions:

- no business acquisitions, disposals, restructuring or significant investments occur over the forecast period;
- exchange rates - assumed to remain constant with the key rates being 0.70 US dollar, 11.46 South African rand, 4.61 Chinese yuan, 0.49 British pound, 0.64 Euro and 1.07 New Zealand dollar to one Australian dollar; and
- Offer hedging – in connection with the Offer we have entered into US dollar option contracts to cover approximately 60% of our forecast revenue exposure, which equates to approximately 90% of our net exposure, for April 2016 to June 2016 and for FY17 at an average rate of 0.75 US dollars and 0.74 US dollars to one Australian dollar respectively.

4.12.2.2. Revenue Assumptions

The Forecast Financial Information is based on the following key revenue assumptions:

- no material change in revenue from the acquired legacy software platforms (Translogix, Compu-Clearing, CoreFreight and Zsoft) including no benefit arising as a result of the migration of customers from acquired legacy software platforms to our CargoWise One platform which is assumed to commence during the first half of FY17;
- retention of all current clients at current usage levels with assumed organic growth in usage consistent with growth trends during the period of the Historical Financial Information in the Prospectus;
- general new customer growth consistent with the new customer growth during the period of the Historical Financial Information in the Prospectus;
- contracted increases in revenue for existing customers reflecting the transition to standard pricing at the end of temporary pricing arrangements or the commencement of global trading agreements as relevant to specific customers;
- conversion of all CargoWise One customers on OTL Maintenance contracts to On-Demand licence models by December 2016, but with no increase in revenue from the customers as a result of the conversion;
- price increases from 1 January 2016 for OTL customers which were communicated and invoiced as at 31 December 2015 and for MUL customers which were communicated in February 2016;
- price increases on non-OTL licence models expected to be implemented during FY16 and FY17 which have, in aggregate, an annual impact no greater than the effect of price related revenue increases achieved on non-OTL licence models during the period of the historical financial information in the Prospectus;
- services growth from e-Services and hosting revenue consistent with the trend during the period of the historical financial information in the Prospectus but no additional growth from other revenue streams;
- no additional revenue from products in development as at December 2015 and not yet commercialised; and
- no significant financial impact from changes in the mix of currencies in which we invoice our customers during 1H16.

4.12.2.3. Expense Assumptions

The Forecast Financial Information is based on the following key expense assumptions and allocated to functional expense categories on a consistent basis with the Pro Forma Historical Results:

- cost of revenues – data centre costs reflect the December 2015 levels of cost incurred and assumed growth to meet additional customer hosting requirements factoring in our current excess capacity;
- staff costs - based on December 2015 headcount and salary cost overlaid with expected net headcount growth during the forecast period consistent with the growth experienced during the period of the historical financial information and expected local salary cost inflation. Existing employee incentive arrangements and existing sales commission arrangements will be closed out concurrent with the Offer. The Board intends to consider a new long-term incentive plan for key management personnel and a new employee incentive plan following Completion, and a $2.1m expense has been assumed in FY17 in relation to these plans. A new sales commission arrangement is being implemented concurrent with the Offer and FY16 and FY17 staff costs include the assumed level of sales commission expense expected to be incurred under the new sales commission arrangement;
- capitalisation of staff costs – continued investment in development projects. Staff related expenses which are directly attributable to the development, which can be measured reliably and where future economic benefits are probable, are forecast to be capitalised at similar average rates to 1H16;
- facilities related costs – the current level of lease and associated facilities costs continue at the 1H16 level adjusted for contracted and expected cost inflation over the forecast period with new facilities in South Africa occupied during 1H17;
- other costs - continue at 1H16 levels plus an allowance for inflation and business growth where costs are deemed to be variable or semi-variable in nature;
- incremental public company costs – reflects our estimate of the incremental annual costs that we will incur as a listed public entity including Chairman and other Non-Executive Director remuneration, additional audit and legal costs, listing fees, share registry costs, Directors' and officers' insurance premiums as well as investor relations, annual general meeting and annual reporting costs;
- Offer costs - $18.6m is incurred of which $8.6m (before tax) are directly attributable to the issue of new Shares by the Company and are offset against equity raised in the Offer. The remaining $10.0m (before tax) relate to the sale of existing Shares by the Existing Shareholders and are expensed in the Statutory Forecast Results. A further $0.6m and $0.9m of Offer costs relating to premiums on option contracts in FY16 and FY17 respectively are also forecast within net finance costs in the Statutory Forecast Results. The Pro Forma Forecast Results exclude these costs;
- depreciation – based on the actual 31 December 2015 asset base and new capital investment less assets which have reached the end of their useful lives;
- amortisation – based on the 31 December 2015 level of capitalised intangible assets and forecast capitalisation of development costs. No impairment of previously capitalised development costs is expected;
- acquired amortisation – based on the current 31 December 2015 value of customer lists, brands and intellectual property. No impairment is expected;
- net finance expense – reflects the assumed finance cost comprising interest on our drawn Banking Facilities up until the repayment post Offer, finance lease costs and the unwinding of the discount on contingent consideration, net of interest income on cash balances. The Pro Forma Forecast Results reflects finance expense as if the Offer had completed on 1 July 2015;
- gains/losses on disposal of assets – we have not assumed any gains or losses from the disposal of assets; and
- income tax expense – based on the corporate tax rate of 30% in Australia and the relevant tax rate in jurisdictions in which we operate. Assumes that we will be able to continue to claim research and development tax credits for certain of our development expenditure throughout the forecast period.

4.12.2.4. Other Assumptions

- changes in working capital – reflects the movement in trade and other receivables, other assets, trade and other payables and other liabilities. We have assumed customer collection terms for On-Demand revenue to be consistent with trends during the period of the Historical Financial Information and have assumed the impact of the transition of customers from the OTL Maintenance model (under which customers were invoiced annually in advance) to the STL model under which customers will typically be charged monthly to occur during FY17. We have also taken into account the expected impact on working capital of certain existing significant customers who pay in advance; and
- capital expenditure – reflects assumed investment in property plant and equipment expected to be required to support the growth of our business throughout the forecast period and beyond.

4.12.3. Management discussion and analysis: Pro Forma Forecast Results for FY16 compared to Pro Forma Historical Annual Results for FY15

Table 19 sets out the summary Pro Forma Historical Annual Results and Pro Forma Forecast Results and selected key operational and financial metrics for FY15 and FY16.

Table 19

Summary of Pro Forma Historical Annual Results for FY15 and Pro Forma Forecast Results for FY16

$m		Pro forma historical[1]	Pro forma forecast		
	Note	FY15	FY16	Change	%
On-Demand		56.9	84.9	28.0	49%
OTL Maintenance		20.0	15.4	(4.6)	(23)%
OTL & Support Services		2.7	1.7	(1.0)	(37)%
Total revenue		**79.6**	**102.0**	**22.4**	**28%**
Cost of revenues		(12.9)	(13.0)	(0.1)	1%
Gross profit		**66.7**	**89.0**	**22.3**	**33%**
Operating expenses					
Product design and development		(17.0)	(21.2)	(4.2)	25%
Sales and marketing		(12.1)	(15.1)	(3.0)	25%
General and administration		(15.7)	(22.7)	(7.0)	45%
Total operating expenses		**(44.8)**	**(59.0)**	**(14.2)**	**32%**
EBITDA		**21.9**	**30.0**	**8.1**	**37%**
Depreciation	2	(2.7)	(4.5)	(1.8)	67%
Amortisation	2, 3	(3.0)	(4.6)	(1.6)	53%
EBITA		**16.2**	**20.9**	**4.7**	**29%**
Acquired amortisation	2, 4	(2.1)	(1.8)	0.3	(14)%
EBIT		**14.1**	**19.1**	**5.0**	**35%**
Recurring Revenue %		*97%*	*98%*	1pts	
Gross profit margin		*84%*	*87%*	3pts	
Product design and development expense ($m)		17.0	21.2	4.2	25%
Capitalised development cost ($m)		13.6	17.5	3.9	29%
Total R&D ($m)		30.6	38.7	8.1	26%
Total R&D (% of total revenue)		*38%*	*38%*	-pts	
Sales & marketing expense (% of total revenue)		*15%*	*15%*	-pts	
EBITDA margin		*28%*	*29%*	1pt	
EBITA margin		*20%*	*20%*	-pts	

Refer to Notes in Table 1 and Table 3.

Below is a summary of the Pro Forma Historical Annual Results for FY15 and the Pro Forma Forecast Results for FY16.

- **Total revenue:**

Total revenue is forecast to increase by $22.4m or 28% from $79.6m in FY15 to $102.0m in FY16 driven by $14.6m growth from existing customers and $7.0m from new customers mainly reflecting the full year impact of customers won during FY15 and FY14. A significant number of these customers were won towards the end of the financial year and therefore had little benefit on FY15 revenue but are expected to have a larger benefit on FY16. We have forecast revenue growth of $0.8m from the acquired legacy platforms.

Consistent with our strategy to move to On-Demand licence models, all new customer wins are assumed to be STL revenue whilst existing customer growth from increased usage is assumed across both STL and MUL customers. We assume recent rates of CargoWise One customers converting from OTL agreements to On-Demand licence models to continue and have forecast further conversions throughout FY16 although we have not forecast any net revenue uplift as a result of these conversions. A number of customers transferred from OTL to STL licence models in 1H16 and as a result most of the revenue transfer between the models in FY16 is forecast for 2H16.

The conversion of customers from OTL Maintenance to On-Demand as well as the underlying drivers of revenue growth is forecast to increase On-Demand revenue by $28.0m or 49% from $56.9m in FY15 to $84.9m in FY16 and decrease OTL Maintenance revenue by $4.6m or 23% from $20.0m in FY15 to $15.4m in FY16. Similarly we have decreased the level of focus on OTL and Support Services licensing, which is forecast to decrease $1.0m or 37% to $1.7m in FY16.

Recurring Revenue is forecast to increase to 98% of total revenue in FY16 compared to 97% in FY15.

Approximately $9.4m of total revenue growth is forecast to be attributable to foreign exchange movements, primarily reflecting the depreciation of the Australian dollar against the US dollar, of which $8.6m is forecast to relate to existing CargoWise One customers, and $1.4m to new CargoWise One customers, partially offset by reductions in legacy revenue of $0.6m.

- **Gross profit and gross profit margin**

Gross profit is forecast to increase by $22.3m or 33% from $66.7m in FY15 to $89.0m in FY16 as a result of the increases in revenue noted above. Cost of revenues is forecast to be largely flat at $13.0m with underlying growth in expenditure to support business growth forecast to be mostly offset by reallocation of costs to product development for employees that spend the majority of their time developing new product rather than supporting existing revenue. The increased revenue and largely flat cost of revenues is forecast to contribute to an increase in gross profit margin from 84% in FY15 to 87% in FY16.

- **Operating expenses**

Product design and development expenses are forecast to increase $4.2m or 25% from $17.0m in FY15 to $21.2m in FY16 mainly as a result of increases in employee costs driven by investment in headcount and also the reallocation of costs from cost of revenues to product development for employees that spend the majority of their time developing new product rather than supporting existing revenue. The increase is forecast to be partially offset by the level of capitalised development cost increasing from $13.6m in FY15 to $17.5m in FY16 reflecting further investment in development activities of new products and functionality enhancements to support current and future growth. Total R&D costs as a percentage of total revenue is forecast to remain constant at 38% in FY16 increasing by $8.1m from $30.6m in FY15 to $38.7m in FY16.

Sales and marketing expenses are forecast to increase by $3.0m or 25% from $12.1m in FY15 to $15.1m in FY16 mainly reflecting increased employment costs including sales commissions. Sales and marketing expenses are forecast to represent 15% of total revenue in FY16 consistent with FY15.

General and administration expenses are forecast to increase $7.0m or 45% from $15.7m in FY15 to $22.7m in FY16 as a result of investment in support costs, mainly headcount, as well as increases in professional services costs supporting the growth of the business.

- **Depreciation and amortisation:**

Depreciation and amortisation expense is forecast to increase by a total of $3.4m or 60% from $5.7m in FY15 to $9.1m in FY16 mainly reflecting forecast growth in depreciation of $1.8m associated with finance leases and other capital expenditure in FY15 on leasehold improvements and IT assets including the establishment of a make good provision of $0.6m for current leased premises. The forecast increase in amortisation of capitalised development cost of $1.6m represents continued investment to drive growth.

Acquired amortisation is forecast to fall $0.3m or 14% from $2.1m in FY15 to $1.8m in FY16 reflecting the full amortisation of certain acquired intangibles in relation to the US business partially offset by amortisation for Zsoft intellectual property and customer relationships.

- **EBITDA and EBITDA margin**

EBITDA is forecast to increase by $8.1m or 37% from $21.9m in FY15 to $30.0m in FY16. EBITDA margin is forecast to increase to 29%.

4.12.4. Management discussion and analysis: Pro Forma Forecast Cash Flows for FY16 compared to Pro Forma Historical Annual Cash Flows for FY15

Table 20 sets out the summary Pro Forma Historical Annual Cash Flows for FY15 and Pro Forma Forecast Cash flows for FY16.

Table 20

Summary of Pro Forma Historical Annual Cash Flows for FY15 and Pro Forma Forecast Cash Flows for FY16

$m		Pro forma historical	Pro forma forecast		
	Note	FY15	FY16	Change	%
EBITDA		**21.9**	**30.0**	**8.1**	**37%**
Non-cash items in EBITDA	1	3.5	5.6	2.1	60%
Changes in working capital	2	(1.2)	(4.4)	(3.2)	267%
Operating cash flow	**3**	**24.2**	**31.2**	**7.0**	**29%**
Capitalised development cost	4	(13.6)	(17.5)	(3.9)	29%
Other net capital expenditure		(2.9)	(3.1)	(0.2)	7%
Free cash flow		**7.7**	**10.6**	**2.9**	**38%**
Operating cash flow conversion ratio		111%	104%	(7)pts	
Free cash flow conversion ratio		35%	35%	-pts	

Refer to Notes in Table 6.

Operating cash flow is forecast to increase $7.0m or 29% from $24.2m in FY15 to $31.2m in FY16. The increase is mainly driven by the $8.1m forecast increase in EBITDA. Increased non-cash items in EBITDA reflect increased employee provisions and share based payment expenses. We have forecast a $4.4m increase in working capital during FY16 compared to a $1.2m increase in FY15 reflecting the gradual conversion of OTL Maintenance customers (whose payment terms are annually in advance) to STL terms (where payments are typically monthly). Operating cash flow conversion for FY16 is forecast to reduce to 104%.

Capitalised development cost is forecast to increase by $3.9m or 29% reflecting continued investment in product development projects. Other net capital expenditure is forecast to increase $0.2m or 7% mostly as a result of capital investment in 1H16 to support current and future business growth.

Free cash flow is forecast to increase $2.9m or 38% from $7.7m in FY15 to $10.6m in FY16 and the free cash flow conversion ratio is forecast to be 35% in FY16.

4.12.5. Management discussion and analysis: Pro Forma Forecast Results for FY17 compared to FY16

Table 21 sets out the summary Pro Forma Forecast Results for FY16 and FY17 and selected key operational and financial metrics.

Table 21

Summary of Pro Forma Forecast Results for FY16 and Pro Forma Forecast Results for FY17

$m		Pro forma forecast			
	Note	FY16	FY17	Change	%
On-Demand		84.9	125.4	40.5	48%
OTL Maintenance		15.4	8.1	(7.3)	(47)%
OTL & Support Services		1.7	1.5	(0.2)	(12)%
Total revenue		**102.0**	**135.0**	**33.0**	**32%**
Cost of revenues		(13.0)	(15.9)	(2.9)	22%
Gross profit		**89.0**	**119.1**	**30.1**	**34%**
Operating expenses					
Product design and development		(21.2)	(26.6)	(5.4)	25%
Sales and marketing		(15.1)	(17.1)	(2.0)	13%
General and administration		(22.7)	(27.4)	(4.7)	21%
Total operating expenses		**(59.0)**	**(71.1)**	**(12.1)**	**21%**
EBITDA		**30.0**	**48.0**	**18.0**	**60%**
Depreciation	2	(4.5)	(5.7)	(1.2)	27%
Amortisation	2, 3	(4.6)	(5.8)	(1.2)	26%
EBITA		**20.9**	**36.5**	**15.6**	**75%**
Acquired amortisation	2, 4	(1.8)	(1.5)	0.3	(17)%
EBIT		**19.1**	**35.0**	**15.9**	**83%**
Recurring Revenue %		*98%*	*99%*	1pt	
Gross profit margin		*87%*	*88%*	1pt	
Product design and development expense ($m)		21.2	26.6	5.4	25%
Capitalised development cost ($m)		17.5	21.4	3.9	22%
Total R&D ($m)		38.7	48.0	9.3	24%
Total R&D (% of total revenue)		*38%*	*36%*	(2)pts	
Sales & marketing expense (% of total revenue)		*15%*	*13%*	(2)pts	
EBITDA margin		*29%*	*36%*	7pts	
EBITA margin		*20%*	*27%*	7pts	

Refer to Notes in Table 1 and Table 3.

Below is a summary of the Pro Forma Forecast Results for FY16 and the Pro Forma Forecast Results for FY17.

- **Total revenue**

Total revenue for FY17 is forecast to increase by $33.0m or 32% from $102.0m to $135.0m.

$27.5m of total revenue growth is forecast from existing customers. Approximately 75% of this growth is forecast to be driven by a combination of the commencement of contracted global trading agreements predominantly with large global trading groups including DHL GF, the end of temporary pricing arrangements for certain significant customers (who will then principally move to our STL pricing model) and annual price increases. The remainder of the revenue growth is forecast from existing customer's usage growth based on a December 2015 run rate and actual usage growth trends during the period of the Historical Financial Information.

In addition, we have forecast new customer growth of $4.9m of which $4.0m relates to new customers to be won in either 2H16 or FY17, the remainder reflecting growth in FY15 customers or customers won in 1H16. Acquired legacy revenue growth is forecast to be $0.6m.

Consistent with our strategy to move to On-Demand licence models, all new customer wins are assumed to be STL licenses whilst existing customer growth from increased usage is assumed across all On-Demand customers. We have forecast continued conversion of customers from OTL Maintenance to STL licence models and assume all of these CargoWise One customers to have converted by December 2016 but have not forecast any revenue uplift from these conversions. On-Demand revenue is forecast to increase $40.5m or 48% from $84.9m in FY16 to $125.4m in FY17.

Consistent with our licence model conversion strategy, OTL Maintenance revenue is forecast to reduce by $7.3m or 47% from $15.4m in FY16 to $8.1m in FY17. Similarly we have forecast OTL and Support Services to reduce by $0.2m or 12% from $1.7m in FY16 to $1.5m.

As a result of the forecast growth from On-Demand licence models Recurring Revenue is forecast to increase to 99% in FY17 from 98% in FY16.

Foreign exchange rates are assumed to remain constant throughout the forecast period. There is approximately $0.2m of forecast revenue increase in FY17 compared to FY16 representing the difference in the forecast exchange rates from 1 January 2016 onwards to the actual exchange rate used in 1H16 which mainly affects existing customer growth.

- **Gross profit and gross profit margin**

Gross profit is forecast to increase by $30.1m or 34% from $89.0m in FY16 to $119.1m in FY17 as a result of the increases in revenue noted above. Cost of revenues is forecast to increase by $2.9m or 22% from $13.0m in FY16 to $15.9m in FY17 reflecting increased customer service headcount including personnel to support new customer transition onto our software platform. Gross profit margin is forecast to expand by 1 percentage point from 87% in FY16 to 88% in FY17.

- **Operating expenses**

Product design and development expenses are forecast to increase $5.4m or 25% from $21.2m in FY16 to $26.6m in FY17 mainly reflecting forecast headcount increases and salary cost inflation.

Total R&D costs as a percentage of total revenue is forecast to reduce from 38% in FY16 to 36% in FY17 mainly reflecting the large increase in revenue from new and newly contracted customers.

Sales and marketing expenses are forecast to increase $2.0m or 13% from $15.1m in FY16 to $17.1m in FY17. Forecast cost increases mainly reflect further investment in staff including both headcount and salary inflation.

General and administration expenses are forecast to increase $4.7m or 21% from $22.7m in FY16 to $27.4m in FY17 reflecting growth in headcount, employee cost inflation, professional services to support continued business growth and increased bank fees reflecting the increased facility fees on the Banking Facilities which are forecast to be largely undrawn throughout FY17.

- **Depreciation and amortisation:**

Combined depreciation and amortisation is forecast to increase $2.4m or 26% from $9.1m in FY16 to $11.5m in FY17. The $1.2m increase in amortisation reflects amortisation of capitalised development costs from prior years whilst the $1.2m increase in depreciation mainly reflects the forecast expenditure on other capital expenditure.

- **EBITDA and EBITDA margin**

EBITDA is forecast to increase by $18.0m or 60% from $30.0m in FY16 to $48.0m in FY17. The forecast 32% revenue growth, 1 percentage point increase in forecast gross profit margin and lower forecast operating expense growth of 21% results in a forecast increase EBITDA margin of 7 percentage points from 29% in FY16 to 36% in FY17.

4.12.6. Management discussion and analysis: Pro Forma Forecast Cash Flows for FY17 compared to FY16

Table 22 sets out the summary pro forma forecast consolidated cash flows for FY16 and FY17.

Table 22

Summary of Pro Forma Forecast Cash Flows for FY16 and Pro Forma Forecast Cash Flows for FY17

$m		Pro forma forecast			
	Note	FY16	FY17	Change	%
EBITDA		**30.0**	**48.0**	**18.0**	**60%**
Non-cash items in EBITDA	1	5.6	4.0	(1.6)	(29)%
Changes in working capital	2	(4.4)	(4.2)	0.2	(5)%
Operating cash flow	**3**	**31.2**	**47.8**	**16.6**	**53%**
Capitalised development cost	4	(17.5)	(21.4)	(3.9)	22%
Other net capital expenditure		(3.1)	(4.2)	(1.1)	35%
Free cash flow		**10.6**	**22.2**	**11.6**	**109%**
Operating cash flow conversion ratio		104%	100%	(4)pts	
Free cash flow conversion ratio		35%	46%	11pts	

Refer to Notes in Section 4.4.1.

Operating cash flow is forecast to increase $16.6m or 53% from $31.2m in FY16 to $47.8m in FY17. The increase is mainly driven by the $18.0m forecast increase in EBITDA partially offset by a year on year decrease in non-cash items in EBITDA.

Operating cash flow conversion ratio is forecast to reduce from 104% in FY16 to 100% in FY17.

Capitalised development cost is forecast to increase $3.9m or 22% from $17.5m in FY16 to $21.4m in FY17.

Free cash flow is forecast to increase $11.6m or 109% from $10.6m in FY16 to $22.2m in FY17 and free cash flow conversion ratio is forecast to increase 11 percentage points to 46% reflecting the higher level of EBITDA growth to other cash outflows.

4.13. Sensitivity Analysis

The Forecast Financial Information included in Section 4.12.3 and Section 4.12.5 of this Prospectus is based on a number of estimates and assumptions as described in Section 4.12.1 and 4.12.2. These estimates and assumptions are subject to business, general economic and competitive uncertainties, many of which are beyond the control of WiseTech, its Directors and management. These estimates are also based on assumptions with respect to future business developments, which are subject to change.

Table 23 sets out a summary of the sensitivity of the Pro Forma Forecast Financial Information to changes in a number of key assumptions. The changes in key assumptions are intended to provide a guide only and are not intended to be indicative of the complete range of variations that may be experienced. Variations in actual performance could exceed the ranges shown, and these variances may be substantial. For the purpose of the sensitivity analysis shown in Table 23, each sensitivity is presented in terms of the impact on FY16 and FY17 pro forma forecast consolidated NPAT from $12.9m and $25.0m respectively.

Table 23

Sensitivity analysis for FY16 and FY17 pro forma forecast consolidated NPAT

	Increase/ decrease	Note	FY16 pro forma NPAT $m	FY17 pro forma NPAT $m
Foreign exchange rates vs Australian dollar				
US$	+/- 1%	1	-/+ 0.1	-/+ 0.4
South African Rand	+/- 10%	2	-/+ 0.0	-/+ 0.1
Other				
Monthly usage growth rates	+/- 10%	3	+/- 0.1	+/- 0.6
Employee costs	+/- 1%	4	-/+ 0.2	-/+ 0.5
Capitalised development costs	+/- 1%	5	+/- 0.1	+/- 0.2

Notes:
(1) The impact on FY16 and FY17 NPAT of a 1% increase or decrease in the assumed US dollar exchange rate of US$0.70 to one Australian dollar. We have entered into US dollar option contracts to cover approximately 60% of our forecast revenue US dollar exposure which equates to approximately 90% of our net exposure for April 2016 to June 2016 and FY17 at an average rate of 0.75 US dollars and 0.74 US dollars to one Australian dollar respectively. Accordingly, for the approximately 90% of net US dollar exposure, this sensitivity only applies between the forecast AUD rate of US$0.70 and the average option contract rate of 0.75 and 0.74 for FY16 and FY17 respectively or to the extent that the actual rate is lower than the forecast AUD rate of US$0.70. For the remaining approximately 10% of our net forecast US dollar exposure, this sensitivity applies to a 1% increase or decrease in the assumed US dollar exchange rate of US$0.70 to one Australian dollar.
(2) The impact on FY16 and FY17 NPAT of a 10% increase or decrease in the assumed South African rand exchange rate of 11.46 South African Rand to one Australian dollar.
(3) The impact on FY16 and FY17 NPAT of a 10% increase or decrease in monthly On-Demand usage growth rate which impacts revenue, net of tax.
(4) The impact on FY16 and FY17 NPAT of a 1% increase or decrease in employee costs from either changes in headcount or salary costs.
(5) The impact on FY16 and FY17 NPAT of a 1% increase or decrease in the value of capitalised development resulting from changes in the level of development work qualifying for capitalisation.

Care should be taken when interpreting these sensitivities. The estimated impact of changes in each of the variables presented in Table 23 has been calculated in isolation from changes in other variables, in order to present the likely impact on the FY16 and FY17 consolidated forecast NPAT. In practice, changes in variables may offset each other or be additive, and it is likely that we would respond to any adverse change in one variable by seeking to minimise the net effect on profit before taxation.

4.14. Critical accounting estimates and judgments

Preparing financial statements in accordance with AAS requires management to make judgements, estimates and assumptions about the application of accounting policies that affect the reported revenues and expenses, carrying values of assets and liabilities and the disclosure of contingent liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both the current and future periods. Judgements we have made in the application of AAS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next financial year are disclosed, where applicable, in the relevant notes to the financial statements. The key areas in which critical estimates and judgements are applied are in respect of tax, value in use/impairment calculations and capitalisation of development costs and acquired intangibles as described in the significant accounting policies outlined in Appendix A.

4.15. Dividend policy

The payment of dividends by the Company, if any, subject to any contractual, legal or regulatory restrictions, is at the complete discretion of the Directors, and the Directors do not provide any assurance of the future level of dividends paid by the Company. The ability to pay dividends will depend on a number of factors, many of which are beyond the control of the Company. In determining whether to declare future dividends, the Directors will have regard to our earnings, overall financial condition and capital requirements, taxation considerations (including the level of franking credits available), the general business environment, and any other factors that the Directors may consider to be relevant.

It is the current intention of the Board to target a dividend payout ratio of up to 20% of our annual statutory NPAT. No dividend is expected to be paid for the period from the Offer to 30 June 2016. Depending on the ongoing available earnings and the ongoing financial position of the Company, it is the intention of the Board to declare interim dividends in respect of half years ending 31 December and final dividends in respect of half years ending 30 June each year. Shares issued as a result of this Prospectus will rank equally with all other Shares for dividend entitlements.

5 Risks

5. Risks

This Section describes some of the potential material risks associated with our business and the industry in which we operate and risks associated with an investment in Shares. We are subject to a number of risks both specific to our business activities and of a general nature, which may either individually or in combination adversely impact our future operating and financial performance, our investment returns and the value of our Shares. The occurrence or consequences of some of the risks described here are partially or completely outside of our control, or the control of our Directors and management team. We do not purport to list every risk that may be associated with our business or the industry in which we operate, or an investment in Shares, now or in the future. The selection of risks has been based on our assessment of a combination of the probability of the risk occurring, the ability to mitigate the risk and the impact of the risk if it did occur. This assessment is based on the knowledge of the Directors as at the Prospectus Date, but there is no guarantee or assurance that the risks will not change or that other risks will not emerge.

There can be no guarantee that we will deliver on our business strategy, or that the Forecast Financial Information or any forward looking statement contained in this Prospectus will be achieved or realised. You should note that past performance may not be a reliable indicator of future performance.

Before applying for Shares you should be satisfied that you have a sufficient understanding of the risks involved in making an investment in our company and whether it is a suitable investment for you, having regard to your investment objectives, financial circumstances and taxation position. You should seek advice from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before investing in us.

5.1. Business risk factors

5.1.1. Failure to retain existing customers and attract new customers

Our business depends on our ability to retain our existing customers and our growth depends on our ability to attract further business from existing customers and to attract new customers.

There is a risk that our customers reduce the use of our software, for example, in terms of the number of users, number of modules and volume of transactions, which results in a reduction in the level of payments they make to us. We generally do not require customers to enter long, fixed term contracts requiring minimum levels of usage or minimum time commitments, and our customer contracts can typically be terminated by either party on short notice, see Section 3.8.4. Therefore, there is a risk that if customers terminate their contracts with us, or reduce their usage of our software, our revenue, including revenue that we characterise as Recurring Revenue, could decrease. There is also a risk that existing customers fail to expand their use of our software or that new customers fail to select our software for their businesses.

Our ability to retain existing customers and attract new ones, and our customers' level of usage, depends on many factors including the adequacy of our products with respect to matters such as functionality, reliability, cost-effectiveness, pricing, customer support and value compared to competing products. In addition, customers' use of our software may be affected by external factors including a slowdown in global or regional trade or changes to laws and regulations which affect our customers' business. If our customers do not continue to use our software and increase their use over time, and if new customers do not choose to use our software, the growth in our revenue may slow, or our revenue may decline.

5.1.2. Decline in trade volumes and economic conditions

A decline in regional and global trade volumes and recessionary economic conditions, including in the logistics services market, may adversely affect our financial performance. Our customers are logistics service providers whose business operations depend on regional and global logistics activities which are closely linked to regional and global trade volumes. Trade volumes can be affected by various economic and political factors and general economic conditions in the logistics services market. Our customers may require less use of our software if their business operations weaken as a result of a decline in trade volumes or weak economic conditions. Because we earn most of our revenue from usage charges under our On-Demand licensing model, a decline in trade volumes may lead to a decline in our customers' use of our software, which would adversely impact our revenue. In addition, we continue to transition our customers who are currently on legacy platforms, (using a one-time licence model (OTL) or a user based revenue model) to our STL transaction based revenue model (under which our revenues are directly determined by the volume of logistics transactions our customers execute on our software platform.) As a result, we will have increased exposure to fluctuations in regional and global trade volume and general economic conditions.

There is also a risk that a downturn in economic conditions could negatively impact our customers, thereby reducing their usage of our software. Any such risk eventuating may ultimately have an adverse impact on our business, financial performance and operations.

5.1.3. WiseTech operates in a competitive industry

We compete against other commercial logistics service software providers and our potential customers' in-house IT departments that develop in-house logistics software. Some of our existing and potential competitors have significantly more resources than we do. We face the risks that:

- Existing competitors could increase their competitive position through aggressive marketing campaigns, product innovation, price discounting or acquisitions;
- Our software products may not be well received by our customers and we may be unable to implement necessary changes to these products to our customers' satisfaction or we may fail to meet our customers' expectations;
- We may fail to anticipate and respond to technology changes as quickly as our competitors;
- Our competitors may increase their product offering to compete with us on a larger scale. For example, software vendors that focus on enterprise-wide applications may expand their product offering to include industry-specific applications;
- Logistic service providers operate in-house developed systems in preference to commercial logistics software; and
- New competitors could develop products (including cloud-based software) which compete with our products.

If any of these risks arise, we may compete less effectively against our competitors, and our business, financial performance and operations could be adversely affected.

5.1.4. Reliance on our flagship product CargoWise One and failure to adequately maintain and develop it

Our business model depends on our ability to continue to ensure that our customers are satisfied with CargoWise One. There is a risk that we fail to maintain CargoWise One adequately, or that updates may introduce errors and performance issues, causing customer satisfaction in CargoWise One to fall. Customer satisfaction may also fall as a result of real or perceived reductions in functionality, product quality, reliability, cost-effectiveness, and customer support for CargoWise One, or a failure to accommodate and reflect changes and developments in technology and in the commercial, compliance and regulatory environment. Any of these factors may result in reduced sales and usage, loss of customers, damage to our reputation, an inability to attract new customers and potentially claims for compensation.

Our future revenue and growth also depends on our ability to develop enhancements and new features and modules for CargoWise One so that it continues to meet customer needs, attract new customers and generate additional revenue from increased usage. There is a risk that the development and introduction of new features and modules does not result in a successful outcome for us due to various reasons, such as insufficient investment, unforeseen costs, poor performance and reliability, low customer acceptance, existing competition or economic and market conditions. The failure to successfully develop new product features and modules may materially adversely impact our future operations and financial performance.

5.1.5. Failure to realise benefits from product development costs

Developing software and technology is expensive and the investment in the development of these product offerings often involves an extended period of time to achieve a return on investment. An important element of our business strategy is to continue to make investments in innovation and related product opportunities. We believe that we must continue to dedicate resources to our innovation efforts to develop our software and technology product offering and maintain our competitive position.

However, we may not receive significant revenues from these investments for several years, or may not realise such benefits at all.

5.1.6. Reliance on third party IT suppliers

We rely on certain contracts with third party suppliers to maintain and support our IT infrastructure. In particular, we rely on contracts with Microsoft for the provision of database and development platforms and software infrastructure.

If the Microsoft contracts, or contracts with other key suppliers in the future, are terminated or suffer a disruption for any reason, our operations and financial performance could be materially adversely impacted.

5.1.7. Disruption or failure of technology systems

Both we and our customers are dependent on the performance, reliability and availability of our technology platforms, data centres and global communications systems (including servers, the internet, hosting services and the cloud environment in which we provide our products). There is a risk that these systems may be adversely affected by disruption, failure, service outages or data corruption that could occur as a result of computer viruses, "bugs" or "worms", malware, internal or external misuse by websites, cyber attacks or other disruptions including natural disasters, power outages or other similar events.

Certain of these events may be caused by events outside of our control, and may lead to prolonged disruption to our IT platform, or operational or business delays and damage to our reputation. This could potentially lead to a loss of customers, legal claims by customers, and an inability to attract new customers, any of which could materially adversely impact our financial performance.

5.1.8. Security breach and data privacy

Our products involve the storage and transmission of our customers' confidential and proprietary information, including intellectual property, confidential business information, information regarding their employees or suppliers, and other confidential information. Our business could be materially impacted by security breaches of our customers' data and information, either by unauthorised access, theft, destruction, loss of information or misappropriation or release of confidential customer data. There is also a risk that the measures we take may not be sufficient to detect or prevent unauthorised access to, or disclosure of, such confidential or proprietary information, and any of these events may cause significant disruption to our business and operations. This may also expose us to reputational damage, legal claims by customers, termination of contracts, regulatory scrutiny and fines, any of which could materially adversely impact our financial performance.

In addition, any security or data issues experienced by other cloud software companies globally could adversely impact customers' trust in cloud solutions generally, and could adversely affect our ability to migrate customers to our cloud platform.

5.1.9. Ability to attract and retain key personnel

Our success is dependent upon the retention of key personnel, in particular, founder and CEO, Richard White and members of the senior management and product teams. In addition, we need to attract and retain highly skilled software development engineers. Competition for such personnel is intense. There is a risk that we may not be able to attract and retain key personnel or be able to find effective replacements for them in a timely manner. The loss of such personnel, or any delay in their replacement, could materially adversely impact our ability to operate our business and achieve our growth strategies and prospects, including through the development and commercialisation of new products or modules.

The loss of key personnel could also have an adverse impact on our operations, the potential loss of key customer relationships, and potential loss of business process knowledge.

5.1.10. Integration of acquired businesses and transition of acquired customers to CargoWise One platform

We have recently completed strategic acquisitions and may seek to undertake further acquisitions in the future. It is our intention to integrate strategic acquisitions, including transitioning customers of the acquired businesses to our CargoWise One platform. We may also use aspects of the acquired businesses' business or products to enhance our existing business.

There is a risk that customers of acquired businesses do not transition across to CargoWise One, including because they are unwilling to pay a higher price for CargoWise One or do not believe there is an operational need to make the change. There is also a risk that the transitioning of customers requires significantly more financial and management resources, or time to complete, than originally planned. In addition, there is a risk that the acquisitions may fail to meet our strategic and financial objectives, generate the synergies and benefits that we expected, or provide an adequate return on the purchase price and resources invested in them.

In addition, while we undertake financial and business due diligence and other analysis in respect of acquisitions that we make, there is a risk that our due diligence and analysis may be incomplete or inaccurate, and that the benefits and synergies we anticipate may not be realised.

There is a risk that future expansion by acquisition may be affected by factors beyond our control (including without limitation, commercial or regulatory changes), which may result in there being limited or unsuitable acquisition opportunities at the relevant time.

Any of the above factors, either individually or in combination, may have an adverse effect on our future operations and financial performance.

5.1.11. Failure to protect intellectual property rights

The value of our products is dependent on our ability to protect our intellectual property, including business processes and know-how, copyrights and trademarks. There is a risk that we may be unable to detect the unauthorised use of our intellectual property rights in all instances. Further, actions we take to protect our intellectual property may not be adequate or enforceable and thus may not prevent the misappropriation of our intellectual property and proprietary information. Breach of our intellectual property may result in the need for us to commence legal action, such as infringement or administrative proceedings, which could be costly time consuming and potentially difficult to enforce in certain jurisdictions and may ultimately prove unfavourable to us. Our failure to protect our intellectual property rights could have an adverse impact on our operations and financial performance.

5.1.12. Breach of third party intellectual property rights

There is a risk that third parties may allege that our products use intellectual property derived by them or from their products without their consent or permission. We may be the subject of claims which could result in disputes or litigation, which could result in the payment of monetary damages, cause delays and increase costs, which in turn could have an adverse impact on our operations, reputation and financial performance.

5.1.13. Failure to keep abreast of changes in political, compliance and regulatory environments

Our business is significantly influenced and affected by global laws, government policy and trade related regulations. There is a risk that we may fail to keep abreast of these potential changes, which could have an adverse impact on our business and operations.

In particular, global customs regulations continue to change and are becoming increasingly complex, for example, due to enhanced border security measures, while global laws and regulations regarding data privacy and internet regulation are also continuing to evolve.

Any new or altered laws or regulations which affect our business could require us to increase spending and employee resources on regulatory compliance and/or change our business practices, which could adversely affect our operations and profitability. Further, there is a risk that customers reduce their usage of our products, or we fail to attract new customers, if we fail to build into our product appropriate coverage of existing compliance or regulatory requirements sought by our customers which CargoWise One does not currently cover, or features or innovation which adequately addresses changes and developments in compliance and regulatory requirements.

5.1.14. Country / region specific risks in new and / or unfamiliar markets

We have operations in a number of overseas jurisdictions and are exposed to a range of different legal and regulatory regimes, including in new jurisdictions in which we have acquired businesses and/or in which are expanding our operations (such are China and South Africa). As we expand our presence in new international jurisdictions we are subject to the risks associated with doing business in regions that may have political, legal and economic instability or less sophisticated legal and regulatory systems and frameworks, including (i) unexpected changes in, or inconsistent application of, applicable foreign laws and regulatory requirements, (ii) less sophisticated technology standards; (iii) difficulties engaging local resources; and (iv) potential for political upheaval or civil unrest.

As we enter newer and less familiar regions there is a risk that we fail to understand the laws, regulations and business customs of these regions. This gives rise to risks relating to labour practices, foreign ownership restrictions, tax regulation, difficulty in enforcing contracts, changes to or uncertainty in the relevant legal and regulatory regimes and other issues in foreign jurisdictions in which we may operate. This could interrupt or adversely affect parts of our business and may have an adverse effect on our operations and financial performance.

5.1.15. Foreign exchange risk

Our financial statements are presented in Australian dollars. However, more than half of our sales revenue is denominated in other currencies, most notably US dollars. As a result, our revenues are highly sensitive to movements in the exchange rate between US dollars and Australian dollars. As we do not currently have hedging arrangements in place, foreign exchange rate movements, particularly US dollar related movements, could adversely impact our business, financial performance and operations. Even if we were to enter into hedging arrangements, there is no guarantee that the risk around foreign exchange rate movements would be altogether removed.

5.1.16. Risk of litigation, claims, disputes and regulatory investigations

We have offices, and have agreements or arrangements with employees, contractors, partners, customers, suppliers and other entities or government agencies, in many jurisdictions around the world. These arrangements and our activities in relation to them may be subject to local laws which differ from jurisdiction to jurisdiction. There is a risk we may be subject to litigation and other claims and disputes in the course of our business, including contractual disputes and indemnity claims, misleading and deceptive conduct claims, intellectual property disputes and employment related claims. There is also a risk we may be subject to regulatory investigations and sanctions or fines by governmental agencies in the event of non-compliance with relevant statutory or regulatory requirements. These may involve how we employee people (for example whether we appropriately characterise people as employees or contractors and paid or withheld appropriate amounts of tax, or occupational health and safety investigations) or how we advertise our products, or in relation to licensing or other compliance requirements. Such litigation, claims, disputes or investigations, including the costs of settling claims or paying sanctions or fines, and any associated operational impacts, may be costly and damaging to our reputation and business relationships, any of which could have a material adverse effect on our financial performance, position or industry standing.

5.1.17. Future Government regulations and legal requirements

There is a risk that laws and regulations may be adopted with respect to our products, covering issues such as user privacy, the content and quality of products and services, intellectual property rights, and information security which could limit our proposed scope of activities.

5.2. Investment risk factors

5.2.1. Price of Shares

Once we become a publicly listed company on the ASX, we will become subject to general market risk that is inherent in all securities listed on a stock exchange. This may result in fluctuations in our share price that are not explained by our fundamental operations and activities.

The price at which Shares are quoted on the ASX may increase or decrease due to a number of factors. These factors may cause the Shares to trade at prices below the Offer Price. There is no assurance that the price of the Shares will increase following the quotation on the ASX, even if our earnings increase.

Some of the factors which may adversely impact the price of the Shares include fluctuations in the domestic and international market for listed securities, general economic conditions including interest rates, inflation rates, exchange rates, commodity and oil prices, changes to government fiscal, monetary or regulatory policies and settings, changes in legislation or regulation, inclusion in or removal from market indices, the nature of the markets in which we operate and general operational and business risks.

5.2.2. Trading in Shares may not be liquid and controlled by Existing Shareholders

Prior to the Offer, there has been no public market in the Shares. Once the Shares are quoted on the ASX, there can be no guarantee that an active trading market for the Shares will develop or that the price of the Shares will increase. There may be relatively few potential buyers or sellers of the Shares on the ASX at any given time.

Following Completion, it is expected that the Existing Shareholders will hold up to 81.4% of the Shares at the Mid-Point Price, which may also impact on liquidity. The Existing Shareholders will enter into voluntary escrow arrangements in relation to all of their Shares as described in Section 6.4. The absence of any sale of Shares by these Existing Shareholders, (principally founder and CEO Richard White holding shares in his own name and through RealWise Holdings Pty Limited) during this period may cause, or at least contribute to, limited liquidity in the market for the Shares. This could impact the prevailing market price at which Shareholders are able to sell their Shares. It is important to recognise that, on a disposal, Shareholders may receive a market price for their Shares that is less than the price that they paid under the Offer.

Following release from escrow, Shares held by the Existing Shareholders will be able to be freely traded on the ASX. A significant sale of Shares by the Existing Shareholders, or the perception that such sales have occurred or might occur, could adversely impact the price of Shares. The interests of the Existing Shareholders may be different from the interests of investors who acquire Shares in the Offer.

5.2.3. The CEO will retain a significant holding

On Completion Richard White, directly and indirectly through RealWise Holdings Pty Limited, will hold between approximately 46.09% and 54.46% of all Shares, calculated on the basis of a Mid-Point Price. This (and a potentially lower) significant shareholding may allow Richard to control or exert significant influence over the outcome of matters relating to WiseTech including the appointment of Directors and new management, as well as the outcome of matters submitted to meetings of Shareholders on which he can vote.

5.2.4. Inability to pay dividends or make other distributions

Our ability to pay dividends or make other distributions in the future is contingent on our profits.

Moreover, to the extent that we pay any dividends, our ability to offer fully franked dividends is contingent on making taxable profits. Our taxable profits may be volatile, making the payment of dividends unpredictable.

The value and availability of franking credits to a Shareholder will differ depending on the Shareholder's particular tax circumstances. Shareholders should also be aware that the ability to use franking credits, either as a tax offset or to claim a refund after the end of the income year, will depend on the individual tax position of each Shareholder.

5.2.5. Shareholder dilution

In the future, we may elect to issue Shares or engage in capital raisings to facilitate employee share plans, fund acquisitions, or undertake other strategic initiatives. While we will be subject to the constraints of the ASX Listing Rules regarding the percentage of our capital that we are able to issue within a 12 month period (other than where exceptions apply), Shareholders at the time may be diluted as a result of such issues of Shares and capital raisings.

5.2.6. Changes in taxation rules or their interpretation

Changes in tax law (including goods and services taxes and stamp duties), or changes in the way taxation laws are interpreted may impact our tax liabilities or the tax treatment of a Shareholder's investment. In particular, both the level and basis of taxation may change. In addition, an investment in the Shares involves tax considerations which may differ for each Shareholder. Each prospective Shareholder is encouraged to seek professional tax advice in connection with any investment in WiseTech Global.

5.2.7. Possible changes in Australian Accounting Standards

Australian Accounting Standards are set by the Australian Accounting Standards Board (**AASB**) and are outside our control and the control of our Directors. The AASB is due to introduce new or refined Australian Accounting Standards during the period from 2016 to 2018, which may affect future measurement and recognition of key statement of profit or loss and other comprehensive income, and statement of financial position items, including revenue and receivables. There is also a risk that interpretations of existing Australian Accounting Standards, including those relating to the measurement and recognition of key statement of profit or loss and other comprehensive income, and statement of financial position items, including revenue and receivables, may differ. Changes to Australian Accounting Standards issued by the AASB or changes to the commonly held views on the application of those standards could materially adversely affect the financial performance and position reported in our consolidated financial statements.

5.2.8. Possibility of force majeure events

Events may occur within or outside Australia that could impact upon the Australian economy, our operations and the price of the Shares. These events include but are not limited to acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other natural or man-made events or occurrences that can have an adverse effect on the demand for our products and our ability to conduct business. We have only a limited ability to insure against some of these risks.

6 Key people, interests and benefits

6. Key people, interests and benefits

6.1. Board of Directors

The Directors bring to the Board relevant experience and skills, including industry and business knowledge, financial management and corporate governance expertise.

Director	Experience and background
Charles Gibbon Independent Chairman and Non-Executive Director 	• Charles joined the Board and became Chairman in 2006, and has been a shareholder since 2005. • Charles is currently a director of Monbeef Pty Ltd (export abattoir) and has previously been a director of Photolibrary Pty Ltd (stock photography), and the ASX-listed Health Communication Network Limited (medical software). • Charles has over 20 years of experience in institutional funds management, and has previously been a member of the Investment Committee of Quadrant Capital Funds I, II and III for Quadrant Private Equity and has held roles as the CEO of Russell Private Equity, CEO of Risk Averse Money Managers Pty Ltd (index managers), director of Morgan Grenfell Australia, and associate director of Schroders Australia. • Charles holds a Bachelor of Science in Mathematics from Otago University and Master of Commerce (Hons) from the University of Canterbury.
Richard White Executive Director and CEO 	• Richard founded WiseTech in 1994 and has been CEO and a director since then. • Richard has over 30 years of experience in software development, embedded systems and business management and over 20 years of freight / logistics industry experience. • Prior to founding WiseTech, Richard was the managing director of Real Tech Systems Integration (a provider of computer consulting and systems integrations services) and CEO of Clear Group (a distributor of computer related equipment). • Richard holds a Master of Business in IT management from the University of Technology, Sydney.
Michael Gregg Independent Non-Executive Director 	• Michael joined the Board in 2006 and has been a shareholder since 2005. Michael is also chairman of the Compensation Committee. • Michael currently serves as a director of The Roar Pty Limited (online sports publisher), Conversant Media Pty Limited (media company), Change My Address Holdings Pty Limited (internet facilitator of moving home services) and Jeenee Communications Pty Ltd (social enterprise providing technology solutions to the disabled), and is the Chairman of Community Connections Australia (not for profit organisation serving the disabled). • Previously, Michael was the managing director of Health Communication Network Limited, which was an ASX listed medical software company. Michael has also held executive positions in the telecommunications, transport and retail industries. • Michael holds a Bachelor of Science from Sydney University, an MBA from the Australian Graduate School of Management and is a Graduate of the Australian Institute of Company Directors.
Andrew Harrison Independent Non-Executive Director 	• Andrew joined the Board in 2015. He is also chairman of the Audit and Risk Management Committee. • Andrew is an experienced company director and corporate adviser. He is currently a non-executive director of ASX listed companies Burson Group Limited, Estia Health Limited, Xenith IP Limited and IVE Group Limited. Andrew is also a director of ingogo Limited. • Andrew has previously held executive and non-executive directorships with public and private companies, including as chief financial officer of Seven Group Holdings, group finance director of Landis + Gyr., and CFO and director of Alesco Limited. • Andrew was previously a senior manager at Ernst & Young (Sydney and London) and Gresham Partners Limited, and an Associate at Chase Manhattan Bank (New York). • Andrew holds a Bachelor of Economics from The University of Sydney and an MBA from the Wharton School at the University of Pennsylvania, and is a Chartered Accountant.
Maree Isaacs Executive Director and Company Secretary 	• Maree co-founded WiseTech with Richard White in 1994. • Maree has been an Executive Director of WiseTech since 1994. • Maree is focused on invoicing and licensing, group operations, quality control and administration. • Maree is also a Company Secretary of WiseTech. • Prior to co-founding WiseTech, Maree worked with Richard at Real Tech Systems Integration (a provider of computer consulting and systems integrations services) and Clear Group (a distributor of computer related equipment).

6.2. Key management personnel

Executive	Experience and background
Richard White Executive Director and CEO	• See Section 6.1.
Maree Isaacs Executive Director, Company Secretary and Head of Invoicing and Licensing	• See Section 6.1.
Andrew Cartledge Chief Financial Officer 	• Andrew joined WiseTech in 2015 in the role of Chief Financial Officer. • Andrew held a number of Chief Financial Officer and senior finance roles, and developed significant corporate and financial management experience, while employed for over 20 years with General Electric (GE). • These roles included regional CFO of GE Energy, CFO of GE Energy Panametrics, Financial Analysis and Planning Manager of GE Energy, CFO of GE Oil & Gas Measurement & Control and CFO of GE Australia, NZ and PNG. • Andrew has global experience, working for GE in these roles in the UK, the Netherlands, the United States and Australia. • Andrew has a BA (*Hons*) Accounting & Finance degree from Manchester University.
Adam Kossak Chief Commercial Officer, General Counsel and Company Secretary 	• Adam joined WiseTech in 2010 as Commercial Director and in 2013 was appointed as the Company's Chief Commercial Officer, responsible for our inorganic growth including mergers and acquisitions and other strategic ventures. • Adam is also our General Counsel and a Company Secretary. • He has more than 20 years of global application software industry experience at executive management and board level. • At WiseTech, Adam has held a variety of key executive management responsibilities, including management of worldwide sales and management of global customer service. • Prior to joining us, Adam held executive roles with global software providers in the health and financial services sectors, including Policy Management Systems Corporation and iSoft (both now part of CSC) and TrakHealth (part of InterSystems Corporation). Adam was previously a solicitor in leading law firms in Australia. • Adam has a Bachelor of Arts (Economics/History) from the University of Florida, Juris Doctor from Whittier Law School, MBA from the University of South Carolina and Bachelor of Medicine/Bachelor of Surgery (MBBS) (Hons) from the University of Notre Dame Australia.
James Powell Chief Productivity Officer 	• James joined WiseTech in the role of Chief Productivity Officer in 2014, after more than 10 years serving as an independent consultant to us. • James' responsibilities include management of our global sales force and development of productivity tools for CargoWise One. • James has over 20 years of experience in corporate information technology, especially in corporate effectiveness technologies, including behavior based performance management and Theory of Constraints (in respect of which he holds a number of certifications). • In 1995 James founded ViAGO, an independent consulting firm dedicated to assisting global organizations with productivity and performance optimization. James was managing director at ViAGO until October 2014 and has ceased to hold any interests in ViaGo. • James holds a Bachelor of Agricultural Science from Massey University.

6.2.1. Directors disclosures

Each Director has confirmed to us that he or she anticipates being available to perform his or her duties as a Director without constraint from other commitments.

No Director has been the subject of any disciplinary action, criminal conviction, personal bankruptcy or disqualification in Australia or elsewhere in the last 10 years which is relevant or material to the performance of their duties as a Director or which is relevant to an investor's decision as to whether to subscribe for Shares.

No Director has been an officer of a company that has entered into any form of external administration as a result of insolvency during the time that they were an officer or within a 12 month period after they ceased to be an officer.

6.3. Interests and benefits

This Section sets out the nature and extent of the interests and fees of certain persons involved in the Offer. Other than as set out below or elsewhere in this Prospectus, no:

- Director or proposed Director of the Company or SaleCo;
- person named in this Prospectus and who has performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- promoter of the Company or SaleCo; or
- underwriter to the Offer,

holds at the Prospectus Date, or has held in the two years before the Prospectus Date, an interest in:

- the formation or promotion of the Company or SaleCo;
- property acquired or proposed to be acquired by the Company or SaleCo in connection with its formation or promotion, or in connection with the Offer; or
- the Offer,

and no amount (whether in cash, shares or otherwise) has been paid or agreed to be paid, nor has any benefit been given or agreed to be given, to any such persons for services in connection with the formation or promotion of the Company, or SaleCo or the Offer or to any Director or proposed Director to induce them to become, or qualify as, a Director.

6.3.1. Interests and compensation of Directors

6.3.1.1. CEO compensation

Richard White is employed by us in the position of CEO. Richard is entitled to an annual total fixed remuneration of $1,000,000 per annum (inclusive of superannuation). Richard's remuneration also includes payment in respect of all services in connection with holding office as a Director or officer in any member of the Group. Richard is currently employed for a fixed term expiring on the third anniversary of Completion with an option (exercisable at our discretion) for a further 3 years. We may terminate Richard's employment without notice for serious misconduct. Upon termination, Richard is bound by a restraint period of 36 months from the termination date. The enforceability of the restraint clause is subject to all usual legal requirements. Any payments made on termination will be subject to the termination benefits cap under the Corporations Act in the absence of shareholder approval.

Richard has agreed with the Board that for FY16 and FY17 he will not participate in any short or long term incentive plan. Following this period, the Board may determine Richard should receive appropriate incentive arrangements.

6.3.1.2. Executive Director compensation

Maree Isaacs is employed by us under a fixed term contract, with a current expiry date of 30 June 2017. Maree is entitled to an annual total fixed remuneration of $262,340 per annum (inclusive of superannuation, payment in respect of all services in connection with holding office as a Director or Company Secretary and/or any subsidiary of ours).

Maree's remuneration is subject to annual review by the Board following the finalisation of our full year results. We may terminate Maree's employment without notice in the event of serious misconduct. Upon termination, Maree is bound by a restraint period of 12 months from the termination date. The enforceability of the restraint clause is subject to all usual legal requirements. Any payments made on termination will be subject to the termination benefits cap under the Corporations Act in the absence of shareholder approval.

6.3.1.3. Non-executive Director appointment letters

Each of the non-executive Directors has entered into appointment letters with us, confirming the terms of their appointment, their roles and responsibilities and our expectations of them as Directors.

6.3.1.4. Non-executive Director compensation

The Board of Directors decide the total amount paid to each Director as remuneration for their services as a Director to the Company. However, under the ASX Listing Rules, the total amount paid to all non-executive Directors for their services must not exceed in aggregate in any financial year the amount fixed by the Company at a general meeting. This amount has been fixed at $900,000 per annum and any change to the aggregate sum will need to be approved in a general meeting.

Annual Directors' fees currently agreed to be paid by us are $140,000 to the Chairman, Charles Gibbon, and $85,000 to each non-executive Director, plus superannuation at 9.5% of those fees. In addition, the chair of the Audit and Risk Management Committee and the Chair of the Compensation Committee will be paid $10,000 and $5,000 per annum respectively. The Directors' fees do not include a commission on, or a percentage of, profits or income.

6.3.1.5. Deeds of access, insurance and indemnity

We have entered a deed of indemnity with each Director that confirms the Director's right of access to Board papers (for a period of seven years after the Director ceases to hold office, which can be extended where certain proceedings or investigations commence during that period) and requires us to indemnify the Director, on a full indemnity basis and to the full extent permitted by law, against all losses or liabilities (including all reasonable legal costs) insured by the Director as an officer of the Company or of a related body corporate.

Under the deeds of indemnity, insurance and access, we must maintain a Directors and officers liability insurance policy insuring each Director and officer against liability as a Director and officer of the Company and its related bodies corporate until seven years after each Director or officer ceases to hold office with the Company or a related body corporate (or the date any relevant proceedings commenced during the seven year period have been finally resolved).

6.3.1.6. Directors' Shareholdings

The Directors are not required by the Constitution to hold any Shares. On Completion, the Directors will hold the following Shares either personally, or through entities associated with the Director (excluding any Shares applied for under the Offer). Some of these shares will be subject to voluntary escrow arrangements. Refer to Section 6.4 for further details.

The Directors are entitled to apply for Shares under the Offer. The Directors' holdings immediately prior to Completion, and that are expected to be acquired (or sold) in the IPO and held on Completion are outlined below. Final Directors' Shareholdings will be notified to the ASX before listing on ASX.

	Prospectus Date		Shares held on Completion (based on selldown range)[1]			
Director	**Shares**	**%**	**Min. selldown Shares**	**%**	**Max. selldown Shares**	**%**
Richard White[2][3]	150,771,269	59.71%	150,627,342	51.85%	145,989,759	50.26%
Charles Gibbon[4]	21,348,297	8.46%	21,348,297	7.35%	20,000,000	6.88%
Michael Gregg[5]	16,948,188	6.71%	16,948,188	5.83%	15,298,188	5.27%
Maree Isaacs[6][7]	11,846,360	4.69%	11,846,360	4.08%	11,433,943	3.94%
Andrew Harrison	–	–	–	–	–	–

Notes:

(1) Based on the Mid-Point Price. Refer also to Section 6.3.3 for information on Share expected to be on issue on Completion.

(2) At the Prospectus Date, Richard White holds 17,560,159 Shares in his own name and controls, and holds 91.83% of the shares in RealWise Holdings Pty Limited, which in turn holds 145,057,470 Shares. As at the Prospectus Date, Richard can therefore control the voting or disposal of 162,617,629 Shares (64.41%). Richard's 150,771,269 Shares shown in this table (59.71%) reflects the Shares he holds directly, and 91.83% of the Shares held by RealWise Holdings Pty Limited, reflecting his economic interest in the Company at the Prospectus Date.

(3) At Completion at the Mid-Point Price, Richard White is expected to hold 17,416,232 Shares in his own name and control, and hold 91.83% of the shares in RealWise Holdings Pty Limited, which in turn is expected to hold between 140,007,470 and 145,057,470 Shares. At Completion, Richard may control the voting or disposal of up to 162,473,702 Shares (approximately 55.93%). Richard's 145,989,759 Shares held on Completion shown in this table reflects the Shares he is expected to hold directly, and 91.83% of the Shares expected to be held by RealWise Holdings Pty Limited, reflecting his expected approximate economic interest in the Company at Completion.

(4) Charles Gibbon holds Shares through Fabemu (No. 2) Pty Limited as trustee for the Gibbon Superannuation Fund of which he and his wife are members. Charles Gibbon is a director of Fabemu (No. 2) Pty Limited.

(5) At the Prospectus Date, Michael Gregg's holding of Shares reflects 7,059,523 Shares (2.80%) held by Michael John Gregg and his wife, Suzanne Jane Gregg, and 9,888,665 Shares (3.92%) held by MSG Holdings Pty Limited as trustee for MJ & SJ Gregg Super Fund of which Michael is a beneficiary. Michael Gregg is a director of MSG Holdings Pty Limited.

(6) At the Prospectus Date, Maree Isaacs holds 8.17% of the Shares in RealWise Holdings Pty Limited, which in turn holds 145,057,470 Shares. Maree's 11,846,360 Shares shown in this table (4.69%) reflects her economic interest in the Company at the Prospectus Date.

(7) At Completion, Maree Isaacs is expected to hold 8.17% of the Shares in RealWise Holdings Pty Limited, which in turn is expected to hold between 140,007,470 and 145,057,470 Shares held on Completion. Maree's 11,433,943 Shares shown in this table reflects her expected approximate economic interest in the Company at Completion.

6.3.1.7. Other information about Directors' interests and benefits

Directors may also be reimbursed for travel and other expenses reasonably incurred in attending to our affairs. Non-executive Directors may be paid such additional or special remuneration as the Directors decide is appropriate where a Director performs extra work or services which are not in the capacity as Director of the Company or its subsidiaries.

There are no retirement benefit schemes for Directors, other than statutory superannuation contributions.

6.3.2. Interests and compensation of executive management

Chief Financial Officer Andrew Cartledge, Chief Commercial Officer Adam Kossak and Chief Productivity Officer James Powell are employed by us under individual employment agreements, a summary of which is provided below.

Executive	Remuneration description
Richard White Chief Executive Officer	• See Section 6.3.1.1.
Maree Isaacs Executive Director	• See Section 6.3.1.2.
Andrew Cartledge Chief Financial Officer	• Annual fixed remuneration of $550,000 inclusive of superannuation. Andrew intends to salary sacrifice $260,000 into Share Rights on Completion. • Andrew is entitled to performance based incentives as determined by the Board, the current base value of which has been set at $550,000. If the performance thresholds determined by the Board are more than 50% satisfied, the base value will be multiplied by the relevant percentage, up to 150%, to determine the value of the incentive to be received by Andrew. No incentive will be granted if the performance thresholds are less than 50% satisfied. The incentive may be in the form of Shares, options or performance rights in respect of Shares, or cash. • In respect of FY16, the board has set this incentive at $572,000 which will be granted to Andrew on Completion in the form of Share Rights (Andrew's total holding of Share Rights on Completion, which includes those mentioned above, is described in Section 6.3.3). • The notice period for termination under Andrew's employment agreement is 6 months by either Andrew or us. We may terminate Andrew's employment agreement without notice for serious misconduct. • Andrew is subject to a post-employment restraint of trade period of 12 months. The enforceability of the restraint clause is subject to all usual legal requirements.
Adam Kossak Chief Commercial Officer, General Counsel and Company Secretary	• Annual base salary of $400,000 (plus statutory superannuation contributions) and annual fixed cash bonus of $80,000. Adam intends to salary sacrifice this bonus and 50% of his FY16 salary ($280,000 in total) into Share Rights on Completion. Adam is also entitled to receive bonuses for each acquisition for us that he is involved in which he may salary sacrifice into Shares or Share Rights. • On Completion Adam will indirectly hold 281,250 Shares, and the Share Rights described in Section 6.3.3 (which includes those referred to above). • The notice period for termination under Adam's employment agreement is 3 months by either Adam or us. We may terminate Adam's employment agreement without notice for serious misconduct. • Adam is subject to a post-employment restraint of trade period of 12 months. The enforceability of the restraint clause is subject to all usual legal requirements.
James Powell Chief Productivity Officer	• Total annual fixed remuneration of approximately $365,000 inclusive of superannuation and Kiwi Saver payments. James' total remuneration is subject to annual review following the finalisation of our full year's results. • On Completion, James is expected to hold $360,000 of Shares calculated at the Mid-Point Price (representing approximately 107,143 Shares at the Mid-Point Price and escrowed as described in Section 6.3.3). • The notice period for the termination of these employment agreements is 4 weeks by either James or us. We may terminate James' employment without notice for serious misconduct. • James is subject to a post-employment restraint of trade period of 12 months. The enforceability of the restraint clause is subject to all usual legal requirements.

6.3.3. Share Rights to be granted to the Chief Financial Officer, Chief Commercial Officer and other employees on Completion

The following Share Rights, each in respect of one Share, are expected to be granted by us to the following employees on the Completion Date. No Directors will hold Share Rights (or options) in respect of Shares on Completion.

No payment is required to be made on vesting of the Share Rights. When a Share Right vests, the holder will receive one Share. These Share Rights are not subject to performance or employment related hurdles or conditions and will not automatically lapse if the holder's employment with us terminates prior to the vesting date described in the table above. Share Rights referred to above are offered with disclosure under this Prospectus.

Name	Value	Number at the Mid-Point Price(1)	Vesting date(4)
Andrew Cartledge	$881,000(2)	262,203	FY17 Escrow Expiry Date
Chief Financial Officer	$311,000	92,560	1H18 Escrow Expiry Date
Adam Kossak	$835,000(2)	248,512	FY17 Escrow Expiry Date
Chief Commercial Officer	Up to $200,000(3)	59,524	
Certain sales employees(5)	Up to $7,100,000	2,113,095	33.33% on FY17 Escrow Expiry Date
			33.33% on FY18 Escrow Expiry Date
			33.33% on FY 19 Escrow Expiry Date
Other employees(6)	$1,145,333	340,873	50% on 1H17 Escrow Expiry Date
			50% on 1H18 Escrow Expiry Date

Notes:
(1) Number of Share Rights will be calculated as the value divided by the Final Price. Final holdings of Share Rights will be notified to the ASX following Completion.
(2) Some of these Share Rights are to be granted in respect of salary sacrifice arrangements referred to in Section 6.3.2.
(3) The value received by Adam up to $200,000 will depend on our market capitalisation at Completion.
(4) The 1H18 Escrow Expiry Date is the date on which we release our preliminary final report with respect to the half financial year ending 31 December 2018. The FY17 Escrow Expiry Date, FY18 Escrow Expiry Date and FY19 Escrow Expiry Date are the dates on which we release our preliminary final report with respect to the full financial years ending 30 June 2017, 30 June 2018 and 30 June 2019 respectively.
(5) These represent offers of Share Rights to certain sales employees in connection with the acceleration and close out of our "un-capped" legacy sale commission arrangement
(6) These represent offers of Share Rights to be made to certain employees outside Australia as described in Section 6.3.4.2.

6.3.4. Description of our performance review process, salary packaging and incentive arrangements

6.3.4.1. Introduction

Prior to 2015, our annual remuneration reviews usually involved a performance review of the previous 12 months. In 2015, we migrated to a predictive system where the manager and employee agree at the start of the year what goals and achievements will be targeted for above "normal performance" and a percentage bonus of the employee's salary paid in the event that the goals are all fully attained. The remuneration system allowed staff to agree with their manager a preferred salary configuration (subject to limits set by us as to how much of the salary could be allocated between the various options).

Salary components could include:

- cash (regular income payments).
- bonus (pre-agreed target amounts, potentially with performance criteria for achievement). These could be payable as a cash bonus or "fixed bonus" equity incentives or "performance bonus" equity incentives; and/or
- Shares or a fixed number of bonus equity incentives.

The structure of remuneration arrangements for FY15 and FY16 was determined prior to the Prospectus Date, however in preparing for listing on ASX we have determined to close out and settle equity incentives in existence at the Prospectus Date (and considered appropriate by us when unlisted) through a cash payment (with the ability to re-invest in Shares in the Offer) and Share Rights, on or about Completion to employees as described further in Section 6.3.4.2.

Following Completion, we intend to retain a flexible remuneration structure, with a mix of cash and equity incentives. We propose to implement new equity related arrangements considered appropriate for a listed company. The Board will consider these arrangements and determine their application to apply for FY17 and beyond. To facilitate these arrangements the Board has adopted the equity plans referred to in Section 6.3.5.

6.3.4.2. One-off arrangements for FY15 and FY16 performance bonuses

On or about Completion, we propose to provide employees with their incentive bonuses in respect of FY15 and FY16. Employees in Australia will be offered the right to re-invest at least 50% of their bonuses in the form of Shares (calculated at the Final Price), with any remainder paid in cash after the deduction of applicable taxes (representing up to 835,464 Shares at the Mid-Point Price). Employees outside Australia will be offered 100% of their bonuses in the form of Share Rights calculated by reference to the Final Price (representing 340,873 Share Rights at the Mid-Point Price). These offers represent one-off arrangements in respect of employee FY15 and FY16 incentive bonuses. These Offers of Shares and Share Rights are being made with disclosure under this Prospectus or the US Employee Document (in the case of US Employees) and in accordance with local securities laws in the case of employees outside Australia.

Employees in Australia will be required to enter into escrow deeds in respect of Shares issued to them on or about Completion on similar terms to the escrow deeds described in Section 6.4, with 50% of escrowed Shares expected to be released from escrow following release of our 1H17 financial results, and 50% following release of our 1H18 financial results. Shares currently on issue in respect of a portion of FY14 bonus arrangements will be escrowed until 1 August 2016. These Shares are not subject to performance or employment related hurdles or conditions and will not automatically be liable to forfeiture if the holder's employment with us terminates. The number of Shares to be issued in respect of the FY15 and FY16 grants on Completion will depend on the extent to which employees elect to take up Shares and the Final Price. For example, it is expected that the maximum number of Shares which could be issued under these arrangements at the Mid-Point Price would be 835,464 Shares.

6.3.5. Employee equity plans arrangements

We have established a share acquisition plan (**SAP**) and a long-term incentive plan (**LTIP**), in particular for equity incentives which may be granted to employees in respect of FY17 and beyond. Both the share acquisition plan and LTIP are potentially available to all employees of the Group where relevant local laws permit. Offers may be made at the Board's discretion to our employees or any other person that the Board determines to be eligible to participate in a plan.

The terms of incentives granted under these plans will be determined by the Board at grant and may therefore vary over time. We regularly assess the appropriateness of our incentive plan arrangements and may amend or replace or cease using either or both of these plans following Completion if considered appropriate.

6.3.5.1. Share acquisition plan (SAP)

We have established a share acquisition plan under which employees of the Company or any of its subsidiaries may be invited to acquire Shares on the terms of the plan and as the Board determines.

The SAP provides the Board with broad discretion as to these terms. For example, Shares may be offered for nil grant price (or greater) or require employees to pay an amount to acquire Shares by one or more deductions from the after-tax remuneration of the employee; Shares may be issued directly to employees or to a trust; employees may be permitted to 'sacrifice' a portion of their monthly salary in exchange for Shares; and the invitation may provide additional benefits in the form of additional Shares (in either case with or without vesting conditions which must be satisfied before the employee may deal in the Shares). The Board may also impose restrictions on the disposal of interests under the SAP for certain periods from grant.

The key terms of the SAP are set out below:

Term	Description
Administration	The SAP will be administered by the Board
Eligibility	Participation in the SAP is by invitation. Eligible participants are full-time or permanent part-time employees of any member of the Group, a Director or secretary of any member of the Group, or a person the Board in its absolute discretion determines is eligible to participate in the SAP.
Plan Structure	We may request all eligible participants to provide the Board with their remuneration preference for the purposes of the SAP. Shares may (but are not required to) be issued in exchange for a salary sacrifice in respect of future pre-tax remuneration, and the Board may determine that a participant may pay any required amount to acquire Shares under the plan by one or more deductions from the after-tax remuneration of that participant. The invitation may provide additional benefits in the form of additional Shares.
Conditions	The Board may determine the terms and restrictions on an invitation. An invitation must include the following information: • the number of shares being offered; • the amount and type of consideration to be paid by the participant, if any; • the terms and conditions of any applicable salary sacrifice; • whether any disposal restrictions will apply to the shares; and • any other material terms or conditions applicable to the invitation.

Term	Description
Rights	Shares issued under the SAP rank equally with other Shares, and participants are entitled to the same dividend and voting rights specified in our constitution. Any bonus Shares issued to the participant will be held by that participant under the SAP. Participants in the SAP are entitled to participate in any pro rata rights issues of Shares made to existing shareholders, and sell any renounceable rights acquired in respect of Shares under the SAP.
Limits on invitations	The invitation must not result in us exceeding the maximum acquisition of Shares permitted under any instrument of relief issued by ASIC relating to employee incentive schemes. No eligible participant must, as a result of the SAP, hold an interest in more than 5% of the total Shares or be in a position to cast, or control the casting of, more than 5% of the maximum number of votes that might be cast at our general meeting.
Forfeiture of shares	Unless the Board determines otherwise, a participant forfeits any right or interest in Shares held by that participant at that time subject to disposal restrictions if, in the opinion of the Board, the participant has acted fraudulently or dishonestly or is or has been in material breach of his or her obligations to a Group company.
Disposal restrictions	An invitation may specify a restriction period during which the Shares cannot be disposed of or otherwise dealt with. Before the restriction period expires, the Shares may only be dealt with if the prior consent of the Board is obtained.
Amendments	The Board may amend the terms of the SAP provided that such amendment does not adversely affect or prejudice rights of participants holding shares at that time, except with the consent of the participant or approval of at least 75% of the participants whose rights will be adversely affected by the amendment. The Board may at any time terminate or suspend the SAP. All Shares subject to the disposal restrictions will be released of the dealing restrictions.
Other terms	The SAP contains other terms relating to the administration, transfer, termination and variation of the SAP.

6.3.5.2. Long-term incentive plan (LTIP)

Under the LTIP, we may grant to employees options to acquire Shares or performance rights (including share rights, being rights to acquire a Share in accordance with the plan rules). The LTIP permits us to grant performance rights or options to acquire a pre-determined amount of Shares with or without the requirement to pay an amount on exercise or vesting. These grants may be subject to performance hurdles and vesting conditions which are satisfied over time (potentially dependent on the recipient remaining an employee unless the Board determines the incentives should continue in cases where the employee is deemed to be a “good leaver”).

The key terms of the LTIP are set out below:

Term	Description
Administration	The Plan will be administered by the Board
Eligibility	Participation in the LTIP is by invitation. Offers may be made at the Board’s discretion to an employee of ours (including a Director employed in an executive capacity) or any other person who is declared by the Board to be eligible to receive a grant of award.
Award	The LTIP provides flexibility for the Board to grant one or more types of award. The award may be either an option to acquire shares (option), or a right to acquire shares (performance right, which includes a share right). The award may be a combination of both types of securities.
Conditions	The Board must set out the conditions of the award in the invitation to participate. These conditions must include: • the number of awards being offered; • whether the awards are options or performance rights, or a combination of both; • the period during which the award may vest; • any vesting conditions; • whether the award is a vesting or exercisable award; • the exercise price for an exercisable award; • the period during which an exercisable award may be exercised; • the dates or circumstances in which the award may lapse; • whether the award carries an entitlement to a dividend equivalent payment;

Term	Description
Conditions (continued)	• whether the vesting or exercise of the award will only be satisfied by an allocation of shares to the participant; • the circumstances in which shares allocated to the participant may be forfeited; • any restrictions on dealing in a share allocated to the participant upon vesting or exercise of an award; and • any other terms or conditions to be attached to either or both the award and shares allocated to the participant.
Issue price	Awards may be issued at no cost to the participants, however an amount may be payable by the participant on the grant of the award, or in the case of an exercisable award, the award may (but is not required to) be subject to payment of an exercise price.
Clawback and preventing inappropriate benefits	The LTIP grants the Board with broad 'clawback' powers. For example the Board may deem an unvested award to have lapsed where, in the opinion of the Board, a participant has acted fraudulently or dishonestly. Further, if, in the opinion of the Board, a participant acts fraudulently or dishonestly or is in material breach of his or her obligations to a Group company, the Board may deem any unvested award held by the Participant to have lapsed or deem all or any shares already allocated to the participant following vesting or exercise of awards to be forfeited.
Cessation of employment	The terms of the awards may provide (as is the case with the Share Rights referred to in Section 6.3.3.) that the awards do not lapse if a participant's employment with us terminates (including where the awards have not vested). Alternatively those terms may provide that the awards will lapse, in the case of resignation or dismissal, or a pro rata proportion of the awards will lapse, in the case of other cessation of employment (unless the Board otherwise determines).
Takeovers and control events	Where there is a takeover event, the Board must, and where there is a scheme of arrangement proposed, the Board may, consider whether, and may in their absolute discretion determine that, all or a part of the participant's unvested awards will vest. The Board may determine that all or a specified number of a participant's awards will vest or in the case of exercisable awards, may be exercised. All awards that remain unvested will lapse unless the Board determines otherwise.
Dealing restrictions	An award granted under the LTIP is only transferable with the prior consent of the Board or by force of law. The Board may determine any restrictions on dealing with shares allocated on vesting or exercise of an award.
Amendments	The Board may amend the terms of the LTIP provided that such amendment does not adversely affect or prejudice rights of participants holding awards or shares already allocated at that time, except with the consent of the participant or approval of at least 75% of the participants whose rights will be adversely affected by the amendment. The Board may at any time terminate or suspend the LTIP. All shares subject to the disposal restrictions will be released of the dealing restrictions.
Other terms	The LTIP contains other terms relating to the administration, transfer, termination and variation of the LTIP.

6.3.6. Employee Offer and Employee Gift Offer

The key terms of the Employee Offer and the Employee Gift Offer are set out in Section 7.3.3 and 7.3.4.

6.3.7. Interests of advisers

We have engaged the following professional advisers in relation to the Offer:

- Credit Suisse (Australia) Limited and Morgan Stanley Australia Securities Limited have acted as Joint Lead Managers to the Offer. We have agreed to pay, the Joint Lead Managers the fees described in Section 9.7.1.1 for these services;
- Blackpeak Capital Pty Ltd has acted as Financial Adviser to us in relation to the Offer. We have paid or agreed to pay, approximately $1.0m (excluding disbursements and GST) for these services up until the Prospectus Date;
- Clayton Utz has acted as Australian legal adviser to us in relation to the Offer. We have paid or agreed to pay, approximately $1.1m (excluding disbursements and GST) for these services up until the Prospectus Date. Further amounts may be paid to Clayton Utz in accordance with its normal time-based charges;
- KPMG Transaction Services has acted as Investigating Accountant and performed work in relation to due diligence enquiries in connection with the Offer. KPMG Transaction Services has prepared the Limited Assurance Investigating Accountant's Reports included in this Prospectus. We have paid, or agreed to pay, approximately $1.9m (excluding disbursements and GST) for the above services up until the Prospectus Date; and
- Oxstone Pty Ltd has acted as a consultant on investor relations to us in relation to the Offer. We have paid or agreed to pay approximately $0.6m (excluding disbursements and GST) for those services up until the Prospectus Date.

The Joint Lead Managers may engage one or more co managers in relation to the Offer who would be paid fees by the Joint Lead Managers out of fees payable to the Joint Lead Managers under the Offer Management Agreement.

The Joint Lead Managers or their affiliates from time to time may in the future perform other investment banking and financial advisory services for us, our shareholders or their respective affiliates. Further, in the ordinary course of their trading, brokerage and financing activities, the Joint Lead Managers and their affiliates may act as a market maker or buy or sell securities issued by us or associated derivatives as principal or agent. Customary fees and commissions are expected to be paid for any such services in the future.

These amounts, and other expenses of the Offer, will be paid by us out of funds raised under the Offer or available cash (unless otherwise indicated). Further information on the use of proceeds and payment of expenses of the Offer is set out in Section 7.1.2.

6.4. Escrow

The following parties have agreed to enter into voluntary escrow arrangements in relation to some or all of their Shares under which they will be restricted from dealing with those Shares for a particular escrow period following Completion:

	Escrow		
Name	**Min**	**Max**	**Period (from Completion until)[1]**
RealWise Holdings Pty Limited[2]	140,007,470	145,057,470	FY17 Escrow Expiry Date
Richard White	17,416,232	17,416,232	FY17 Escrow Expiry Date
Fabemu (No. 2) Pty Limited[3]	20,000,000	21,348,297	FY17 Escrow Expiry Date
Michael Gregg and his wife, Suzanne Jane Gregg; and MSG Holdings Pty Limited[4]	15,298,188	16,948,188	FY17 Escrow Expiry Date
Employees in respect of a portion of FY14 bonuses received in the form of Shares (refer to Section 6.3.2)	165,819	165,819	1 August 2016
Employees in respect of FY15 and FY16 bonuses received in the form of Shares (refer to Section 6.3.2)	417,732	835,464	50% — 1H17 Escrow Expiry Date 50% — 1H18 Escrow Expiry Date
Other shareholders	12,722,082	20,548,924	FY16 Escrow Expiry Date
Total (up to)	**206,027,523 (70.9% of Shares)[5]**	**222,320,394 (76.5% of Shares)[5]**	

Notes:

(1) The 1H17 Escrow Expiry Date and the 1H18 Escrow Expiry Date is the date on which we release our preliminary final report with respect to the half year ending 31 December 2016 and 31 December 2017 respectively. The FY16 Escrow Expiry Date, FY17 Escrow Expiry Date and FY18 Escrow Expiry Date is the date on which we release our preliminary final report with respect to the full financial year ending 30 June 2016, 30 June 2017 and 30 June 2018 respectively.

(2) Richard White and Maree Isaacs hold 91.83% and 8.17% respectively of the Shares in RealWise Holdings Pty Limited.

(3) Fabemu (No. 2) Pty Limited is associated with Charles Gibbon – refer to Section 6.3.1.6.

(4) MSG Holdings Pty Limited is associated with Michael Gregg – refer to Section 6.3.1.6.

(5) Shares reflect a dollar value of underlying grants and are calculated at the Mid-Point Price and assuming 100% takeup of this component of the Offer by Eligible Employees. Final numbers of escrowed Shares will be notified to the ASX following Completion. Refer to Section 6.3.4.2.

The restriction on 'dealing' is broadly defined and includes, among other things, selling, assigning, transferring or otherwise disposing of any interest in the Shares, encumbering or granting a security interest over the Shares (except to the extent outlined in this Section 6.4), doing, or omitting to do, any act if the act or omission would have the effect of transferring effective ownership or control of any of the Shares or agreeing to do any of those things. There are limited circumstances in which the escrow may be released early, namely:

- to allow the escrowed Shareholder to accept an offer under a takeover bid (including a proportional takeover bid) in relation to its Shares if holders of at least half of the Shares the subject of the bid that are not held by the escrowed Shareholders have accepted the takeover bid (subject to a requirement to return the escrow Shares to escrow if the bid does not become unconditional);
- to allow the Shares held by the escrowed Shareholders to be transferred or cancelled as part of a merger by scheme of arrangement under Part 5.1 of the Corporations Act;
- to allow escrowed Shareholders to participate in an equal share buyback or capital reduction; or
- on the death or incapacity of the escrowed Shareholder.

During the escrow period, escrowed Shareholders whose Shares remain subject to escrow, may dispose of any of their Shares in certain cases as set out in their escrow deeds, for example to the extent the disposal is required by applicable law (including an order of a court of competent jurisdiction), or to a trust or entity which the escrowed Shareholder controls where the new holder has agreed to be bound by substantially the same escrow arrangements.

In addition to these escrow arrangements, Eligible Gift Employees who participate in the Employee Gift Offer are subject to a restriction period in respect of the Shares they acquire under the Employee Gift Offer as detailed in Section 7.3.4. This may represent up to approximately 0.05% of Shares on Completion (calculated at the Mid-Point Price).

6.5. Corporate Governance

6.5.1. Overview

This Section explains how the Board oversees the management of WiseTech. The main policies and principles adopted by us, which will take effect from listing on ASX, are summarised below. Details of our key policies and principles and the charters for the Board and each of its committees will be available on our website www.wisetechglobal.com from listing on the ASX.

The Board is responsible for our overall corporate governance, including establishing and monitoring key performance goals, and is committed to maximizing performance, generating appropriate levels of Shareholder value and financial returns, and sustaining our long-term growth and success. In conducting business in accordance with these objectives, the Board seeks to ensure that we are properly managed to protect and enhance Shareholder interests, and that we, our Directors, officers and staff operate in an appropriate environment of corporate governance. Accordingly, the Board has created a framework for managing WiseTech, including adopting relevant internal controls, risk management processes and corporate governance policies, principles and practices which it believes are appropriate for our business and which are designed to promote the responsible management and conduct of WiseTech.

The ASX Corporate Governance Council has developed and released its corporate governance principles and recommendations for ASX-listed entities (the ASX Recommendations) in order to promote investor confidence and to assist companies in meeting stakeholder expectations. The ASX Recommendations are not prescriptions, but guidelines. Under the ASX Listing Rules, we are required to provide the statements below, and in our annual report will be required to provide a statement, disclosing the extent to which we intend not to follow the ASX Recommendations. Where WiseTech does not follow a recommendation, we will identify the recommendation that has not been followed and give reasons for not following it.

We intend to comply with all of the ASX Recommendations from the time of listing on ASX, with one exception. Recommendation 1.5 provides that a listed entity should have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them and disclose this as at the end of each reporting period.

On Completion, we will have Diversity Principles however that document will not include a requirement to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them. It will accordingly not be possible for us to satisfy ASX Recommendation 1.5(c). We believe our Diversity Principles appropriately draw on the concepts contained in the ASX Recommendations when considering the manner in which we select successful job applicants and will continue to do so to assist us to attract the largest pool of candidates on which we can draw. The Board considers that our work environment is one that does currently emphasise diversity and its existing culture is appropriate for an entity of its size and type. It is the Board's intention to continue to consider matters of diversity in the course of its recruitment and retention on the basis of merit.

6.5.2. Independence of Directors

The Board considers an independent Director to be a non-executive Director who is not a member of our management team and who is free of any business or other relationship that could materially interfere with or reasonably be perceived to interfere with the unfettered and independent exercise of their judgment. The Board regularly reviews the independence of each Director in light of interests disclosed to the Board. The Board Charter sets out factors relevant to assessing the independence of Directors in accordance with the ASX Recommendations. The Board considers quantitative and qualitative principles of materiality for the purpose of determining 'independence' on a case-by-case basis.

The Board considers that each of Charles Gibbon, Michael Gregg, and Andrew Harrison are independent Directors, free from any business or any other relationship that could materially interfere with, or reasonably be perceived to interfere with, the independent exercise of the Director's judgment and each is able to fulfil the role of an independent Director for the purposes of the ASX Recommendations.

Charles Gibbon and Michael Gregg are expected to hold approximately 6.35% to 7.71% and 4.86% to 6.12% respectively of the Shares on Completion (at the Mid-Point Price) and joined the Board in 2006. The Board (absent each of those Directors) has specifically taken these factors into account when considering whether Charles Gibbon and Michael Gregg should be considered to be independent. The Board (absent each of those Directors) does not consider those factors to be sufficiently dominant or influential in the circumstances so as to conclude they are not independent or that their interests will be different to those of shareholders with smaller stakes. In particular we have had regard to their conduct to date on the Board, their significant experience, the existence of Richard White's expected shareholding on Completion refer to Section 7.1.6. and the lack of other factors referred to in the ASX Recommendations and Board Charter which might lead the Board to query their independence.

Richard White (CEO) and Maree Isaacs (Executive Director) are not currently considered by the Board to fulfil the role of an independent Director. On this basis, the Board will consist of a majority of independent Directors.

None of the Directors are nominees or representatives of the Joint Lead Managers or other advisers named in this document.

The Board will regularly review the independence of each Director in light of interests disclosed to the Board and will disclose any change to the ASX as required by the ASX Listing Rules.

The Board has considered our immediate requirements as we transition to an ASX listed company and is satisfied that the composition of the Board reflects an appropriate range of independence, skills and experience after listing on ASX.

6.5.3. Board Charter

We have approved a revised Board Charter to apply upon listing on ASX. The Board Charter sets out:

- the composition and operation of the Board;
- the roles and responsibilities of the Board, chairman, company secretary, committees and management; and
- the delegation of authority by the Board to management and Board committees.

The Board's role is to:

- represent and serve the interests of Shareholders by overseeing and appraising our strategies, policies and performance;
- optimise our performance and build sustainable value for Shareholders;
- set, review and ensure compliance with our values and governance framework (including establishing and observing high ethical standards); and
- ensure that Shareholders are kept informed of our performance and major developments.

Matters which are specifically reserved for the Board or its committees include:

- appointment of a Chairman;
- appointment and removal of the CEO and company secretary;
- nominations of Directors and key executives;
- ratifying the appointment and removal of senior executives;
- approving the remuneration policies and framework and determining whether the remuneration and conditions of service of senior executives are appropriate and consistent with the approved remuneration policies and framework;
- establishing and monitoring succession planning;
- setting the specific limits of authority for management;
- calling meetings of Shareholders; and
- approving criteria for assessing performance of senior executives and monitoring and evaluating their performance.

The CEO is responsible for running the day to day affairs of WiseTech under delegated authority from the Board and to implement the policies and strategy set by the Board. In carrying out these responsibilities, the CEO must report to the Board in a timely and clear manner and ensure all reports to the Board present a true and fair view of our financial condition and operational results.

The role of management is to support the CEO and implement the running of the general operations and financial business of WiseTech, in accordance with the delegated authority of the Board.

6.5.4. Board committees

The Board may from time to time establish appropriate committees to assist in performing its responsibilities. The Board has established a number of committees that will continue to operate following listing on ASX, being:

- the Audit and Risk Management Committee; and
- the Compensation Committee (our name for the committee referred to as the remuneration committee in the ASX Recommendations and ASX Listing Rules).

Under the Board Charter, Board committee performance evaluations will occur annually.

6.5.4.1. Audit and Risk Management Committee

The Audit and Risk Management Committee will assist the Board in fulfilling its corporate governance and oversight responsibilities in relation to our financial reports and financial reporting process and internal control structure, risk management systems (financial and non-financial) and the internal and external audit process. The Committee's responsibilities include:

- review and approve internal audit and external audit plans;
- update the internal and external audit plans;
- review and approve financial reports; and
- review the effectiveness of our compliance and risk management functions.

The Audit and Risk Management Committee's charter provides that the committee must be comprised of only non-executive Directors, a majority of independent Directors, an independent Chairman who is not Chairman of the Board, and a minimum of three members of the Board. In accordance with its charter, it is intended that all members of the committee should be financially literate and have familiarity with financial management, and at least one member should have relevant qualifications and experience. The Audit and Risk Management Committee comprises:

- Andrew Harrison (Independent Chairman);
- Charles Gibbon; and
- Michael Gregg.

The company secretary shall serve as secretary to the Committee and non-committee members, including members of management and our external auditor, may attend meetings of the committee by invitation of the committee Chairman.

6.5.4.2. Compensation Committee

The Compensation Committee's role is to assist and advise the Board in relation to:

- our compensation policy, including as it applies to Directors;
- compensation packages of senior executives, non-executive Directors and executive Directors, equity-based incentive plans and other employee benefit programs;
- our superannuation arrangements;
- the process for the evaluation and performance of the Board, the Board Committees and individual Directors; and
- the review of the performance of senior executives and members of the Board.

The Compensation Committee's charter provides that the committee must be comprised of only non-executive Directors, a majority of independent Directors, a Chairman who is either Chairman of the Board or an independent Director, and a minimum of three members of the Board. In accordance with its charter, at least one member should have expertise in compensation. The Compensation Committee comprises:

- Michael Gregg (Independent Chairman);
- Charles Gibbon; and
- Andrew Harrison.

As experienced former executives, the Board considers that each of the members of the Compensation Committee have expertise in compensation. The secretary of this committee will be Maree Isaacs.

Matters relating to nominations of Directors and key executives will be reserved to the Board. In considering nominations to the Board, it will have regard to:

- Director selection and appointment practices;
- Director performance evaluation processes and criteria;
- Board composition;
- the performance of the CEO and other key executives including in respect of any agreed key performance indicators; and
- succession planning for the Board and senior executives,

to ensure that the Board is of a size and composition conducive to making appropriate decisions, with the benefit of a variety of perspectives and skills and in our best interests as a whole.

6.5.5. Corporate Governance Policies and Principles

We favour principles over policy where appropriate, and have implemented a principles-based governance model whereby practical sets of principles are provided to guide behavior where appropriate. These principles are designed to give direction on our approach to business conduct. More structured policies are implemented where appropriate.

This combination of principles and policies provide us with a governance model that we believe both provides shareholders with confidence as to the responsible management of WiseTech while at the same time allows creativity to flourish by minimising processes, bureaucracy, chains of command and centralised decision making where appropriate or in our best interests.

6.5.5.1. Continuous Disclosure Policy

Once listed, we will be required to comply with the continuous disclosure requirements of the ASX Listing Rules and the Corporations Act. We will be required to disclose immediately to the ASX any information concerning us that a reasonable person would expect to have a material effect on the price or value of our securities, unless an exception applies at that time. We have adopted a Continuous Disclosure Policy to apply from listing on the ASX which establishes procedures to help ensure that we comply with its disclosure obligations under the Corporations Act and ASX Listing Rules. Information will be communicated to Shareholders through the lodgement of all relevant financial and other information with the ASX and continuous disclosure announcements will be made available on our website at www.wisetechglobal.com.

6.5.5.2. Securities Trading Policy

We have adopted a Securities Trading Policy which will apply to WiseTech and its Directors, officers, senior executives, employees, contractors and their connected persons (including those persons having authority and responsibility for planning, directing and controlling our activities, whether directly or indirectly) (Restricted Persons). The policy is intended to explain the types of conduct in dealings in securities that are prohibited under the Corporations Act and establish optimized procedures for the buying and selling of securities that protects us and Directors and employees against the misuse of unpublished information which could materially affect the value of securities.

Subject to certain exceptions, including exceptional financial circumstances, the policy defines certain 'prohibited periods' during which trading in Shares by our Restricted Persons is prohibited.

Those prohibited periods are currently defined as the following periods:

- one week prior to our year end until the business day after the release of the full year results;
- one week prior to our half year end until the business day after the release of the half yearly results;
- during the one week prior to the company's annual general meeting; and
- any additional periods imposed by the Board from time to time (e.g. when we are considering matters which are subject to ASX Listing Rule 3.1A).

However, even if a prohibited period is not operating, Restricted Persons must not trade in our securities at that time if they are in possession of inside information. Additionally, outside these periods, Restricted Persons must receive clearance for any proposed dealing in Shares and, in all instances, buying or selling Shares is not permitted at any time by any person who possesses price-sensitive information.

6.5.5.3. Whistleblower Policy

We are committed to promoting and supporting a culture of corporate compliance and ethical behaviour. We have adopted a Whistleblower Policy to apply from listing on the ASX which encourage employees to raise any concerns and report instances of illegal or unethical behaviour, without fear. The Whistleblower Policy establishes the mechanisms and procedures for employees to report unethical or illegal conduct in a manner which protects the whistleblower and gathers the necessary information for us to investigate such reports and act appropriately.

6.5.5.4. Conduct Principles

We are committed to maintaining ethical standards in the conduct of our business activities. Our reputation as an ethical business organization is important to our ongoing success. We have established a set of Conduct Principles which are expected to guide the behaviour of all of our Directors, employees, and contractors. These Principles embrace many of the values which are essential to our continued success.

These Principles outline the standards of responsibility and ethical conduct expected of all our Directors, employees and contractors. Consistent with our culture, these Principles are not a prescriptive set of rules, but rather a practical set of principles giving direction and reflecting our approach to business conduct.

6.5.5.5. Diversity Principles

We value a strong and diverse workforce and are committed to diversity and inclusion in our workplace. We have implemented Diversity Principles which are designed to foster a culture and business model that values and achieves diversity in our workforce and on our Board. We aim to do so through:

- promoting the principles of merit and fairness when making decisions about recruitment, development, promotion, remuneration and flexible work arrangements;
- recruiting from a diverse pool of qualified candidates, making efforts to identify prospective employees who have diversity attributes and seeking to ensure diversity of those involved in selection processes when selecting and appointing new employees and Board members;
- embedding the importance of diversity within the Company's culture by encouraging and fostering a commitment to diversity by leaders at all levels;
- recognising that employees may have family responsibilities; and
- reinforcing with our people that in order to have a properly functioning and diverse workplace, discrimination, harassment, vilification and victimisation will not be tolerated.

6.5.5.6. Risk Management Principles

The recognition and appropriate management of risks are viewed by us as integral to our objectives of creating and maintaining shareholder value, and to the successful execution of our strategies. The Board has adopted a set of risk management principles appropriate for our business. These principles guide the highlighting of risks relevant to our operations and our commitment to designing and implementing systems and methods to appropriately manage our risks.

The Board is responsible for risk oversight and the management and internal control of the processes by which risk is considered for ongoing operations and prospective actions. The Board may delegate these functions to the Audit and Risk Management Committee or a separate risk committee in the future. The Board will regularly undertake reviews of risk management procedures to ensure risks continue to be identified and appropriately managed.

6.5.5.7. Communication Principles

The Board's aim is to ensure that Shareholders are provided with sufficient information to assess our performance and that they are informed of all major developments affecting our state of affairs that are relevant to Shareholders, in accordance with all applicable laws. Information will be communicated to Shareholders by lodging information required by our continuous disclosure obligations with the ASX and publishing information on our website.

6.6. Related party transactions

As set out in Section 6.1, certain Directors hold directorships with other entities. These entities may transact with us from time to time. Any such transactions occur in the normal course of business, and the terms and conditions of the transactions are no more favorable than those available, or which might reasonably be expected to be available, for similar transactions with unrelated entities on an arm's-length basis.

The Group is party to the following arrangements with entities associated with its CEO, Richard White and Maree Isaacs:

- **US office lease agreement and data center services agreement:** WiseTech Global (US), Inc., is a party to a lease agreement and a data center services agreement with RealWise Investments LLC, a company in which RealWise Holdings Pty Limited (in which Richard White and Maree Isaacs are both shareholders) is the sole shareholder. The lease is for the building in Chicago which houses our principal North American offices, and the data center services agreement is to obtain capacity and services for our North American Data Center. Payments under this lease and data-centre services agreements total approximately US$87,000 per month.
- **US building services:** Additionally, we are party to a services agreement with RealWise Investments LLC, which provides for RealWise Investments LLC to receive certain services from WiseTech Global (US), Inc., in respect of maintenance of the office premises and data center premises. Annual payments by RealWise Investments LLC to WiseTech Global (US), Inc. are based on hourly rates may increase or decrease depending on the amount of personnel resources actually used by RealWise Investments LLC and are not material.
- **Australian office space and administrative services:** We are a party to a services agreement with RealWise Holdings Pty Limited which provides for RealWise Holdings Pty Limited to utilise office accommodation and receive administrative services from us. At the Prospectus Date, RealWise Holdings Pty Limited holds 57.45% of the shares in WiseTech Global Limited and is a company in which Richard White and Maree Isaacs are both shareholders. Payments under this services agreement total approximately $1,500 per month.
- **Residential leases:** We lease 2 residential apartments in Sydney from RealWise Holdings Pty Limited and a residential house in Chicago from RealWise US for use by employees when visiting those locations. Payments under these leases total approximately $9,400 per month.

Payment above are calculated excluding applicable taxes.

Our non-executive Directors believe that the arrangements set out above are each on arm's length terms and that the risks faced by us from any or all of these contracts are not materially different from or are more favourable to us than those it would face had any or all of these contracts had been entered into with a counterparty without the connections to Richard White and/or Maree Isaacs described in this Section 6.6.

7 Details of the offer

7. Details of the offer

7.1. Description of the Offer

This Prospectus relates to an initial public offering of new Shares by WiseTech and the sale of existing Shares by SaleCo.

Under the Offer, the Company will offer Shares in number equal to at least $100m divided by the Final Price and up to $150m divided by the Final Price SaleCo will offer up to 16.9m Shares. The number of these Shares to be offered (and the Final Price at which they will be offered) will be determined by Company and SaleCo as part of the Bookbuild. These Shares will be available for investors under the Institutional Offer, Broker Firm Offer, Priority Offer, Employee Offer, and to Australian employees who elect to re-invest their FY15 and FY16 bonuses into Shares on Completion (as described in Section 6.3.4.2).

In addition, the Company will also offer Shares under the Employee Gift Offer and may be required to grant to two existing institutional investors (who are not associated with any Directors or existing substantial Shareholders) Shares under existing arrangements depending on the Final Price (as described in Section 9.4).

The actual number of Shares available under the Offer (and on issue on Completion) will therefore depend on the Final Price, the extent to which Shares are determined to be offered by the Company and SaleCo, and the extent to which Eligible Gift Employees take up the Employee Gift Offer. (For the purposes of calculations in this Prospectus, we assume all Eligible Employees take up the Employee Gift Offer in full).

On Completion, based on a Mid-Point Price, Existing Shareholders will hold between approximately 81.4% and 87.2% of Shares on issue. Shares held by certain Existing Shareholders (representing between approximately 70.9% and 76.5% of Shares on issue at Completion) will be subject to the voluntary escrow agreements described in Section 6.4.

Successful applicants under the Offer (other than the Employee Gift Offer) will pay the Final Price. The Final Price will be determined as part of the Bookbuild and may be set at a price below, within or above the Indicative Price Range. We will announce the Final Price and final Share numbers above following the Bookbuild for the Institutional Offer and prior to commencement of trading on the ASX.

The Offer is made on the terms, and is subject to the conditions, set out in this Prospectus. All Shares will rank equally with each other.

7.1.1. Structure of the Offer

The Offer comprises the Retail Offer and the Institutional Offer, each described below:

- the Retail Offer, which consists of:
  - the Broker Firm Offer, which is open to Australian resident retail clients of Brokers who have received a firm allocation of Shares from their Broker (see Section 7.3.1);
  - the Priority Offer, which is open to selected investors in Australia nominated by us (see Section 7.3.2);
  - the Employee Offer, which is open to Eligible Employees (see Section 7.3.3); and
  - the Employee Gift Offer, which is open to Eligible Gift Employees (see Section 7.3.4); and
- the Institutional Offer, which consists of an offer to Institutional Investors in Australia and certain other jurisdictions around the world, made under this Prospectus or an Institutional Offering Memorandum, as applicable (see Section 7.4).

In addition, we will offer Shares and Shares Rights to certain employee pursuant to the offers described in Section 7.5.

There is no general public offer.

The allocation of Shares between the Retail Offer and the Institutional Offer will be determined by agreement between ourselves, SaleCo and the Joint Lead Managers, having regard to the allocation policies outlined in Sections 7.3, 7.4 and 7.5.

7.1.2. Purpose of the Offer and use of Offer proceeds

The purpose of the Offer is to:

- provide funding and financial flexibility to support our growth strategy and future growth opportunities;
- repay, in part, existing debt;
- enable existing shareholders to partially monetise their investment;
- broaden our shareholder base; and
- provide us with the benefits of an increased brand profile that arises from being a listed entity.

The proceeds of the Offer received by us will be applied as described in Figure 28. The extent of the increase in cash shown in Figure 28 will vary depending on the value of Shares we determine to issue under the Offer (between $100m and 150m). At any value across this range, we will apply funds received (along with other funds we have access to) for general corporate purposes, including potentially to fund further acquisitions (with additional funds available for these purposes the greater the amount we raise under the Offer).

The proceeds of the Offer received by SaleCo in respect of the sale of Shares by it will be paid to SaleCo and paid by SaleCo to the Selling Shareholders.

Figure 28: Sources and uses of funds

Based on the Mid-Point Price the total gross proceeds of the Offer will be $181.7m, which is calculated as the number of Shares assumed to be issued by WiseTech at the Mid-Point Price and 16.9m Shares transferred by SaleCo, multiplied by the Mid-Point Price.

Sources	$m	Uses	$m
WiseTech			
Cash proceeds received by us	125.0	Offer costs (1)	19.3
		Debt repayment	26.4
		Employee incentive close out(2)	5.4
		Increase in cash(3)	73.9
SaleCo			
Cash proceeds received by SaleCo from the sale of existing Shares by SaleCo	56.7	Payments to Selling Shareholders	56.7
Total sources	**181.7**	**Total uses**	**181.7**

Notes:

(1) Represents total Offer costs of $20.1m at the Mid-Point Price including option premiums related to the Offer less $0.8m of costs already paid as at 31 December 2015.

(2) Refer to Section 4.12.2.3

(3). Increase in cash excludes $1.5m of pre-IPO dividend included in the Pro Forma Historical Statement of Financial Position but which will be paid from existing cash prior to Completion and not from the cash proceeds of the Offer.

7.1.3. Pro Forma Historical Statement of Financial Position

Our Pro Forma Historical Statement of Financial Position following Completion, including details of the pro forma adjustments, is set out in Section 4.5.

7.1.4. Capitalisation and indebtedness

Our capitalisation and indebtedness as at 31 December 2015, before and following Completion, are set out in Section 4.6.

7.1.5. Ownership structure of WiseTech

Our ownership structure on the Prospectus Date and as expected at the Mid-Point Price, on Completion, are set out below.

Figure 29: Ownership structure

	Prospectus Date		Shares held on Completion(1) (based on selldown range)			
Shareholder	**Shares**	**%**	**Min. selldown Shares**	**%**	**Max. selldown Shares**	**%**
Richard White(2)(3)	150,771,269	59.71%	150,627,342	51.85%	145,989,759	50.26%
Charles Gibbon(4)	21,348,297	8.46%	21,348,297	7.35%	20,000,000	6.88%
Michael Gregg(5)	16,948,188	6.71%	16,948,188	5.83%	15,298,188	5.27%
Maree Isaacs(6)(7)	11,846,360	4.69%	11,846,360	4.08%	11,433,943	3.94%
Andrew Harrison	–	–	–	–	–	–
Other existing shareholders	51,572,981	20.43%	52,521,290	18.08%	43,682,897	15.04%
New shareholders	–	–	37,202,381	12.81%	54,089,071	18.62%
Total	**252,487,095**	**100.00%**	**290,493,858**	**100.00%**	**290,493,858**	**100.00%**

Notes:

(1) Based on the Mid-Point Price. Refer also to Section 6.3.3 for information on Shares expected to be on issue on Completion.

(2) At the Prospectus Date, Richard White holds 17,560,159 Shares in his own name and controls, and holds 91.83% of the shares in RealWise Holdings Pty Limited, which in turn holds 145,057,470 Shares. As at the Prospectus Date, Richard can therefore control the voting or disposal of 162,617,629 Shares (64.41%). Richard's 150,771,269 Shares shown in this table (59.71%) reflects the Shares he holds directly, and 91.83% of the Shares held by RealWise Holdings Pty Limited, reflecting his economic interest in the Company at the Prospectus Date.

(3) At Completion at the Mid-Point Price, Richard White is expected to hold 17,416,232 Shares in his own name and control, and hold 91.83% of the shares in RealWise Holdings Pty Limited, which in turn is expected to hold between 140,007,470 and 145,057,470 Shares. At Completion, Richard may control the voting or disposal of up to 162,473,702 Shares (approximately 55.93%). Richard's Shares held on Completion shown in this table reflects the Shares he is expected to hold directly, and 91.83% of the Shares expected to be held by RealWise Holdings Pty Limited, reflecting his expected approximate economic interest in the Company at Completion.

(4) Charles Gibbon holds Shares through Fabemu (No. 2) Pty Limited as trustee for the Gibbon Superannuation Fund of which he and his wife are members. Charles Gibbon is a director of Fabemu (No. 2) Pty Limited.

(5) At the Prospectus Date, Michael Gregg's holding of Shares reflects 7,059,523 Shares (2.80%) held by Michael John Gregg and his wife, Suzanne Jane Gregg, and 9,888,665 Shares (3.92%) held by MSG Holdings Pty Limited as trustee for MJ & SJ Gregg Super Fund of which Michael is a beneficiary. Michael Gregg is a director of MSG Holdings Pty Limited.

(6) At the Prospectus Date, Maree Isaacs holds 8.17% of the Shares in RealWise Holdings Pty Limited, which in turn holds 145,057,470 Shares. Maree's 11,846,360 Shares shown in this table (4.69%) reflects her economic interest in the Company at the Prospectus Date.

(7) At Completion, Maree Isaacs is expected to hold 8.17% of the Shares in RealWise Holdings Pty Limited, which in turn is expected to hold between 140,007,470 and 145,057,470 Shares held on Completion. Maree's Shares held on Completion shown in this table reflects her expected approximate economic interest in the Company at Completion.

Under separate, pre-existing arrangements, certain existing Shareholders (with an aggregate Shareholding holding on the Prospectus Date of approximately 1.0% and who are not associated with any Director or existing substantial Shareholders) may be entitled to be transferred Shares from Richard White or RealWise Holdings Pty Ltd (for nil consideration) depending on the Final Price. For example, if the Final Price is set at the top of the Indicative Price Range ($4.12), no Shares will be transferred to these Shareholders. If the Final Price is set at the Mid-Point Price or the bottom of the Indicative Price Range, Shares representing, in total, approximately 0.05% and 0.31% respectively of Shares on Completion, would be transferred to these Shareholders.

The effect of these arrangements has been reflected in the above. The Company is not party to these arrangements and they have no effect on the Final Price or proportionate shareholding in the Company that incoming investors will represent on Completion.

7.1.6. Control implications of the Offer

Richard White, through his shareholding in RealWise and Shares held directly by him (refer to Section 6.3.1.6) is expected to hold a significant and potentially controlling shareholding on Completion (as defined in section 50AA of the Corporations Act). For example, on the basis he controls all of the shares in RealWise Holdings Pty Ltd, he may control between approximately 50.26% and 55.93% of Shares on Completion respectively.

7.1.7. Potential effect of the fundraising on the future of WiseTech

The Directors believe that on Completion, we will have sufficient funds available from the Offer and our operations to fulfil the purposes of the Offer and meet our stated business objectives during the Forecast Period.

7.2. Terms and conditions of the Offer

Topic	Summary
What is the type of security being offered?	Shares (being fully paid ordinary shares in WiseTech Global Limited).
What are the rights and liabilities attached to the security being offered?	A description of the Shares, including the rights and liabilities attaching to them, is set out in Section 7.8.4.
What is the consideration payable for the Shares?	The Indicative Price Range for the Offer is $2.58 to $4.12 per Share. Successful applicants under the Offer (other than the Employee Gift Offer) will pay the Final Price, which will be determined as part of the Bookbuild and may be set below, within or above the Indicative Price Range. Applicants under the Retail Offer will apply for a set dollar amount of Shares. Accordingly, applicants will not know the number of Shares they will receive at the time they make their investment decision, nor will they know the Final Price or the total Shares offered. Except as required by law, applicants cannot withdraw or vary their applications.
What is the Offer period?	The key dates, including the details of the Offer period, are set out on page 2. This timetable is indicative only and may change. Unless otherwise indicated, all times are stated in Sydney time. We reserve the right to vary the times and dates without notice (including, subject to the ASX Listing Rules and the Corporations Act, to close the Offer early, to extend the Offer period relating to any component of the Offer, or to accept late applications, either generally or in particular cases, or to cancel or withdraw the Offer before Settlement, in each case without notifying any recipient of this Prospectus or applicants). Offers may be made and maybe open for acceptance under this Prospectus either generally or in particular cases including Completion or, subject to the Corporations Act, thereafter, at the discretion of the Directors. If the Offer is cancelled or withdrawn before the allocation of Shares, then all application monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act.
What are the cash proceeds to be raised?	$181.7m cash is expected to be raised under the Offer (at the Mid-Point Price).
Is the Offer underwritten?	No. The Offer is not underwritten.
Who are the Joint Lead Managers for the Offer?	The Joint Lead Managers are Credit Suisse (Australia) Limited and Morgan Stanley Australia Securities Limited.

Topic	Summary
What is the minimum and maximum application size under the Retail Offer?	The minimum application under the Broker Firm Offer is as directed by the applicant's Broker and there is no maximum value of Shares that may be applied for under the Broker Firm Offer. We, along with the Joint Lead Managers and SaleCo, reserve the right to treat any applications in the Broker Firm Offer that are from persons who they believe may be Institutional Investors, as Final Price bids in the Institutional Offer or to reject the applications. We, along with the Joint Lead Managers and SaleCo, also reserve the right to aggregate any applications believed to be multiple applications from the same person. Applications under the Priority Offer must be for a minimum of $1,000 worth of Shares and in multiples of $500 worth of Shares thereafter. Applications under the Employee Offer are for a minimum of $1,000 worth of Shares and in multiples of $500 thereafter. Under the Employee Gift Offer, Eligible Gift Employees will be offered the opportunity to apply for a gift of up to $1,000 worth of Shares (less in certain jurisdictions outside of Australia for applicable taxes and any other required deductions).
What is the allocation policy?	The allocation of Shares between the Retail Offer and the Institutional Offer will be determined by the Joint Lead Managers by agreement with us and SaleCo, having regard to the allocation policies outlined in Sections 7.3, 7.4 and 7.5. With respect to the Broker Firm Offer, it will be a matter for Brokers to determine how they allocate Shares among their eligible retail clients. The allocation of Shares under the Institutional Offer will be determined by agreement between ourselves, SaleCo and the Joint Lead Managers. We will determine the allocation of Shares under the Priority Offer and Employee Offer. As noted above, all Eligible Gift Employees will be offered the opportunity to apply for a gift of up to $1,000 worth of Shares. For further information on the Employee Gift Offer, refer to Section 7.3.4. Except for Shares to be issued under the Employee Gift Offer, we, along with the Joint Lead Managers and SaleCo, have absolute discretion regarding the allocation of Shares to applicants under the Offer and may reject an application, or allocate fewer Shares than the number or equivalent dollar amount applied for, in our absolute discretion.
When will I receive confirmation that my application has been successful?	It is expected that initial holding statements will be dispatched by standard post on or about 15 April 2016.
Will the Shares be quoted?	We will apply for admission to the Official List of the ASX and quotation of Shares on ASX under the code "WTC". Completion is conditional on the ASX approving this application. If approval is not given within three months after such application is made (or any longer period permitted by law), the Offer will be withdrawn and all application monies received will be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act. We will be required to comply with the ASX Listing Rules, subject to any waivers obtained by us from time to time. ASX takes no responsibility for this Prospectus or the investment to which it relates. The fact that ASX may admit us to the Official List is not to be taken as an indication of the merits of WiseTech or the Shares offered for subscription.

Topic	Summary
When are the Shares expected to commence trading?	It is expected that trading of the Shares on the ASX will commence on 11 April 2016, initially on a conditional and deferred settlement basis. Conditional trading will continue until we have advised the ASX that: (i) the Offer Management Agreement is not terminated and becomes unconditional; (ii) the Shares to be sold by the Selling Shareholders have been transferred to SaleCo; and (iii) we have issued Shares, and SaleCo has transferred Shares, to successful applicants and bidders under the Offer, which is expected to be on or about 14 April 2016. From 14 April 2016, trading will be on an unconditional but deferred settlement basis until we have advised the ASX that holding statements have been dispatched to Shareholders. Normal settlement trading is expected to commence on or about 18 April 2016. If Settlement has not occurred within 14 days (or such longer period as the ASX allows) after the day Shares are first quoted on the ASX, the Offer and all contracts arising on acceptance of the Offer and confirmations of allocations will be cancelled and of no further effect and all application monies will be refunded (without interest). In these circumstances, all purchases and sales made through the ASX participating organisations during the conditional trading period will be cancelled and of no effect. **It is the responsibility of each applicant to confirm their holding before trading in Shares. Applicants who sell Shares before they receive an initial statement of holding do so at their own risk.** We, SaleCo, the Share Registry and the Joint Lead Managers disclaim all liability, whether in negligence or otherwise, to persons who sell Shares before receiving their initial statement of holding, even if such person received confirmation of allocation from the WiseTech Offer Information Line, by a Broker or otherwise.
Are there any escrow arrangements?	Yes. Details are provided in Section 6.4.
Has any ASIC relief or ASX waiver been sought or obtained?	Yes. Details are provided in Sections 9.12 and 9.13.
Are there any tax considerations for Australian investors?	Refer to Section 9.10 and note that it is recommended that all Shareholders consult their own independent tax advisers regarding the income tax, (including capital gains tax) stamp duty and GST consequences of acquiring, owning and disposing of Shares, having regard to their specific circumstances.
Are there any brokerage, commission or stamp duty considerations?	No brokerage, commission or stamp duty is payable by applicants on acquisition of Shares under the Offer. See Section 9.7.1.1 for details of various fees payable by us to the Joint Lead Managers and by the Joint Lead Managers to the Co-Manager.
What should I do with any enquiries?	Enquiries in relation to this Prospectus may be directed to the WiseTech Offer Information Line on 1800 828 558 (toll free within Australia) or +61 1800 828 558 (outside Australia) from 8:30am until 5:30pm (Sydney time) Monday to Friday. Enquiries in relation to the Broker Firm Offer should be directed to your Broker. If you are unclear in relation to any matter or are uncertain as to whether the Company is a suitable investment for you, you should seek professional guidance from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest.

7.3. Retail Offer

7.3.1. Broker Firm Offer

7.3.1.1. Who may apply

The Broker Firm Offer is open to persons who have received a firm allocation of Shares from their Broker and who have a registered address in Australia and are not located in the United States. You should contact your Broker to determine whether your Broker may allocate Shares to you under the Broker Firm Offer.

7.3.1.2. How to apply

If you have received an allocation of Shares from your Broker and wish to apply for those Shares under the Broker Firm Offer, you should contact your Broker for information about how to submit your Broker Firm Offer Application Form and for payment instructions. Applicants under the Broker Firm Offer must not send their Application Forms or payment to the Share Registry.

Applicants under the Broker Firm Offer should contact their Broker to request a Prospectus and Application Form. Your Broker will act as your agent and it is your Broker's responsibility to ensure that your Application Form and application monies are received before 5:00pm (Sydney time) on 5 April 2016 or any earlier closing date as determined by your Broker.

If you are an investor applying under the Broker Firm Offer, you should complete and lodge your Broker Firm Offer Application Form with the Broker from whom you received your firm allocation of Shares. Broker Firm Offer Application Forms must be completed in accordance with the instructions given to you by your Broker and the instructions set out on the reverse of the Application Form.

By making an Application, you declare that you were given access to the Prospectus, together with an Application Form. The Corporations Act prohibits any person from passing an Application Form to another person unless it is attached to, or accompanied by, a hard copy of this Prospectus or the complete and unaltered electronic version of this Prospectus.

Applicants under the Broker Firm Offer should contact their Broker about the minimum and maximum application size. We, SaleCo and the Joint Lead Managers reserve the right to aggregate any applications believed to be multiple applications from the same person. We may determine a person to be eligible to participate in the Broker Firm Offer and may amend or waive the Broker Firm Offer application procedures or requirements, in its discretion in compliance with applicable laws.

We, SaleCo, the Joint Lead Managers and the Share Registry take no responsibility for any acts or omissions committed by your Broker in connection with your application.

The Broker Firm Offer opens at 9:00am (Sydney time) on 29 March 2016 and is expected to close at 5:00pm (Sydney time) on 5 April 2016. We, SaleCo and the Joint Lead Managers may elect to close the Offer or any part of it early, extend the Offer or any part of it, or accept late applications either generally or in particular cases. The Offer or any part of it may be closed at any earlier time and date, without further notice. Your Broker may also impose an earlier closing date. Applicants are therefore encouraged to submit their applications as early as possible. Contact your Broker for instructions.

7.3.1.3. How to pay

Applicants under the Broker Firm Offer must pay their application monies in accordance with instructions provided by their Broker.

7.3.1.4. Allocation policy under the Broker Firm Offer

The allocation of firm stock to Brokers will be determined by agreement between the Joint Lead Managers, ourselves and SaleCo. Shares that have been allocated to Brokers for allocation to their Australian resident clients will be issued or transferred to the applicants nominated by those Brokers. It will be a matter for each Broker as to how it allocates firm Shares among their retail clients, and it (and not ourselves, SaleCo or the Joint Lead Managers) will be responsible for ensuring that retail clients who have received a firm allocation from them receive the relevant Shares.

We, the Joint Lead Managers, SaleCo and the Share Registry disclaim all liability, whether in negligence or otherwise, if you sell Shares before receiving your holding statement, even if you obtained details of your holding from the WiseTech Offer Information Line or confirmed your firm allocation of Shares through a Broker.

We expect to determine the final allocation policy under the Broker Firm Offer on or about 7 April 2015. Applicants under the Broker Firm Offer will also be able to confirm their allocation through the Broker from whom they received their allocation.

However, if you sell Shares before receiving a holding statement, you do so at your own risk, even if you obtained details of your holding from the WiseTech Offer Information Line or confirmed your allocation through a Broker.

7.3.2. Priority Offer

The Priority Offer is open to investors who have received an invitation to participate in the Priority Offer from us and who have a registered address in Australia and are not located in the United States. If you have been invited by us to participate in the Priority Offer, you will be treated as an applicant under the Priority Offer in respect of those Shares that are allocated to you and you will receive a personalised invitation to apply for Shares in the Priority Offer from us.

Your personalised invitation will indicate an amount of Shares for which you may apply. This amount is not a guaranteed allocation but will be granted subject to the overall level of applications received under the Priority Offer. In the event that the demand for Shares under the Priority Offer exceeds the amount of Shares available under the Priority Offer, your application may be scaled back.

We otherwise have absolute discretion regarding the allocation of Shares to applicants in the Priority Offer and may reject an application, or allocate fewer Shares than the number or equivalent dollar amount applied for, in our absolute discretion. We may amend or waive the Priority Offer application procedures or requirements in our discretion in compliance with applicable laws.

Any required refunds will be paid by the Share Registry following the allocation of Shares as set out in Section 7.3.6.

Priority Offer applicants must apply for Shares online and must comply with the instructions on the website, www.wisetechglobal-ipo.com.au. Applications under the Priority Offer for an amount less than the amount indicated on your personalised invitation must be for a minimum of $1,000 worth of Shares and in multiples of $500 worth of Shares thereafter. By making an application, you declare that you were given access to the Prospectus, together with an Application Form. The Corporations Act prohibits any person from passing an Application Form to another person unless it is attached to, or accompanied by, a hard copy of this Prospectus or the complete and unaltered electronic version of this Prospectus.

Payment may be made via BPAY® only. Application monies must be received by the Share Registry by 5:00pm (Sydney time) on 5 April 2016. To make a payment via BPAY®, you will need to apply online at www.wisetechglobal-ipo.com.au and must comply with the instructions on the website. It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5:00pm (Sydney time) on 5 April 2016. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment.

The Priority Offer opens at 8.30am (Sydney time) on 29 March 2016 and is expected to close at 5.00pm (Sydney time) on 5 April 2016. The Company and the Joint Lead Managers may elect to extend the Offer or any part of it, or accept late applications either generally or in particular cases. The Offer, or any part of it, may be closed at any earlier date and time, without further notice (subject to the ASX Listing Rules and the Corporations Act). Applicants are therefore encouraged to submit their applications as early as possible.

We will determine the allocation of Shares to applicants under the Priority Offer and may reject an application, or allocate fewer Shares than applied for.

7.3.3. Employee Offer

The Employee Offer is open to Eligible Employees.

Eligible Employees are persons who are resident in Australia and permanent full time or permanent part-time employees of ours, or a subsidiary of ours, as at 5.00pm (Sydney time) on 17 March 2016 (provided that they remain so employed and have not given, or been given, notice to terminate employment when the Employee Offer closes, which is expected to be on or around 5 April 2016).

Eligible Employees may apply for Shares online and must comply with the instructions on the website, www.wisetechglobal-ipo.com.au. Applications must be received before 5 April 2016. Payment for Shares must be made via BPAY® payment.

The minimum application under the Employee Offer is $1,000 worth of Shares and in multiples of $500 thereafter.

7.3.4. Employee Gift Offer

Eligible Gift Employees are persons who are resident in Australia, New Zealand, the United Kingdom, Singapore, the United States, Canada, and such other jurisdictions as may be approved by the Board, and permanent full-time, permanent part-time employees (including fixed-term employees) of WiseTech Global Limited, or a subsidiary of it, as at 5.00pm (Sydney time) on 17 March 2016 (provided that they remain so employed and have not given, or been given, notice to terminate employment when the Employee Offer closes, which is expected to be on or around 5 April 2016). Employees who are Directors of the Company are not Eligible Gift Employees.

The Employee Gift Offer will allow approximately 446 Eligible Gift Employees to acquire Shares on or about Completion at no cost to the employees. For Eligible Gift Employees in Australia, the Employee Gift Offer will allow them to acquire Shares, at no cost, up to the value of $1,000 (to the nearest number of whole Shares (rounded down) and calculated at the Final Price), free of income tax in accordance with current Australian tax legislation, provided their adjusted taxable income does not exceed $180,000 per annum. The Employee Gift Offer is an Offer by the Company only.

For Eligible Gift Employees in jurisdictions outside of Australia, the precise value of Shares may be above or below $1,000 depending on local factors, including the exchange rate determined by us, the employee's marginal tax rate, local tax laws and other required deductions.

A separate application form in respect of the Employee Gift Offer will be provided to Eligible Gift Employees in or accompanying this Prospectus (including in an electronic form) or the US Employee Placement Document (in the case of the US Employees).

Shares acquired under the Employee Gift Offer are subject to a restriction on disposal such that the participant cannot deal in (i.e., sell or transfer) the Shares for a minimum period of three years (or earlier if the participant's employment ceases). We will implement such arrangements (including a holding lock) as we determine necessary to enforce this restriction.

7.3.5. Acceptance of applications under the Retail Offer

An application in the Retail Offer is an offer by you to us and SaleCo (except the Employee Gift Offer, which is an Offer by the Company only) to apply for Shares in the dollar amount specified in the application form at the Final Price on the terms and conditions set out in this Prospectus (including any supplementary or replacement document) and the application form. At the time of making an application, an applicant will not know the precise number of Shares they will be allocated and the price paid per Share or the number of Shares offered; this will not be known until the Final Price is determined as set out in Section 7.4. To the extent permitted by law, an application by an applicant may not be varied and is irrevocable.

An application may be accepted in respect of the full amount, or any amount lower than that specified in the Application Form, without further notice to the applicant. Acceptance of an application will give rise to a binding contract on allocation of Shares to successful applicants conditional on Settlement and the quotation of Shares on the ASX on an unconditional basis.

We, SaleCo and the Joint Lead Managers reserve the right to reject any application which is not correctly completed or which is submitted by a person whom we believe is ineligible to participate in the Retail Offer, or to waive or correct any errors made by the applicant in completing their application.

The final allocation of Shares to applicants in the Retail Offer will be at our absolute discretion and we may reject an application, or allocate fewer Shares than the number or equivalent dollar amount applied for.

Successful applicants in the Retail Offer will be allotted Shares at the Final Price. Successful Applicants in the Retail Offer will receive the number of Shares equal to the value of their application accepted by us and SaleCo, divided by the Final Price (rounded down to the nearest whole Share). No refunds pursuant solely to rounding will be provided.

7.3.6. Application monies

Application monies received under the Retail Offer will be held in a special purpose account until Shares are issued or transferred to successful applicants. Applicants under the Retail Offer whose applications are not accepted, or who are allocated a lesser dollar amount of Shares than the amount applied for, will be mailed (or otherwise in our discretion provided with) a refund (without interest) of all or part of their application monies, as applicable. No refunds pursuant solely to rounding will be provided. Interest will not be paid on any monies refunded and any interest earned on application monies pending the allocation or refund will be retained by us.

You should ensure that sufficient funds are held in the relevant account(s) to cover the amount of your BPAY® payment. If the amount of your BPAY® payment for application monies is less than the amount specified on the Application Form, you may be taken to have applied for such lower dollar amount of Shares.

7.4. Institutional Offer

7.4.1. Invitations to bid

We and SaleCo invite certain eligible Institutional Investors to bid for Shares in the Institutional Offer. The Institutional Offer will be in two parts:

- an invitation to Australian and New Zealand resident Institutional Investors to bid for Shares – made under this Prospectus; and
- an invitation to Institutional Investors in jurisdictions outside Australia and New Zealand – made under an Institutional Offering Memorandum.

7.4.2. Institutional Offer and the Indicative Price Range

The Institutional Offer will be conducted using a Bookbuild process managed by the Joint Lead Managers. Full details of how to participate, including bidding instructions, will be provided to eligible participants by the Joint Lead Managers.

Participants can only bid into the Bookbuild for Shares through the Joint Lead Managers. They may bid for Shares at specific prices or at the Final Price. Participants may bid above or within the Indicative Price Range, which is $2.58 to $4.12 per Share. Under the terms of the Offer Management Agreement, the Final Price (and the total number of Shares offered) will be determined by agreement between the Joint Lead Managers, ourselves and SaleCo, after the close of the Retail Offer (as part of the Bookbuild) as described in this Section 7.4. The Institutional Offer will open on 6 April 2016 and close on 7 April 2016.

The Joint Lead Managers, ourselves and SaleCo reserve the right to vary the times and dates of the Offer, including to close the Offer early, extend the date the Offer closes or accept late applications or bids, either generally or in particular cases, without notification.

Bids in the Institutional Offer may be amended or withdrawn at any time up to the close of the Institutional Offer. Any bid not withdrawn at the close of the Institutional Offer is an irrevocable offer by the relevant bidder to apply or procure applicants for the Shares bid for (or such lesser number as may be allocated) at the price per Share bid or at the Final Price, where this is below the price per Share bid, on the terms and conditions set out in this Prospectus (including any supplementary or replacement document) and in accordance with any bidding instructions provided by the Joint Lead Managers to participants.

Bids can be accepted or rejected in whole or in part without further notice to the bidder. Acceptance of a bid will give rise to a binding contract on allocation of Shares to successful bidders conditional on Settlement and the quotation of Shares on ASX on an unconditional basis.

Details of the arrangements for notification and settlement of allocations applying to participants in the Institutional Offer will be provided to participants in the Bookbuild process.

7.4.3. Final Price

The Bookbuild will be used to determine the Final Price (and the total number of Shares offered). Under the terms of the Offer Management Agreement, the Final Price will be determined by agreement between the Joint Lead Managers, ourselves and SaleCo after the close of the Retail Offer and the Institutional Offer.

It is expected that the Final Price will be announced to the market on 8 April 2016. In determining the Final Price, consideration will be given to, but will not be limited to, the following factors:

- the level of demand for Shares under the Institutional Offer at various prices;
- the level of demand for Shares under the Retail Offer;
- the objective of maximising the proceeds of the Offer; and
- the desire for an orderly secondary market in the Shares.

The Final Price will not necessarily be the highest price at which Shares could be sold. The Final Price may be set below, within or above the Indicative Price Range. All successful bidders under the Institutional Offer will pay the Final Price.

7.4.4. Allocation policy under the Institutional Offer

The allocation of Shares among bidders in the Institutional Offer will be determined by agreement between the Joint Lead Managers, ourselves and SaleCo. We, the Joint Lead Managers and SaleCo have absolute discretion regarding the basis of allocation of Shares among Institutional Investors.

The initial determinant of the allocation of Shares under the Institutional Offer will be the Final Price. Bids lodged at prices below the Final Price will not receive an allocation of Shares.

The allocation policy will also be influenced by, but not constrained by, the following factors:

- the price and number of Shares bid for by particular bidders;
- our desire for an informed and active trading market following listing on the ASX;
- our desire to establish a wide spread of institutional shareholders;
- the overall level of demand under the Retail and Institutional Offers;
- the timeliness of the bid by particular bidders; and
- any other factors that we, the Joint Lead Managers and SaleCo consider appropriate, in our sole discretion.

7.5. Other offers under this Prospectus

Offers of Shares and Share Rights, as referred to in Sections 6.3.4.2 and 6.3.3, will be open to employees who have received a personalised Application Form from us to participate in these offers.

If you have been invited by us to participate in these offers, you will be treated as an applicant under them in respect of those Shares or Share Rights that are allocated to you.

If you have received an invitation referred to above and you wish to apply for Shares or Share Rights (as applicable), you should follow the instructions in your personalised application form. Shares or Share Rights (as applicable) will be granted to recipients as set out in each recipient's invitation.

7.6. Restrictions on distribution

No action has been taken to register or qualify this Prospectus, the Shares or the Offer or otherwise to permit a public offering of the Shares in any jurisdiction outside Australia.

This Prospectus does not constitute an offer or invitation to subscribe for Shares in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or invitation or issue under this Prospectus.

This Prospectus may not be released or distributed in the United States or elsewhere outside Australia, unless it is attached to, or constitutes part of, the Institutional Offering Memorandum and only distributed to persons to whom the Institutional Offer may lawfully be made in accordance with the laws of any applicable jurisdictions, or unless it is attached to, or constitutes part of, the US Employee Placement Document in connection with the US Employee Placement.

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States and may not be offered or sold, directly or indirectly, in the United States except in accordance with an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

Each applicant in the Broker Firm Offer, Priority Offer and the Empoloyee Offer and each person in Australia and New Zealand to whom the Institutional Offer is made under this Prospectus, will be taken to have represented, warranted and agreed as follows:

- it understands that the Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws;
- it is not in the United States;
- it has not and will not send the Prospectus or any other material relating to the Offer to any person in the United States; and
- it will not offer or sell the Shares in the United States or in any other jurisdiction outside Australia except in transactions exempt from, or not subject to, registration under the US Securities Act and in compliance with all applicable laws in the jurisdiction in which Shares are offered and sold.

Any offer, sale or resale of the Shares in the United States by a dealer (whether or not participating in the Offer) may violate the registration requirements of the US Securities Act if made prior to 40 days after the date on which the Offer Price is determined and the Shares are allocated under the Offer or if such Shares were purchased by a dealer under the Offer.

Each applicant under the Institutional Offer will be required to make certain representations, warranties and covenants set out in the confirmation of allocation letter distributed to it.

7.7. Discretion regarding the Offer

We and SaleCo may withdraw the Offer at any time before the issue or transfer of Shares to successful applicants or bidders. If the Offer, or any part of it, does not proceed, all relevant application monies will be refunded (without interest).

We, SaleCo and the Joint Lead Managers also reserve the right to close the Offer or any part of it early, extend the Offer or any part of it, accept late applications or bids either generally or in particular cases, reject any application or bid, or allocate to any applicant or bidder fewer Shares than applied or bid for.

7.8. ASX listing, registers and holding statements, and conditional and deferred settlement trading

7.8.1. Application to the ASX for listing and quotation of Shares

We will apply to the ASX for admission to the Official List and quotation of Shares on the ASX (which is expected to be under the code 'WTC').

ASX takes no responsibility for this Prospectus or the investment to which it relates. The fact that the ASX may admit us to the Official List is not to be taken as an indication of the merits of WiseTech or the Shares (or Share Rights) offered for subscription under this Prospectus.

If permission is not granted for the official quotation of the Shares on the ASX within three months after such application is made (or any later date permitted by law), all application monies received by us and SaleCo will be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act.

Subject to certain conditions (including any waivers obtained by us from time to time), the Company will be required to comply with the ASX Listing Rules.

7.8.2. CHESS and issuer sponsored holdings

We will apply to participate in the ASX's Clearing House Electronic Sub-register System (**CHESS**) and will comply with the ASX Listing Rules and the ASX Settlement Operating Rules. CHESS is an electronic transfer and settlement system for transactions in securities quoted on the ASX under which transfers are effected in an electronic form.

When the Shares become approved financial products (as defined in the ASX Settlement Operating Rules), holdings will be registered in one of two sub-registers, being an electronic CHESS sub-register or an issuer sponsored sub-register. For all successful applicants, the Shares of a Shareholder who is a participant in CHESS or a Shareholder sponsored by a participant in CHESS will be registered on the CHESS sub-register. All other Shares will be registered on the issuer sponsored sub-register.

Following Completion, Shareholders will be sent a holding statement that sets out the number of Shares that have been allocated to them. This statement will also provide details of a Shareholder's Holder Identification Number (**HIN**) for CHESS holders or, where applicable, the Securityholder Reference Number (**SRN**) of issuer sponsored holders. Shareholders will subsequently receive statements showing any changes to their holding. Certificates will not be issued.

Shareholders will receive subsequent statements during the first week of the following month if there has been a change to their holding on the register and as otherwise required under the ASX Listing Rules and the Corporations Act. Additional statements may be requested at any other time either directly through the Shareholder's sponsoring broker in the case of a holding on the CHESS sub-register or through the Share Registry in the case of a holding on the issuer sponsored sub-register. We and the Share Registry may charge a fee for these additional issuer sponsored statements.

7.8.3. Conditional and deferred settlement trading and selling Shares on-market

It is expected that the Shares will commence trading on the ASX on or about 11 April 2016, initially on a conditional and deferred settlement basis.

The contracts formed on acceptance of applications and bids will be conditional on the ASX agreeing to quote the Shares on the ASX, and on settlement occurring under the Offer Management Agreement and SaleCo's acceptance of the irrevocable offers to sell Shares to be made by the Selling Shareholders to SaleCo. Trades occurring on the ASX before Completion will be conditional on Completion occurring.

If the Offer is withdrawn after Shares have commenced trading on a conditional and deferred settlement basis, all contracts for the sale of the Shares on the ASX would be cancelled and any application monies received would be refunded as soon as possible (without interest).

Conditional trading will continue until the Company has advised the ASX that Settlement has occurred, which is expected to be on or about 14 April 2016. Trading will then be on an unconditional but deferred delivery basis until we have advised the ASX that holding statements have been dispatched to Shareholders. Normal settlement trading is expected to commence on or about 18 April 2016.

If Settlement has not occurred within 14 days (or such longer period as the ASX allows) after the day Shares are first quoted on the ASX, the Offer and all contracts arising on acceptance of the Offer and confirmations of allocations will be cancelled and of no further effect and all application monies will be refunded (without interest). In these circumstances, all purchases and sales made through the ASX participating organisations during the conditional trading period will be cancelled and of no effect.

To assist applicants in determining their allocation prior to receipt of a holding statement, we will announce details of pricing and the basis of allocations in various newspapers on 8 April 2016. After the basis for allocations has been determined, applicants will also be able to call the WiseTech Offer Information Line on 1800 828 558 (toll free within Australia) or +61 1800 828 558 (outside Australia) in each case, open from 8:30am to 5:30pm (Sydney time) Monday to Friday until Completion, or their Broker to confirm their allocations.

It is the responsibility of each person who trades in Shares to confirm their holding before trading in Shares. If you sell Shares before receiving a holding statement, you do so at your own risk. We, the Joint Lead Managers, SaleCo and the Share Registry disclaim all liability, whether in negligence or otherwise, if you sell Shares before receiving your holding statement, even if you obtained details of your holding from the WiseTech Offer Information Line or confirmed your firm allocation of Shares through a Broker.

7.8.4. Summary of rights and liabilities attaching to Shares and other material provisions of the Constitution

The rights and liabilities attaching to the ownership of the Shares arise from a combination of the Constitution, statute, the ASX Listing Rules and general law.

A summary of the significant rights, liabilities and obligations attaching to the Shares and a description of other material provisions of the Constitution are set out below. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of Shareholders. The summary assumes that we are admitted to the Official List.

7.8.4.1. Voting at a general meeting

At our general meetings, every Shareholder present in person or by proxy, representative or attorney has one vote on a show of hands and, on a poll, one vote for each fully paid share held by the Shareholder.

7.8.4.2. Meetings of members

Each Shareholder is entitled to receive notice of, attend, and vote at, our general meetings and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, the Corporations Act and the ASX Listing Rules.

Except as permitted by the Corporations Act, general meetings must be called on at least the minimum of days' notice required by the Corporations Act (which at the Prospectus Date is 28 days) and otherwise in accordance with the procedures set out in the Corporations Act.

7.8.4.3. Dividends

The Board may by resolution either:

- declare a dividend and fix the amount, the time for and method of payment and fix the time for determining entitlement to such dividend; or
- determine a dividend or interim dividend is payable and fix the amount, the time for and method of payment. For further information in respect of the Company's proposed dividend policy, see Section 4.15.

7.8.4.4 Authority to capitalise profits

The Constitution authorises the Board to resolve to capitalise any part of the Company's profit. If this occurs, it may use it to benefit those Shareholders who are entitled to dividends in the proportions that would apply if the entire amount of the profits to be capitalised were a dividend. The benefit may be given in any or all of the following ways:

- in paying up an amount unpaid on Shares already issued;
- in paying up in full any unissued Shares or other securities in the Company; and/or
- any other method permitted by law or the ASX Listing Rules.

7.8.4.5. Transfer of Shares

Subject to the Constitution, Shares may be transferred by a proper transfer effected in accordance with the ASX Listing Rules or the ASX Settlement Operating Rules. Subject to compliance with the ASX Listing Rules and the ASX Settlement Operating Rules, Shares may be transferred by a written instrument of transfer in any usual or common form or by any other form approved by the Directors.

The Board may, in its absolute discretion, refuse to register a transfer of Shares in any of the circumstances permitted by the ASX Listing Rules. The Board must refuse to register a transfer of Shares when required to do so by the ASX Listing Rules.

7.8.4.6. Issue of further shares

Subject to the Corporations Act, the ASX Listing Rules and the Constitution, the Directors may issue and allot, or dispose of, shares on terms determined from time to time by the Directors at an issue price that the Directors determine from time to time and to shareholders whether in proportion to their existing shareholdings or otherwise, or to such other persons as the Directors may determine from time to time. The Directors' power under the Constitution includes the power to grant options over unissued shares and issue and allot shares; with any preferential, deferred or special rights, privileges or conditions subject to applicable shareholder approval requirements under the Corporation Act; with any restrictions in regard to dividend, voting, return of capital or otherwise; which are liable to be redeemed or converted; or which are bonus shares for whose issue no consideration is payable to us.

7.8.4.7. Winding up

Without prejudice to the rights of the holders of shares issued on special terms and conditions, if we are wound up, the liquidator may, with the sanction of a special resolution, divide among the shareholders in kind all or any of our assets; and for that purpose, determine how it will carry out the division between the different classes of shareholders, but the liquidator may not require a shareholder to accept any shares or other securities in respect of which there is any liability.

7.8.4.8. Non-marketable parcels

Where we comply with the relevant procedure outlined in the Constitution, we may sell the Shares of a Shareholder who holds less than a marketable parcel of Shares.

7.8.4.9. Share buy-backs

Subject to the Corporations Act and the ASX Listing Rules, we may buy Shares on terms and at times determined by the Board.

7.8.4.10. Variation of class rights

At present, our only class of shares on issue is Shares. The rights attached to any class of shares may be varied in accordance with the Corporations Act.

7.8.4.11. Reduction of share capital

Subject to the Constitution, Corporations Act and ASX Listing Rules, we may reduce our share capital in any way permissible by the Corporations Act.

7.8.4.12. Dividend reinvestment plan

The Constitution provides that the Directors may establish a plan under which Shareholders may elect to reinvest cash dividends paid or payable by us, by acquiring by way of issue or transfer (or both) Shares or financial products of any other body. The Directors have no current intention to establish a dividend reinvestment plan.

7.8.4.13. Directors – appointment and rotation

Under the Constitution, the minimum number of Directors that may comprise the Board is three and the maximum number of Directors is ten unless determined otherwise by the Board. Directors are elected at our general meetings. Retirement will occur on a rotational basis so that no Director (excluding the managing Director) holds office without re-election beyond the third annual general meeting following the meeting at which the Director was last elected or three years, whichever is longer. The Directors may also appoint a Director to fill a casual vacancy on the Board or in addition to the existing Directors, who will then hold office until our next annual general meeting.

7.8.4.14. Directors – voting

Questions arising at a meeting of the Board will be decided by a majority of votes of the Directors present at the meeting and entitled to vote on the matter. Subject to the ASX Listing Rules, in the case of an equality of votes on a resolution, the chairperson of the meeting has a casting vote in addition to a deliberative vote.

7.8.4.15. Directors – remuneration

The Directors, other than an executive Director, may be paid by way of fees for services up to the maximum aggregate sum per annum as may be approved from time to time by Shareholders in general meeting. The current maximum aggregate sum per annum is $900,000, with the initial remuneration of the Directors set out in Section 6.3.1.4. Any change to that maximum aggregate sum needs to be approved by Shareholders. Pursuant to the Constitution, non-executive Directors may also be paid all travelling, accommodation and other expenses properly incurred by them in attending and meetings of the Directors or any committee of the Directors or general meetings of the Company or otherwise in connection with the Company's business.

7.8.4.16. Indemnities

We, to the extent permitted by law, indemnify every person who is or has been a Director or secretary of the Company against any liability incurred by that person as an officer of the Company (including liabilities incurred by the officer as a Director or secretary of a subsidiary of the Company where we nominated or appointed the officer to that position), and legal costs incurred by that person as an officer of the Company (including such legal costs incurred by the officer as an officer of a subsidiary of the Company where we nominated or appointed the officer to that position). We, to the extent permitted by law, may advance to an officer an amount which it might otherwise be liable to pay to the officer in respect of legal costs under the terms of the indemnity outlined above. We intend to enter into a deed with any officer of the Company to give effect to those matters outlined in this paragraph.

We, to the extent permitted by law, may pay a premium for a contract insuring a person who is or has been a Director against liability and legal costs incurred by that person as a Director.

7.8.4.17. Amendment

The Constitution may be amended only by special resolution passed by at least three quarters of the votes cast by Shareholders present (in person or by proxy) and entitled to vote on the resolution at our general meetings.

7.9. Voluntary escrow arrangements

See Section 6.4 for detail on voluntary escrow arrangements.

8 Independent Limited Assurance Reports

WiseTech GLOBAL

KPMG Transaction Services
A division of KPMG Financial Advisory Services (Australia) Pty Ltd
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The Directors
WiseTech Global Limited and WiseTech SaleCo Limited
Unit 3a, 72 O'Riordan Street
Alexandria NSW 2015

17 March 2016

Dear Directors

Limited Assurance Investigating Accountant's Report and Financial Services Guide

Investigating Accountant's Report on Pro Forma Historical Financial Information

Introduction

KPMG Financial Advisory Services (Australia) Pty Ltd (of which KPMG Transaction Services is a division) ("KPMG Transaction Services") has been engaged by WiseTech Global Limited ("WiseTech") and WiseTech SaleCo Limited ("SaleCo") to prepare this report for inclusion in the Prospectus to be dated 17 March 2016 ("Prospectus"), and to be issued by WiseTech and SaleCo, in respect of the proposed initial public offering of shares in WiseTech and listing on the Australian Securities Exchange ("ASX") (the "Offer").

Expressions defined in the Prospectus have the same meaning in this report.

Scope

You have requested KPMG Transaction Services to perform a limited assurance engagement in relation to the pro forma historical financial information described below and disclosed in the Prospectus.

The pro forma historical financial information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

Our limited assurance engagement has not been carried out in accordance with auditing or other standards and practices generally accepted in any jurisdiction outside of Australia and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Pro Forma Historical Financial Information

You have requested KPMG Transaction Services to perform limited assurance procedures in relation to the pro forma historical financial information of WiseTech (the responsible party) included in the Prospectus.

The pro forma historical financial information has been derived from the historical financial information of WiseTech, after adjusting for the effects of pro forma adjustments described in Section 4.2.2 of the Prospectus.

The pro forma financial information consists of WiseTech's:

- pro forma historical consolidated statement of financial position as at 31 December 2015, as set out in Table 10 of Section 4.5;
- pro forma historical consolidated statements of profit or loss for the years ended 30 June 2013, 30 June 2014 and 30 June 2015 and the six months ended 31 December 2014 and 31 December 2015 as set out in Table 1 and Table 2 of Section 4.3; and
- pro forma historical consolidated cash flow information for the years ended 30 June 2013, 30 June 2014 and 30 June 2015 and the six months ended 31 December 2014 and 31 December 2015 as set out in Table 6 and Table 7 of Section 4.4,

of the Prospectus (collectively the "Pro Forma Historical Financial Information").

The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the event(s) or transaction(s) to which the pro forma adjustments relate, as described in Section 4.2 of the Prospectus. Due to its nature, the Pro Forma Historical Financial Information does not represent the company's actual or prospective financial position, financial performance, and/or cash flows.

The Pro Forma Historical Financial Information has been compiled by WiseTech to illustrate the impact of the Offer on WiseTech's financial position as at 31 December 2015 and WiseTech's financial performance and cash flows for the financial years ended 30 June 2013, 30 June 2014 and 30 June 2015 and the six months ended 31 December 2014 and 31 December 2015. As part of this process, information about WiseTech's financial position, financial performance and cash flows has been derived by WiseTech from WiseTech's audited financial statements for the years ended 30 June 2014 (including comparatives for the financial year ended 30 June 2013) and 30 June 2015 and the reviewed financial statements for the six months ended 31 December 2015 (including comparatives for the six months ended 31 December 2014).

The financial statements of WiseTech for the years ended 30 June 2014 and 30 June 2015 were audited by KPMG in accordance with Australian Auditing Standards. The audit opinions issued to the members of WiseTech relating to those financial statements were unqualified. The financial statements of WiseTech for the year ended 30 June 2013 was audited by WiseTech's external auditor at the time (which is not a member firm of KPMG) and the audit opinion was unqualified.

The financial statements of WiseTech for the six months to 31 December 2015 (including comparatives for six months ended 31 December 2014) were reviewed by KPMG. The review report issued to the members of WiseTech relating to those financial statements was unqualified.

For the purposes of preparing this report we have performed limited assurance procedures in relation to Pro Forma Historical Financial Information in order to state whether, on the basis of the procedures described, anything has come to our attention that would cause us to believe that the Pro Forma Historical Financial Information is not prepared or presented fairly, in all material respects, by the directors in accordance with the stated basis of preparation. As stated in Section 4.2 of the Prospectus, the stated basis of preparation is:

- the derivation of historical financial information comprising the:
  - historical consolidated statement of financial position as at 31 December 2015;
  - historical consolidated statements of profit or loss for the financial years ended 30 June 2013, 30 June 2014 and 30 June 2015 and the six months ended 31 December 2014 and 31 December 2015; and
  - historical consolidated cash flow information for the financial years ended 30 June 2013, 30 June 2014 and 30 June 2015 and the six months ended 31 December 2014 and 31 December 2015;

  (together the "Historical Financial Information") from the audited financial statements of WiseTech for the years 30 June 2014 (including comparatives for the financial year ended 30 June 2013) and 30 June 2015 and the reviewed financial statements for the six months ended 31 December 2015 (including comparatives for the six months ended 31 December 2014);

- the application of pro forma adjustments, determined in accordance with Australian Accounting Standards and WiseTech's accounting policies, to the Historical Financial Information of WiseTech to illustrate the effects of the Offer on WiseTech described in Section 4 of the Prospectus.

We have conducted our engagement in accordance with the Standard on Assurance Engagements ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

The procedures we performed were based on our professional judgement and included:

Historical financial information

- consideration of work papers (including audit workpapers), accounting records and other documents, including those dealing with the derivation of the Historical Financial Information of WiseTech from its audited financial statements for the years ended 30 June 2014 and 30 June 2015 and the reviewed financial statements for the six months ended 31 December 2015.

Pro forma adjustments:

- consideration of the pro forma adjustments as described in the Prospectus;
- enquiry of directors, management, personnel and advisors;
- the performance of analytical procedures applied to the Pro Forma Historical Financial Information; and
- a review of WiseTech's accounting policies for consistency of application in the preparation of the pro forma adjustments.

The procedures performed in a limited assurance engagement vary in nature from, and are less in extent than for, an audit. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed an audit. Accordingly, we do not express an audit opinion about whether the Pro Forma Historical Financial Information is prepared, in all material respects, by the directors in accordance with the stated basis of preparation.

Directors' responsibilities

The directors of WiseTech are responsible for the preparation of the Pro Forma Historical Financial Information, including the selection and determination of the pro forma transactions and/or adjustments made to the Historical Financial Information and included in the Pro Forma Historical Information.The directors' responsibility includes establishing and maintaining such internal controls as the directors determine are necessary to enable the preparation of financial information that is free from material misstatement, whether due to fraud or error.

Conclusions

Review statement on the Pro Forma Historical Financial Information

Based on our procedures, which are not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information, as set out in Section 4 of the Prospectus, comprising:

- the pro forma historical consolidated statements of profit or loss of WiseTech for the years ended 30 June 2013, 30 June 2014 and 30 June 2015 and the six months ended 31 December 2014 and 31 December 2015, as set out in Table 1 and Table 2 of Section 4.3;
- the pro forma historical consolidated cash flow information of WiseTech for the years ended 30 June 2013, 30 June 2014 and 30 June 2015 and the six months ended 31 December 2014 and 31 December 2015, as set out in Table 6 and Table 7 of Section 4.4; and
- the pro forma historical consolidated statement of financial position of WiseTech as at 31 December 2015, as set out in Table 10 of Section 4.5,

is not prepared or presented fairly, in all material respects, on the basis of the pro forma transactions and/or adjustments described in Section 4 of the Prospectus, and in accordance with the recognition and measurement principles prescribed in Australian Accounting Standards, and WiseTech's accounting policies.

Independence

KPMG Transaction Services does not have any interest in the outcome of the Offer, other than in connection with the preparation of this report and participation in due diligence procedures for which normal professional fees will be received. KPMG is the auditor of WiseTech and from time to time, KPMG also provides WiseTech with certain other professional services for which normal professional fees are received.

General advice warning

This report has been prepared, and included in the Prospectus, to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to take the place of professional advice and investors should not make specific investment decisions in reliance on the information contained in this report. Before acting or relying on any information, an investor should consider whether it is appropriate for their circumstances having regard to their objectives, financial situation or needs.

Restriction on use

Without modifying our conclusions, we draw attention to Section 4 of the Prospectus, which describes the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose. We disclaim any assumption of responsibility for any reliance on this report, or on the financial information to which it relates, for any purpose other than that for which it was prepared.

KPMG Transaction Services has consented to the inclusion of this Investigating Accountant's Report in the Prospectus in the form and context in which it is so included, but has not authorised the issue of the Prospectus. Accordingly, KPMG Transaction Services makes no representation regarding, and takes no responsibility for, any other statements, or material in, or omissions from, the Prospectus.

Yours faithfully

David Willis
Authorised Representative

Financial Services Guide
Dated 17 March 2016

What is a Financial Services Guide (FSG)?

This FSG is designed to help you to decide whether to use any of the general financial product advice provided by **KPMG Financial Advisory Services (Australia) Pty Ltd ABN 43 007 363 215**, Australian Financial Services Licence Number 246901 (of which KPMG Transaction Services is a division) (**'KPMG Transaction Services'**), and David Willis as an authorised representative of KPMG Transaction Services, authorised representative number 404265 **(Authorised Representative)**.

This FSG includes information about:

- KPMG Transaction Services and its Authorised Representative and how they can be contacted
- the services KPMG Transaction Services and its Authorised Representative are authorised to provide
- how KPMG Transaction Services and its Authorised Representative are paid
- any relevant associations or relationships of KPMG Transaction Services and its Authorised Representative
- how complaints are dealt with as well as information about internal and external dispute resolution systems and how you can access them; and
- the compensation arrangements that KPMG Transaction Services has in place.

The distribution of this FSG by the Authorised Representative has been authorised by KPMG Transaction Services. This FSG forms part of an Investigating Accountant's Report (Report) which has been prepared for inclusion in a disclosure document or, if you are offered a financial product for issue or sale, a Product Disclosure Statement (PDS). The purpose of the disclosure document or PDS is to help you make an informed decision in relation to a financial product. The contents of the disclosure document or PDS, as relevant, will include details such as the risks, benefits and costs of acquiring the particular financial product.

Financial services that KPMG Transaction Services and the Authorised Representative are authorised to provide

KPMG Transaction Services holds an Australian Financial Services Licence, which authorises it to provide, amongst other services, financial product advice for the following classes of financial products:

- deposit and non-cash payment products;
- derivatives;
- foreign exchange contracts;
- government debentures, stocks or bonds;
- interests in managed investments schemes including investor directed portfolio services;
- securities;
- superannuation;
- carbon units;
- Australian carbon credit units; and
- eligible international emissions units,

to retail and wholesale clients. We provide financial product advice when engaged to prepare a report in relation to a transaction relating to one of these types of financial products. The Authorised Representative is authorised by KPMG Transaction Services to provide financial product advice on KPMG Transaction Services' behalf.

KPMG Transaction Services and the Authorised Representative's responsibility to you

KPMG Transaction Services has been engaged by WiseTech Global Limited (**WiseTech**) and WiseTech SaleCo Limited (**SaleCo**) to provide general financial product advice in the form of a Report to be included in the Prospectus dated 17 March 2016 (**Prospectus**) prepared by WiseTech and SaleCo in relation to the initial public offering of shares in WiseTech Global Limited on the ASX (**Offer**).

You have not engaged KPMG Transaction Services or the Authorised Representative directly but have received a copy of the Report because you have been provided with a copy of the Document. Neither KPMG Transaction Services nor the Authorised Representative are acting for any person other than WiseTech and SaleCo.

KPMG Transaction Services and the Authorised Representative are responsible and accountable to you for ensuring that there is a reasonable basis for the conclusions in the Report.

General Advice

As KPMG Transaction Services has been engaged by WiseTech and SaleCo, the Report only contains general advice as it has been prepared without taking into account your personal objectives, financial situation or needs.

You should consider the appropriateness of the general advice in the Report having regard to your circumstances before you act on the general advice contained in the Report.

You should also consider the other parts of the Prospectus before making any decision in relation to the Offer.

Fees KPMG Transaction Services may receive and remuneration or other benefits received by our representatives

KPMG Transaction Services charges fees for preparing reports. These fees will usually be agreed with, and paid by, WiseTech. Fees are agreed on either a fixed fee or a time cost basis. In this instance, WiseTech and SaleCo have agreed to pay KPMG Transaction Services $0.3 million (excluding GST and disbursements) for preparing the Report. In addition, KPMG entities have performed work in relation to tax advice and due diligence enquiries and WiseTech and SaleCo have agreed to pay $0.8 million (excluding GST and disbursements) for these services up to the date of the Prospectus. KPMG Transaction Services and its officers, representatives, related entities and associates will not receive any other fee or benefit in connection with the provision of the Report.

KPMG Transaction Services officers and representatives (including the Authorised Representative) receive a salary or a partnership distribution from KPMG's Australian professional advisory and accounting practice (the KPMG Partnership). KPMG Transaction Services' representatives (including the Authorised Representative) are eligible for bonuses based on overall productivity. Bonuses and other remuneration and benefits are not provided directly in connection with any engagement for the provision of general financial product advice in the Report.

Further details may be provided on request.

Referrals

Neither KPMG Transaction Services nor the Authorised Representative pay commissions or provide any other benefits to any person for referring customers to them in connection with a Report.

Associations and relationships

Through a variety of corporate and trust structures KPMG Transaction Services is controlled by and operates as part of the KPMG Partnership. KPMG Transaction Services' directors and Authorised Representatives may be partners in the KPMG Partnership. The Authorised Representative is a partner in the KPMG Partnership. The financial product advice in the Report is provided by KPMG Transaction Services and the Authorised Representative and not by the KPMG Partnership.

From time to time KPMG Transaction Services, the KPMG Partnership and related entities (KPMG entities) may provide professional services, including audit, tax and financial advisory services, to companies and issuers of financial products in the ordinary course of their businesses.

KPMG entities have provided, and continue to provide, a range of audit, tax and advisory services to WiseTech for which professional fees are received. Over the past two years professional fees of $225,694 and $609,933 have been received from WiseTech. None of those services have related to the transaction or alternatives to the transaction.

No individual involved in the preparation of this Report holds a substantial interest in, or is a substantial creditor of, WiseTech or SaleCo or has other material financial interests in the transaction.

Complaints resolution

Internal complaints resolution process

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Written complaints are recorded, acknowledged within 5 days and investigated. As soon as practical, and not more than 45 days after receiving the written complaint, the response to your complaint will be advised in writing.

External complaints resolution process

If KPMG Transaction Services or the Authorised Representative cannot resolve your complaint to your satisfaction within 45 days, you can refer the matter to the Financial Ombudsman Service (FOS). FOS is an independent company that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about FOS are available at the FOS website www.fos.org.au or by contacting them directly at:

Address: Financial Ombudsman Service Limited, GPO Box 3, Melbourne Victoria 3001

Telephone: 1300 78 08 08
Facsimile: (03) 9613 6399
Email: info@fos.org.au.

The Australian Securities and Investments Commission also has a freecall infoline on 1300 300 630 which you may use to obtain information about your rights.

Compensation arrangements

KPMG Transaction Services has professional indemnity insurance cover as required by the Corporations Act 2001(Cth).

Contact Details

You may contact KPMG Transaction Services or the Authorised Representative using the contact details:

KPMG Transaction Services
A division of KPMG Financial Advisory Services (Australia) Pty Ltd
10 Shelley St
Sydney NSW 2000
PO Box H67
Australia Square
NSW 1213
Telephone: (02) 9335 7000
Facsimile: (02) 9335 7200

David Willis
C/O KPMG
PO Box H67
Australia Square
NSW 1213
Telephone: (02) 9335 7000

Facsimile: (02) 9335 7200

KPMG Transaction Services
A division of KPMG Financial Advisory Services (Australia) Pty Ltd
Australian Financial Services Licence No. 246901
10 Shelley Street
Sydney NSW 2000

PO Box H67
Australia Square 1213
Australia

ABN: 43 007 363 215
Telephone: +61 2 9335 7000
Facsimile: +61 2 9335 7001
DX: 1056 Sydney
www.kpmg.com.au

The Directors
WiseTech Global Limited and WiseTech SaleCo Limited
Unit 3a, 72 O'Riordan Street
Alexandria NSW 2015

17 March 2016

Dear Directors

Limited Assurance Investigating Accountant's Report and Financial Services Guide

Investigating Accountant's Report on Forecast Financial Information

Introduction

KPMG Financial Advisory Services (Australia) Pty Ltd (of which KPMG Transaction Services is a division) ("KPMG Transaction Services") has been engaged by WiseTech Global Limited ("WiseTech") and WiseTech SaleCo Limited ("SaleCo") to prepare this report for inclusion in the Prospectus to be dated 17 March 2016 ("Prospectus"), and to be issued by WiseTech and SaleCo, in respect of the proposed initial public offering of shares in WiseTech and listing on the Australian Securities Exchange ("ASX") (the "Offer").

Expressions defined in the Prospectus have the same meaning in this report.

Scope

You have requested KPMG Transaction Services to perform a limited assurance engagement in relation to the forecast financial information described below and disclosed in the Prospectus.

The forecast financial information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

Our limited assurance engagement has not been carried out in accordance with auditing or other standards and practices generally accepted in any jurisdiction outside of Australia and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Forecast Financial Information and directors' best-estimate assumptions

You have requested KPMG Transaction Services to perform limited assurance procedures in relation to the:

- pro forma forecast consolidated statements of profit or loss for the years ending 30 June 2016 and 30 June 2017, as set out in Table 1 of Section 4.3;
- statutory forecast consolidated statements of profit or loss for the years ending 30 June 2016 and 30 June 2017, as set out in Table 1 of Section 4.3;
- pro forma forecast consolidated cash flow information for the years ending 30 June 2016 and 30 June 2017, as set out in Table 6 of Section 4.4; and
- statutory forecast consolidated cash flow information for the years ending 30 June 2016 and 30 June 2017, as set out in Table 6 of Section 4.4,

of WiseTech (the responsible party) (the "Forecast Financial Information"). The directors' best-estimate assumptions underlying the Forecast Financial Information are described in Section 4.12 of the Prospectus. As stated in Section 4.2.3 of the Prospectus, the basis of preparation of the Forecast Financial Information is the recognition and measurement principles contained in Australian Accounting Standards and WiseTech's accounting policies.

We have performed limited assurance procedures in relation to the Forecast Financial Information, set out in Section 4 of the Prospectus, and the directors' best-estimate assumptions underlying it in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that:

- the directors' best-estimate assumptions do not provide reasonable grounds for the Forecast Financial Information;
- in all material respects the Forecast Financial Information is not:
  - prepared on the basis of the directors' best-estimate assumptions as described in the Prospectus; and
  - presented fairly in accordance with the recognition and measurement principles contained in Australian Accounting Standards and WiseTech's accounting policies; and
- the Forecast Financial Information itself is unreasonable.

We have conducted our engagement in accordance with the Standard on Assurance Engagements ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

Our limited assurance procedures consisted primarily of:

- comparison and analytical review procedures;
- discussions with management and directors of WiseTech of the factors considered in determining their assumptions; and
- examination, on a test basis, of evidence supporting:
  - the assumptions and amounts in the Forecast Financial Information; and
  - the evaluation of accounting policies used in the Forecast Financial Information.

The procedures performed in a limited assurance engagement vary in nature from, and are less in extent than for, an audit. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed an audit. Accordingly, we do not express an audit opinion.

Directors' responsibilities

The directors of WiseTech are responsible for the preparation of the Forecast Financial Information, including the directors' best-estimate assumptions on which the Forecast Financial Information is based and the sensitivity of the Forecast Financial Information to changes in key assumptions.

The directors' responsibility includes establishing and maintaining such internal controls as the directors determine are necessary to enable the preparation of financial information that is free from material misstatement, whether due to fraud or error.

Conclusions

Forecast Financial Information and the directors' best-estimate assumptions

Based on our procedures, which are not an audit, nothing has come to our attention which causes us to believe that:

- the directors' best-estimate assumptions used in the preparation of the Forecast Financial Information do not provide reasonable grounds for the Forecast Financial Information; and
- in all material respects, the Forecast Financial Information:
  - is not prepared on the basis of the directors' best-estimate assumptions as described in Section 4.12 of the Prospectus; and
  - is not presented fairly in accordance with the recognition and measurement principles contained in Australian Accounting Standards, and WiseTech's accounting policies; and
- the Forecast Financial Information itself is unreasonable.

The Forecast Financial Information has been prepared by WiseTech management and adopted and disclosed by the directors in order to provide prospective investors with a guide to the potential financial performance of WiseTech for the years ending 30 June 2016 and 30 June 2017.

There is a considerable degree of subjective judgement involved in preparing forecasts since they relate to event(s) and transaction(s) that have not yet occurred and may not occur. Actual results are likely to be different from the Forecast Financial Information since anticipated event(s) or transaction(s) frequently do not occur as expected and the variation may be material. The directors' best-estimate assumptions on which the Forecast Financial Information is based relate to future event(s) and/or transaction(s) that management expect to occur and actions that management expect to take and are also subject to uncertainties and contingencies, which are often outside the control of WiseTech. Evidence may be available to support the directors' best-estimate assumptions on which the Forecast Financial Information is based however such evidence is generally future-oriented and therefore speculative in nature. We are therefore not in a position to express a reasonable assurance conclusion on those best-estimate assumptions, and accordingly, provide a lesser level of assurance on the reasonableness of the directors' best-estimate assumptions. The limited assurance conclusion expressed in this report has been formed on the above basis.

Prospective investors should be aware of the material risks and uncertainties in relation to an investment in WiseTech, which are detailed in the Prospectus, and the inherent uncertainty relating to the Forecast Financial Information. Accordingly, prospective investors should have regard to the investment risks and sensitivities as described in Section 5 of the Prospectus. The sensitivity analysis described in Section 4.13 of the Prospectus demonstrates the impact on the Forecast Financial Information of changes in key best-estimate assumptions. We express no opinion as to whether the Forecast Financial Information will be achieved.

We have assumed, and relied on representations from certain members of management of WiseTech, that all material information concerning the prospects and proposed operations of WiseTech has been disclosed to us and that the information provided to us for the purpose of our work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.

Independence

KPMG Transaction Services does not have any interest in the outcome of the Offer, other than in connection with the preparation of this report and participation in due diligence procedures for which normal professional fees will be received. KPMG is the auditor of WiseTech and from time to time, KPMG also provides WiseTech with certain other professional services for which normal professional fees are received.

General advice warning

This report has been prepared, and included in the Prospectus, to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to take the place of professional advice and investors should not make specific investment decisions in reliance on the information contained in this report. Before acting or relying on any information, an investor should consider whether it is appropriate for their circumstances having regard to their objectives, financial situation or needs.

Restriction on use

Without modifying our conclusions, we draw attention to Section 4 of the Prospectus, which describes the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose. We disclaim any assumption of responsibility for any reliance on this report, or on the financial information to which it relates, for any purpose other than that for which it was prepared.

KPMG Transaction Services has consented to the inclusion of this Investigating Accountant's Report in the Prospectus in the form and context in which it is so included, but has not authorised the issue of the Prospectus. Accordingly, KPMG Transaction Services makes no representation regarding, and takes no responsibility for, any other statements, or material in, or omissions from, the Prospectus.

Yours faithfully

David Willis
Authorised Representative

Financial Services Guide
Dated 17 March 2016

What is a Financial Services Guide (FSG)?

This FSG is designed to help you to decide whether to use any of the general financial product advice provided by **KPMG Financial Advisory Services (Australia) Pty Ltd ABN 43 007 363 215**, Australian Financial Services Licence Number 246901 (of which KPMG Transaction Services is a division) (**'KPMG Transaction Services'**), and David Willis as an authorised representative of KPMG Transaction Services, authorised representative number 404265 **(Authorised Representative)**.

This FSG includes information about:

- KPMG Transaction Services and its Authorised Representative and how they can be contacted
- the services KPMG Transaction Services and its Authorised Representative are authorised to provide
- how KPMG Transaction Services and its Authorised Representative are paid
- any relevant associations or relationships of KPMG Transaction Services and its Authorised Representative
- how complaints are dealt with as well as information about internal and external dispute resolution systems and how you can access them; and
- the compensation arrangements that KPMG Transaction Services has in place.

The distribution of this FSG by the Authorised Representative has been authorised by KPMG Transaction Services. This FSG forms part of an Investigating Accountant's Report (Report) which has been prepared for inclusion in a disclosure document or, if you are offered a financial product for issue or sale, a Product Disclosure Statement (PDS). The purpose of the disclosure document or PDS is to help you make an informed decision in relation to a financial product. The contents of the disclosure document or PDS, as relevant, will include details such as the risks, benefits and costs of acquiring the particular financial product.

Financial services that KPMG Transaction Services and the Authorised Representative are authorised to provide

KPMG Transaction Services holds an Australian Financial Services Licence, which authorises it to provide, amongst other services, financial product advice for the following classes of financial products:

- deposit and non-cash payment products;
- derivatives;
- foreign exchange contracts;
- government debentures, stocks or bonds;
- interests in managed investments schemes including investor directed portfolio services;
- securities;
- superannuation;
- carbon units;
- Australian carbon credit units; and
- eligible international emissions units,

to retail and wholesale clients. We provide financial product advice when engaged to prepare a report in relation to a transaction relating to one of these types of financial products. The Authorised Representative is authorised by KPMG Transaction Services to provide financial product advice on KPMG Transaction Services' behalf.

KPMG Transaction Services and the Authorised Representative's responsibility to you

KPMG Transaction Services has been engaged by WiseTech Global Limited (**WiseTech**) and WiseTech SaleCo Limited (**SaleCo**) to provide general financial product advice in the form of a Report to be included in the Prospectus dated 17 March 2016 (**Prospectus**) prepared by WiseTech and SaleCo in relation to the initial public offering of shares in WiseTech Global Limited on the ASX (**Offer**).

You have not engaged KPMG Transaction Services or the Authorised Representative directly but have received a copy of the Report because you have been provided with a copy of the Document. Neither KPMG Transaction Services nor the Authorised Representative are acting for any person other than WiseTech and SaleCo.

KPMG Transaction Services and the Authorised Representative are responsible and accountable to you for ensuring that there is a reasonable basis for the conclusions in the Report.

General Advice

As KPMG Transaction Services has been engaged by WiseTech and SaleCo, the Report only contains general advice as it has been prepared without taking into account your personal objectives, financial situation or needs.

You should consider the appropriateness of the general advice in the Report having regard to your circumstances before you act on the general advice contained in the Report.

You should also consider the other parts of the Prospectus before making any decision in relation to the Offer.

Fees KPMG Transaction Services may receive and remuneration or other benefits received by our representatives

KPMG Transaction Services charges fees for preparing reports. These fees will usually be agreed with, and paid by, WiseTech. Fees are agreed on either a fixed fee or a time cost basis. In this instance, the WiseTech and SaleCo have agreed to pay KPMG Transaction Services $0.8 million (excluding GST and disbursements) for preparing the Report. In addition, KPMG entities have performed work in relation to tax advice and due diligence enquiries and WiseTech and SaleCo have agreed to pay $0.8 million (excluding GST and disbursements) for these services up to the date of the Prospectus. KPMG Transaction Services and its officers, representatives, related entities and associates will not receive any other fee or benefit in connection with the provision of the Report.

KPMG Transaction Services officers and representatives (including the Authorised Representative) receive a salary or a partnership distribution from KPMG's Australian professional advisory and accounting practice (the KPMG Partnership). KPMG Transaction Services' representatives (including the Authorised Representative) are eligible for bonuses based on overall productivity. Bonuses and other remuneration and benefits are not provided directly in connection with any engagement for the provision of general financial product advice in the Report.

Further details may be provided on request.

Referrals

Neither KPMG Transaction Services nor the Authorised Representative pay commissions or provide any other benefits to any person for referring customers to them in connection with a Report.

Associations and relationships

Through a variety of corporate and trust structures KPMG Transaction Services is controlled by and operates as part of the KPMG Partnership. KPMG Transaction Services' directors and Authorised Representatives may be partners in the KPMG Partnership. The Authorised Representative is a partner in the KPMG Partnership. The financial product advice in the Report is provided by KPMG Transaction Services and the Authorised Representative and not by the KPMG Partnership.

From time to time KPMG Transaction Services, the KPMG Partnership and related entities (KPMG entities) may provide professional services, including audit, tax and financial advisory services, to companies and issuers of financial products in the ordinary course of their businesses.

KPMG entities have provided, and continue to provide, a range of audit, tax and advisory services to WiseTech for which professional fees are received. Over the past two years professional fees of $225,694 and $609,933 have been received from WiseTech. None of those services have related to the transaction or alternatives to the transaction.

No individual involved in the preparation of this Report holds a substantial interest in, or is a substantial creditor of, WiseTech or SaleCo or has other material financial interests in the transaction.

Complaints resolution

Internal complaints resolution process

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10 Shelley St
Sydney NSW 2000
PO Box H67
Australia Square
NSW 1213
Telephone: (02) 9335 7000
Facsimile: (02) 9335 7200

David Willis
C/O KPMG
PO Box H67
Australia Square
NSW 1213
Telephone: (02) 9335 7000

Facsimile: (02) 9335 7200

9 Additional information

9. Additional information

9.1. Registration

WiseTech Global Limited was registered in New South Wales, Australia on 2 August 1994 as a proprietary company and was converted to a public company on 4 August 2015.

SaleCo Limited was registered in Victoria, Australia on 19 February 2016 as a public company.

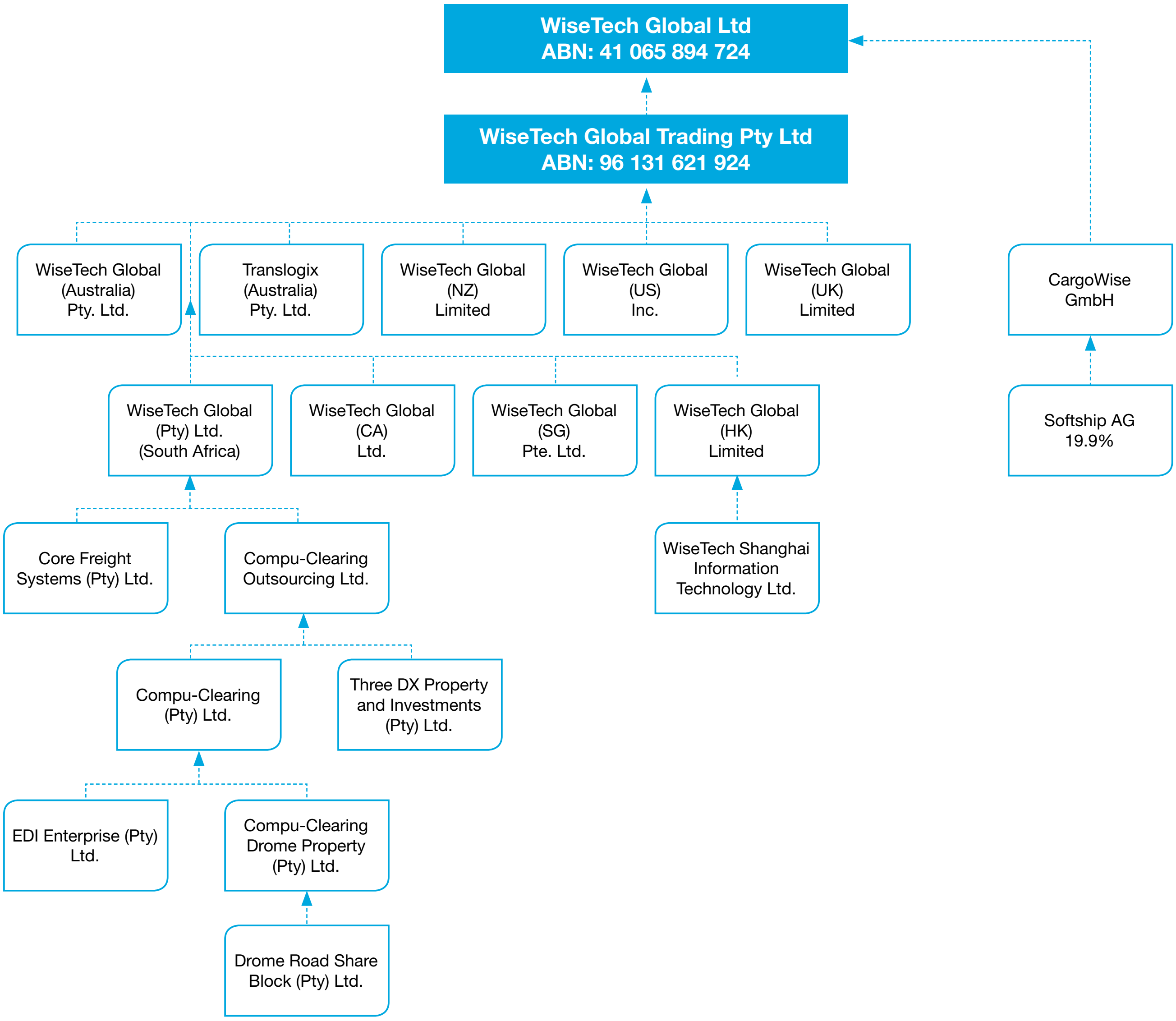
9.2. Company tax status and financial year

We are and will be subject to tax at the Australian corporate tax rate. Our International subsidiaries will be subject to tax in relevant jurisdictions.

Our financial year ends on 30 June annually.

9.3. Corporate structure chart

The following diagram represents our corporate structure.



A list of our subsidiaries as at the Prospectus Date is set out in Appendix D.

9.4. Capital structure

Our capital structure is described below:

Capital structure at Prospectus Date	Expected capital structure on Completion(1)
252,487,095 Shares	290,493,858 Shares
	3,116,768 Share Rights
1,876,180 warrants(2)	

Notes:
(1) Proposed capital structure on Completion based on the Mid-Point Final Price.
(2) These warrants are described below.

In April 2015, two institutional investors (who are not associated with any Director or existing substantial Shareholders) subscribed for Shares which represent 3.18% and 1.71% of the Shares on the Prospectus Date.

Under their subscription agreements, these institutional investors may be entitled to be issued with additional Shares (for nil consideration) depending on the Final Price. For example, if the Final Price is set at the top of the Indicative Price Range ($4.12), no additional Shares would be issued to these institutional investors. If the Final Price is set at the Mid-Point Price or the bottom of the Indicative Price Range, Shares representing, in total, approximately 0.23% and 1.45% respectively of Shares on Completion, would be issued to these institutional investors.

These institutional investors were also issued warrants which currently carry certain conditional rights to be exercised. Upon exercise, the institutional investors are entitled to be issued additional Shares (for nil consideration) on a 1 for 1 basis. On the basis of the Offer described in this Prospectus, the institutional investors are not entitled to exercise these warrants and the warrants will be cancelled (without issuance of Shares) and cease to form part of our capital structure by Completion.

If these institutional investors are entitled to be issued with new Shares on Completion as described above, existing Shareholders (but not successful applicants under the Offer) will be diluted by the issuance. This is because the Final Price to be paid by successful applicants under the Offer would be set (ie reduced) to ensure that the proportionate shareholding in the Company that successful applicants will represent on Completion will not be affected by any issuance of Shares to the institutional investors as described above.

The institutional investors may also apply for additional Shares under the Offer at the Offer Price.

9.5. Participation in issues of securities

Except as described in this Prospectus, we have not granted, or proposed to grant, any rights to any person, or to any class of person, to participate in an issue of our securities.

9.6. Sale of existing Shares

SaleCo, a special purpose vehicle, has been established to facilitate the sale of Shares held by the Selling Shareholders.

Shares that SaleCo acquires from the Selling Shareholders under sale agreements between Selling Shareholders and SaleCo who determine to sell their Shares will be transferred to successful applicants under the Offer at the Final Price on Completion free from encumbrances and third party rights. The price payable by SaleCo to Selling Shareholders for those Shares is the Final Price. SaleCo does not make offers under the Employee Gift Offer. SaleCo will sell between zero and 16.9m Shares under the Offer.

SaleCo has no material assets, liabilities or operations other than its interests in and obligations under the Offer Management Agreement and the sale agreements described above once entered into. The shareholder of SaleCo is Andrew Harrison, and the directors of SaleCo are Richard White, Maree Isaacs and Adam Kossak. We have indemnified SaleCo, and the directors of SaleCo, for any loss that SaleCo, or the directors of SaleCo, may incur as a consequence of the Offer.

9.7. Material contracts

9.7.1. Offer Management Agreement

The Joint Lead Managers, the Company and SaleCo have entered into an offer management agreement, on the Prospectus Date (**Offer Management Agreement**). Under the Offer Management Agreement, the Joint Lead Managers have agreed to arrange and manage and provide settlement support for the Institutional Offer and Broker Firm Offer.

9.7.1.1. Commissions, fees and expenses

We must pay to the Joint Lead Managers in equal proportions and in accordance with the Offer Management Agreement a selling and management fee equal to 3.0% of the total Offer proceeds. The Joint Lead Managers may also be entitled to performance and incentive related fees of up to $1.6m.

We have agreed to reimburse the Joint Lead Managers for reasonable costs and expenses incurred by the Joint Lead Managers in relation to the Offer. We have authorised the Joint Lead Managers to pay any fees or expenses of the Co-Manager out of fees payable to them (and such fees will not be borne by us).

9.7.1.2. Termination events

A Joint Lead Manager may terminate the Offer Management Agreement, at any time after the date of the Offer Management Agreement and on or before 10.00am on the date of settlement under the Offer by notice to the Company, SaleCo and the other Joint Lead Manager if any of the following events occur:

- a material statement in the Prospectus is or becomes misleading or deceptive, or a material matter required to be included is omitted from the Prospectus (including without limitation, having regard to sections 710, 711, 715A or 716 of the Corporations Act);
- the Institutional Offering Memorandum or the pricing disclosure package includes an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading;
- the Company or SaleCo issues or, in the reasonable opinion of a Joint Lead Manager seeking to terminate, is required to issue, a supplementary prospectus because of section 719(1) of the Corporations Act; or the Company lodges a supplementary prospectus (in certain circumstances) with ASIC in a form that has not been approved by the Joint Lead Managers;
- approval is refused or not granted, or approval is granted subject to conditions other than customary conditions, to:
  - the Company's admission to the Official List of the ASX on or before the date required in the Offer Management Agreement; or
  - the quotation of all of the new Shares and sale Shares on the ASX or for the new Shares and sale Shares, to be traded through CHESS on or before the date set out in the Offer Management Agreement,

  or if granted, the approval is subsequently withdrawn, qualified (other than by customary conditions) or withheld;
- any of the following notifications are made in respect of the Offer: (i) ASIC issues an order (including an interim order) under section 739 of the Corporations Act and any such order is not withdrawn within 3 business days, or if it is made within 3 business days of the date of settlement, it has not been withdrawn by the day before the date of settlement; (ii) ASIC holds a hearing under section 739(2) of the Corporations Act; (iii) an application is made by ASIC for an order under Part 9.5 of the Corporations Act in relation to the Offer or an Offer document or ASIC commences any investigation or hearing under Part 3 of the ASIC Act in relation to the Offer or an Offer document, and any such application, inquiry or hearing is not withdrawn within 3 business days or if it is made within 3 business days of the date of settlement it has not been withdrawn by the day before the date of settlement; (iv) any person (other than a Joint Lead Manager) who has previously consented to the inclusion of its name in the Prospectus withdraws that consent; or (v) any person (other than a Joint Lead Manager, or Co-Manager) gives a notice under section 730 of the Corporations Act in relation to the Prospectus;
- the Company or SaleCo does not provide a closing certificate as and when required by the Offer Management Agreement;
- the Company or SaleCo withdraws the Prospectus, the Institutional Offering Memorandum or the Offer;
- any member of the Group or SaleCo becomes insolvent, or there is an act or omission which is likely to result in a member of the Group becoming insolvent;
- an event specified in the timetable set out in the Offer Management Agreement up to and including the date of settlement is delayed by more than 2 business days (other than any delay caused solely by the Joint Lead Managers or any delay agreed between the Company, SaleCo and the Joint Lead Managers or a delay as a result of an extension of the exposure period by ASIC);
- the Company is prevented from allotting and issuing new Shares or SaleCo is prevented from transferring the sale Shares, by applicable laws, an order of a court of competent jurisdiction or a governmental authority;
- the Company or SaleCo, or any of their Directors or officers (as those terms are defined in the Corporations Act) engage in any fraudulent conduct or activity whether or not in connection with the Offer;
- any Director or officer (or proposed Director) of the Company or SaleCo or any other member of the Group is disqualified from managing a corporation under Part 2D.6 of the Corporations Act;
- at any time the S&P/ASX 200 Index falls to a level that is 90% or less of the level as at the close of trading on the date immediately prior to the bookbuild and is at or below that level at the close of trading: (i) for 2 consecutive business days during any time before the date of settlement; or (ii) on the business day immediately prior to, the date of settlement;
- any of the restriction deeds referred to in the Offer Management Agreement are withdrawn, materially varied, terminated, materially breached, failed to be complied with or rescinded;
- except as disclosed in the Prospectus either the:
  - Company alters the issued capital of the Company or any other member of the Group; or
  - any member of the Group disposes or attempts to dispose of a substantial part of the business or property of the Group,

  without the prior written consent of the Joint Lead Managers;
- if a regulatory body withdraws, revokes or materially varies any regulatory approvals required for the Company or SaleCo to perform its obligations under the Offer Management Agreement or to carry out the transactions contemplated by the Offer documents;
- the CEO, CFO, Chairman of the Company ceases to be an employee or Director (as applicable) of the Company or there is a change in the board of Directors of the Company; or
- any of the sale agreements referred to in section 9.6 are materially varied, terminated, rescinded, materially breached or failed to be complied with or the offer contained in any of the sale agreements is withdrawn by any Selling Shareholder or are not entered into before commencement of settlement on the date of settlement.

9.7.1.3. Termination subject to materiality

A Joint Lead Manager may terminate without cost or liability by notice to the Company, SaleCo and the other Joint Lead Manager if any of the following events has occurred or occur at any time on or before 10:00am on the date of settlement, (or at any other time as specified below):

- the closing certificate provided by the Company or SaleCo is false, misleading, inaccurate or untrue or incorrect;
- the report of the due diligence committee is misleading or deceptive, including by way of omission;
- an event occurs which is, or is likely to give rise to an adverse change in the: (i) assets, liabilities, financial position or performance or forecasts of the Group (insofar as the position in relation to an entity in the Group affects the overall position of the Company) from those disclosed in the Offer documents; or (ii) nature of the business conducted by the Group as disclosed in any Offer document;
- hostilities not presently existing commence (whether war has been declared or not), a major escalation in existing hostilities occurs (whether war has been declared or not), or a declaration is made of a national emergency or war involving any one or more of Australia, New Zealand, the United States, Canada, the United Kingdom, Hong Kong, the People's Republic of China, Singapore or any member state of the European Union or a major terrorist act is perpetrated on the country or any diplomatic, military, commercial or political establishment of any of those countries;
- there is introduced, or there is a public announcement of a proposal to introduce, a new law or regulation or government policy in Australia (including in any State or Territory in Australia or by any Commonwealth or State governmental authority but excluding a policy of the Reserve Bank of Australia or ASIC), New Zealand, the United States, the United Kingdom, Hong Kong, Singapore (other than a law or policy which has been announced before the date of the Offer Management Agreement;
- a representation or warranty contained in the Offer Management Agreement on the part of the Company or SaleCo is not true or correct;
- the Company or SaleCo defaults on one or more of its obligations or undertakings under the Offer Management Agreement;
- the commencement of legal proceedings against SaleCo or the Company or any other member of the Group or against or any of their officers or Directors;
- any of the following occurs: (i) a general moratorium on commercial banking activities in Australia, the United Kingdom, the United States or Hong Kong is declared by the relevant central banking authority in those countries, or there is a disruption in commercial banking or security settlement or clearance services in any of those countries; or (ii) trading in all securities quoted or listed on ASX, the London Stock Exchange, or the New York Stock Exchange is suspended for at least 1 day on which that exchange is open for trading;
- any governmental agency commences any inquiry against any member of the Group or SaleCo or the Company or against any of their Directors in their capacity as a Director or announces that it intends to take action or any Director or officer (or proposed Director) of SaleCo or the Company or any other member of the Group is charged with an indictable offence ; or
- any of SaleCo or the Company or any of their Directors or officers (as those terms are defined in the Corporations Act) have been alleged by a Governmental Authority to have engaged since the date of the initial distribution of the Prospectus, in any fraudulent conduct or activity whether or not in connection with the Offer.

9.7.1.4. Indemnity

Subject to certain exclusions relating to, among other things, negligence, recklessness, fraud or wilful misconduct by an indemnified party, the Company agrees to keep the Joint Lead Managers and certain affiliated parties indemnified from losses suffered in connection with the Offer.

9.7.1.5. Representations, warranties and undertakings

The Offer Management Agreement contains certain standard representations, warranties and undertakings by the Company to the Joint Lead Managers (as well as common conditions precedent) including the entry into voluntary escrow deeds referred to in Section 6.4 in a form and substance acceptable to the Joint Lead Managers.

The representations and warranties given by the Company include but are not limited to matters such as power and authorisations, compliance with applicable laws and the ASX Listing Rules, financial information, information contained in the Prospectus, the conduct of the Offer and the due diligence process, litigation, material contracts, patents and trademarks, IT systems, encumbrances, licences, insurance, dividends and distributions, title to property, internal controls, tax and labour.

The Company provides undertakings under the Offer Management Agreement which include but are not limited to notifications of breach of any obligation, representation or warranty or undertaking or non-satisfaction of any condition given by it under the Offer Management Agreement and that it will not, during the period following the date of the Offer Management Agreement until 120 days after Shares have been issued under the Offer, issue any Shares or securities without the consent of the Joint Lead Managers, subject to certain exceptions including pursuant to the Offer, the Offer Management Agreement, an employee share or option plan, a non-underwritten dividend reinvestment or a bonus share plan as described in the Prospectus.

9.7.2. Banking Facilities

Refer to Section 4.7 for a summary of the key terms of the Banking Facilities.

9.8. Description of the syndicate

The Joint Lead Managers of the Offer are Credit Suisse (Australia) Limited and Morgan Stanley Australia Securities Limited.

9.9. Litigation and Claims

As at the Prospectus Date, so far as the Directors are aware, there is no current or threatened civil litigation, arbitration proceedings or administrative appeals, or criminal or governmental prosecutions of a material nature in which we are directly or indirectly concerned which is likely to have a material adverse impact on our business or financial position.

9.10. Australian taxation considerations

9.10.1. Australian Taxation Considerations

The following tax comments are based on the tax law in Australia in force as at the date of the Prospectus. Australian tax laws are complex. This summary is general in nature and is not intended to be an authoritative or complete statement of all potential tax implications for each investor. During the ownership of the Shares by investors, the taxation laws of Australia or their interpretation may change. The precise implications of ownership or disposal will depend upon each investor's specific circumstances. Investors should seek their own professional advice on the taxation implications of holding or disposing of the Shares, taking into account their specific circumstances.

The following information is a general summary of the Australian income tax implications for Australian resident individuals, complying superannuation entities, trusts, partnerships and corporate investors that hold their Shares on capital account. These comments do not apply to investors that hold Shares as trading stock on revenue account, investors who are exempt from Australian income tax or investors subject to the Taxation of Financial Arrangements regime in Division 230 of the Income Tax Assessment Act 1997 (Cth) which have made elections for the fair value or Reliance on Financial Reports (ROFR) methodologies.

Taxation issues, such as (but not limited to) those covered by this Section, are only one of the matters an investor needs to consider when making a decision about a financial product. Investors should consider taking advice from someone who holds an Australian financial services licence before making such a decision.

9.10.2. Dividends paid on Shares

Dividends may be paid to Shareholders by the Company. The Company may attach 'franking credits' to such dividends. Franking credits broadly represent the extent to which a dividend is paid by the Company out of profits that have been subject to Australian tax. It is possible for a dividend to be fully franked, partly franked or unfranked.

It should be noted that the concept of a dividend for Australian income tax purposes is very broad and can include payments that are made in respect of such things as off-market share buy-backs.

9.10.2.1. Australian resident individuals and complying superannuation entities

Dividends paid by the Company on a share will constitute assessable income of an Australian tax resident investor. Australian tax resident investors who are individuals or complying superannuation entities should include the dividend in their assessable income (some superannuation funds may be exempt in relation to Shares to the extent they are held to support current pension liabilities) in the year the dividend is paid, together with any franking credit attached to that dividend. Such investors should be entitled to a tax offset equal to the franking credit attached to the dividend. The tax offset can be applied to reduce the tax payable on the investor's taxable income. Where the tax offset exceeds the tax payable on the investor's taxable income, such investors should be entitled to a tax refund.

To the extent that the dividend is unfranked, the investor should include the dividend in their assessable income with no tax offset.

9.10.2.2. Corporate investors

Corporate investors are also required to include both the dividend and associated franking credit in their assessable income. They are then allowed a tax offset up to the amount of the franking credit on the dividend. Where the tax offset exceeds the tax payable, the excess cannot give rise to a refund for a company but can be converted into carry forward tax losses.

An Australian resident corporate investor should be entitled to a credit in its own franking account to the extent of the franking credit on the distribution received. This will allow the corporate investor to pass on the benefit of the franking credits to its own investor(s) on the payment of dividends.

9.10.2.3. Trusts and partnerships

Investors who are trustees (other than trustees of complying superannuation entities) or partnerships should include the franking credit in determining the net income of the trust or partnership. The relevant beneficiary or partner may be entitled to a tax offset equal to the beneficiary's or partner's share of the net income of the trust or partnership.

9.10.2.4. Shares held at risk

The benefit of franking credits can be denied where an investor is not a 'qualified person' in which case the investor will not need to include an amount for the franking credits in their assessable income and will not be entitled to a tax offset.

Broadly, to be a 'qualified person', two tests must be satisfied, namely the holding period rule and the related payment rule.

Under the holding period rule, an investor is required to hold Shares "at risk" for more than 45 days continuously over a specified period in order to qualify for franking benefits, including franking credits. This period is measured as the period commencing the day after the Shares were acquired and ending on the 45th day after the Shares become ex-dividend.

This holding period rule is subject to certain exceptions, including where the total franking offsets of an individual in a year of income do not exceed $5,000. Special rules apply to trusts and beneficiaries.

Under the related payment rule, a different testing period applies where the investor has made, or is under an obligation to make, a related payment in relation to the dividend. The related payment rule requires the investor to have held the Shares at risk for the continuous 45 day period as above but within the limited period commencing on the 45th day before, and ending on the 45th day after, the day the Shares become ex-dividend.

Investors should seek professional advice to determine if these requirements, as they apply to them, have been satisfied.

9.10.3. Disposal of Shares

Australian tax resident Shareholders who hold their Shares on capital account will be required to consider the impact of the Australian capital gains tax (CGT) provisions in respect of the disposal of their Shares.

Where the capital proceeds received on disposal of the Shares exceed the CGT cost base of those Shares, Australian tax resident Shareholders will be required to recognise a capital gain. The CGT cost base of the Shares should generally be equal to the issue price or acquisition price of the Shares plus, among other things, incidental costs associated with the acquisition and disposal of the Shares. In respect of the CGT cost base of the Shares, this amount may be reduced as a result of receiving non-assessable distributions from the Company, such as returns of capital.

Conversely, Australian tax resident Shareholders may recognise a capital loss on the disposal of Shares where the capital proceeds received on disposal are less than the reduced CGT cost base of the Shares.

All capital gains and losses recognised by an Australian tax resident Shareholder for an income year are added together. To the extent that a net gain exists, such Shareholders should be able to reduce the gain by any amount of unapplied net capital losses carried forward from previous income years (provided certain loss recoupment tests are satisfied). Any remaining net gain (after the application of any carried forward capital losses) will then be required to be included in the Australian tax resident Shareholder's assessable income (subject to the comments below in relation to the availability of the CGT discount concession) and will be taxable at the Shareholder's applicable rate of tax. Where a net capital loss is recognised, the loss will only be deductible against future capital gains. Capital losses are capable of being carried forward indefinitely, provided the relevant loss recoupment tests are satisfied.

Non-corporate Shareholders may be entitled to a concession which discounts the amount of capital gain that is assessed. Broadly, the concession is available where the Shares have been held for at least 12 months prior to disposal. The concession results in a 50% reduction in the assessable amount of a capital gain for an individual Shareholder or trust, and a one third reduction of a capital gain for an Australian tax resident complying superannuation entity Shareholder. The concession applies to any net capital gain (i.e. it applies after capital losses have been deducted against any gains). The concession is not available to corporate Shareholders.

In relation to trusts, the rules surrounding capital gains and the CGT discount are complex, but the benefit of the CGT discount may flow through to relevant beneficiaries, subject to certain requirements being satisfied.

9.10.4. Tax file numbers and Australian Business Number

A shareholder is not obliged to quote their tax file number (TFN), or where relevant, Australian Business Number (ABN), to the Company. However, if a TFN or ABN is not quoted and no exemption is applicable, income tax is required to be deducted by the Company at the highest marginal tax rate plus the Medicare levy from certain dividends paid. An additional temporary budget repair levy of 2% will be imposed on the portion of an individual's taxable income that exceeds $180,000 for the 2016 and 2017 financial years.

No withholding requirement applies in respect of fully franked dividends paid by the Company on the Shares.

9.10.5. Stamp duty

No stamp duty should be payable by a Shareholder on the issue, transfer or acquisition of Shares pursuant to the Offer. Further, under current stamp duty legislation, stamp duty should not ordinarily be payable on any subsequent acquisition by transfer of Shares by a Shareholder provided the Company remains listed on the ASX at the time of the transfer. For completeness, we note that a liability for duty may arise if an investor (alone or together with associates) acquires 90% or more of the listed Shares in WiseTech, and WiseTech is a "landholder" for duty purposes at that time.

9.10.6. Australian Goods and Services Tax (GST)

Under current Australian law, GST should not be payable in respect of the issue, acquisition, disposal or transfer of Shares or on the payment of dividends.

However, Shareholders may be charged GST on brokerage, or other professional advisory services acquired by Shareholders in their own right in relation to the IPO of the Company.

Shareholders should seek their own advice to determine whether they will be entitled to claim GST incurred on costs associated with the acquisition or disposal of Shares.

9.10.7. Taxation considerations specifically applicable to the Employee Gift Offer

9.10.7.1. Taxation considerations

The offer under the Employee Gift Offer will involve Eligible Gift Employees in Australia being offered the opportunity to acquire as a gift Shares up to the value of $1,000 (to the nearest number of whole Shares (rounded down) calculated at the Offer Price).

The following taxation summary addresses the general tax implications of participating in the Employee Gift Offer for Eligible Gift Employees who are, and remain, residents (but not temporary residents) of Australia for tax purposes. There are specific rules regarding temporary residents and for individuals whose residency status changes. These rules need to be considered on a case by case basis and are not considered in this summary.

This summary is confined to taxation issues and is only one of the matters that Eligible Gift Employees need to consider when making an investment decision. This summary is general in nature and an Eligible Gift Employee's individual circumstances may affect the taxation implications of an investment. Eligible Gift Employees should seek appropriate independent professional advice that considers the taxation implications in respect of their own specific circumstances before making a decision about their investments. The Group and its advisors disclaim all liability to any Eligible Gift Employee or other party for all costs, loss, damage and liability that the Eligible Gift Employee or other party may suffer or incur arising from or relating to or in any way connected with the contents of this summary, the provision of this summary to the Eligible Gift Employee or any other party, or the reliance on this summary by the Eligible Gift Employee or any other party.

This summary does not constitute financial product advice as defined in the Corporations Act.

9.10.7.2. On allocation of Shares

Eligible Gift Employees participating in the Employee Gift Offer may be eligible for concessional tax treatment if certain criteria are met. Under the current tax laws, an Eligible Gift Employee can acquire Shares up to the value of $1,000 tax-free in relation to the Employee Gift Offer if the following conditions are satisfied:

- the adjusted taxable income of the Eligible Gift Employee for the tax year in which Shares under the Employee Gift Offer are acquired does not exceed $180,000 (see below for further detail); and
- immediately after acquiring Shares under the Employee Gift Offer, the Eligible Gift Employee does not hold a beneficial interest in more than 10% of the issued Shares of WiseTech, nor will the Eligible Gift Employee be in a position to cast, or control the casting of, more than 10% of the maximum number of votes that might be cast at a general meeting of WiseTech.

If an Eligible Gift Employee satisfies both of the conditions above, the Eligible Gift Employee may acquire up to $1,000 of Shares income tax-free under the Employee Gift Offer.

If an Eligible Gift Employee cannot meet both tests, the employee will be assessed on the full market value of Shares acquired under the Employee Gift Offer (at their marginal rate of tax plus the Medicare levy and Temporary Budget Repair Levy (as applicable)), determined at the allocation date.

Note, capital gains tax (CGT) may be payable on a disposal of Shares and any dividends received on Shares may be subject to income tax – further detail is provided below.

9.10.7.3. What is adjusted taxable income?

Adjusted taxable income comprises an Eligible Gift Employee's taxable income, plus any reportable superannuation contributions, reportable fringe benefits, investment losses and the value of Shares allocated under the Employee Gift Offer. Additional detail about the components of an individual's adjusted taxable income can be found at www.ato.gov.au.

Adjusted taxable income should be calculated for the tax year in which Shares are acquired; i.e. for the Employee Gift Offer, the relevant tax year is the year ending 30 June 2016.

It is not possible for Eligible Gift Employees to know their adjusted taxable income for the whole financial year at the time they decide whether to participate in the Employee Gift Offer. Accordingly, Eligible Gift Employees will need to estimate their adjusted taxable income to determine the likely tax treatment.

9.10.7.4. Adjusted taxable income does not exceed $180,000

If an Eligible Gift Employee's adjusted taxable income for FY2016 is $180,000 or less, the Eligible Gift Employee can acquire Shares under the Employee Gift Offer free of income tax, up to a maximum of $1,000 of Shares.

9.10.7.5. On disposal of Shares

Eligible Gift Employees will be subject to CGT on any gain realised on the subsequent sale of Shares.

The gain (or loss) assuming an arm's length disposal, such as a sale in the ordinary course of trading on ASX, is calculated as the difference between the net sale proceeds received and the cost base of the Shares. The cost base will be equal to the market value of the Shares at the date of grant (i.e., approximately $1,000), plus any costs incurred associated with disposal of the Shares.

Where Shares have been held for at least 12 months after grant (not including the dates of grant and sale), only 50% of the gain (after deducting any available capital losses) is subject to tax. Taxable gains are subject to tax at the Eligible Gift Employee's marginal tax rate, plus the Medicare levy and Temporary Budget Repair Levy, as applicable.

If an Eligible Gift Employee sells their Shares for less than their cost base (assuming an arm's length disposal), then they will realise a capital loss and will not need to pay CGT. A capital loss may only be used to offset current or future year capital gains.

All capital gains or losses should be reported in the Eligible Gift Employee's income tax return for the tax year in which the capital gain or loss was made. Tax is payable by the Eligible Gift Employee once their income tax return has been assessed, after filing the tax return for the year in which the gain was realised.

9.10.7.6. Taxation of dividends

Eligible Gift Employees will need to pay tax at their marginal tax rate, plus the Medicare levy and Temporary Budget Repair Levy if applicable, on the grossed up amount of any dividends received (including franking credits) on their Shares. Any franking credits attaching to dividends should be available to reduce the income tax payable, provided the Eligible Gift Employee meets the applicable holding period requirement.

The grossed up value of dividend income received should be included in the Eligible Gift Employee's income tax return (and the franking credit claimed as a tax credit) for the tax year in which the dividend payments are received. Tax is payable by the participant once their income tax return has been assessed for the year, after filing the tax return for the year in which the dividends were received.

9.10.7.7. Reporting and tax withholding

Eligible Gift Employees will need to include the value of their Shares at grant in their Australian income tax return for the relevant year to enable the Australian Taxation Office (ATO) to calculate whether the participant is entitled to the $1,000 tax-free concession in relation to their Shares.

The employee will also need to ensure any applicable taxable income, dividend, and/or capital gains information (where relevant) is included in their Australian income tax return for the relevant year.

WiseTech is required to provide Eligible Gift Employees and the ATO with a statement each financial year, containing information on the market value of the Shares allocated to employees under the Employee Gift Offer.

Where an Eligible Gift Employee does not provide their TFN to WiseTech (or the Share Registry as applicable) tax may be withheld on the value of the Shares they have acquired and/or dividends received, at the top marginal tax rate of 49% (including the Medicare levy and Temporary Budget Repair Levy) to cover the estimated tax liability. No tax withholding is required provided Eligible Gift Employees have provided their TFN.

9.10.7.8. Stamp duty

No stamp duty will be payable by Eligible Gift Employees on the issue of Shares pursuant to the Employee Gift Offer.

9.11. Consents

Each of the parties referred to below (each a "Consenting Party"), to the maximum extent permitted by law, expressly disclaims all liabilities in respect of, makes no representations regarding and takes no responsibility for any statements in or omissions from this Prospectus, other than the reference to its name in the form and context in which it is named and a statement or report included in this Prospectus with its consent as specified below.

Each of the Consenting Parties has given and has not, before the lodgement of the Prospectus with ASIC, withdrawn its written consent to be named in this Prospectus in the form and context in which it is named. None of the Consenting Parties referred to below has made any statement that is included in this Prospectus or any statement on which a statement is made in this Prospectus is based, other than as specified below:

- Credit Suisse;
- Morgan Stanley;
- KPMG Transaction Services;
- KPMG;
- Blackpeak Capital Pty Ltd;
- Clayton Utz;
- Oxstone Pty Ltd;
- Link Market Services Limited;
- Frost & Sullivan Australia Pty Ltd;
- Gartner, Inc.; and
- Armstrong & Associates, Inc.

KPMG Transaction Services has given, and has not withdrawn prior to the lodgement of the Prospectus, its written consent to being named as Investigating Accountant in Section 4 and the Corporate Directory of the Prospectus in the form and context in which it is so named and to the inclusion of its Investigating Accountant's Reports in Section 8 of the Prospectus in the form and context in which they are so included.

KPMG has given, and has not withdrawn prior to the lodgement of the Prospectus, its written consent to be named in the Prospectus as Independent Auditor in the form and context in which it is so named.

Gartner, Inc. has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to the statements relating to the Gartner Report and attributed to it in this Prospectus. The Gartner Reports represent data, research opinion or viewpoints published, as part of a syndicated subscription service by Gartner, Inc., and are not representations of fact. The Gartner Reports speak as of their original publication date (and not as of the Prospectus Date) and the opinions expressed in the Gartner Reports are subject to change without notice.

Frost & Sullivan has given, and has not withdrawn before lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus in relation to the inclusion in this Prospectus of references to its report 'Independent Market Report on the Logistics Software Market' (5 February 2016), commissioned by us in the form and context in which they are included. Frost & Sullivan takes no responsibility for any part of this Prospectus other than any reference to its name and its report.

Armstrong & Associates, Inc. has given, and has not withdrawn before lodgement of this Prospectus with ASIC, its written consent to be named in this Prospectus in relation to the inclusion in this Prospectus of reference to its 'Top Global 3PL (Third-Party) Logistics Providers List' in the form and context in which they are included. Armstrong & Associates, Inc. takes no responsibility for any part of this Prospectus other than any reference to its name its list.

9.12. ASIC exemptions, modifications and relief

We have obtained the following exemptions, declarations and confirmations from ASIC and ASX in relation to the Offer:

- an ASIC exemption from the pre-prospectus advertising and publicity rules in section 734(2) of the Corporations Act to permit us to provide employees with certain information relating to the Offer;
- a declaration from ASIC modifying Chapter 6 of the Corporations Act so that the voluntary escrow arrangements described in Section 6.4 do not give rise to a relevant interest for us in respect of the escrowed Shares held by certain Escrowed Shareholders; and
- relief from ASIC for any breach of the short selling restrictions in s1020B(2) of the Corporations Act as a result of a sale of Shares while Shares are trading on a conditional and deferred basis.

9.13. ASX confirmations and waivers

We have sought a waiver of Condition 11 of Listing Rule 1.1 in relation to Share Rights to be issued under the Long Term Incentive Plan.

We have sought a confirmation from ASX in relation to the Offer that there may be conditional and deferred settlement trading of the Shares subject to certain conditions to be approved by the ASX.

9.14. Ownership restrictions

The sale and purchase of shares is regulated by Australian laws that restrict the level of ownership or control by any one person (either alone or in combination with others). This Section 9.14 contains a general description of these laws.

9.14.1. Corporations Act

The takeover provisions in Chapter 6 of the Corporations Act restrict acquisitions of shares in listed companies, and unlisted companies with more than 50 members, if the acquirer's (or another party's) voting power would increase to above 20%, or would increase from a starting point that is above 20% and below 90%, unless certain exceptions apply.

The Corporations Act also imposes notification requirements on persons having voting power of 5% or more in us.

9.14.1.1.Foreign Acquisitions and Takeovers Act 1975 (Cth)

Generally, the Foreign Acquisitions and Takeovers Act 1975 (Cth) (**FATA**) applies to acquisition of shares and voting power in a company of 20% or more by a single foreign person and its associates, or 40% or more by two or more unassociated foreign persons and their associates, where the acquisition meets a threshold value (which varies by investor type and industry). In addition, FATA applies to acquisitions of a direct interest in an Australian company by foreign governments and their related entities irrespective of the acquisition value. A 'direct interest' is an interest of 10% in the entity but may also include an interest of less than 10% where the investor has entered into business arrangements with the entity or the investor in in a position to influence or participate in the management and control or policy of the entity. There are exemptions which can apply to certain acquisitions.

Where FATA applies to the acquisition, the acquisition may not occur unless notice of it has been given to the Federal Treasurer and the Federal Treasurer has either notified that there is no objection to the proposed acquisition (with or without conditions) or a statutory period has expired without the Federal Treasurer objecting.

An acquisition to which the FATA applies may be the subject of a divestment order by the Federal Treasurer unless the process of notification, and either a non-objection notification or expiry of a statutory period without objection, has occurred. Criminal offences and civil penalties can apply to failing to give notification of certain acquisitions, undertaking certain acquisitions without no objection notification or contravening a condition in a no objection notification.

9.15. Selling Restrictions

This document does not constitute an offer of Shares in any jurisdiction in which it would be unlawful. In particular this Prospectus may not be distributed to any person, and the Shares may not be offered or sold in any country outside Australia unless it is accompanied by an Institutional Offering Memorandum as part of the Institutional Offer and then only subject to the restrictions, including selling restrictions, set out in the Institutional Offering Memorandum.

9.16. Cost of the Offer

The costs of the Offer are expected to be approximately $20.1m (excluding GST) of which $0.9m will be expensed in FY17. These costs will be borne by us from the proceeds of the Offer.

9.17. Privacy

We and the Share Registry on our behalf, collect, hold and use your personal information to process your application, service your needs as a Shareholder, provide facilities and services that you request and carry out appropriate administration. Once you have become a Shareholder, the Corporations Act requires information about you (including your name, address and details of the Shares you hold) to be included in the Shareholder register. This information must continue to be included in the Shareholder register even if you cease to be a Shareholder. If you do not provide all the information requested in the Application Form, your Application Form may not be able to be processed.

We and the Share Registry may disclose your personal information for purposes related to your investment to their agents and service providers including the following: the Share Registry for ongoing administration of the Shareholder register; the Joint Lead Managers in order to assess your application; printers and other companies for the purpose of preparation and administration of documents and for handling mail; market research companies for the purpose of analysing our shareholder base and for product development and planning; and legal and accounting firms, auditors, management consultants and other advisers for the purpose of administering, and advising on, the Shares and for associated actions.

You may request access to your personal information held by the Share Registry on our behalf, by contacting the Share Registry. You will generally be provided access to your personal information (subject to some exceptions permitted by law), but you may be required to pay a reasonable charge to the Share Registry for access. We aim to ensure that the personal information it retains about you is accurate, complete and up-to-date. To assist with this, please contact the Share Registry if any of the details you have provided change. In accordance with the requirements of the Corporations Act, information on the Shareholder register will be accessible by members of the public.

If you have any concerns or queries about the way your personal information is managed by us, please contact us by phone on +612 8001 2200, by email to info@wisetechglobal.com or write to PO Box 6390, Alexandria, NSW 2015 Australia. Our privacy policy is available on our website. The privacy policy contains information about how you can gain access to or seek correction of personal information that we hold about you. It also contains information about how you may make a privacy complaint and how we will deal with it.

9.18. Contract Summaries

Summaries of contracts set out in this Prospectus (including the summary of the Offer Management Agreement set out in Section 9.7.1 and the summary of the Banking Facilities) are included for the information of potential investors but not do purport to be complete and are qualified by the text of the contracts themselves.

9.19. Photographs and diagrams

Photographs and diagrams used in this Prospectus that do not have descriptions are for illustration only and should not be interpreted to mean that any person shown in them endorses this Prospectus or its contents or that the assets shown in them are owned by us. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the Prospectus Date.

9.20. Governing law

This Prospectus, the Offer and the contracts that arise from the acceptance of the applications and bids under this Prospectus are governed by the law applicable in New South Wales and each applicant and bidder submits to the exclusive jurisdiction of the courts of New South Wales.

9.21. Statement of Directors and SaleCo directors

This Prospectus is authorised by each Director and SaleCo director who consents to its lodgement with ASIC and its issue and has not withdrawn that consent.

10 Appendix A: significant accounting policies

10. Appendix A: significant accounting policies

Basis of preparation

The significant accounting policies adopted in the preparation of the Financial Information included in Section 4 of this Prospectus are set out below. These accounting policies are consistent with our general purpose statutory consolidated financial statements for FY15 and our half year condensed consolidated financial statements for 1H16 except for the presentation of depreciation and amortisation. In our statutory consolidated financial statements, the relevant portions of depreciation and amortisation charges are included in cost of revenues and the various operating expense categories. In order to present EBITDA in the Financial Information, we have included all depreciation in a single line item and amortisation expense in two line items: Amortisation and Acquired amortisation.

Except for cash flow information, the Financial Information has been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value.

Functional and presentation currency

The Financial Information is presented in Australian dollars which is the Company's functional currency.

Critical accounting estimates and judgments

(i) Critical accounting estimates and assumptions

In preparing the Group financial statement, management is required to make estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities. The resulting accounting estimates, which are based on management's best judgment at the date of the Group financial statements, will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are summarised below. Revenue recognition is excluded from this summary on the grounds that the policy adopted in this area is sufficiently objective.

Tax

We are subject to tax in numerous jurisdictions. Significant judgment is required in determining the related assets or provisions as there are transactions in the ordinary course of business and calculations for which the ultimate tax determination is uncertain. We recognise liabilities based on estimates of whether additional tax will be due. Where the final tax outcome of these matters is different from the amount that were initially recognised, such differences will impact on the results for the year and the respective income tax and deferred tax assets or provisions in the year in which such determination is made. We recognise tax assets based on forecasts of future profits against which those assets may be utilised.

Goodwill

We test goodwill for impairment annually or more frequently if events or changes in circumstances indicate that goodwill may be impaired. The recoverable amount of the one cash generating unit (**CGU**) is determined based on a value in use calculation which requires the use of cash flow projections based on approved financial budgets, and extrapolated over a five year period. The growth rate used does not exceed the long-term average growth rate for the market in which the segment operates. The discount rates used reflect the segment's pre-tax weighted average cost of capital (**WACC**).

(ii) Critical judgements

Management has made judgments in the process of applying our accounting policies that have a significant effect on the amounts recognised in the our financial statements.

The most significant of these judgments is in respect of intangible assets where certain costs incurred in the developmental phase of an internal project are capitalised if a number of criteria are met. Management has made judgements and assumptions when assessing whether a project meets these criteria, and on measuring the costs and economic life attributed to such projects. On acquisition, specific intangible assets are identified and recognised separately from goodwill and then amortised over their estimated useful lives. These include such items as customer contracts to which value is first attributed at the time of acquisition. The capitalisation of these assets and the related amortisation charges are based on judgments about the value and economic life of such items. The economic lives for intangible assets are estimated at between five and ten years for internal projects, which include internal use of software and internally generated software, and between three and ten years for acquisition intangibles. Management has also made judgements and assumptions when assessing the economic life of acquired date and the pattern of consumption of the economic benefits embodied in the asset.

Measurement of fair values

A number of our accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

We have an established control framework with respect to the measurement of fair values. The finance team has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of AASBs, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Audit Committee.

We do not have any debt securities or derivative financial instruments which require measurement at fair value.

Summary of other significant accounting policies

Principles of consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the Company and all of the subsidiaries. Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Inter-company transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Business combinations

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

The consideration transferred in the acquisition is generally measured at fair value as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

Non-controlling interests

Non-controlling interests are measured at their proportionate share of the acquiree's identifiable net assets at the acquisition date.

Changes in our interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Revenue

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of rebates and amounts collected on behalf of third parties. We recognise revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of our activities as described below. We base estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major business activities as follows:

On-Demand

Revenue is recognised as the services are provided to the customer. Revenues that are unbilled at year end are recognised in the Statement of Financial Position as unbilled receivables and included in 'Other assets'.

OTL Maintenance

Annual revenues from OTL maintenance revenues are recognised evenly over time as services are rendered.

OTL & Support Services

Revenue from a contract to provide consulting and training services is recognised by reference to the percentage of completion of the contract. The percentage of completion of the contract is determined by reference to the proportion of work performed (costs incurred to date) to estimated total work performed (total contract costs). When the percentage of completion cannot be estimated reliably, contract revenue is recognised only to the extent of the contract costs incurred that are likely to be recovered. An expected loss on a contract is recognised immediately in profit or loss.

The non-maintenance OTL revenue is included in other licence revenue. We no longer offers OTL for new business and there are no material revenue streams from licence fees from contracted OTL customers.

All revenue is stated net of the amount of goods and services tax (GST/VAT).

Interest income is recognised using the effective interest method.

Income taxes

The income tax expense/(income) for the year comprises current and deferred tax expense/(income). It is recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or Other Comprehensive Income.

Current tax

Current tax comprises the expected payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. It is measured using tax rates for each jurisdiction enacted or substantively enacted at the reporting date.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that we are able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

Dividends

Dividend distributions payable to equity shareholders are included in other liabilities when the dividends have been approved prior to the reporting date.

Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

We do not hold any collateral as security over any receivable balance nor does it hold any restrictions of title.

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

At the end of each reporting period, we assess whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss unless the asset is carried at a revalued amount in accordance with another standard.

During the period a provision for impairment related to the transition to new licencing models was created to reflect timing delay in collections of certain transitional charges. These transitional provisions relate to current, active customers and the disputed invoices are considered contractually valid by management and will be pursued.

Other assets

Unbilled receivables represents the revenue recognised to date but not yet invoiced to the customers due to the timing of the accounting invoicing cycle.

Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment losses.

Any gain or loss on disposal of an item of plant and equipment is recognised in profit or loss.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to our results and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

Depreciation

Depreciation is calculated to write off the cost of items of plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain the ownership by the end of the lease term.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	**Depreciation rate**
Plant and equipment	5%-65%
Leasehold improvements	20%

The assets' depreciation methods, residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Where it is not possible to estimate the recoverable amount of an individual asset, we estimate the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets

Goodwill

Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

Research and development

Research expenditure is recognised as an expense as incurred. Costs incurred as development projects (relating to the design and testing of new or improved projects) are recognised as intangible assets when it is probable that the project will, after considering its commercial and technical feasibility, be completed and generate future economic benefits and its costs can be measured reliably. The expenditure capitalised comprises all directly attributable costs, including costs of materials, service and direct labour. Other development expenditures that do not meet these criteria are recognised as an expense in profit or loss as incurred. Development costs are capitalised under computer software and amortised from the point at which the asset is ready for use.

Computer software

Computer software comprises computer application system software and licences. Costs incurred in developing products or systems and costs incurred in acquiring software and licences that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to computer software. Costs capitalised include external direct costs of materials and services, direct payroll and payroll-related costs.

Intellectual property

Intellectual property (**IP**) acquired as part of a business combination is recognised separately from goodwill. The IP assets are carried at their fair value at the date of acquisition less accumulated amortisation and impairment losses.

Customer relationships

Customer relationships acquired as part of a business combination are recognised separately from goodwill. The customer contracts are carried at their fair value at the date of acquisition less accumulated amortisation and impairment loss.

Prepaid licences

Prepaid licence costs relate to fees paid to an external provider for licences relating to specific components of software.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodies in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill, is recognised in profit or loss as incurred.

Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is recognised in profit or loss. Goodwill is not amortised.

The estimated useful lives are as follows:

- computer software: 5-10 years
- intellectual property: 3-5 years
- customer relationships: 10 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Intangible assets, other than goodwill, have finite useful lives. Goodwill has an indefinite useful life.

Trade and other payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Employee benefits

Short-term employee benefits

Short-term employee benefits are benefits (other than termination 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 sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Group's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Group's obligations for employees' annual leave and long service leave entitlements are recognised as employee benefits in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees.

Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on corporate bonds that have maturity dates that approximate the terms of the obligations. Any re-measurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Group's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Group does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Defined contribution superannuation benefits

All obligations for contributions in respect of employees' defined contribution entitlements are recognised as an expense as the related service is provided.

Share based payment transactions

Share-based payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods. These are recognised as an expense, with a corresponding increase in equity through the share-based payment reserve. The number of shares expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

Foreign currency transactions and balances

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the exchange rate at the reporting date. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated to the functional currency at the exchange rate when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the underlying gain or loss is recognised in other comprehensive income otherwise the exchange difference is recognised in the profit or loss.

Group companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- assets and liabilities including goodwill and fair value adjustments arising on acquisition are translated at exchange rates prevailing at the end of the reporting date;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations with functional currencies other than Australian dollars are recognised in other comprehensive income and included in the foreign currency translation reserve in the statement of financial position. The cumulative amount of these differences is reclassified into profit or loss in the period in which the operation is disposed of.

Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

11

Appendix B: management discussion and analysis of Statutory Historical Results and Statutory Historical Cash Flows

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11. Appendix B: management discussion and analysis of Statutory Historical Results and Statutory Historical Cash Flows

Set out below is a discussion of the key factors that affected our Statutory Historical Results for FY13, FY14 and FY15 and for 1H15 and 1H16. The discussion of these factors is intended to provide a brief summary only and does not detail all the factors that impacted our Statutory Historical Results. The discussion and analysis of the Statutory Historical Results below are directed only towards those statutory statement of profit or loss line items impacted by reclassifications and pro forma adjustments. Where movements in the Statutory Historical Results and Statutory Historical Cash Flows are consistent with the movements in the Pro Forma Historical Results and the Pro Forma Historical Cash Flows described in Section 4 we have referenced the relevant section. The brief discussion following mainly relates to the impact of the reclassifications and pro forma adjustments on our operating cost base.

This discussion should be read in conjunction with Section 4.11, which sets out the management discussion and analysis of the Pro Forma Historical Financial Information.

Management discussion and analysis: Statutory Historical Annual Results for FY14 compared to FY13

Table B.1

Summary of Statutory Historical Annual Results for FY14 compared to FY13

$m	Note	FY13	FY14	Change	%
Total revenue		**43.0**	**56.7**	**13.7**	**32%**
Cost of revenues	1	(7.7)	(8.5)	(0.8)	10%
Gross profit		**35.3**	**48.2**	**12.9**	**37%**
Operating expenses					
Product design and development	1	(15.9)	(17.1)	(1.2)	8%
Sales and marketing	1	(8.2)	(9.0)	(0.8)	10%
General and administration	1	(6.0)	(8.1)	(2.1)	35%
Total operating expenses		**(30.1)**	**(34.2)**	**(4.1)**	**14%**
EBIT		**5.2**	**14.0**	**8.8**	**169%**

Note:
(1) Cost of revenues and operating expenses include depreciation and amortisation charges. A detailed reconciliation of Statutory Historical Annual Results to Pro Forma Historical Annual Results, including the reallocation of depreciation and amortisation expense, is included in this Appendix C.

Total Revenue

Total revenue increased $13.7m or 32% in FY14 from $43.0m in FY13 to $56.7m in FY14. The drivers of this increase were consistent with the drivers of the pro forma revenue movements described in Section 4.11.2.

Operating expenses

Product design and development increased by $1.2m or 8% from $15.9m in FY13 to $17.1m in FY14. The increase was driven by the factors outlined in Section 4.11.2 and a $0.3m increase in amortisation reflecting the level of development cost capitalised in FY13 and during FY14.

Sales and marketing expenses increased $0.8m or 10% from $8.2m in FY13 to $9.0m in FY14. The increases was driven by the factors outlined in Section 4.11.2.

General and administration expenses increased $2.1m or 35% from $6.0m in FY13 to $8.1m in FY14. The increases was driven by the factors outlined in Section 4.11.2.

Management discussion and analysis: Statutory Historical Annual Results for FY15 compared to FY14

Table B.2

Summary of Statutory Historical Annual Results for FY15 compared to FY14

$m	Note	FY14	FY15	Change	%
Total revenue		**56.7**	**70.0**	**13.3**	**23%**
Cost of revenues	1	(8.5)	(11.4)	(2.9)	34%
Gross profit		**48.2**	**58.6**	**10.4**	**22%**
Operating expenses					
Product design and development	1	(17.1)	(19.6)	(2.5)	15%
Sales and marketing	1	(9.0)	(11.7)	(2.7)	30%
General and administration	1	(8.1)	(12.9)	(4.8)	59%
Total operating expenses		**(34.2)**	**(44.2)**	**(10.0)**	**29%**
EBIT		**14.0**	**14.4**	**0.4**	**3%**

Note:
(1) Cost of revenues and operating expenses include depreciation and amortisation charges. A detailed reconciliation of Statutory Historical Results to Pro Forma Historical Results, including the reallocation of depreciation and amortisation expense, is included in Appendix C.

Total Revenue

Total revenue increased $13.3m or 23% in FY15 from $56.7m in FY14 to $70.0m in FY15. The drivers of this increase were consistent with the drivers of the pro forma revenue movements described in Section 4.11.4.

Operating expenses

Product design and development increased by $2.5m or 15% from $17.1m in FY14 to $19.6m in FY15. The increases was primarily driven by the factors outlined in Section 4.11.4 and a $1.4m increase in amortisation reflecting the level of development cost capitalised in FY14 and during FY15.

Sales and marketing expenses increased $2.7m or 30% from $9.0m in FY14 to $11.7m in FY15. The increases was driven by the factors outlined in Section 4.11.4.

General and administration expenses increased $4.8m or 59% from $8.1m in FY14 to $12.9m in FY15. In addition to the factors outlined in Section 4.11.4, FY15 expenses increased by a further $0.8m reflecting $0.5m of transaction costs related to the acquisitions of CoreFreight, Compu-Clearing and Zsoft and $0.3m of Offer related costs.

Management discussion and analysis: Statutory Historical Half Year Results for 1H16 compared to 1H15

Table B.3

Summary of Statutory Historical Half Year Results for 1H16 compared to 1H15

$m	Note	1H15	1H16	Change	%
Total revenue		**32.3**	**48.6**	**16.3**	**50%**
Cost of revenues	1	(5.4)	(7.1)	(1.7)	31%
Gross profit		**26.9**	**41.5**	**14.6**	**54%**
Operating expenses					
Product design and development	1	(9.2)	(14.1)	(4.9)	53%
Sales and marketing	1	(5.3)	(8.3)	(3.0)	57%
General and administration	1	(5.3)	(12.8)	(7.5)	142%
Total operating expenses		**(19.8)**	**(35.2)**	**(15.4)**	**78%**
EBIT		**7.1**	**6.3**	**(0.8)**	**(11%)**

Note:
(1) Cost of revenues and operating expenses include depreciation and amortisation charges. A detailed reconciliation of Statutory Historical Results to Pro Forma Historical Results, including the reallocation of depreciation and amortisation expense, is included in Appendix C.

Total Revenue

Total revenue increased $16.3m or 50% in 1H16 from $32.3m in 1H15 to $48.6m in 1H16. The drivers of this increase were primarily consistent with the drivers of the pro forma revenue movements described in Section 4.11.6. In addition, revenue in 1H16 included a full 6 months of revenue from the acquisition of CoreFreight, the Zsoft asset acquisition and five months of revenue from the acquisition of Compu-Clearing which contributed an additional $3.3m of revenue.

Operating expenses

Operating expenses increased by $15.4m or 78% from $19.8m in 1H15 to $35.2m in 1H16. The increases was driven by the factors outlined in Section 4.11.6. and a full 6 months of costs from the acquisition of CoreFreight, the Zsoft asset acquisition and 5 months of costs from the acquisition of Compu-Clearing and the offer costs of $2.5m incurred in 1H16. Compu-Clearing contributed an additional $2.9m of operating expenses in 1H16 compared to 1H15, most of which impacted product design and development.

Product design and development increased by $4.9m or 53% from $9.2m in 1H15 to $14.1m in 1H16. The increases was driven by the factors outlined in Section 4.11.6 and the additional cost relating to the Acquisitions and the Zsoft asset acquisition.

Sales and marketing expenses increased $3.0m, 57% from $5.3m in 1H15 to $8.3m in 1H16. The increases was primarily driven by the factors outlined in Section 4.11.6 and $0.6 million associated with sales related amortisation expenses (e.g. customer relationships) and increased depreciation.

General and administration expenses increased $7.5m or 142% from $5.3m in 1H15 to $12.8m in 1H16. In addition to the factors outlined in Section 4.11.6 1H16 includes $0.3m of transaction costs related to the Acquisitions and an additional $2.5m of Offer related costs.

Statutory Historical Cash Flows

The table below presents the statutory historical consolidated cash flow information for FY13, FY14, FY15, 1H15 and 1H16. Statutory free cash flow presented in Table B.4 is reconciled to pro forma free cash flow (presented in Table 6) in Table 8.

Table B.4

Reconciliation of statutory historical Operating cash flow to statutory historical cash flow

$m	Statutory Historical				
	FY13	**FY14**	**FY15**	**1H15**	**1H16**
EBITDA	9.2	18.5	21.1	10.1	12.1
Non-cash items in EBITDA	3.3	1.2	3.5	1.4	3.5
Changes in working capital	1.2	(2.2)	(1.3)	(1.6)	(2.4)
Operating cash flow	**13.7**	**17.5**	**23.3**	**9.9**	**13.2**
Income tax (paid)/refund	-	0.2	(1.9)	(0.1)	(1.9)
Net cash provided by operating activities	**13.7**	**17.7**	**21.4**	**9.8**	**11.3**
Capitalised development cost	(7.0)	(9.5)	(13.3)	(6.8)	(9.6)
Other net capital expenditure	(1.5)	(1.4)	(2.6)	(1.0)	(2.4)
Earnings from discontinued operations	-	-	-	-	-
Interest paid	(0.6)	(0.5)	(0.7)	(0.1)	(1.0)
Interest received	-	-	0.2	0.3	0.6
Proceeds from disposal of discontinued operation, net of cash disposed of	-	2.5	-	-	-
Deferred consideration of Translogix acquisition	(10.0)	(2.0)	-	-	-
Acquisition of Shenzhen Zsoft Software Development Co. Ltd	-	-	(2.4)	-	(1.2)
Acquisition of Core Freight Systems Proprietary Limited	-	-	(5.5)	-	-
Acquisition of Compu-Clearing Outsourcing Limited	-	-	-	-	(17.5)
Acquisition of equity-accounted investees	-	-	(5.6)	(0.5)	-
Acquisition of equity securities	-	-	(2.2)	-	-
Net cash flow after operating and investing activities	**(5.4)**	**6.8**	**(10.7)**	**1.6**	**(19.8)**
Repayment of borrowings	(3.9)	(1.3)	(5.0)	-	-
Proceeds from borrowings	5.9	-	24.0	-	2.4
Repayment of finance lease liabilities	-	(0.4)	(1.6)	(1.0)	(1.5)
Proceeds from issue of shares	0.4	-	35.0	-	-
Payment for transaction costs	-	-	(0.3)	-	-
Net cash flow before dividends	**(3.0)**	**5.1**	**41.4**	**0.6**	**(18.9)**
Dividends	(2.0)	(1.9)	(2.0)	(1.0)	(2.3)
Net increase (decrease) in cash held	**(5.0)**	**3.2**	**39.4**	**(0.4)**	**(21.2)**

Note: In the half year condensed consolidated financial statements for 1H16 interest paid is classified as an investing cashflow. In our general purpose consolidated financial statements for FY14 and FY15, interest paid was classified as an operating cashflow. In the presentation above interest paid for FY13, FY14 and FY15 has been classified as an investing cashflow consistent with the presentation for 1H16.

Management discussion and analysis: Statutory Historical Annual Cash Flows for FY14 compared to FY13

Table B.5

Summary of Statutory Historical Annual Cash Flows for FY14 compared to FY13

$m

	Note	FY13	FY14	Change	%
EBITDA		**9.2**	**18.5**	**9.3**	**101%**
Non-cash items in EBITDA	1	3.3	1.2	(2.1)	(64)%
Changes in working capital	2	1.2	(2.2)	(3.4)	(283)%
Operating cash flow	3	**13.7**	**17.5**	**3.8**	**28%**
Capitalised development cost	4	(7.0)	(9.5)	(2.5)	36%
Other net capital expenditure		(1.5)	(1.4)	0.1	(7)%
Free cash flow		**5.2**	**6.6**	**1.4**	**27%**
Operating cash flow conversion ratio		149%	95%	(54)pts	
Free cash flow conversion ratio		57%	36%	(21)pts	

Refer to Notes in Table 6.

The $3.8m or 28% increase in operating cash flow from $13.7m in FY13 to $17.5m in FY14 and the $1.4m or 27% increase in free cash flow were driven by the same factors as the increase in pro forma operating cash flow and pro forma free cash flow as described in section 4.11.3.

Management discussion and analysis: Statutory Historical Annual Cash Flows for FY15 compared to FY14

Table B.6

Summary of Statutory Historical Annual Cash Flows for FY15 compared to FY14

$m

	Note	FY14	FY15	Change	%
EBITDA		**18.5**	**21.1**	**2.6**	**14%**
Non-cash items in EBITDA	1	1.2	3.5	2.3	192%
Changes in working capital	2	(2.2)	(1.3)	0.9	(41)%
Operating cash flow	3	**17.5**	**23.3**	**5.8**	**33%**
Capitalised development cost	4	(9.5)	(13.3)	(3.8)	40%
Other net capital expenditure		(1.4)	(2.6)	(1.2)	86%
Free cash flow		**6.6**	**7.4**	**0.8**	**12%**
Operating cash flow conversion ratio		95%	110%	15pts	
Free cash flow conversion ratio		36%	35%	(1)pt	

Refer to Notes in Table 6.

The $5.8m or 33% increase in operating cashflow from $17.5m in FY14 to $23.3m in FY15 and the $0.8m or 12% increase in free cash flow were driven by the same factors as the increase in pro forma operating cash flow and pro forma free cash flow as described in section 4.11.5.

Management discussion and analysis: Statutory Historical Half Year Cash Flows for 1H15 compared to 1H16

Table B.7

Summary of Statutory Historical Half Year Cash Flows for 1H16 compared to 1H15

$m	Note	1H15	1H16	Change	%
EBITDA		**10.1**	**12.1**	**2.0**	**20%**
Non-cash items in EBITDA	1	1.4	3.5	2.1	150%
Changes in working capital	2	(1.6)	(2.4)	(0.8)	50%
Operating cash flow	3	**9.9**	**13.2**	**3.3**	**33%**
Capitalised development cost	4	(6.8)	(9.6)	(2.8)	41%
Other net capital expenditure		(1.0)	(2.4)	(1.4)	140%
Free cash flow		**2.1**	**1.2**	**(0.9)**	**(43)%**
Operating cash flow conversion ratio		98%	109%	11pts	
Free cash flow conversion ratio		21%	10%	(11)pts	

Refer to Notes in Table 6.

The $3.3m or 33% increase in operating cashflow from $9.9m in 1H15 to $13.2m in 1H16 and the $0.9m or 43% decrease in free cash flow were driven by the same factors as the increase in pro forma operating cash flow and pro forma free cash flow as described in section 4.11.7.

In addition, statutory operating cash flows was also impacted by 1H16 non-cash items in EBITDA including $0.5m of share based payments relating to the Offer and statutory working capital movement included the benefit of $1.3m of Offer related accruals.

12 Appendix C: Selected reconciliations

WiseTech GLOBAL

FY17

Table C.1:

Reconciliation of Statutory Forecast Annual Results to Pro Forma Forecast Results for FY17

$m	Statutory Forecast Results	D&A reallocation	Dis-continued operations	Statutory continuing operations showing EBITDA and EBITA	Net impact of acquisitions	Acquisition transaction costs	Incremental public company costs	Offer costs	Net Finance Costs	Total pro forma adjustments	Pro Forma Historical Results
Continuing operations											
On-Demand				125.4	–	–	–	–	–	–	125.4
OTL Maintenance				8.1	–	–	–	–	–	–	8.1
OTL & Support Services				1.5	–	–	–	–	–	–	1.5
Total revenue	**135.0**	**–**	**–**	**135.0**	**–**	**–**	**–**	**–**	**–**	**–**	**135.0**
Cost of revenues	(18.5)	2.6	–	(15.9)	–	–	–	–	–	–	(15.9)
Gross profit	**116.5**	**2.6**	**–**	**119.1**	**–**	**–**	**–**	**–**	**–**	**–**	**119.1**
Operating expenses											
Product design and development	(34.7)	8.1	–	(26.6)	–	–	–	–	–	–	(26.6)
Sales and marketing	(18.6)	1.5	–	(17.1)	–	–	–	–	–	–	(17.1)
General and administration	(28.2)	0.8	–	(27.4)	–	–	–	–	–	–	(27.4)
Total operating expenses	**(81.5)**	**10.4**	**–**	**(71.1)**	**–**	**–**	**–**	**–**	**–**	**–**	**(71.1)**
EBITDA		**13.0**	**–**	**48.0**	**–**	**–**	**–**	**–**	**–**	**–**	**48.0**
Depreciation		(5.7)	–	(5.7)	–	–	–	–	–	–	(5.7)
Amortisation		(5.8)	–	(5.8)	–	–	–	–	–	–	(5.8)
EBITA		**1.5**	**–**	**36.5**	**–**	**–**	**–**	**–**	**–**	**–**	**36.5**
Acquired amortisation		(1.5)		(1.5)	–					–	(1.5)
EBIT	**35.0**	**–**	**–**	**35.0**	**–**	**–**	**–**	**–**	**–**	**–**	**35.0**
Finance income	1.9	–	–	1.9	–	–	–	–	–	–	1.9
Finance costs	(1.3)	–	–	(1.3)	–	–	–	0.9	–	0.9	(0.4)
Net finance income/(costs)	**0.6**	**–**	**–**	**0.6**	**–**	**–**	**–**	**0.9**	**–**	**0.9**	**1.5**
Share of profit of equity–accounted investees	–	–	–	–	–					–	-
Profit before income tax	**35.6**	**–**	**–**	**35.6**	**–**	**–**	**–**	**0.9**	**–**	**0.9**	**36.5**
Tax expense	(11.2)	–		(11.2)	–	–	–	(0.3)	–	(0.3)	(11.5)
NPAT continuing operations	**24.4**	**–**	**–**	**24.4**	**–**	**–**	**–**	**0.6**	**–**	**0.6**	**25.0**
Net profit from discontinued operations	–	–	–	–	–	–	–	–	–	–	–
NPAT	**24.4**	**–**	**–**	**24.4**	**–**	**–**	**–**	**0.6**	**–**	**0.6**	**25.0**
Acquired amortisation after tax		1.1	–	1.1	–	–	–	–	**–**	–	1.1
NPATA		**1.1**	**–**	**25.5**	**–**	**–**	**–**	**0.6**	**–**	**0.6**	**26.1**

A summary of pro forma adjustments is presented in Table 4 in Section 4 and the notes accompanying in Table 4.

12. Appendix C: Selected reconciliations

FY16

Table C.2:

Reconciliation of Statutory Forecast Annual Results to Pro Forma Forecast Results for FY16

$m	Statutory Forecast Results	D&A reallocation	Dis-continued operations	Statutory continuing operations showing EBITDA and EBITA	Net impact of acquisitions	Acquisition transaction costs	Incremental public company costs	Offer costs	Net Finance Costs	Employee incentive scheme close–out	Commission scheme close out	Total pro forma adjustments	Pro Forma Historical Results
Continuing operations													
On-Demand				84.2	0.7	–	–	–	–	–	–	0.7	84.9
OTL Maintenance				15.4	–	–	–	–	–	–	–	–	15.4
OTL & Support Services				1.7	–	–	–	–	–	–	–	–	1.7
Total revenue	**101.3**	**–**	**–**	**101.3**	**0.7**	**–**	**–**	**–**	**–**	**–**	**–**	**0.7**	**102.0**
Cost of revenues	(14.9)	2.0		(12.9)	(0.1)							(0.1)	(13.0)
Gross profit	**86.4**	**2.0**	**–**	**88.4**	**0.6**	**–**	**–**	**–**	**–**	**–**	**–**	**0.6**	**89.0**
Operating expenses													
Product design and development	(28.0)	6.9	–	(21.1)	(0.1)	–	–	–	–	–	–	(0.1)	(21.2)
Sales and marketing	(16.4)	1.3	–	(15.1)	–	–	–	–	–	–	–	–	(15.1)
General and administration	(41.7)	0.7	–	(41.0)	(0.2)	0.3	(2.0)	10.0	–	3.1	7.1	18.3	(22.7)
Total operating expenses	**(86.1)**	**8.9**	**–**	**(77.2)**	**(0.3)**	**0.3**	**(2.0)**	**10.0**	**–**	**3.1**	**7.1**	**18.2**	**(59.0)**
EBITDA		**10.9**	**–**	**11.2**	**0.3**	**0.3**	**(2.0)**	**10.0**	**–**	**3.1**	**7.1**	**18.8**	**30.0**
Depreciation		(4.5)	–	(4.5)	–	–	–	–	–	–	–	–	(4.5)
Amortisation		(4.6)	–	(4.6)	–	–	–	–	–	–	–	–	(4.6)
EBITA		**1.8**	**–**	**2.1**	**0.3**	**0.3**	**(2.0)**	**10.0**	**–**	**3.1**	**7.1**	**18.8**	**20.9**
Acquired amortisation		(1.8)		(1.8)	–							–	(1.8)
EBIT	**0.3**	**–**	**–**	**0.3**	**0.3**	**0.3**	**(2.0)**	**10.0**	**–**	**3.1**	**7.1**	**18.8**	**19.1**
Finance income	1.2	–	–	1.2	–	–	–	–	–	–	–	–	1.2
Finance costs	(2.2)	–	–	(2.2)	–	–	–	0.6	0.8	–	–	1.4	(0.8)
Net finance income/ (costs)	**(1.0)**	**–**	**–**	**(1.0)**	**–**	**–**	**–**	**0.6**	**0.8**	**–**	**–**	**1.4**	**0.4**
Share of profit of equity–accounted investees	–	–	–	–	–	–	–	–	–	–	–	–	–
Profit before income tax	**(0.7)**	**–**	**–**	**(0.7)**	**0.3**	**0.3**	**(2.0)**	**10.6**	**0.8**	**3.1**	**7.1**	**20.2**	**19.5**
Tax expense	–	–		–	(0.1)	–	0.6	(3.0)	(0.3)	(1.6)	(2.1)	(6.5)	(6.5)
NPAT continuing operations	**(0.7)**	**–**	**–**	**(0.7)**	**0.2**	**0.3**	**(1.4)**	**7.6**	**0.5**	**1.5**	**5.0**	**13.7**	**13.0**
Net profit from discontinued operations	–	–	–	–	–	–	–	–	–	–	–	–	–
NPAT	**(0.7)**	**–**	**–**	**(0.7)**	**0.2**	**0.3**	**(1.4)**	**7.6**	**0.5**	**1.5**	**5.0**	**13.7**	**13.0**
Acquired amortisation after tax		1.3	–	1.3	–	–	–	–	–	–	–	–	1.3
NPATA		**1.3**	**–**	**0.6**	**0.2**	**0.3**	**(1.4)**	**7.6**	**0.5**	**1.5**	**5.0**	**13.7**	**14.3**

A summary of pro forma adjustments is presented in Table 4 in Section 4 and the notes accompanying in Table 4.

FY15

Table C.3:

Reconciliation of Statutory Historical Annual Results to Pro Forma Historical Results for FY15

$m	Statutory Historical Results	D&A reallocation	Discontinued operations	Statutory continuing operations showing EBITDA and EBITA	Net impact of acquisitions	Acquisition transaction costs	Incremental public company costs	Offer costs	Net Finance Costs	Total pro forma adjustments	Pro Forma Historical Results
Continuing operations											
On-Demand				49.3	7.6	–	–	–	–	7.6	56.9
OTL Maintenance				18.0	2.0	–	–	–	–	2.0	20.0
OTL & Support Services				2.7	–	–	–	–	–	–	2.7
Total revenue	**70.0**	**–**	**–**	**70.0**	**9.6**	**–**	**–**	**–**	**–**	**9.6**	**79.6**
Cost of revenues	(11.4)	1.0	–	(10.4)	(2.5)	–	–	–	–	(2.5)	(12.9)
Gross profit	**58.6**	**1.0**	**–**	**59.6**	**7.1**	**–**	**–**	**–**	**–**	**7.1**	**66.7**
Operating expenses											
Product design and development	(19.6)	5.3	–	(14.3)	(2.7)	–	–	–	–	(2.7)	(17.0)
Sales and marketing	(11.7)	0.2	–	(11.5)	(0.6)	–	–	–	–	(0.6)	(12.1)
General and administration	(12.9)	0.2	–	(12.7)	(1.2)	0.5	(2.6)	0.3	–	(3.0)	(15.7)
Total operating expenses	**(44.2)**	**5.7**	**–**	**(38.5)**	**(4.5)**	**0.5**	**(2.6)**	**0.3**	**–**	**(6.3)**	**(44.8)**
EBITDA		**6.7**	**–**	**21.1**	**2.6**	**0.5**	**(2.6)**	**0.3**	**–**	**0.8**	**21.9**
Depreciation		(2.3)	–	(2.3)	(0.4)	–	–	–	–	(0.4)	(2.7)
Amortisation		(2.9)	–	(2.9)	(0.1)	–	–	–	–	(0.1)	(3.0)
EBITA		**1.5**	**–**	**15.9**	**2.1**	**0.5**	**(2.6)**	**0.3**	**–**	**0.3**	**16.2**
Acquired amortisation		(1.5)	–	(1.5)	(0.6)	–	–	–	–	(0.6)	(2.1)
EBIT	**14.4**	**–**	**–**	**14.4**	**1.5**	**0.5**	**(2.6)**	**0.3**	**–**	**(0.3)**	**14.1**
Finance income	1.0	–	–	1.0	–	–	–	–	–	–	1.0
Finance costs	(0.9)	–	–	(0.9)	–	–	–	–	0.4	0.4	(0.5)
Net finance income/(costs)	**0.1**	**–**	**–**	**0.1**	**–**	**–**	**–**	**–**	**0.4**	**0.4**	**0.5**
Share of profit of equity–accounted investees	–	–	–	–	–	–	–	–	–	–	–
Profit before income tax	**14.5**	**–**	**–**	**14.5**	**1.5**	**0.5**	**(2.6)**	**0.3**	**0.4**	**0.1**	**14.6**
Tax expense	(4.4)			(4.4)	(0.4)	–	0.8	(0.1)	(0.1)	0.2	(4.2)
NPAT continuing operations	**10.1**	**–**	**–**	**10.1**	**1.1**	**0.5**	**(1.8)**	**0.2**	**0.3**	**0.3**	**10.4**
Net profit from discontinued operations	–	–	–	–	–	–	–	–	–	–	–
NPAT	**10.1**	**–**	**–**	**10.1**	**1.1**	**0.5**	**(1.8)**	**0.2**	**0.3**	**0.3**	**10.4**
Acquired amortisation after tax		1.1	–	1.1	0.4					0.4	1.5
NPATA		**1.1**	**–**	**11.2**	**1.5**	**0.5**	**(1.8)**	**0.2**	**0.3**	**0.7**	**11.9**

A summary of pro forma adjustments is presented in Table 4 in Section 4 and the notes accompanying in Table 4.

FY14

Table C.4:

Reconciliation of Statutory Historical Annual Results to Pro Forma Historical Annual Results for FY14

$m	Statutory Historical Results	D&A reallocation	Discontinued operations	Statutory continuing operations showing EBITDA and EBITA	Net impact of acquisitions	Acquisition transaction costs	Incremental public company costs	Offer costs	Net Finance Costs	Total pro forma adjustments	Pro Forma Historical Results
Continuing operations											
On-Demand				31.8	7.3	–	–	–	–	7.3	39.1
OTL Maintenance				22.0	2.0	–	–	–	–	2.0	24.0
OTL & Support Services				2.9	–	–	–	–	–	–	2.9
Total revenue	**56.7**	**–**	**–**	**56.7**	**9.3**	**–**	**–**	**–**	**–**	**9.3**	**66.0**
Cost of revenues	(8.5)	0.4	–	(8.1)	(2.3)	–	–	–	–	(2.3)	(10.4)
Gross profit	**48.2**	**0.4**	**–**	**48.6**	**7.0**	**–**	**–**	**–**	**–**	**7.0**	**55.6**
Operating expenses											
Product design and development	(17.1)	3.9	–	(13.2)	(2.6)	–	–	–	–	(2.6)	(15.8)
Sales and marketing	(9.0)	0.1	–	(8.9)	(0.6)	–	–	–	–	(0.6)	(9.5)
General and administration	(8.1)	0.1	–	(8.0)	(1.1)	–	(2.6)	–	–	(3.7)	(11.7)
Total operating expenses	**(34.2)**	**4.1**	**–**	**(30.1)**	**(4.3)**	**–**	**(2.6)**	**–**	**–**	**(6.9)**	**(37.0)**
EBITDA		**4.5**	**–**	**18.5**	**2.7**	**–**	**(2.6)**	**–**	**–**	**0.1**	**18.6**
Depreciation		(0.9)	–	(0.9)	(0.3)	–	–	–	–	(0.3)	(1.2)
Amortisation		(2.2)	–	(2.2)	(0.1)	–	–	–	–	(0.1)	(2.3)
EBITA		**1.4**	**–**	**15.4**	**2.3**	**–**	**(2.6)**	**–**	**–**	**(0.3)**	**15.1**
Acquired amortisation		(1.4)	–	(1.4)	(0.6)	–	–	–	–	(0.6)	(2.0)
EBIT	**14.0**	**–**	**–**	**14.0**	**1.7**	**–**	**(2.6)**	**–**	**–**	**(0.9)**	**13.1**
Finance income	0.4	–	–	0.4	–	–	–	–	–	–	0.4
Finance costs	(0.6)	–	–	(0.6)	–	–	–	–	0.3	0.3	(0.3)
Net finance income/(costs)	**(0.2)**	**–**	**–**	**(0.2)**	**–**	**–**	**–**	**–**	**0.3**	**0.3**	**0.1**
Share of profit of equity–accounted investees	–	–	–	–	–	–	–	–	–	–	–
Profit before income tax	**13.8**	**–**	**–**	**13.8**	**1.7**	**–**	**(2.6)**	**–**	**0.3**	**(0.6)**	**13.2**
Tax expense	(3.7)	–	–	(3.7)	(0.4)	–	0.8	–	(0.1)	0.3	(3.4)
NPAT continuing operations	**10.1**	**–**	**–**	**10.1**	**1.3**	**–**	**(1.8)**	**–**	**0.2**	**(0.3)**	**9.8**
Net profit from discontinued operations	1.9	–	(1.9)	(0.0)	–	–	–	–	–	–	(0.0)
NPAT	**12.0**	**–**	**(1.9)**	**10.1**	**1.3**	**–**	**(1.8)**	**–**	**0.2**	**(0.3)**	**9.8**
Acquired amortisation after tax		1.0	–	1.0	0.4	–	–	–	–	0.4	1.4
NPATA		**1.0**	**(1.9)**	**11.1**	**1.7**	**–**	**(1.8)**	**–**	**0.2**	**0.1**	**11.2**

A summary of pro forma adjustments is presented in Table 4 in Section 4 and the notes accompanying in Table 4.

FY13

Table C.5:

Reconciliation of Statutory Historical Annual Results to Pro Forma Historical Annual Results for FY13

$m	Statutory Historical Results	D&A reallocation	Discontinued operations	Statutory continuing operations showing EBITDA and EBITA	Net impact of Acquisitions	Acquisition transaction costs	Incremental public company costs	Offer costs	Net Finance Costs	Total pro forma adjustments	Pro Forma Historical Results
Continuing operations											
On-Demand				15.6	7.0	–	–	–	–	7.0	22.6
OTL Maintenance				21.7	1.9	–	–	–	–	1.9	23.6
OTL & Support Services				5.7	–	–	–	–	–	–	5.7
Total revenue	**43.0**	**–**	**–**	**43.0**	**8.9**	**–**	**–**	**–**	**–**	**8.9**	**51.9**
Cost of revenues	(7.7)	0.2	–	(7.5)	(2.3)	–	–	–	–	(2.3)	(9.8)
Gross profit	**35.3**	**0.2**	**–**	**35.5**	**6.6**	**–**	**–**	**–**	**–**	**6.6**	**42.1**
Operating expenses											
Product design and development	(15.9)	3.6	–	(12.3)	(2.6)	–	–	–	–	(2.6)	(14.9)
Sales and marketing	(8.2)	0.1	–	(8.1)	(0.6)	–	–	–	–	(0.6)	(8.7)
General and administration	(6.0)	0.1	–	(5.9)	(1.1)	–	(2.6)	–	–	(3.7)	(9.6)
Total operating expenses	**(30.1)**	**3.8**	**–**	**(26.3)**	**(4.3)**	**–**	**(2.6)**	**–**	**–**	**(6.9)**	**(33.2)**
EBITDA		**4.0**	**–**	**9.2**	**2.3**	**–**	**(2.6)**	**–**	**–**	**(0.3)**	**8.9**
Depreciation		(0.6)	–	(0.6)	(0.3)	–	–	–	–	(0.3)	(0.9)
Amortisation		(1.8)	–	(1.8)	(0.1)	–	–	–	–	(0.1)	(1.9)
EBITA		**1.6**	**–**	**6.8**	**1.9**	**–**	**(2.6)**	**–**	**–**	**(0.7)**	**6.1**
Acquired amortisation		(1.6)	–	(1.6)	(0.6)	–	–	–	–	(0.6)	(2.2)
EBIT	**5.2**	**–**	**–**	**5.2**	**1.3**	**–**	**(2.6)**	**–**	**–**	**(1.3)**	**3.9**
Finance income	0.3	–	–	0.3	–	–	–	–	–	–	0.3
Finance costs	(0.7)	–	–	(0.7)	–	–	–	–	0.4	0.4	(0.3)
Net finance income/(costs)	**(0.4)**	**–**	**–**	**(0.4)**	**–**	**–**	**–**	**–**	**0.4**	**0.4**	–
Share of profit of equity–accounted investees	–	–	–	–	–	–	–	–	–	–	–
Profit before income tax	**4.8**	**–**	**–**	**4.8**	**1.3**	**–**	**(2.6)**	**–**	**0.4**	**(0.9)**	**3.9**
Tax expense	(1.1)	–	–	(1.1)	(0.4)	–	0.8	–	(0.1)	0.3	(0.8)
NPAT continuing operations	**3.7**	**–**	**–**	**3.7**	**0.9**	**–**	**(1.8)**	**–**	**0.3**	**(0.6)**	**3.1**
Net profit from discontinued operations	0.4	–	(0.4)	–	–	–	–	–	–	–	–
NPAT	**4.1**	**–**	**(0.4)**	**3.7**	**0.9**	**–**	**(1.8)**	**–**	**0.3**	**(0.6)**	**3.1**
Acquired amortisation after tax		1.1	–	1.1	0.4	–	–	–	–	0.4	1.5
NPATA		**1.1**	**(0.4)**	**4.8**	**1.3**	**–**	**(1.8)**	**–**	**0.3**	**(0.2)**	**4.6**

A summary of pro forma adjustments is presented in Table 4 in Section 4 and the notes accompanying in Table 4.

1H16

Table C.6:

Reconciliation of Statutory Historical Half Year Results to Pro Forma Historical Half Year Results for 1H16

$m	Statutory Historical Results	D&A reallocation	Discontinued operations	Statutory continuing operations showing EBITDA and EBITA	Net impact of acquisitions	Acquisition transaction costs	Incremental public company costs	Offer costs	Net Finance Costs	Total pro forma adjustments	Pro Forma Historical Results
Continuing operations											
On-Demand				38.2	0.7	–	–	–	–	0.7	38.9
OTL Maintenance				9.4	–	–	–	–	–	–	9.4
OTL & Support Services				1.0	–	–	–	–	–	–	1.0
Total revenue	**48.6**	**–**	**–**	**48.6**	**0.7**	**–**	**–**	**–**	**–**	**0.7**	**49.3**
Cost of revenues	(7.1)	1.2		(5.9)	(0.1)					(0.1)	(6.0)
Gross profit	**41.5**	**1.2**	**–**	**42.7**	**0.6**	**–**	**–**	**–**	**–**	**0.6**	**43.3**
Operating expenses											
Product design and development	(14.1)	3.5		(10.6)	(0.1)	–	–	–	–	(0.1)	(10.7)
Sales and marketing	(8.3)	0.7		(7.6)	–	–	–	–	–	–	(7.6)
General and administration	(12.8)	0.4		(12.4)	(0.2)	0.3	(1.3)	2.7	–	1.5	(10.9)
Total operating expenses	**(35.2)**	**4.6**	**–**	**(30.6)**	**(0.3)**	**0.3**	**(1.3)**	**2.7**	**–**	**1.4**	**(29.2)**
EBITDA		**5.8**	**–**	**12.1**	**0.3**	**0.3**	**(1.3)**	**2.7**	**–**	**2.0**	**14.1**
Depreciation		(2.6)	–	(2.6)	–	–	–	–	–	–	(2.6)
Amortisation		(2.1)	–	(2.1)	–	–	–	–	–	–	(2.1)
EBITA		**1.1**	**–**	**7.4**	**0.3**	**0.3**	**(1.3)**	**2.7**	**–**	**2.0**	**9.4**
Acquired amortisation		(1.1)	–	(1.1)	–	–	–	–	–	–	(1.1)
EBIT	**6.3**	**–**	**–**	**6.3**	**0.3**	**0.3**	**(1.3)**	**2.7**	**–**	**2.0**	**8.3**
Finance income	0.6	–	–	0.6	–	–	–	–	–	–	0.6
Finance costs	(1.0)	–	–	(1.0)	–	–	–	–	0.5	0.5	(0.5)
Net finance income/(costs)	**(0.4)**	**–**	**–**	**(0.4)**	**–**	**–**	**–**	**–**	**0.5**	**0.5**	**0.1**
Share of profit of equity–accounted investees	–	–	–	–	–	–	–	–	–	–	–
Profit before income tax	**5.9**	**–**	**–**	**5.9**	**0.3**	**0.3**	**(1.3)**	**2.7**	**0.5**	**2.5**	**8.4**
Tax expense	(2.8)	–	–	(2.8)	(0.1)	–	0.4	(0.7)	(0.2)	(0.6)	(3.4)
NPAT continuing operations	**3.1**	**–**	**–**	**3.1**	**0.2**	**0.3**	**(0.9)**	**2.0**	**0.3**	**1.9**	**5.0**
Net profit from discontinued operations	–	–	–	–	–	–	–	–	–	–	–
NPAT	**3.1**	**–**	**–**	**3.1**	**0.2**	**0.3**	**(0.9)**	**2.0**	**0.3**	**1.9**	**5.0**
Acquired amortisation after tax		0.8	–	0.8	–	–	–	–	–	–	0.8
NPATA		**0.8**	**–**	**3.9**	**0.2**	**0.3**	**(0.9)**	**2.0**	**0.3**	**1.9**	**5.8**

A summary of pro forma adjustments is presented in Table 4 in Section 4 and the notes accompanying in Table 4.

1H15

Table C.7:

Reconciliation of Statutory Historical Half Year Results to Pro Forma Historical Half Year Results for 1H15

$m	Statutory Historical Results	D&A reallocation	Discontinued operations	Statutory continuing operations showing EBITDA and EBITA	Net impact of acquisitions	Acquisition transaction costs	Incremental public company costs	Offer costs	Net Finance Costs	Total pro forma adjustments	Pro Forma Historical Results
Continuing operations											
On-Demand				22.0	3.7	–	–	–	–	3.7	25.7
OTL Maintenance				9.1	1.0	–	–	–	–	1.0	10.1
OTL & Support Services				1.2	–	–	–	–	–	–	1.2
Total revenue	**32.3**	**–**	**–**	**32.3**	**4.7**	**–**	**–**	**–**	**–**	**4.7**	**37.0**
Cost of revenues	(5.4)	0.3		(5.1)	(1.1)					(1.1)	(6.2)
Gross profit	**26.9**	**0.3**	**–**	**27.2**	**3.6**	**–**	**–**	**–**	**–**	**3.6**	**30.8**
Operating expenses											
Product design and development	(9.2)	2.5	–	(6.7)	(1.2)	–	–	–	–	(1.2)	(7.9)
Sales and marketing	(5.3)	0.1	–	(5.2)	(0.3)	–	–	–	–	(0.3)	(5.5)
General and administration	(5.3)	0.1	–	(5.2)	(0.6)	–	(1.3)	0.2	–	(1.7)	(6.9)
Total operating expenses	**(19.8)**	**2.7**	**–**	**(17.1)**	**(2.1)**	**–**	**(1.3)**	**0.2**	**–**	**(3.2)**	**(20.3)**
EBITDA		**3.0**	**–**	**10.1**	**1.5**	**–**	**(1.3)**	**0.2**	**–**	**0.4**	**10.5**
Depreciation		(0.9)	–	(0.9)	(0.2)	–	–	–	–	(0.2)	(1.1)
Amortisation		(1.3)	–	(1.3)	–	–	–	–	–	–	(1.3)
EBITA		**0.8**	**–**	**7.9**	**1.3**	**–**	**(1.3)**	**0.2**	**–**	**0.2**	**8.1**
Acquired amortisation		(0.8)	–	(0.8)	(0.2)	–	–	–	–	(0.2)	(1.0)
EBIT	**7.1**	**–**	**–**	**7.1**	**1.1**	**–**	**(1.3)**	**0.2**	**–**	**(0.0)**	**7.1**
Finance income	0.3	–	–	0.3	–	–	–	–	–	–	0.3
Finance costs	(0.1)	–	–	(0.1)	–	–	–	–	0.2	0.2	0.1
Net finance income/(costs)	**0.2**	**–**	**–**	**0.2**	**–**	**–**	**–**	**–**	**0.2**	**0.2**	**0.4**
Share of profit of equity–accounted investees	–	–	–	–	–	–	–	–	–	–	–
Profit before income tax	**7.3**	**–**	**–**	**7.3**	**1.1**	**–**	**(1.3)**	**0.2**	**0.2**	**0.2**	**7.5**
Tax expense	(2.2)	–	–	(2.2)	(0.3)	–	0.4	(0.1)	(0.1)	(0.1)	(2.3)
NPAT continuing operations	**5.1**	**–**	**–**	**5.1**	**0.8**	**–**	**(0.9)**	**0.1**	**0.1**	**0.1**	**5.2**
Net profit from discontinued operations	–	–	–	–	–	–	–	–	–	–	–
NPAT	**5.1**	**–**	**–**	**5.1**	**0.8**	**–**	**(0.9)**	**0.1**	**0.1**	**0.1**	**5.2**
Acquired amortisation after tax		0.6	–	0.6	0.1	–	–	–	–	0.1	0.7
NPATA		**0.6**	**–**	**5.7**	**0.9**	**–**	**(0.9)**	**0.1**	**0.1**	**0.2**	**5.9**

A summary of pro forma adjustments is presented in Table 4 in Section 4 and the notes accompanying in Table 4.

13 Appendix D: corporate structure – List of subsidiaries

13. Appendix D: corporate structure – List of subsidiaries

Company name	Nature of subsidiary's business
WiseTech Global Limited ACN 065 894 724	Holding company within the group of companies
TransLogix (Australia) Pty Ltd ACN 159 920 966	Entity operating integrated although distinct brand which is being merged into WiseTech Global brand
WiseTech Global (Trading) Pty Ltd ACN 131 621 924	Operating company interposed between Group holding company and country trading companies
WiseTech Global (Australia) Pty Ltd ACN 112 936 991	Main Australian operating company and principal contracting entity from 2015 (consistent with revised transfer pricing arrangements)
WiseTech Global (NZ) Limited	New Zealand operating company
WiseTech Global (US) Inc	United States operating company
WiseTech Global (UK) Ltd	United Kingdom operating company
Wisetechglobal (Pty) Ltd	Main South African operating company
Core Freight Systems (Pty) Ltd	Separate enterprise forming a strategic investment that is wholly owned by Wisetechglobal (Pty) Ltd. Assets currently being transferred to Wisetechglobal (Pty) Limited and once complete company will be liquidated
Compu-Clearing Outsourcing Ltd	Separate enterprise forming a strategic investment that is wholly owned by Wisetechglobal (Pty) Ltd. Holding company for the Compu-clearing group
WiseTech Global (CA) Ltd	Canadian operating company
WiseTech Global (SG) Pte. Ltd.	Singaporean operating company
WiseTech Global (HK) Limited	Hong Kong operating company
WiseTech (Shanghai) Information Technology Ltd	Chinese operating company (WOFE of Hong Kong operating company)
Cargowise GmbH	German operating company
Softship AG	Separate enterprise forming a strategic investment in which the Company holds Group CargoWise GMBH holds 19.9%
Compu-Clearing (Pty) Limited	Principal operating company for Compu-Clearing business
Three DX Property and Investments (Pty) Ltd	Limited activity
EDI Enterprise (Pty) Limited.	Limited activity
Compu-Clearing Drome Road Property (Pty) Limited	Real property interest holder
Drome Road Share Block (Pty) Limited	Real property interest holder

Save for Softship AG, all of the above entities are wholly owned subsidiaries of WiseTech Global Limited. 19.9% of Softship AG is owned by a wholly owned by CargoWise Gmbh, a subsidiary of WiseTech Global Limited.

14 Glossary

Term	Description
1HXX	Six months ended 31 December 20XX
1PL	First-party logistics service provider. "In-house" logistics capabilities of organisations whose core capabilities are not in logistics (for example, retailers or manufacturers)
2PL	Second-party logistics service provider. An outsourced provider of a single transport service, such as air, sea, rail and road carriers
3PL	Third-party logistics service provider. An integrated provider of multiple services, including transport but also services such as warehouse, freight forwarding and customs clearance
AAS	Australian Accounting Standards
AASB	Australian Accounting Standards Board
ABN	Australian Business Number
Acquisitions	Acquisitions of CoreFreight and Compu-Clearing
Annual Attrition Rate	Annual Attrition Rate is a customer attrition measurement relating to the CargoWise One application suite (excluding any customers on acquired legacy platforms). A customer's users are included in the customer attrition calculation upon leaving, that is, having not used the product for at least four months
Application Form	The application form attached to or accompanying this Prospectus (including the electronic form provided by an online application facility)
ASIC	Australian Securities and Investments Commission
ASX Listing Rules	The official listing rules of the ASX
ASX Recommendations	ASX Corporate Governance Council's Corporate Governance Principles and Recommendations
ASX Settlement Operating Rules	The rules of ASX Settlement Pty Limited (ACN 008 504 532)
Banking Facilities	$55m multi-currency revolving facilities entered into by WiseTech with Westpac Banking Corporation
Board	The board of Directors of the Company
Bookbuild	The process through which Institutional Investors and ASX participating organisations may be invited to bid for Shares under the Offer and during which the number of Shares offered is determined
Broker	Any ASX participating organisation selected by the Joint Lead Managers and us to act as a broker for the Offer
Broker Firm Offer	The Offer of Shares to Australian resident retail clients of Brokers who have received a firm allocation of Shares from their Broker
CAGR	Compound annual growth rate
CargoWise One or CargoWise One application suite	Our flagship software application suite comprises our current generation software product known as CargoWise One, and our software product it was developed from, ediEnterprise, which is still in use by some customers.
CEO	Chief Executive Officer
CGT	Capital gains tax
CGU	Cash generating unit
CHESS	ASX's Clearing House Electronic Subregister System
Cloud	A software delivery model whereby software is delivered over the internet and hosted by the software provider or a hosting provider, instead of on the customer's premise, enabling users to access the software at any time, at any location and from any internet connected device
Commercial software or solution	A software solution provided or sold by a third-party software vendor, as distinct from self-developed
Company	WiseTech Global Limited

Term	Description
Completion	The completion of the Offer, being the date on which Shares are issued or transferred to successful applicants in accordance with the terms of the Offer
Compu-Clearing	Compu-Clearing Outsourcing Limited
Consenting Party	Parties who have provided written consent to be named in this Prospectus as outlined in section 9.11
Constitution	The constitution of WiseTech
CoreFreight	Core Freight Systems (Proprietary) Limited
Corporations Act	Corporations Act 2001 (Cth)
CRM	Customer relationship management
Customer	Purchaser of our software. Customers are typically legal entities or business divisions (rather than individuals). In some cases we have separate customers who purchase our software that are part of the same corporate group. Customer numbers include customers of our CargoWise One application suite and legacy platforms. Legacy customers are counted with reference to installed sites
DHL GF	DHL Global Forwarding Gmbh
Director	Each of the directors of the Company from time to time
EBIT	Earnings before interest (net finance income) and taxation
EBITA	Earnings before interest (net finance income), taxation and amortisation related to acquired intangibles
EBITDA	Earnings before interest (net finance income), taxation, depreciation and amortisation
Eligible Employees	Eligible Employees are persons who are resident in Australia and our permanent full time or permanent part-time employees, or a subsidiary of ours, as at 5.00pm (Sydney time) on 17 March 2016 (provided that they remain so employed and have not given, or been given, notice to terminate employment when the Employee Offer closes, which is expected to be on or around 5 April 2016)
Eligible Gift Employees	Eligible Gift Employees are persons who are resident in Australia, New Zealand, the United Kingdom, Singapore, the United States, Canada, and such other jurisdictions as may be approved by the Board, and permanent full-time, permanent part-time employees (including fixed-term employees) of WiseTech Global Limited, or a subsidiary of it, as at 5.00pm (Sydney time) on 17 March 2016 (provided that they remain so employed and have not given, or been given, notice to terminate employment when the Employee Offer closes, which is expected to be on or around 5 April 2016). Employees who are Directors of the Company are not Eligible Gift Employees
Eligible US Fund Manager	A dealer or other professional fiduciary organized, incorporated or (if an individual) resident in the United States that is acting for an account (other than an estate or trust) held for the benefit or account of persons that are not US Persons for which it has and is exercising investment discretion, within the meaning of Rule 902(k)(2)(i) of Regulation S under the US Securities Act
Employee Gift Offer	The offer of Shares to Eligible Gift Employees
Employee Offer	The offer of Shares to Eligible Employees
Enterprise-wide modules	Refers to non-logistics-industry specific modules or solutions such as accounting, sales, document management, workflow, and human capital management solutions
ERP	Enterprise resource planning
Escrowed Shareholders	Certain current management employees of WiseTech who hold existing Shares, including the senior management referred to in Section 6.2 who are escrowed as per Section 6.4
Existing Shareholders	The Shareholders as at the Prospectus Date
Exposure Period	The seven day period after the date of the Prospectus, which may be extended by ASIC by up to a further seven days, during which an Application must not be received
FATA	Foreign Acquisitions and Takeovers Act 1975 (Cth)

Term	Description
Final Price	The price per Share that all successful applicants under the Offer (other than the Employee Gift Offer) will pay for Shares as determined by the bookbuild and the process set out in Section 7.4
Financial Adviser	Blackpeak Capital Pty Ltd
Financial Information	The Historical Financial Information and the Forecast Financial Information
Forecast Financial Information	The forecast financial information described as such in Section 4.1
FYXX	Financial year ended 30 June 20XX
Gartner, Inc. Reports	'Forecast: Enterprise Software Markets, Worldwide, 2012-2019, 4Q15 Update', 17 December 2015; 'Forecast Overview: Supply Chain Management, Worldwide, 2015 Update', 2 November 2015; and 'Forecast: Public Cloud Services, Worldwide, 2013-2019, 4Q15 Update', 22 December 2015.
GLOW	GLOW is a set of software extensions to CargoWise One that will allow product managers, business analysts and customers to build on and extend the functionality of our platform without knowledge of software programming
GST	Australian goods and services tax
HIN	Holder Identification Number
Historical Financial Information	The historical financial information described as such in Section 4.1
IFRS	International Financial Reporting Standards
Indicative Price Range	The indicative price range for the Offer of $2.58 to $4.12 per Share
Industry-specific modules	Refers to modules or solutions targeted at the logistics industry such as solutions for freight forwarding, customs clearance, container freight, tracking and tracing and warehousing
Institutional Investor	An investor to whom offers or invitations in respect of Shares as part of the Institutional Offer can be made without the need for a lodged offer document or prospectus or other formality, including in Australia to persons to whom offers or invitations in respect of Shares can be made without the need for a lodged disclosure document under section 708 of the Corporations Act, and in New Zealand to persons to whom offers or invitations can be made without the need for a registered prospectus under the Securities Act 1978 (NZ), provided that if such person is located in the United States, it is either a QIB or it is an Eligible US Fund Manager
Institutional Offer	An offer to Institutional Investors in Australia and certain other jurisdictions around the world, made under this Prospectus or the Institutional Offering Memorandum, as applicable
Institutional Offering Memorandum	An offering memorandum under which the Institutional Offer will be made in certain jurisdictions outside Australia and New Zealand which consists of this Prospectus and an offer document "wrap"
Investigating Accountant	KPMG Transaction Services
Investor Relations Adviser	Oxstone Pty Ltd
IP	Intellectual property
IPO	Initial public offering
IT	Information technology
Joint Lead Managers	Credit Suisse (Australia) Limited and Morgan Stanley Australia Securities Limited
KPMG	KPMG (ABN 51 194 660 183)
KPMG Transaction Services	KPMG Transaction Services, a division of KPMG Financial Advisory Services (Australia) Pty Limited (ACN 007 363 215)
Logistics service provider	An entity that predominantly moves, stores or manages goods or materials on behalf of its customer
Logistics service provider software	Software used by logistics service providers to manage logistics activities
LTIP	Long term incentive plan

Term	Description
LTM	Last twelve months ending
Mid-Point Price	An assumption that the Final Price is set at $3.36 per share, being the mid-point of the Indicative Price Range. Expressions like "based on", "assuming" or "at" the Mid-Point Price, or similar expressions in this Prospectus, assume that the Company offers $125m of Shares, and SaleCo offers 16.9m Shares, at the Mid-Point Price per Share
Module user	Module user is calculated as the use of certain key modules within the CargoWise One application suite by one individual within the preceding month. An individual user who accesses a number of key modules would be counted as the corresponding number of module users. Module user numbers also include users of acquired legacy platforms (defined with one module per platform to allow more effective comparison)
MUL	Module user licence; our original On-Demand licence model, under which customers are charged per user per module per month basis and additional service fees for using services such as excess cloud-based storage
NPAT	Net profit after taxation
NPATA	Net profit after taxation after adding back the tax effected amortisation expense related to acquired intangibles
Offer	The Institutional Offer, Retail Offer and offer to Eligible Employees described in Secton 6.3.4.2 under this Prospectus
Offer Management Agreement	The offer management agreement dated on or about the Prospectus Date between the Joint Lead Managers, WiseTech and SaleCo
Official List	The official list of entities that ASX has admitted to and not removed from listing
On-Demand	Customers can access our software on an as-needed basis without limitation on users or transactions and are primarily charged for their actual usage.
OTL	One-time licence; a licensing model whereby customers are charged an upfront licence fee (plus recurring maintenance fees)
OTL & Support Services	Includes sales of OTL in certain territories for acquired legacy platforms, customer funded development activities and ad hoc services
OTL Maintenance	Customers on OTL Maintenance agreements pay annual maintenance fees for each licence held which may be subject to price changes from time to time
PAVE	Productivity, Acceleration & Visualisation Engine" is an innovative workflow management tool and is currently used by us internally for tactical and strategic management
PBT	Profit before taxation
Priority Offer	The Offer of Shares to selected investors in Australia nominated by the Company
Pro Forma Financial Information	The pro forma financial information described as such in Section 4.1
Pro Forma Forecast Cash Flows	Pro Forma forecast consolidated cash flow information for FY16 and FY17
Pro Forma Forecast Financial Information	Pro Forma Forecast Results and Pro Forma Forecast Cash Flows
Pro Forma Forecast Results	Pro Forma forecast consolidated statement of profit or loss for FY16 and FY17
Pro Forma Historical Annual Cash Flows	Pro Forma historical consolidated cash flow information for FY13, FY14, FY15
Pro Forma Historical Annual Results	Pro Forma historical consolidated statements of profit or loss for FY13, FY14, FY15
Pro Forma Historical Cash Flows	Pro Forma Historical Annual Cash Flows and Pro Forma Historical Half Year Cash Flows
Pro Forma Historical Half Year Cash Flows	Pro Forma historical consolidated cash flow information for 1H15 and 1H16
Pro Forma Historical Financial Information	Pro Forma Historical Results, Pro Forma Historical Cash Flows, Pro Forma Historical Statement of Financial Position

Term	Description
Pro Forma Historical Half Year Results	Pro Forma historical consolidated statements of profit or loss for 1H15 and 1H16
Pro Forma Historical Results	Pro Forma Historical Annual Results and Pro Forma Historical Half Year Results
Pro Forma Historical Statement of Financial Position	Pro Forma historical consolidated statement of financial position as at 31 December 2015
Prospectus	This document dated 17 March 2016 and any replacement or supplementary prospectus in relation to this document
Prospectus Date	The date on which a copy of this Prospectus was lodged with ASIC, being 17 March 2016
Pts	Points
QIB	Qualified institutional buyer as defined in Rule 144A under the US Securities Act
R&D	Research and development
Recurring Revenue	Recurring Revenue is the sum of revenue categorised as On-Demand and OTL Maintenance on our pro forma statement of profit or loss. This reflects revenue generated from on-demand customers, OTL customers paying maintenance fees and customers who pay a fixed monthly amount for a pre-determined level of access. OTL & Support Services revenue is not considered part of Recurring Revenue. On-Demand, OTL Maintenance OTL & Support Services revenue is described in Section 4.11.1.1
Regulations	Corporations Regulations 2001 (Cth)
Retail Offer	The Broker Firm Offer, the Priority Offer, the Employee Offer, and Employee Gift Offer
Sale agreements	Each of the share sale agreements to be entered into by the Selling Shareholders and SaleCo under which each Selling Shareholder irrevocably offers to sell the Sale Shares to SaleCo as described in Section 7 and Section 9.6
SaleCo	WiseTech SaleCo Limited ACN 610 848 283
Self-developed	Software developed in-house for proprietary use, as distinct from purchasing software from a third-party provider
Self-hosted	A software delivery model whereby software is hosted by a software provider or hosting provider as distinct from the cloud-based delivery model
Selling Shareholders	Existing Shareholders who may elect to sell Shares to SaleCo as discussed in Section 7.1.5
Settlement	The Settlement in respect of the Shares the subject of the Offer occurring under the Offer Management Agreement
Shareholder	The registered holder of a Share
Shares	Fully paid ordinary shares in the capital of the Company
Share Right	A right of an employee of a Group company to receive a Share, subject to vesting following the expiry of a defined period of time, without payment by the employee for the grant or vesting of that right, or requirement to exercise that right to receive the Share, on and subject to the terms of the individual grant and to the extent, not inconsistent with the LTIP, and also referred to in some jurisdictions as a restricted stock unit
Share Registry	Link Market Services Limited (ABN 54 083 214 537)
SOC	Service Organisation Controls
Software-as-a-Service or SaaS	SaaS is a software delivery model in which software is centrally hosted and licensed on a subscription or On-Demand basis
SRN	Securityholder Reference Number
Statutory Financial Information	The statutory financial information described as such in Section 4.1
Statutory Forecast Cash Flows	Statutory forecast consolidated cash flow information for FY16 and FY17
Statutory Forecast Financial Information	Statutory Forecast Results and Statutory Forecast Cash Flows

14. Glossary (continued)

Term	Description
Statutory Forecast Results	Statutory forecast consolidated statement of profit or loss for FY16 and FY17
Statutory Historical Annual Cash Flows	Statutory historical consolidated cash flow information for FY13, FY14, FY15
Statutory Historical Annual Results	Statutory historical consolidated statements of profit or loss for FY13, FY14, FY15
Statutory Historical Cash Flows	Statutory Historical Annual Cash Flows and Statutory Historical Half Year Cash Flows
Statutory Historical Half Year Cash Flows	Condensed historical consolidated cash flow information for 1H15 and 1H16
Statutory Historical Financial Information	Statutory Historical Results, Statutory Historical Cash Flows, Statutory Historical Statement of Financial Position
Statutory Historical Half Year Results	Condensed historical consolidated statements of profit or loss for 1H15 and 1H16
Statutory Historical Results	Statutory Historical Annual Results and Statutory Historical Half Year Results
Statutory Historical Statement of Financial Position	Condensed historical consolidated statement of financial position as at 31 December 2015
Supply chain execution software	Term used interchangeably with logistics software
STL	Seat plus transaction licence; our current licence model under which customers pay a fee per active user and for transactions executed within the platform and additional services fees for using services such as excess cloud-based storage
TFN	Tax file number
Tranche A	$10m Tranche A revolving multi-option facility to be available as cash advances or bank guarantees
Tranche B	$45m Tranche B revolving acquisition facility
US Employees	Certain employees of WiseTech Global Limited, or a subsidiary of it, who are located in the United States and are Eligible Gift Employees or employees to whom the offers of Shares or Share Rights described in Section 7.5 of the Prospectus are being made
US Employee Placement	The Offer of Shares or Share Rights to US Employees under the US Employee Agreement Document as part of the Employee Gift Offer and the offer of Share Rights described in Section 7.5 of the Prospectus in transactions exempt from the registration requirements of the US Securities Act
US Employee Placement Document	The placement memorandum consisting of the Prospectus and a wrap, including amendments, supplements, annexures or appendicies here to, the placement offer letter and application form, and any other document relating to the US Employee Placement, as amended or supplemented from time to time
US Person	has the meaning given to that term in Rule 902(k) of Regulation S under the US Securities Act
US Securities Act	United States Securities Act of 1933
VAT	Value added tax
WACC	Weighted average cost of capital
WARP	Wise Agent Referral Program, a program we operate which enables freight forwarders to refer other freight forwarders to us as potential customers
WiseTech (and we, us and our) or Group	WiseTech Global Limited and its subsidiaries, and their businesses, as the context permits
Zsoft	Shenzhen Zsoft Software Development Co., Ltd

15 Corporate directory

15. Corporate directory

WiseTech registered office

WiseTech Global Limited

3a/72 O'Riordan Street

Alexandria, NSW, 2015, Australia

Financial Adviser

Blackpeak Capital Pty Ltd

Level 5, 55 Harrington Street

The Rocks, NSW, 2000, Australia

Investor Relations Adviser

Oxstone Pty Ltd

Level 29, Chifley Tower, 2 Chifley Square

Sydney, NSW, 2000, Australia

Joint Lead Managers

Credit Suisse (Australia) Limited

Level 31, Gateway, 1 Macquarie Place

Sydney, NSW, 2000, Australia

Morgan Stanley Australia Securities Limited

Level 39, Chifley Tower, 2 Chifley Square

Sydney, NSW, 2000, Australia

Australian Legal Adviser

Clayton Utz

Level 15, 1 Bligh Street

Sydney, NSW, 2000, Australia

Investigating Accountant

KPMG Transaction Services

10 Shelley Street

Sydney, NSW, 2000, Australia

Independent Auditor

KPMG

10 Shelley Street

Sydney, NSW, 2000, Australia

Share Registry

Link Market Services Limited

Level 12, 680 George Street

Sydney South, NSW, 2000

Offer website

http://www.wisetechglobal-ipo.com.au/

Corporate website

http://www.wisetechglobal.com/

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