



ASX Announcement: 2023/15

22 February 2023

WTC 1H23 results investor presentation

Attached is the 1H23 results investor presentation for the half-year ended 31 December 2022.

//ENDS

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

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About WiseTech Global

WiseTech Global is a leading developer and provider of software solutions to the logistics execution industry globally. Our customers include over 18,000¹ of the world's logistics companies across 173 countries, including 43 of the top 50 global third-party logistics providers and 24 of the 25 largest global freight forwarders worldwide².

Our mission is to change the world by creating breakthrough products that enable and empower those that own and operate the supply chains of the world. At WiseTech, we are relentless about innovation, adding over 5,200 product enhancements to our global platform in the last five years while bringing meaningful continual improvement to the world's supply chains. Our breakthrough software solutions are renowned for their powerful productivity, extensive functionality, comprehensive integration, deep compliance capabilities, and truly global reach. For more information about WiseTech Global or CargoWise, please visit wisetechglobal.com and cargowise.com

¹ Includes customers on CargoWise and non-CargoWise platforms whose customers may be counted with reference to installed sites

² Armstrong & Associates: Top 50 Global 3PLs & Top 25 Global Freight Forwarders ranked by 2021 gross logistics revenue/turnover and freight forwarding volumes – Updated 20 September 2022

1H23 Results



OUR VISION

To be the operating system
for global logistics



OUR MISSION

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

Agenda

1H23
HIGHLIGHTS



1H23 FINANCIAL
REVIEW



STRATEGY &
OUTLOOK



Q&A



APPENDICES



1H23 highlights

RICHARD WHITE, CEO & FOUNDER

- Delivered strong 1H23 financial performance
- Signed first global customs rollout
- Executed strategic move into North America landside logistics
- Continued success in CargoWise global rollouts



1H23 – strong financial performance

Reflecting business model resilience and strategic momentum

Total Revenue \$378.2m

↑ 32% organically¹

(↑ 35% reported)

on 1H22

Total revenue growth **\$97.3m**

Recurring revenue 96% (↑ 3pp)

CargoWise revenue \$289.2m

↑ 46% organically

(↑ 50% reported)

on 1H22

CargoWise revenue growth **\$96.1m**

Non-CargoWise revenue¹ \$89.1m (↑ 1%)

EBITDA \$187.3m

↑ 42% organically

(↑ 36% reported)

on 1H22

Organic EBITDA margin 53% (↑ 4pp)

Reported EBITDA margin 50% (↑ 1pp)

Underlying NPAT¹ \$108.5m

↑ 40%

on 1H22

Statutory NPAT **\$109.0m** (↑ 41%)

Underlying EPS **33.2cps** (↑ 40%)

Free cash flow \$137.8m

↑ 53%

on 1H22

Free cash flow conversion rate **74%** (↑ 8pp)

~\$400m available liquidity post recently announced
Envase and Blume acquisitions

Interim dividend 6.60 cps

↑ 39%

on 1H22

Fully franked

Payout ratio **20%** of Underlying NPAT

Strategically significant acquisitions

Extending our key CargoWise development priority of landside logistics



- Completed 1 February 2023
- Purchase price of US\$230m (70% cash / 30% shares)
- Leading provider of transport management system software for intermodal trucking, container haulage (drayage) and landside logistics in North America
- Solutions for carriers automate and provide visibility for the movement of containers across all aspects of import and export haulage operations from port and rail terminals to destination
- Expected to generate ~\$35m of revenue for calendar year 2023 with EBITDA margin in low to mid 20% range



- Announced 17 February 2023, expected to complete in April 2023
- Purchase price of US\$414m (70% cash / 30% shares)
- Leading solution facilitating intermodal rail in North America
- Manages intermodal containers and chassis on behalf of 6 of the Class 1 US railroads, ocean carriers, and other intermodal equipment providers including global freight forwarders and Beneficial Cargo Owners (BCOs)
- Expected to generate FY24 revenues in range of US\$65m to US\$70m, annual growth of 45% to 55%. Before operational synergies, on a standalone basis, Blume expects to achieve FY24 EBITDA margins of approximately 10% and be cash-flow breakeven by the end of FY24

WiseTech Global – strategic highlights

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



PRODUCT

- Delivered 577 new CargoWise product enhancements in 1H23
- \$115.1m product investment in 1H23, as expected, up 37% vs 1H22
- Tuck-in acquisitions of Bolero and Shipamax to extend digital documents and straight through digital processing capabilities on CargoWise
- Post 1H23 strategic acquisitions of Envase Technologies (Envase) and Blume Global (Blume) to expand CargoWise's landside logistics capability in North America



PENETRATION

- Seven new (or additional) rollouts of CargoWise in FY23, including:
 - Four new global rollouts signed:
 - NTG Nordic Transport Group
 - IFB International Freightbridge
 - EMO Trans
 - Kuehne+Nagel – #1 Top 25 Global Freight Forwarder¹, global customs rollout
 - Three new organic rollouts 'In Production'²
- Total of 47 Large Global Freight Forwarder (LGFF) rollouts²
- 11 Top 25 Global Freight Forwarders² have either rolled out or are in progress with global rollouts on the CargoWise platform



PROFITABILITY

- Enhancing operating leverage and supporting growth
- Ongoing LGFF customer wins and rollouts
- Price increases to offset impacts of inflation and generate returns on product investments
- New product releases
- Strong track record of successful M&A integration and synergy realization
- Ongoing financial discipline

SECTION 02

1H23 financial review

ANDREW CARTLEDGE, CFO



1H23 results

Strong financial performance

A\$m	1H22	1H23	% change
CargoWise revenue	193.0	289.2	50%
Non-CargoWise revenue ¹	87.9	89.1	1%
Total revenue	281.0	378.2	35%
Cost of revenues	(38.4)	(51.4)	34%
Gross profit	242.6	326.9	35%
Gross profit margin	86%	86%	-pp
Operating expenses	(104.9)	(139.6)	33%
EBITDA	137.7	187.3	36%
EBITDA margin	49%	50%	1pp
Depreciation & amortization ²	(30.1)	(37.2)	24%
EBIT	107.6	150.1	40%
Net finance (costs)/income	(1.9)	2.5	nm ⁵
Fair value gain on contingent consideration	0.1	-	nm ⁵
Profit before income tax	105.8	152.6	44%
Tax expense ³	(28.5)	(43.5)	53%
Statutory NPAT	77.4	109.0	41%
Basic EPS (CPS)	23.8	33.4	40%
Underlying NPAT⁴	77.3	108.5	40%
Underlying EPS (CPS)	23.7	33.2	40%

1. See definition on slide 42

2. Reconciliation of statutory expenses to non-statutory expenses on slide 34 in appendices

3. Tax expense includes non-recurring tax on acquisition contingent consideration (1H23: \$0.6m, 1H22: \$ nil)

4. Underlying NPAT: Net Profit After Tax excluding fair value adjustments from changes to acquisition contingent consideration and non-recurring tax on acquisition contingent consideration.

See definition on slide 42 and reconciliation on slide 35

5. Not measured

Revenue

- Total revenue of \$378.2m, up 35% on 1H22
- Organically, total revenue grew 32%, excluding tuck-in M&A and FX
- CargoWise revenue grew organically 46% on 1H22. In addition, tuck-in acquisitions contributed \$6.3m in 1H23 vs. \$0.7m in 1H22 and a \$2.2m FX tailwind delivering CargoWise revenue growth of 50%

Gross profit

- Gross profit was \$326.9m, a 35% increase on 1H22, in line with revenue growth and incorporates increased investment to build scale and drive future growth
- 86% Gross profit margin

EBITDA

- \$187.3m up 36% on 1H22, reflecting strong revenue growth, partially offset by tuck-in M&A dilution and \$10.1m M&A costs, vs. \$0.2m in 1H22
- Reported EBITDA margin at 50%, up 1pp on 1H22
- Organically, EBITDA grew 42% on 1H22, and as expected, vs. 1H22, EBITDA margin expanded by 4pp to 53%

EBIT & depreciation & amortization (D&A)

- 24% D&A increase demonstrates continued R&D² and data center investment to support future revenue growth
- EBIT up 40% on 1H22 driven by strong operating performance

NPAT & earnings per share (eps)

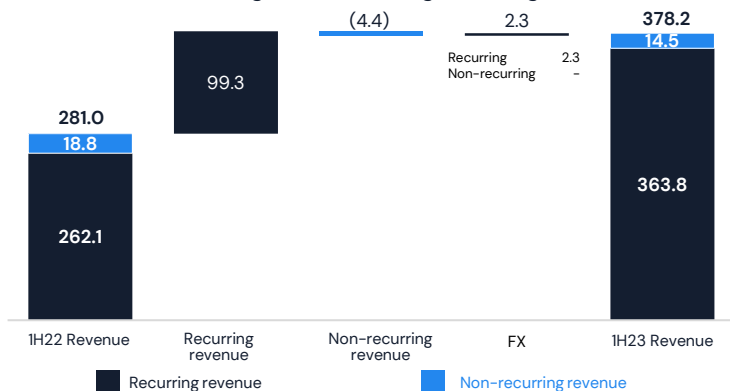
- Underlying NPAT¹ of \$108.5m, up 40% on 1H22, demonstrating the ability of our business model to deliver revenue growth and earnings expansion, offset by non-tax deductible M&A costs
- Statutory NPAT of \$109.0m, up 41% on 1H22
- Underlying EPS 33.2cps, up 40% on 1H22

1H23 revenue growth

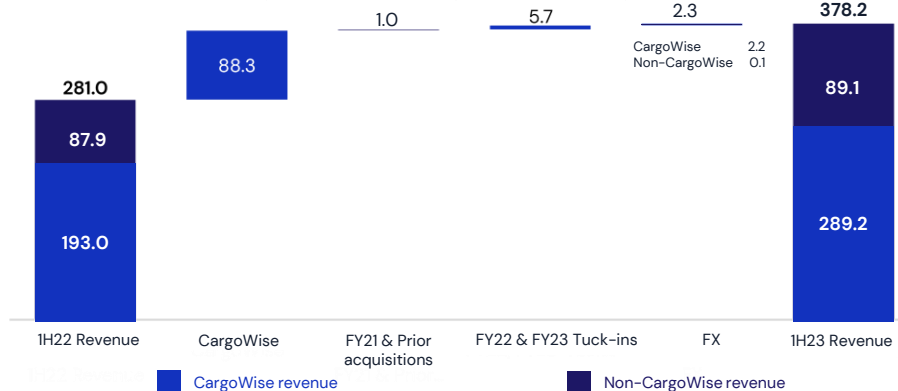
A\$m

Total revenue grew 35% (\$97.3m) – CargoWise revenue grew 50% (\$96.1m)

Recurring & non-recurring revenue growth



CargoWise & non-CargoWise revenue growth



Recurring revenue growth

- \$99.3m increase, or 38% on pcp¹ driven by:
- LGFF rollouts
 - Price increases to offset impacts of inflation and generate returns on product investments
 - New product releases
 - \$5.4m from FY22 & FY23 'tuck-in' M&A
 - \$2.3m FX tailwind

Non-recurring revenue growth

- \$(4.4)m decrease, or (23)% in 1H23 reflecting:
- Expected contraction from acquisitions completed in FY21 and prior years
 - \$0.3m from FY22 & FY23 'tuck-in' M&A

CargoWise revenue growth

- \$88.3m increase, or 46% on pcp driven by:
- \$74.1m growth from existing customers (1H22: \$37.3m)
 - \$14.2m growth from new customers (1H22: \$11.8m)
- Growth from existing & new customers reflects:
- Price increases to offset impacts of inflation and generate returns on product investments
 - New product releases
- CargoWise revenue growth also includes \$5.7m from tuck-in M&A and \$2.2m FX tailwind

Non-CargoWise revenue growth

- \$1.0m increase, or 1% on pcp driven by:
- Increased usage from FY21 & prior acquisitions
 - General price increases to offset inflation
- Partially offset by:
- Planned foothold product migrations
 - Expected contraction in non-recurring revenue

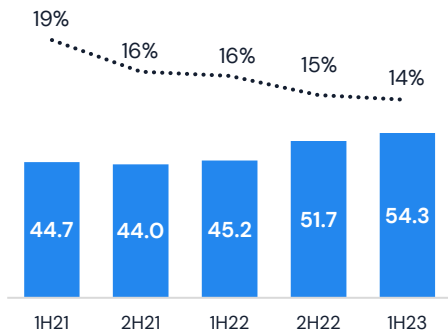
1H23 operating expenses¹

Operating leverage driving margin expansion

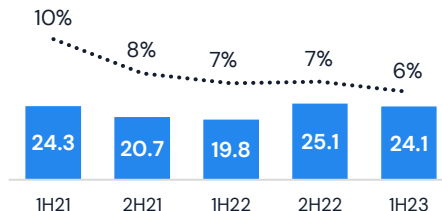
..... % of revenue
 ■ Expenses (A\$m)

Overall operating expenses down 3pp as a % of revenue on 1H22 ex M&A costs

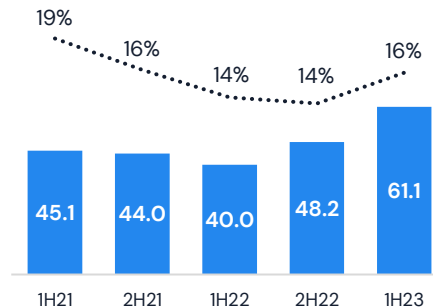
Product design & development (A\$m)



Sales & marketing (A\$m)



General & administration (A\$m)



Product design & development expense

\$9.2m increase in 1H23 vs. 1H22 reflecting an expected investment in CargoWise innovation and development partially offset by decreasing cost to support non-CargoWise platforms

~33% of PD&D expenses supporting maintenance of non-CargoWise platforms (1H22: ~47%), decreasing in line with expectations as new development and therefore maintenance reduces

Sales & marketing expense

Down 1pp as a % of revenue in 1H23 vs. 1H22 reflecting:

- Our targeted focus on the Top 25 Global Freight Forwarders and top 200 global logistics providers

General & administration expense

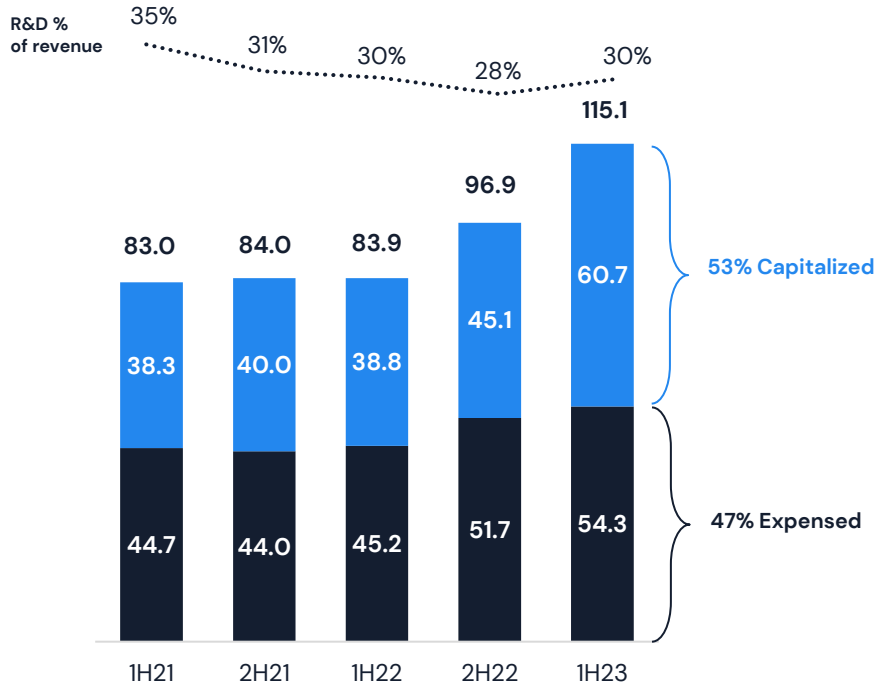
1H23 M&A costs of \$10.1m added 3pp to G&A as a % of revenue

Excluding M&A costs G&A as a % of revenue was 13%, down 1pp vs. 1H22

1H23 research and development

Accelerated innovation and product development

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



Product investment

- R&D investment increased \$31.2m, or 37% vs. 1H22 reflecting the previously communicated step up in R&D investment and hiring activity to drive future revenue growth
- R&D grew 19% in 1H23 vs. 2H22, on a 15% increase in 2H22 vs. 1H22
- 30% of 1H23 revenue was reinvested in R&D, overall consistent with 1H22 but now more heavily weighted to CargoWise R&D vs. non-CargoWise
- 53% of 1H23 R&D investment capitalized, up 7pp vs. 1H22
- 1H23 capitalized development is outside the expected range of 40%–50%. This is projected to continue in the future and reflects the acceleration of new strategic development priorities which have higher capitalization rates than existing products, driven by favorable hiring conditions
- Existing product investment within expected range
- Over \$775m in product investment in the last 5 years (2H18 to 1H23)
- Delivered 577 new CargoWise product enhancements in 1H23. This was moderated by a focus on larger long-term products and features, a number of new features that are in pilot with customers, as well as increased work on core platform optimization which benefits all customers, drives future price increases and usage growth
- Over 5,200 product enhancements in the last 5 years (2H18 to 1H23)
- CargoWise product development resources increased by 44% in 1H23 vs. 1H22 and have doubled over the last 3 years
- Product development is 57% of WiseTech total headcount, +4pp vs. 1H22

1H23 balance sheet

Strong balance sheet and liquidity providing solid platform for future growth

A\$m	30 Jun 22	31 Dec 22
Cash	483.4	489.9
Receivables	88.0	92.0
Derivative financial instruments	2.2	1.4
Other current assets	36.1	32.4
Intangible assets	961.2	1,105.3
Other non-current assets	92.7	107.2
Total assets	1,663.6	1,828.1
Current liabilities	207.4	249.8
Borrowings	-	-
Non-current liabilities	141.1	136.8
Total liabilities	348.4	386.7
Net assets	1,315.2	1,441.5
Share capital	906.3	947.0
Retained earnings & reserves	408.9	494.5
Total equity	1,315.2	1,441.5

Strong liquidity

- \$489.9m in cash and \$225m undrawn debt facility at 31 December 2022
- Providing financial flexibility and liquidity to fund growth opportunities

Receivables

- 5% receivables increase driven by revenue growth and new tuck-in acquisitions

Intangible assets

- \$144.1m increase reflecting Bolero and Shipamax M&A and investment in capitalized development, partially offset by amortization

Current liabilities

- \$42.5m increase driven by trade and other payables reflecting business growth and Shipamax contingent consideration

Share capital

- \$40.7m increase in share capital reflecting new shares issued to the Employee Share Trust for future vesting and payment for acquisition earnouts

Events after the reporting period

- See Appendix page 36 for pro forma balance sheet and liquidity post completion of Envase and Blume acquisitions

1H23 cash flow performance

Highly cash-generative business model delivering strong free cash flow

A\$m	1H22	1H23	% change
EBITDA	137.7	187.3	36%
Non-cash items in EBITDA	8.9	13.0	46%
Working capital changes	(11.9)	3.1	nm ¹
Operating cash flow	134.7	203.4	51%
Capitalized development costs	(34.5)	(50.1)	45%
Other Capital Expenditure	(10.0)	(15.6)	56%
Free cash flow	90.3	137.8	53%
Operating cash flow conversion	98%	109%	11pp
Free cash flow conversion	66%	74%	8pp
Free cash flow margin	32%	36%	4pp
Rule of 4O ²	50%	71%	21pp

Strong operating cash flow

- Operating cash flows up 51% vs. 1H22 to \$203.4m (1H22: \$134.7m), demonstrating the strength of our highly cash-generative operating model
- Increase in operating cash flow reinvested into long-term growth; \$65.7m invested primarily in product development and data center capacity
- 109% operating cash flow conversion rate, up 11pp vs. 1H22
- 1H22 changes in working capital reflect a one-time decrease in deferred revenue from aligning non-CargoWise commercial models to shorter billing cycles, not repeated in 1H23

Free cash flow

- 1H23 free cash flow was \$137.8m, up 53% on 1H22 driven by higher operating cash flow
- 74% free cash flow conversion rate, up 8pp on 1H22

Rule of 4O²

- 71% in 1H23, up 21pp from 50% in 1H22
- 4pp from free cash flow margin increasing from 32% in 1H22 to 36% in 1H23
- 17pp from revenue growth increasing from 18% in 1H22 to 35% in 1H23

Strategy & outlook

RICHARD WHITE, CEO & FOUNDER



WiseTech's '3Ps' strategy

Strategy delivers sustainable growth through the cycle

Vision: To be the operating system for global logistics



Need to **replace** ageing legacy systems and reduce complexity



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



Logistics providers pursuing **industry consolidation**

Product

Extend technology lead

Penetration

Expand market penetration

Profitability

Enhance operating leverage

Powered by our talented people, and accelerated by our innovation culture and targeted acquisitions

Development priorities to extend the CargoWise ecosystem

Continued CargoWise enhancement (577 in 1H23) – Over \$775m invested in R&D since 2H18 delivering 5,200+ enhancements

6 CargoWise product development priorities

Landside logistics



Extending into import/export container haulage

Warehouse



Configurable and integrated solution across 3PL, transit and bonded warehouse

Neo



Global integrated platform for Beneficial Cargo Owners to plan, book, track and manage their freight

Digital documents



Digital documents and straight through digital processing of data

Customs and compliance



Customs and compliance procedures (including import/export) targeting ~90% of global manufactured trade flows

International eCommerce



Single platform for international eCommerce fulfilment

Tuck-ins and strategically significant acquisitions to accelerate CargoWise product development and ecosystem reach

Tuck-in acquisitions

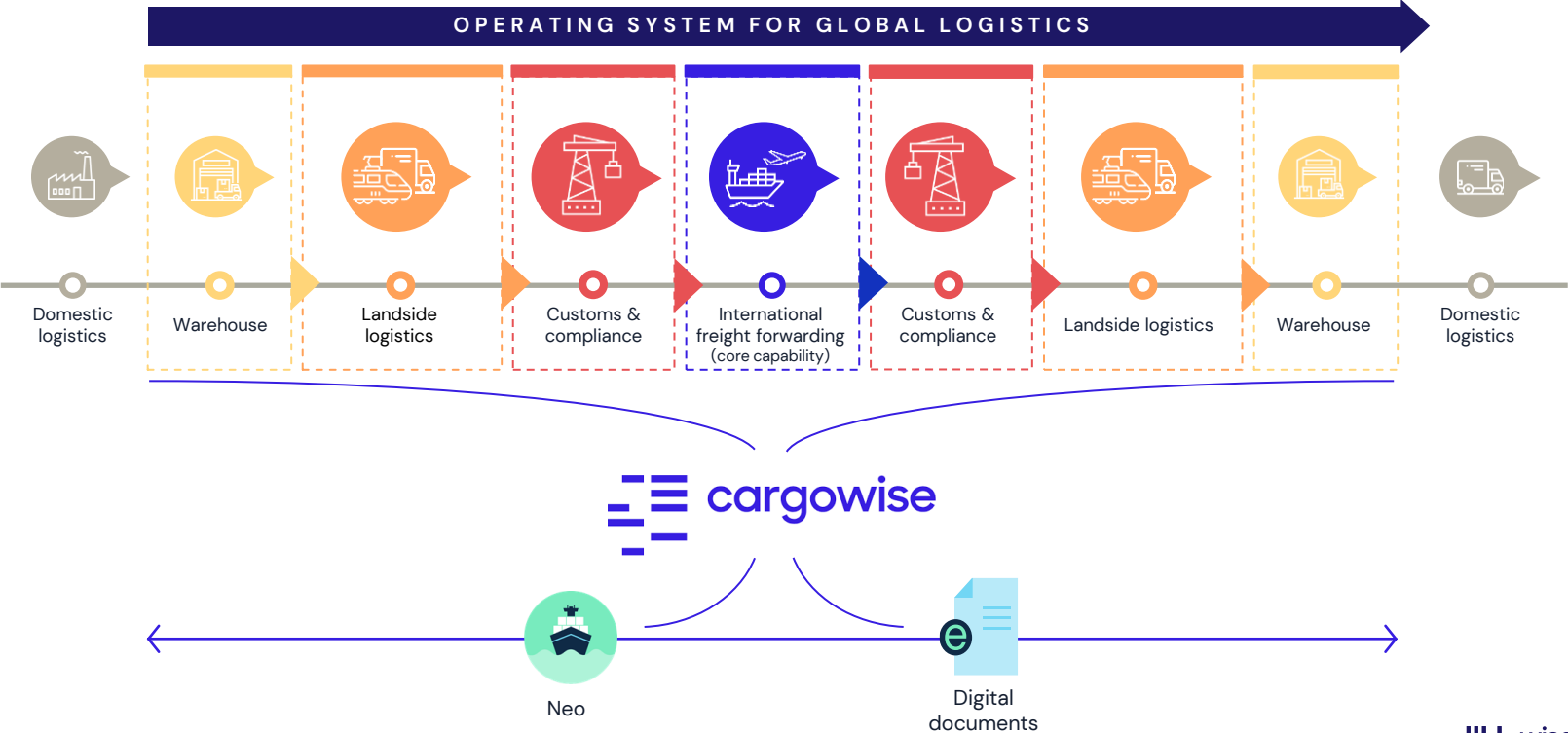
- Typically, smaller size
- Staff, knowledge and technology absorbed into CargoWise product, teams and development processes
- Two completed in 1H23: Bolero and Shipamax

Strategically significant acquisitions

- Focus on step-out areas aligned with product development priorities
- Leverage proven M&A strength to accelerate and scale our existing capability, deep industry knowledge and technology understanding
- Post 1H23 acquisitions of Envas and Blume to accelerate landside logistics capabilities

Expanding the CargoWise ecosystem

Extending the core customer proposition and addressable market



Landside logistics – North America

Opportunity and value creation from bringing together the capabilities of WiseTech, Blume, Envas



Penetration

Momentum through existing customer growth & new global rollout wins

4 new global rollouts by Large Global Freight Forwarders¹ secured since 1 July 2022:

- NTG Nordic Transport Group
- IFB International Freightbridge
- EMO Trans
- Kuehne+Nagel – #1 Top 25 Global Freight Forwarder, global customs rollout

3 additional organic rollouts 'In Production'

- DB Group
- Jet Logistics
- Maersk² – acquisitions including Senator, LF Logistics, Martin Bencher & Pilot Freight Services

Recent industry consolidation

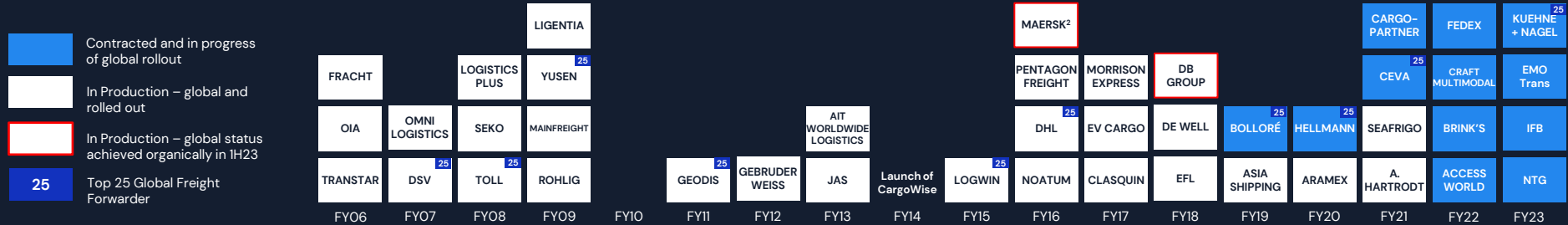
- Maersk acquired Senator
- JAS acquired Greencarrier
- CEVA acquired GEFCO

In FY23, CargoWise had global rollouts 'In Production' or 'Contracted and In Progress' with **47 Large Global Freight Forwarders**:

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

Of the 47 global rollouts, 11 are with Top 25 Global Freight Forwarders³

Global rollouts – CargoWise Large Global Freight Forwarders⁴



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

1. See definitions on slide 42
 2. Maersk, A unified Maersk brand 27 January 2023
 3. Of the 11 global rollout customers that are in the Top 25 Global Freight Forwarders, 6 are 'In Production' and 5 are 'Contracted and In Progress'
 4. Reconciliation of global rollouts reported at IH23 on slide 41

Profitability

Enhancing operating leverage and supporting growth



Streamlining processes
and teams



Internal development of our
existing teams



Optimizing our integrated
cost structures



Allocating resources
appropriately

Driving returns by leveraging high growth and scalable SaaS model with 86% gross profit margin and 50%+ EBITDA margin

- Accelerating investment in resources focused on P&D to deliver future growth and expanded returns
- Ongoing benefits from FY20 efficiency program in 1H23 demonstrates internal experience and success of acquisition integration and synergy benefits realization
- Price increases to offset impacts of inflation and generate returns on product and data center capacity investments
- New product releases to expand ecosystem and capability
- Percentage of total product development expenses supporting maintenance of non-CargoWise products expected to continue reducing over time, down 13pp to 33% in 1H23 (1H22: 47%)
- WiseTech continues to assess further efficiency and M&A synergy opportunities where appropriate across the business
- Strategic acquisition approach to accelerate CargoWise product development, ecosystem reach and future returns

FY23 guidance

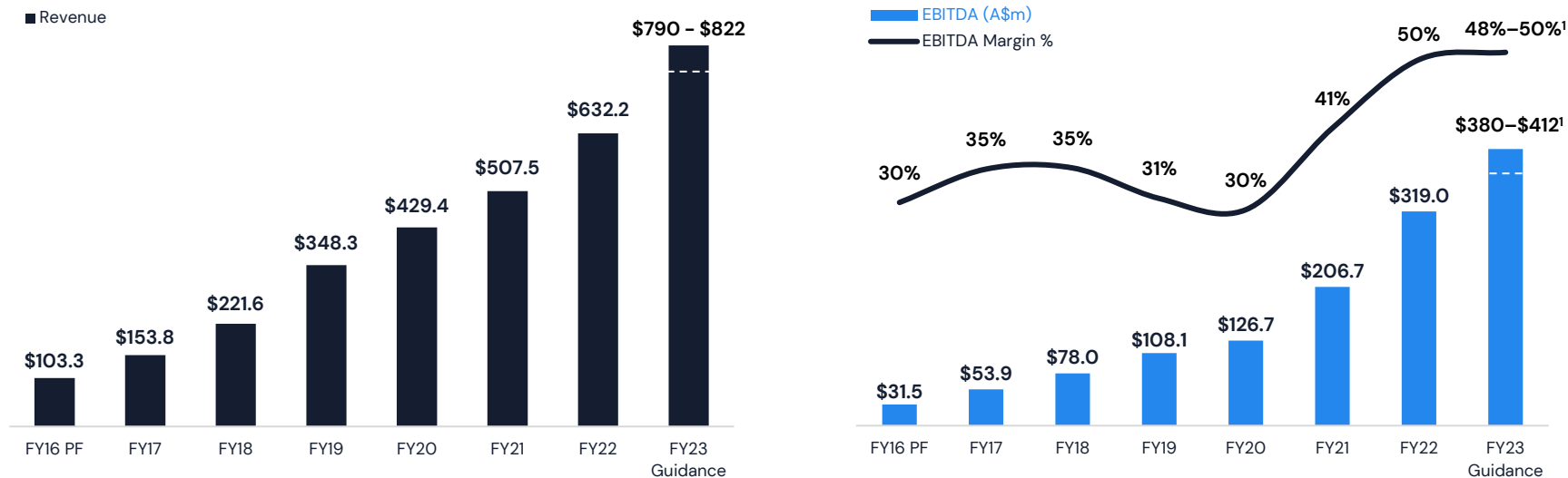
Continued strong growth outlook, confirms current guidance and updates for recent M&A activity

	Revenue	EBITDA	EBITDA%	
FY23 Current guidance FY23 growth vs. FY22	\$755m-\$780m 20%-23%	\$385m-\$415m 21%-30%	51%-53% 1pp-3pp	<ul style="list-style-type: none"> • CargoWise revenue ~30-35% growth ex. FX • Bolero (Jul '23) 1pp margin dilution • No significant FX YoY variances • Non-CW revenue ~\$10m reduction vs. FY22
Shipamax (Nov '22), Envase (Feb '23), Blume (included from 1 Apr '23)	\$35m-\$42m	\$(5)m-\$(3)m		<ul style="list-style-type: none"> • Includes integration costs
One-time M&A costs		\$(30)m		<ul style="list-style-type: none"> • 1H23 \$10m, 2H23 \$20m
FY23 Update guidance (incl. M&A costs)	\$790m-\$822m	\$350m-\$382m	44%-46%	
FY23 Updated guidance (ex. M&A costs) FY23 growth vs. FY22	\$790m-\$822m 26%-30%	\$380m-\$412m 19%-29%	48%-50% (2)pp-Opp	<ul style="list-style-type: none"> • CargoWise revenue ~38-44% growth • 3pp margin dilution from M&A incl. Bolero • No significant FX YoY variances • Non-CW revenue ~\$10m reduction vs. FY22

Guidance provided in line with these assumptions and those in the Appendix, slide 26.

Prevailing uncertainties relating to future economic conditions, industrial production and international goods flow, as well as sovereign and geopolitical risk may also impact assumed growth rates

Business model and strategy delivering sustainable shareholder value



- Delivering strong revenue growth

32%

CAGR
1H18-1H23

- Continuing momentum in market penetration

47

global rollouts

- Expanding CargoWise ecosystem

\$775m+

R&D investment
2H18 to 1H23

- Enhancing operating leverage

43%

EBITDA CAGR
1H18-1H23

- Delivering strong free cash flow

63%

CAGR
1H18-1H23

Q & A



Appendices

Slides

26. FY23 guidance assumptions and FX
27. FY23 EBITDA guidance from FY22 Results presentation
28. Customer growth and low attrition
29. Earnings diversification
30. 1H23 organic growth
31. Overview of revenue licensing models
32. Income statement
33. Key operating metrics
34. Reconciliation of statutory expenses to non-statutory expenses
35. Reconciliation of underlying NPAT, NPATA and underlying ETR
36. Pro forma balance sheet and liquidity update
37. Trinium revenue reclassification
38. Revenue growth drivers
39. CargoWise recurring revenue growth drivers
40. Large Global Freight Forwarder rollouts driving revenue growth
41. Global rollouts
42. Glossary
43. Market conditions
44. Important notice and disclaimer



FY23 guidance assumptions and FX

What is included in the FY23 guidance:

- Retention of existing CargoWise customers consistent with historical levels
- Overall supply chain volumes reflecting current trends
- New customer growth consistent with historical levels
- New product and feature launches monetized
- Contractual increases in revenue from existing customers, including those reflecting the end of temporary pricing arrangements
- Standard price increases
- Inflation in staff and other costs
- Full year effect of FY22 acquisitions and completed FY23 acquisitions (Bolero, Shipamax, and Envase) and minor reduction for non-CargoWise revenue as a group overall, from product exits as expected
- Blume from 1 April 2023³

What is not included in the guidance:

- Revenue from new products in development but not planned to be commercialized
- Benefits from migration of customers from non-CargoWise platforms, where CargoWise development is yet to be completed
- Changes in the mix of invoicing currencies
- Future potential acquisitions, revenues and associated costs³
- Uncertainty around future economic conditions and industrial production, international goods flow, pandemic, sovereign and geopolitical risk
- Any impact from supply chain disruption related to ongoing pandemic and global macro events

FX rates ¹ vs. AUD	FY22 actual	1H23 actual	2H23 Guidance
USD	0.74	0.73	0.71
EUR	0.63	0.64	0.64
GBP	0.54	0.54	0.56
ZAR	10.97	10.99	11.79
TRY	7.70	8.56	12.94
NZD	1.06	1.06	1.08
RMB	4.69	4.70	4.69
CHF	0.68	0.68	0.64

Sensitivities ²	Increase/decrease	2H23 Revenue A\$m	2H23 EBITDA A\$m
FX rates vs. AUD			
USD	+/- 5%	-3.9 / +4.1	-1.2 / +1.2
EUR	+/- 5%	-0.8 / +1.0	0.1 / -
GBP	+/- 5%	-0.4 / +0.5	-0.2 / +0.3
ZAR	+/- 10%	-0.4 / +0.5	-0.3 / +0.4
TRY	+/- 10%	-	-
NZD	+/- 5%	-0.4 / +0.4	-0.3 / +0.4
RMB	+/- 5%	-0.2 / +0.2	+0.1 / -0.1
CHF	+/- 5%	-0.2 / +0.2	-

Foreign Exchange

- ~80% of 1H23 revenue in non-AUD currencies, 3pp higher than 1H22 (77%)
- Natural hedges in some countries with both revenue and expenses denominated in local currencies
- ~50% of 1H23 revenue in non-local currencies due to impact from overseas acquisitions and mix of transactions and users in CargoWise
- Hedged positions now in place to cover ~65% of FY23 USD and EUR revenue, with a mix of forwards and collars

1. FX rates include the effects of FX hedging

2. Sensitivities include the effects of FX hedging

3. The acquisition of Blume Global is forecast to complete in April 2023 and has been included in the Company's guidance from 1 April 2023. The acquisition has been included in guidance ahead of the Company's normal practice of only including it at completion in order to align to analyst reports including it already

FY23 EBITDA guidance from FY22 Results presentation

Continued strong growth outlook

FY23 revenue
\$755m – \$780m
20% – 23% FY23 growth vs. FY22
FY23 EBITDA
\$385m – \$415m
21% – 30% FY23 growth vs. FY22
FY23 EBITDA %
51% – 53%
1pp – 3pp FY23 vs. FY22

FY23 guidance assumptions

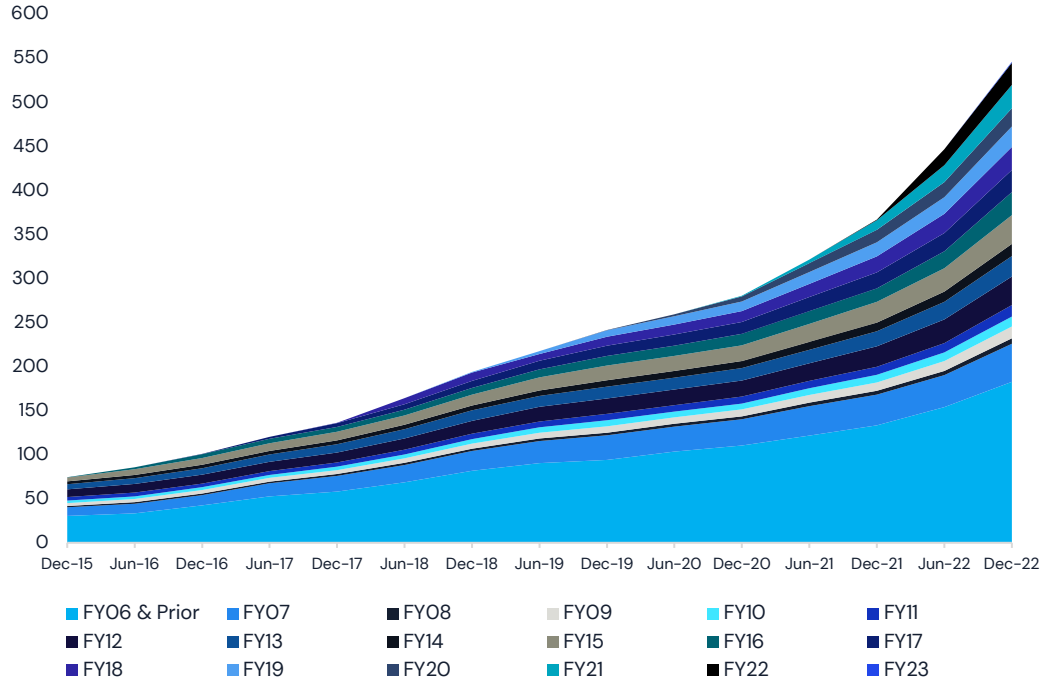
- 1 CargoWise: revenue growth of ~30% – 35%** (excluding FX)
 - Continued momentum from FY22 run rate
 - 1H/2H revenue more evenly distributed than FY22 43%/57% 1H/2H split
 - Includes price increases that offset cost inflation
 - Includes Bolero acquisition from 1 July 2022
- 2 Non-CargoWise:**
 - No new acquisitions not already closed
 - ~\$10m reduction in revenue from lower margin non-recurring product exits
- 3 FX: No significant year over year variance in guidance**
 - Majority of USD/EUR revenue covered by hedging
 - See Appendix for sensitivity analysis
- 4 Operating expenses and cost of revenue:**
 - Cost inflation of ~8% to 10% of FY22 cost base expected from full year impact of FY22 and FY23 pay reviews and non staff costs e.g. utilities, insurance
 - Increase in P&D costs as R&D hiring and investment accelerates
 - Includes Bolero acquisition from 1 July 2022

Guidance provided in line with these assumptions and those in the Appendix, slide 26.

Prevailing uncertainties relating to future economic conditions, industrial production and international goods flow, as well as sovereign and geopolitical risk may also impact assumed growth rates

Customer growth and low attrition

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



Increasing adoption by Large Global Freight Forwarders

Top 300 customers deliver ~75% of CargoWise revenue in 1H23, consistent with FY22

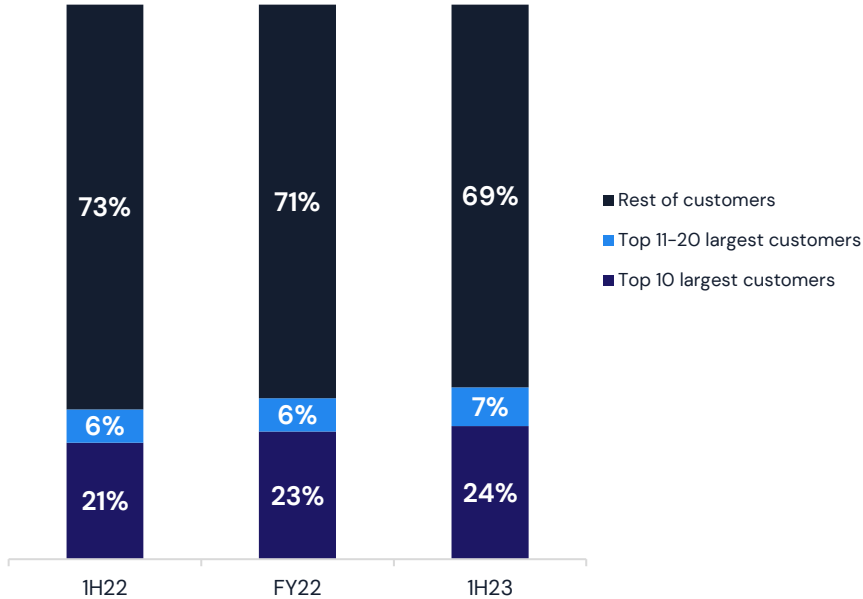
Customers stay and use more

<1% attrition every year for last 10.5 years²
Low annual customer attrition rate

1H23 revenue growth achieved across all customer cohorts (FY06 & Prior – FY23) vs. 1H22

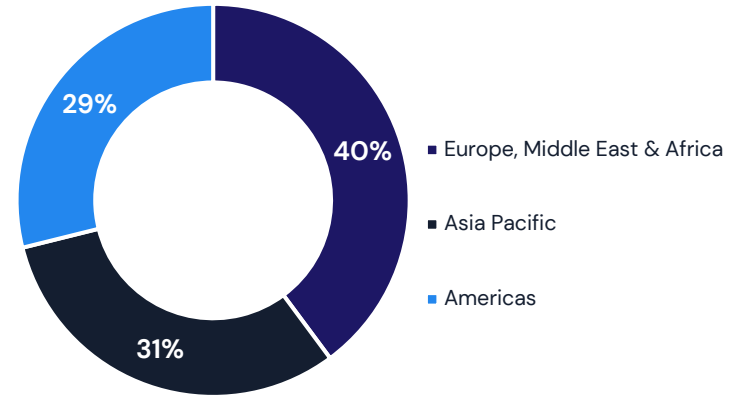
Earnings diversification

Revenue by customers¹ (%)



We maintain a diversity of revenue across our customer base

1H23 Revenue by geography^{2,3} (%)



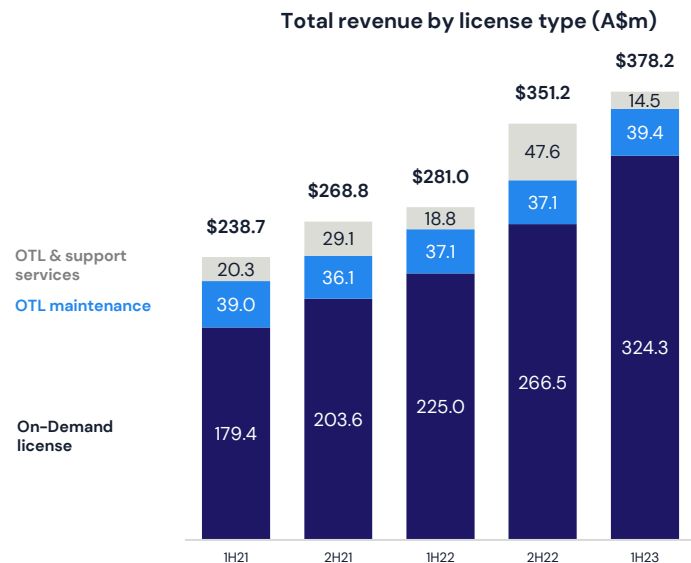
We are a global company with customers operating in 173 countries as at 31 December 2022 (168 countries as at 31 December 2021)

Our global presence provides important revenue diversification across geographies and currencies

1H23 organic growth¹

A\$m	Revenue									EBITDA			EBITDA margin		
	CargoWise			Non-CargoWise			Total								
	1H23	1H22	% change	1H23	1H22	% change	1H23	1H22	% change	1H23	1H22	% change	1H23	1H22	change
Group total – Reported	289.2	193.0	50%	89.1	87.9	1%	378.2	281.0	35%	187.3	137.7	36%	50%	49%	1pp
Less acquisitions	6.3	0.7					6.3	0.7		1.0	-				
Less FX	2.2			0.1			2.3			1.3	-				
Less M&A costs										(10.1)	(0.2)				
Less restructuring costs										(1.0)	(0.5)				
Group total – Organic	280.7	192.4	46%	88.9	87.9	1%	369.6	280.3	32%	196.0	138.4	42%	53%	49%	4pp

Overview of revenue licensing models



	1H21	2H21	1H22	2H22	1H23
Recurring revenue (A\$m)	218.4	239.7	262.1	303.6	363.8
% of total revenue	91%	89%	93%	86%	96%

	Recurring revenue (96% of revenue) ¹			Other revenue (4% of revenue) ¹		
Revenue	On-Demand Licensing 86% ¹		One-Time Licensing (OTL) maintenance 10% ¹	OTL & support services 4% ¹		
License	Seat + Transaction Licensing (STL)	Module User Licensing (MUL)	OTL maintenance	OTL	Support services	
Revenue drivers	Price drivers <ul style="list-style-type: none"> Seat license fee Transaction fee Volume drivers <ul style="list-style-type: none"> Monthly number of seats & users Monthly transactions 	Transition pricing & commitment agreements	Price drivers <ul style="list-style-type: none"> Price per user Price per module used Volume drivers <ul style="list-style-type: none"> Number of users Monthly modules used 	Price drivers: <ul style="list-style-type: none"> Annual maintenance price per license Volume drivers: <ul style="list-style-type: none"> Number of licenses 	Price drivers: <ul style="list-style-type: none"> One-time price per perpetual license Volume drivers: <ul style="list-style-type: none"> Number of licenses Ad hoc revenue (professional services, training & customer paid product enhancements)	
CargoWise	✓	✓	✗	✗	✓	✓

Income statement

A\$m	1H22	1H23
Revenue		
Recurring On-Demand license	225.0	324.3
Recurring OTL maintenance	37.1	39.4
OTL and support services	18.8	14.5
Total revenue	281.0	378.2
Cost of revenues	(38.4)	(51.4)
Gross profit	242.6	326.9
Operating expenses		
Product design and development	(45.2)	(54.3)
Sales and marketing	(19.8)	(24.1)
General and administration	(40.0)	(61.1)
Total operating expenses	(104.9)	(139.6)
EBITDA	137.7	187.3
Depreciation	(9.7)	(12.9)
Amortization	(16.2)	(20.5)
EBITA	111.8	153.9
Acquired amortization	(4.2)	(3.8)
EBIT	107.6	150.1
Net finance costs	(1.9)	2.5
Fair value gain on contingent consideration	0.1	-
Profit before income tax	105.8	152.6
Tax expense ¹	(28.5)	(43.5)
NPAT	77.4	109.0
Underlying NPAT²	77.3	108.5
NPATA³	80.7	111.7

Key operating metrics

	1H22	1H23
Total revenue growth vs. prior year	18%	35%
Recurring revenue – % of total revenue	93%	96%
On-Demand license revenue – % of total revenue	80%	86%
Gross profit margin	86%	86%
Product design & development – % of total revenue	16%	14%
Total R&D – % of total revenue	30%	30%
Sales & marketing – % of total revenue	7%	6%
General & administration – % of total revenue	14%	16%
EBITDA margin	49%	50%
EBIT margin	38%	40%
Underlying NPAT ¹ – % of total revenue	27%	29%
NPATA ¹ – % of total revenue	29%	30%
Capitalized development investment A\$m	38.8	60.7
Total R&D A\$m	83.9	115.1
Effective tax rate	27%	29%
Underlying effective tax rate ¹	27%	29%

Reconciliation of statutory expenses to non-statutory expenses

A\$m	1H22	1H23
Cost of Revenues		
Cost of revenue – statutory	42.4	56.9
Less: Depreciation & amortization	4.0	5.5
Cost of revenues – non-statutory	38.4	51.4
Product design & development		
Product design & development – statutory	66.7	80.9
Less: Depreciation & amortization	22.5	27.7
Less: Right-of-use asset depreciation capitalized	(1.0)	(1.1)
Product design & development – non-statutory	45.2	54.3
Sales & marketing		
Sales & marketing – statutory	22.5	26.8
Less: Depreciation & amortization	2.7	2.7
Sales & marketing – non-statutory	19.8	24.1
General & administration		
General & administration – statutory	41.9	63.5
Less: Depreciation & amortization	1.9	2.4
General & administration – non-statutory	40.0	61.1

Statutory to
non-statutory
reconciliation

Reconciliation of underlying NPAT, NPATA and underlying ETR

Net Profit after Tax (NPAT)	A\$m	1H22	1H23
	NPAT		77.4
Fair value gain on contingent consideration		(0.1)	-
Non-recurring tax on acquisition contingent consideration		-	(0.6)
Underlying NPAT¹		77.3	108.5
NPAT		77.4	109.0
Fair value gain on contingent consideration		(0.1)	-
Acquired amortization (net of tax)		3.1	2.9
Contingent consideration interest unwind (net of tax)		0.4	0.3
Non-recurring tax on acquisition contingent consideration		-	(0.6)
NPATA¹		80.7	111.7
Effective tax rate	A\$m	1H22	1H23
	Profit before income tax	105.8	152.6
Fair value gain on contingent consideration	(0.1)	-	
Underlying profit before income tax¹	105.7	152.6	
Tax expense ²	(28.5)	(43.5)	
Non-recurring tax on acquisition contingent consideration	-	(0.6)	
Underlying tax expense	(28.5)	(44.1)	
Underlying effective tax rate (ETR)		26.9%	28.9%

Pro forma balance sheet and liquidity update

	1H23	2H23 to date	Envase	Blume	Pro forma
A\$m					
Cash and Cash Equivalents	490	90	(233)	(195)	151
Other Assets	1,338	-	340	600	2,279
Total Assets	1,828	90	107	405	2,430
Debt	-	-	-	225	225
Other Liabilities	387	-	-	-	387
Total Liabilities	387	-	-	225	611
Net Assets	1,442	90	107	180	1,819
Equity	1,442	90	107	180	1,819
Net (Cash)/Debt	(490)				73
Cash and Cash Equivalents	490				151
Unused Debt Facilities	225				250
Total Liquidity	715				402

- Closed acquisition of Envase on 1 February 2023
- Announced acquisition of Blume on 17 Feb 2023, expected to close in April 2023
- USD acquisition amounts converted to AUD using AUD/USD exchange rate of 0.69
- Envase equity is actual value of shares issued to vendors on 2 February 2023, 1.8m shares
- Expanded debt facility by \$250m to \$475m on 16 February 2023
- ~\$400m pro forma liquidity post completion of Blume from existing cash reserves and unused debt facilities
- Estimated 3.1m shares to be issued to vendors of Blume in April 2023
- 1.5% increase in number of shares on issue from both transactions
- ~0.5% increase in expected FY23 weighted average number of shares

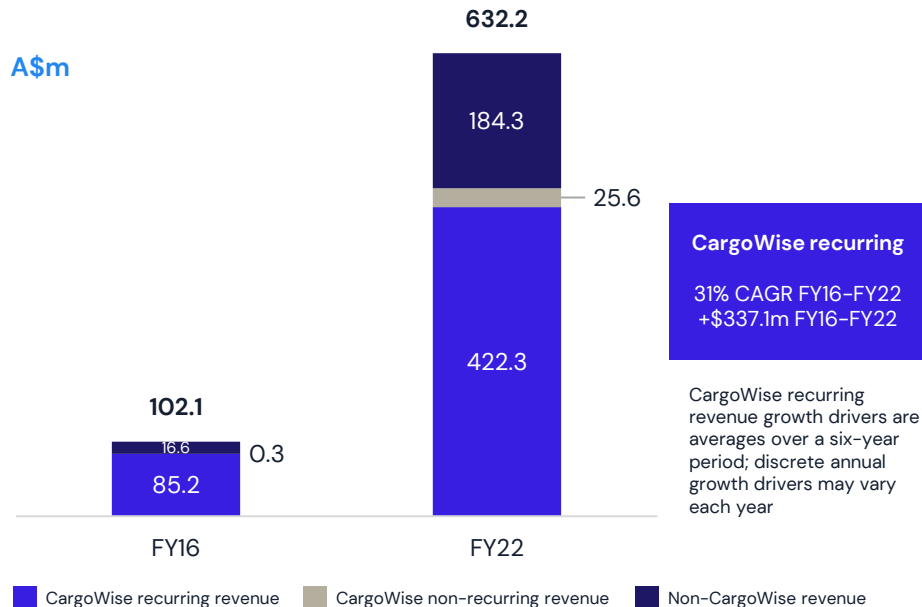
Trinium revenue reclassification

	1H19	1H20	1H21	1H22	1H23	FY19	FY20	FY21	FY22
A\$m									
As reported									
CargoWise Revenue	102.3	126.5	150.0	193.0	289.2	219.6	263.0	331.6	447.9
Non-CargoWise Revenue	54.4	79.3	88.7	87.9	89.1	128.7	166.4	175.9	184.3
Total Revenue	156.7	205.9	238.7	281.0	378.2	348.3	429.4	507.5	632.2
Trinium Revenue (From 1 Oct 18)	3.4	7.2	8.1	8.8	11.8	10.5	15.2	16.4	19.4
After reclassification									
CargoWise Revenue	105.6	133.8	158.1	201.8	301.0	230.2	278.2	348.0	467.3
Non-CargoWise Revenue	51.0	72.1	80.6	79.2	77.3	118.1	151.3	159.5	164.9
Total Revenue	156.7	205.9	238.7	281.0	378.2	348.3	429.4	507.5	632.2

- Trinium is a key component of our landside logistics strategy
- Inline with the announced acquisitions of Envase and Blume which will be reported in CargoWise revenue, Trinium's revenue will also be reported in CargoWise revenue from 2H23
- To allow full comparison of prior periods, Trinium's revenue from acquisition in October 2018 will be reclassified to CargoWise revenue, from Non-CargoWise revenue
- The illustration is provided to allow analysts to prepare for this reclassification ahead of FY23 results
- All 1H23 reporting is provided with Trinium revenue classified in Non-CargoWise

Revenue growth drivers

CargoWise recurring revenue delivers 31% CAGR FY16 to FY22 (constant currency)



FY16 revenue is in constant currency terms based on FY22 average exchange rate

CargoWise recurring revenue growth

- 31% CAGR FY16 to FY22
- Significant R&D investment driving long-term growth
- Revenue growth of \$337.1m, ~5X over the last 6 years
- Major recurring revenue growth drivers (averages per year)¹
 - ~12pp Large Global Freight Forwarder rollouts
 - ~6pp New customers' FY17 to FY22 cohorts
 - ~4pp New product enhancements reflected in price
 - ~3pp Major new product releases
 - ~3pp Existing customer growth and market share
 - ~3pp Market growth
- **31% CAGR FY16 to FY22**
- CargoWise non-recurring revenue includes customer paid product enhancements and a landside logistics component product license which are important future growth enablers
- Non-CargoWise businesses drive strategic product development in CargoWise customs and adjacencies, and add to overall revenue growth

Future revenue growth drivers

- CargoWise recurring revenue growth consistent with historical experience, and **accelerated growth** across:
 - Large Global Freight Forwarder rollouts and further contract wins
 - New products and features from acquisitions e.g. Customs, Rates
- Growth from our 6 key development priorities and accelerated R&D investment
- Potential strategically significant and tuck-in acquisition opportunities

CargoWise recurring revenue growth drivers

Details on inclusions in each category of revenue drivers

CargoWise recurring revenue growth drivers	Growth rate FY16 to FY22 (averages per year)	What's included
Large Global Freight Forwarder rollouts	12pp	Growth in users and transactions from Large Global Freight Forwarders ¹
New customers' FY17 to FY21 cohorts	6pp	New CargoWise customers recurring revenue growth from customer cohorts added from FY17 to FY22 (non Large Global Freight Forwarders)
New product enhancements reflected in price	4pp	Monetized new product enhancements and standard periodic price increases reflecting ongoing product development investment delivering enhancements
Major new product releases	3pp	Significant new CargoWise product releases not included in new product enhancements
Market growth	3pp	Growth driven by changes in industrial production and world trade in manufactured goods
Existing customer growth and market share	3pp	Increased usage of CargoWise by existing (non-Large Global Freight Forwarders) customers adding transaction volumes, seats and new sites, utilization of new modules

31% CAGR FY16 to FY22

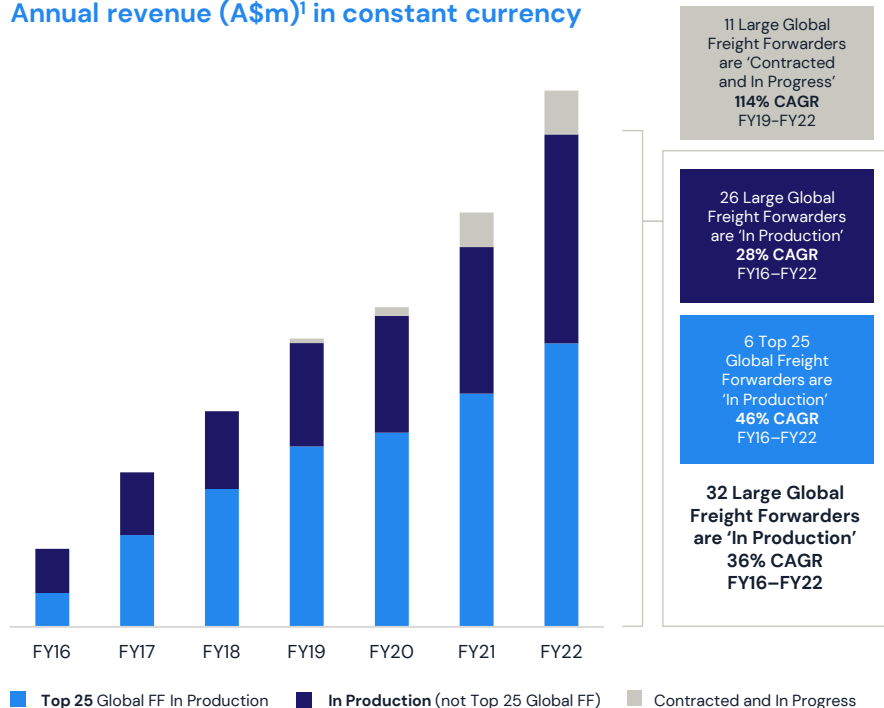
28% CAGR from WiseTech specific growth factors

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

Large Global Freight Forwarder rollouts driving revenue growth

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

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



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

- **Revenue growth of 36% CAGR** over the period FY16 to FY22, driven by:
 - Ongoing growth of initial global rollouts including DHL, DSV, Toll, Yusen and Geodis
 - Adoption of more CargoWise modules, new products, features, enhancements & geographies
 - Customer M&A activity integrating their acquired businesses onto CargoWise
- 6 are Top 25 Global Freight Forwarders and have delivered **revenue growth of 46% CAGR** over the period FY16 to FY22

Significant future growth expected from:

- The 11 Large Global Freight Forwarders that are 'Contracted and In Progress'¹ as only **~25% of their expected users are currently live on CargoWise**. Delivered 114% CAGR revenue growth over FY19 to FY22
- In FY22 the expected users, not currently live on CargoWise, has grown by 30% driven by 5 new contract wins including UPS and FedEx
- The existing 32 Large Global Freight Forwarders currently 'In Production' as their global rollouts continue to expand
- Adoption of new products and features, including customs as penetration of global manufactured trade flows increases from ~45% to ~90% target
- Further industry M&A driving consolidation and integration onto CargoWise
- New Large Global Freight Forwarder global contracts wins

Global rollouts

Reconciliation of CargoWise global rollouts

	In Production ¹	Contracted ¹	Total LGFF ¹	Top 25 ¹
As at 30 June 2022	32	11	43	10
New contracts signed: NTG Nordic Transport Group, IFB International Freightbridge	-	2	2	-
New organic rollouts 'In Production': DB Group, Jet International Logistics, Maersk	3	-	3	-
Industry consolidation: Senator, Greencarrier, GEFCO	(3)	-	(3)	-
As at 31 December 2022	32	13	45	10
New contracts signed: EMO Trans, Kuehne+Nagel (new global customs rollout)	-	2	2	1
Post 31 December 2022	32	15	47	11

Glossary

	Abbreviation	Definition	First reference slide
Annual Attrition rate	-	A customer attrition measurement relating to the CargoWise platform (excluding any customers on non-CargoWise platforms). A customer's users are included in the customer attrition calculation upon leaving i.e. having not used the product for at least four months.	28
'Contracted and In Progress' global rollouts	Contracted and In Progress	Customers who are contracted and in progress to rolling out CargoWise in 10 or more countries and for 400 or more registered users, who have fewer than 75% of expected registered users currently on CargoWise.	20
'In Production' global rollouts	In Production	Customers who are operationally live on CargoWise and are using the platform on a production database, having rolled out in 10 or more countries and 400 or more registered users on CargoWise, excluding customers classified as 'Contracted and In Progress'.	7
Large Global Freight Forwarder	LGFF	A CargoWise customer contracted to grow or who has grown either organically or contractually to 10 or more countries and 400 or more registered users on CargoWise.	7
Net Profit After Tax Amortization	NPATA	Net profit after tax before: acquired amortization net of tax, contingent consideration interest unwind net of tax, fair value changes on contingent consideration and non-recurring tax on contingent consideration. NPATA is a non-statutory measure used for the purpose of assessing the Group's performance (see slide 34).	32
Non-CargoWise revenue	-	Revenue generated by businesses acquired since 2012 that are not included in CargoWise revenue.	5
Organic	-	Refers to revenue and EBITDA growth and EBITDA margin adjusted for recent M&A without full period comparisons, foreign exchange impacts, restructuring and M&A costs.	5
Rule of 40	-	Rule of 40 is defined as the sum of the year-on-year total revenue growth and the free cash flow margin.	14
Top 25 Global Freight Forwarders	Top 25 Global FF	Top 25 based on Armstrong & Associates, Inc. Top 25 Global Freight Forwarders List ranked by 2021 gross logistics revenue/turnover and freight forwarding volumes. Updated 20 September 2022 (see reconciliation of CargoWise global rollouts from FY22 on slide 41).	7
Underlying Net Profit After Tax	Underlying NPAT	Net Profit After Tax excluding fair value adjustments from changes to acquisition contingent consideration and non-recurring tax on acquisition contingent consideration (see slide 35).	5

Market conditions – global supply chain



GLOBAL TRADE & FREIGHT

- Merchandise trade volume growth of 3.5% in 2022, up from previous WTO forecast of 3.0%, and expected increase of 1.0% in 2023, down from previous estimate of 3.4%²
- Global trade set to reach a record level of US\$32 trillion for 2022¹
- Softening of global trade flows in 2023 impacted by geopolitical frictions, persisting inflation, high energy prices, and lower global demand²
- Global Port Tracker forecasts first-half volumes 19.4% below 1H22 volumes, when imports hit all-time high. March–June imports expected to exceed 2018–19 volumes³



STRUCTURAL INDUSTRY TRENDS

- Ongoing investment in integrated global technology that drives efficiency, facilitating planning, control and visibility of global operations
- Increased focus on productivity in current environment to support future profitability
- Industry consolidation and heightened regulation
- Adoption of cloud-based technologies to enable remote and hybrid work models
- Increasing focus on digitization in sustainability, emissions and digital documentation

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- **FY** refers to the full year to 30 June, **1H** refers to the six months to 31 December, and **2H** refers to the six months to 30 June
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