



WiseTech  
GLOBAL

# 2016 Annual General Meeting of Shareholders

# Important notice and disclaimer

Visit [www.wisetechglobal.com/investors](http://www.wisetechglobal.com/investors)

## FORWARD-LOOKING STATEMENTS

This presentation may include forward-looking statements. Such statements can generally be identified by the use of words such as 'may', 'will', 'expect', 'intend', 'plan', 'estimate', 'anticipate', 'believe', 'continue', 'objectives', 'outlook', 'guidance', 'forecast' and similar expressions.

Indications of plans, strategies, management objectives, sales and financial performance are also forward-looking statements.

Such statements are not guarantees of future performance, and involve known and unknown risks, uncertainties, assumptions, contingencies and other factors, many of which are outside the control of WiseTech Global. No representation is made or will be made that any forward-looking statements will be achieved or will prove to be correct. Actual results, performance, operations or achievements may vary materially from any forward-looking statements. Circumstances may change and the contents of this presentation may become outdated as a result. Readers are cautioned not to place undue reliance on forward-looking statements and WiseTech Global assumes no obligation to update such statements.

No representation or warranty, expressed or implied, is made as to the accuracy, reliability, adequacy or completeness of the information contained in this presentation.

## PAST PERFORMANCE

Past performance information given in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

## INFORMATION IS NOT ADVICE

This presentation is not, and is not intended to constitute, financial advice, or an offer or an invitation, solicitation or recommendation to acquire or sell WiseTech Global shares or any other financial products in any jurisdiction and is not a prospectus, product disclosure statement, disclosure document or other offering document under Australian law or any other law. This presentation also does not form the basis of any contract or commitment to sell or apply for securities in WiseTech Global or any of its subsidiaries. It is for information purposes only.

WiseTech Global does not warrant or represent that the information in this presentation is free from errors, omissions or misrepresentations or is suitable for your intended use. The information contained in this presentation has been prepared without taking account of any person's investment objectives, financial situation or particular needs and nothing contained in this presentation constitutes investment, legal, tax or other advice. The information provided in this presentation may not be suitable for your specific needs and should not be relied up on by you in substitution of you obtaining independent advice. Subject to any terms implied by law and which cannot be excluded, WiseTech Global accepts no responsibility for any loss, damage, cost or expense (whether direct or indirect) incurred by you as a result of any error, omission or misrepresentation in this presentation.

## PREPARATION OF INFORMATION

All financial information has been prepared and reviewed in accordance with Australian Accounting Standards. Certain financial data included in this presentation is 'non-IFRS financial information'. The Company believes that this non-IFRS financial information provides useful insight in measuring the financial performance and condition of WiseTech Global. Readers are cautioned not to place undue reliance on any non-IFRS financial information including ratios included in this presentation.

## PRESENTATION OF INFORMATION

- **Pro forma** Except where explicitly stated, the financial data in this presentation is provided on a pro-forma basis. Information on the specific pro-forma adjustments is included in the Appendix to this document.
- **Currency** All amounts in this presentation are in Australian dollars unless otherwise stated.
- **FY** refers to the full year to 30 June.
- **Rounding** Amounts in this document have been rounded to the nearest \$0.1m. Any differences between this document and the accompanying financial statements are due to rounding.

## THIRD PARTY INFORMATION AND MARKET DATA

The views expressed in this presentation contain information that has been derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information. This presentation should not be relied upon as a recommendation or forecast by WiseTech Global. Market share information is based on management estimates except where explicitly identified.

## NO LIABILITY OR RESPONSIBILITY

The information in this presentation is provided in summary form and is therefore not necessarily complete.

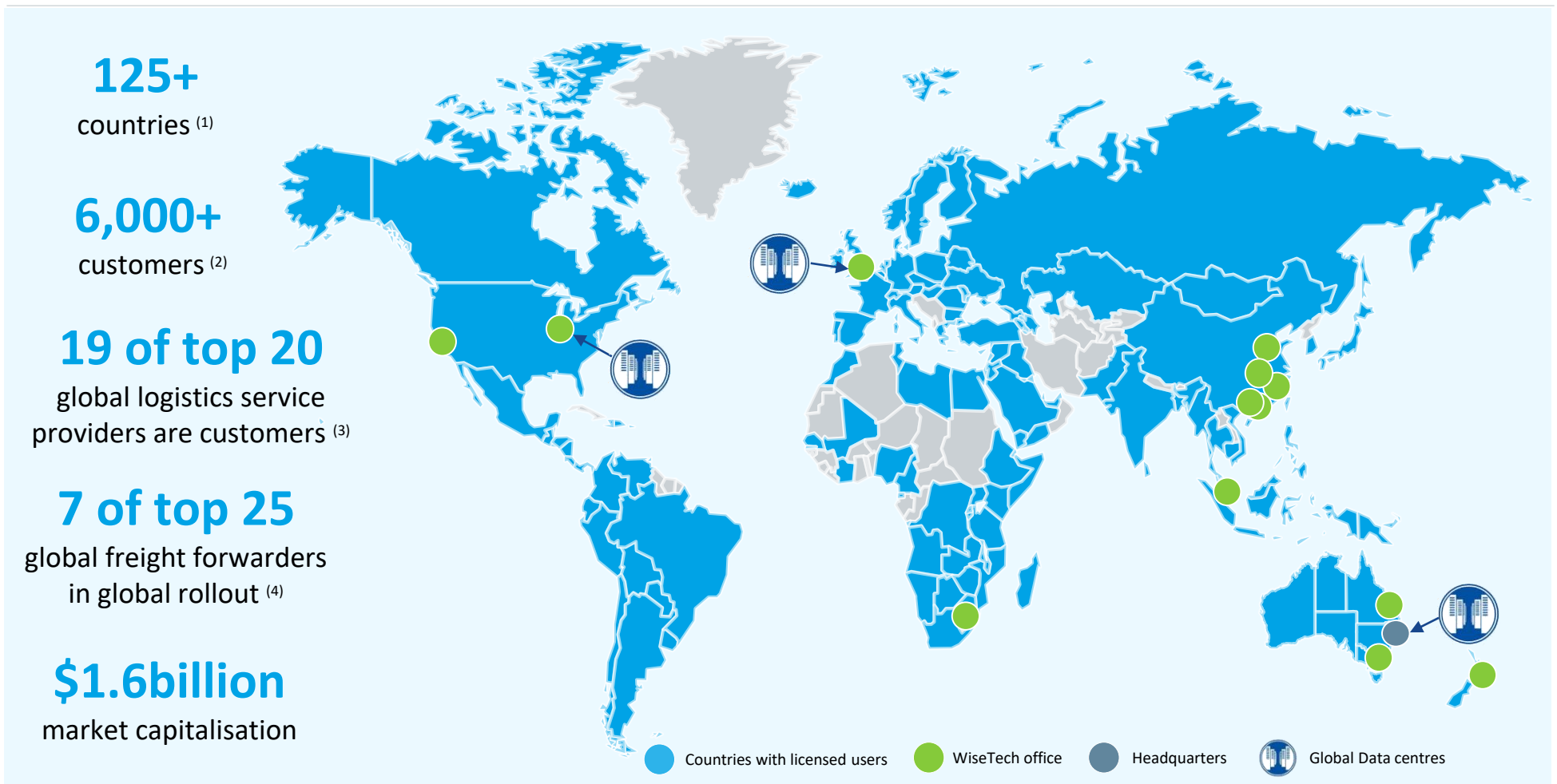
To the maximum extent permitted by law, WiseTech Global and each of its affiliates, directors, employees, officers, partners, agents and advisers and any other person involved in the preparation of this presentation disclaim all liability and responsibility (including without limitation, any liability arising from fault or negligence) for any direct or indirect loss or damage which may arise or be suffered through use or reliance on anything contained in, or omitted from, this presentation. WiseTech Global accepts no responsibility or obligation to inform you of any matter arising or coming to their notice, after the date of this presentation, which may affect any matter referred to in this presentation. This presentation should be read in conjunction with WiseTech Global's other periodic and continuous disclosure announcements lodged with ASX.





**Charles Gibbon**  
**Chairman**

# WiseTech is a leading provider of software to the logistics industry globally



(1) Countries in which WiseTech software is licensed for use

(2) Customers refer to purchasers of our software; includes customers on the CargoWise One application suite and legacy platforms of acquired companies; legacy customers may be counted with reference to installed sites

(3) Top Global 3PL (Third Party) Logistics Providers List, ranked by Armstrong & Associates 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 Dec 2014. Customers are as at 31 Dec 2015.

(4) Armstrong & Associates, "Top 25 Global Freight Forwarders List – ranked by 2015 Logistics Gross Revenue/Turnover". Customers are as at Sep 2016.

# WiseTech Global – FY16 financial highlights



**STRONG**  
organic revenue  
growth

↑ **47%** growth in  
statutory revenue  
FY15 to FY16

**\$103m**  
Revenue



**HIGH recurring**  
**HIGH quality**  
revenue

**98%**  
Recurring  
Revenue



**LOW**  
customer  
attrition

**<1%**  
Annual Attrition Rates <sup>(1)</sup>  
(by CargoWise One  
customers)



**HIGH innovation**  
product development  
investment

**37%**  
of revenue <sup>(2)</sup>

**51%**  
of our people



**LOW**  
sales & marketing  
expense

**15%**  
of revenue

**13%**  
of our people

open-access,  
on-demand licence,  
swift on-boarding



**PROFITABLE**  
+  
cash generative

↑ **44%** EBITDA

**\$31.5m**

Profitable

Dividend paying

- (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. Based on the four financial years to FY16 inclusive
- (2) Total investment in product development and innovation includes both expensed and capitalised amounts each year spent on product development and Innovation.

# CargoWise One: an integrated software solution for the logistics industry

Allowing companies to better manage many aspects of the global supply chain



## Integrated modules covering key logistics transactions



## Integrated modules for enterprise wide administration, accounting and management



**2.8 million +  
development hours**  
over 15 years to build a global platform

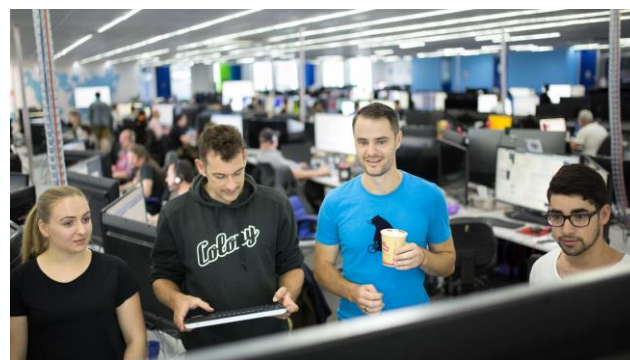
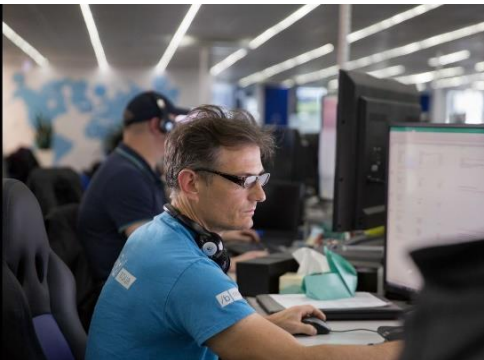
**34 billion +  
data transactions<sup>(2)</sup>**  
annually in FY16

(1) Available in CargoWise One but not in ediEnterprise

(2) Based on hosted CargoWise One data transaction levels for the 12 months ended 30 June 2016, extrapolated across CargoWise One application suite excluding acquired legacy systems such as Translogix, Corefreight, CompuClearing and Zsoft



# Our people are changing the world of logistics one innovation at a time







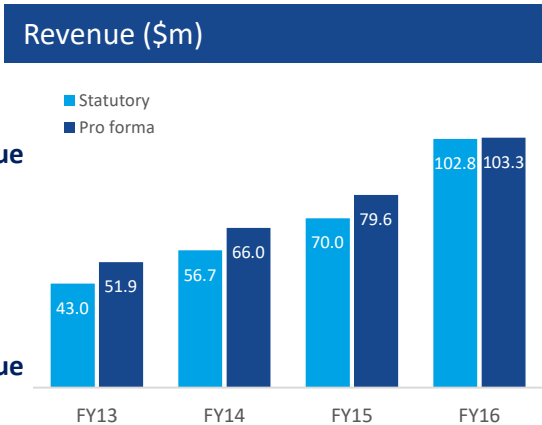
**Richard White**  
**Founder CEO**



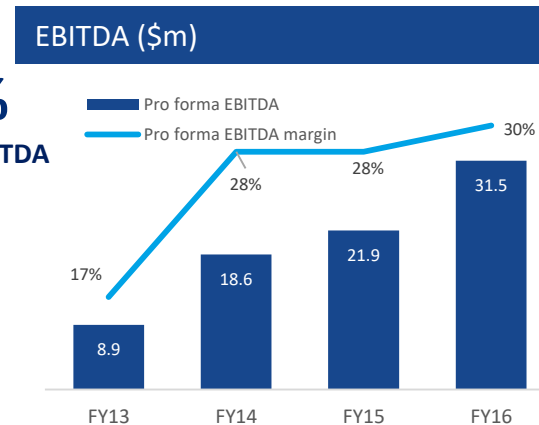
# WiseTech Global – FY16 financial highlights

**↑ 47%**  
growth in revenue  
(statutory)

**↑ 30%**  
growth in revenue  
(pro forma)



**↑ 44%**  
growth in EBITDA  
(pro forma)

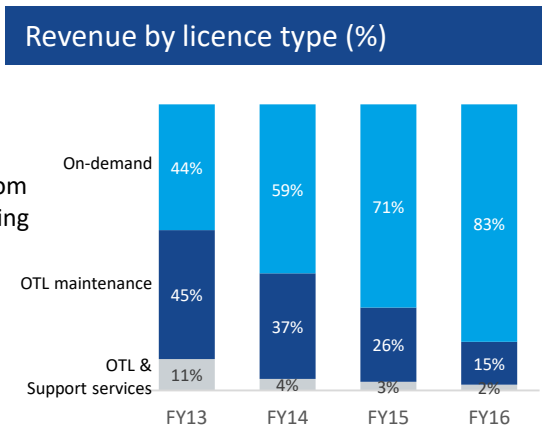


**98%**  
recurring revenue

**42%**  
growth in pro forma  
new customer revenue

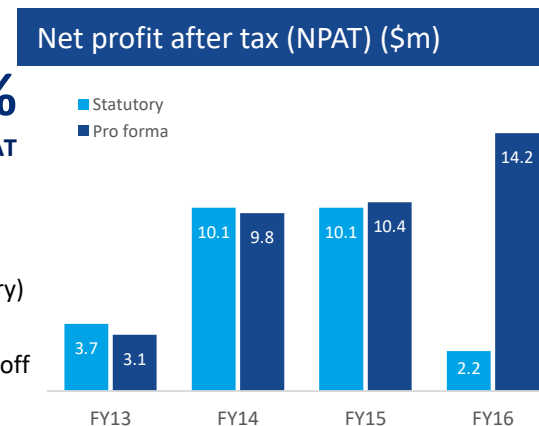
**<1%**  
attrition each year  
for last 4 years  
(CargoWise One customers)

**83%**  
of revenue now from  
On-Demand licensing



**↑ 37%**  
growth in NPAT  
to **\$14.2m**  
(pro forma)

NPAT (statutory)  
**\$2.2m**  
reflecting one off  
costs in FY16



We are investing  
**\$165 million**  
innovating and further  
developing our global  
platform in FY13 to FY17

# Multiple levers for business growth

*Multiple levers to sustain growth and increase market penetration*



**Innovation**  
and  
expansion of  
our global  
platform



*Transactions/users*



*Modules*



*Geographies*



*Industry  
consolidation*

Greater usage by **existing  
customers**



Increase  
**new  
customers**  
on the  
platform



Stimulate  
**network  
effects**



Grow  
through  
**acquisitions**

# Innovation investment

Significant pipeline of longer-term innovations across existing verticals and new adjacencies

new modules to enable **additional logistics capabilities** or market segments *e.g. warehousing*

new product components to **expand functionality of existing modules**  
*e.g. geo-coding*

**hardware components** to complement our software  
*e.g. telematics devices, VolCam*

extending **access to new geographies**  
*e.g. China, South Africa*

upgrading for **new regulatory requirements**  
*e.g. Automated Customs Environment US*

**over 670**  
product upgrades in FY16

**37%**  
of revenue invested in FY16

**51%**  
of staff focus on product/innovation

**590,000**  
unit tests executed hourly

**\$165m**  
investing FY13-FY17F

adding **quality improvements** – automating or eliminating processes  
*e.g. global standard workflows*

incorporating **new technology** or delivery mechanisms  
*e.g. elastic cloud, ssd only storage*

**investing** in processes, data centres, scalable technology  
*e.g. new region data centres*

building **next-generation productivity** tools  
*e.g. PAVE, GLOW*

**Universal Customs Engine**

**Address Cleansing, Validation + Geocoding**

**VolCam**



# Greater usage by customers

*Significant growth in existing customers*



*Transactions/users*



*Modules*

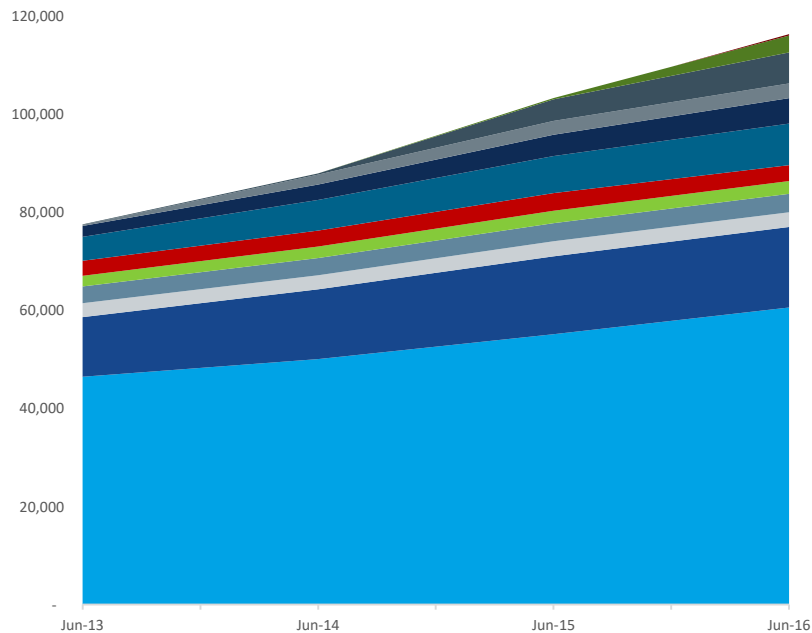


*Geographies*

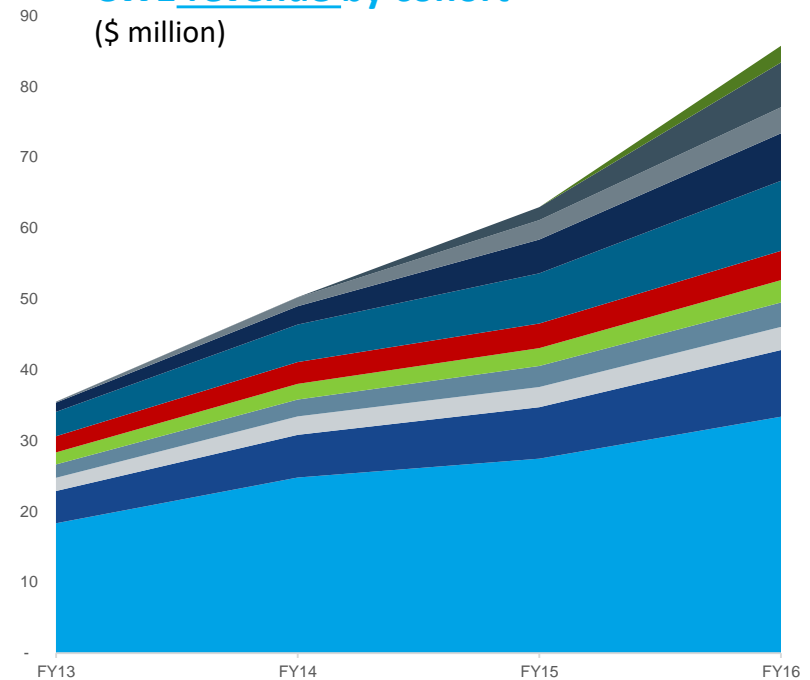


*Industry consolidation*

**CW1 module users by cohort**

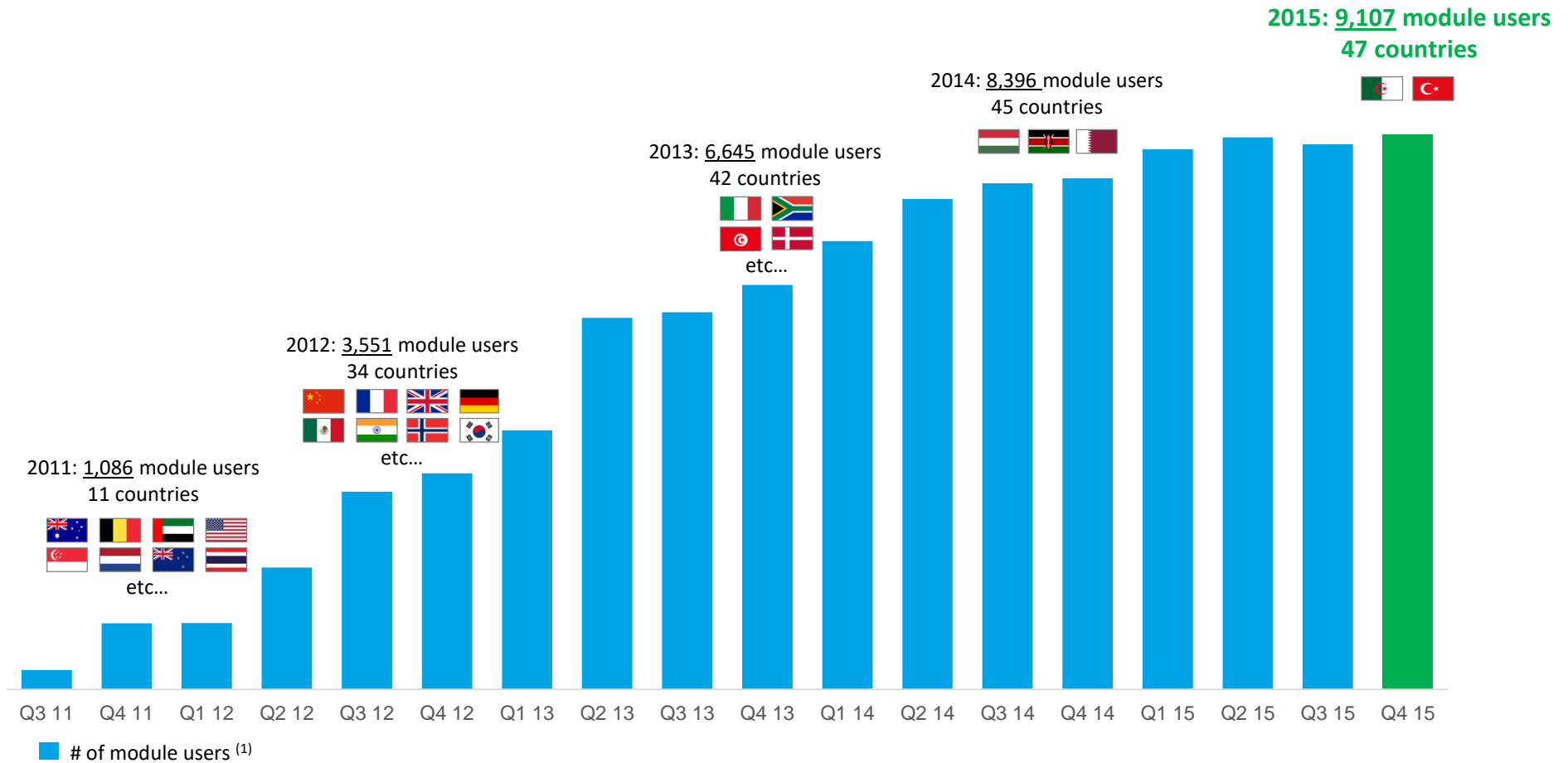


**CW1 revenue by cohort**  
(\$ million)



# New customers – can onboard swiftly and roll out without restriction

*Allowing customers access to everything can deliver steady growth from a single sale*

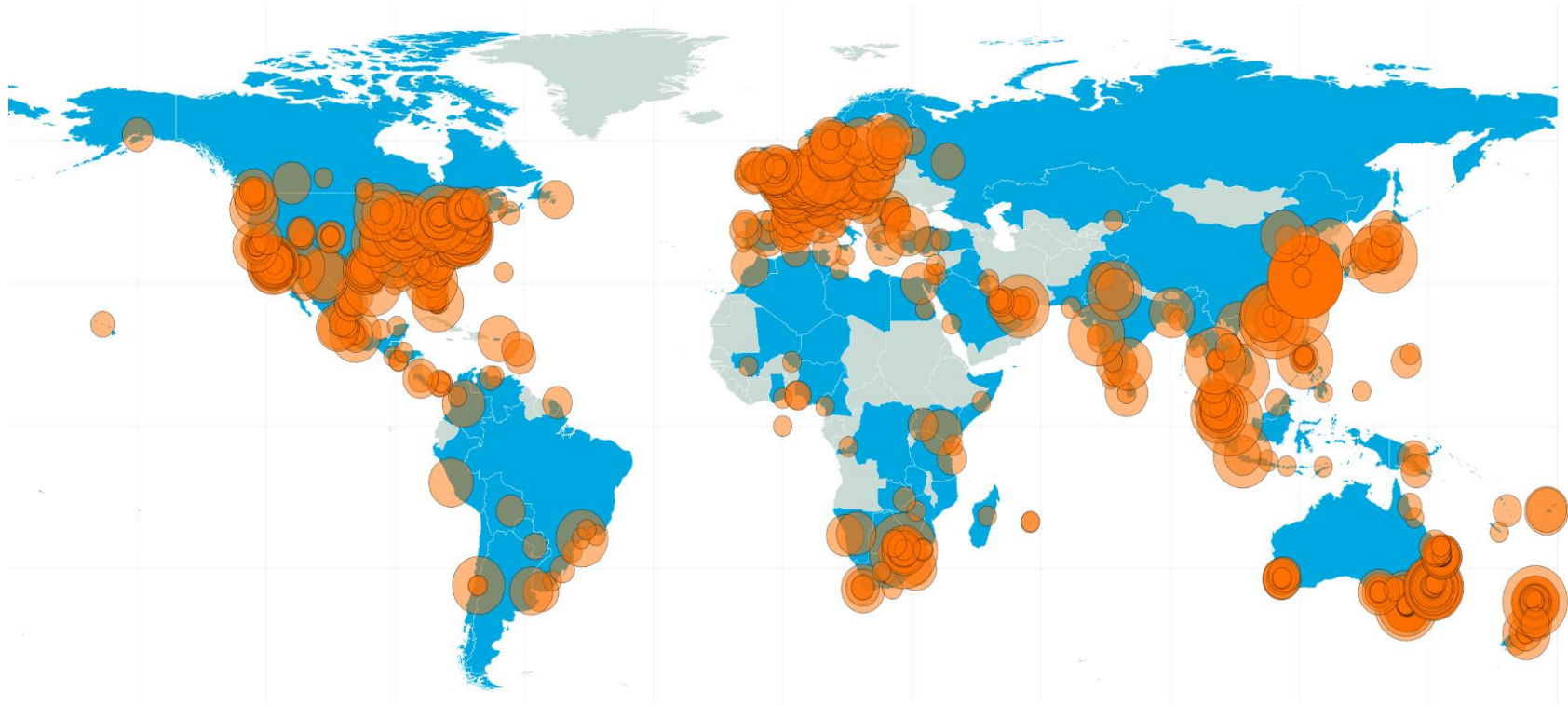


Note: This represents a specific example for one specific large-scale, multi-national customer using CargoWise One over time. It does not purport to represent the growth profiles for all customers or the growth rate of users and geographies of this specific customer in the future  
(1) Sourced from WiseTech Global as at December 2015

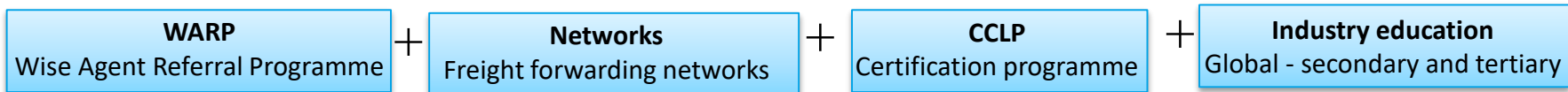
# Network effects

*Multiple active programmes drive adoption, operating system for global logistics*

*We build on our strong customer penetration across high GDP trade routes ...*



*By supporting our sales activity with additional effective network programmes ...*



Users by head office for each CargoWise One application suite customer during June 2016.



# Organic growth accelerated by acquisitions

*Small, valuable acquisitions further our growth across geographies and adjacencies*

*We buy into market positions that would take years to build, integrate swiftly, drive value across platform*



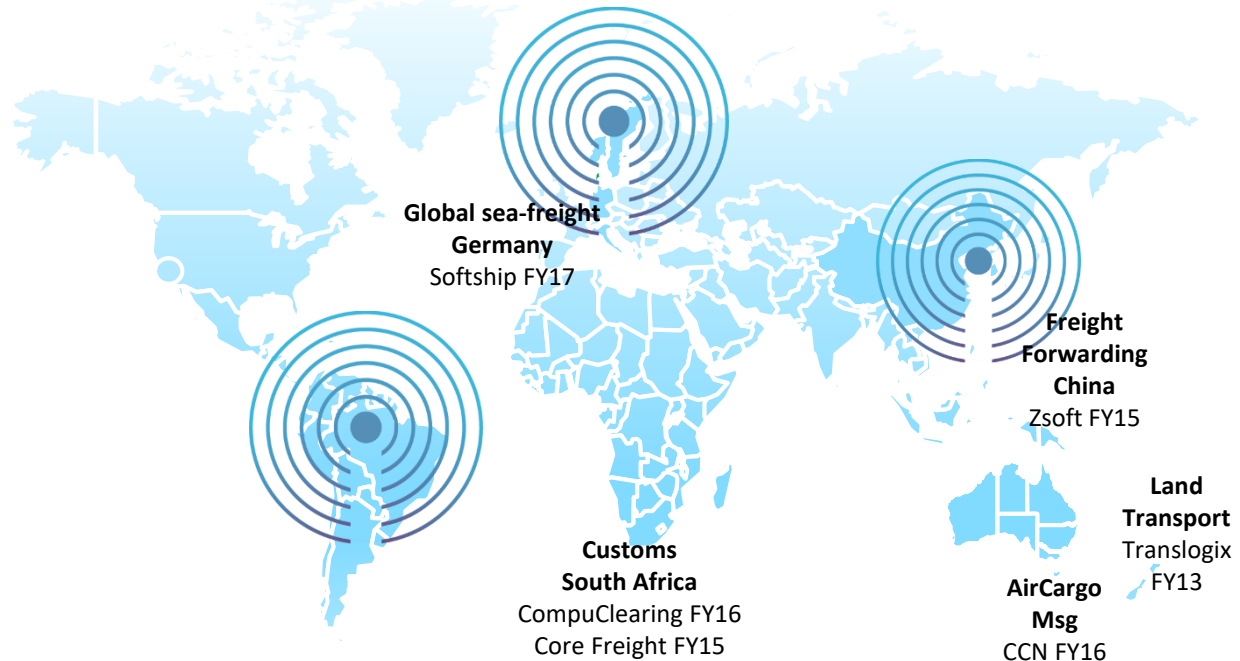
## Why we acquire

- Acquire customers in new geographies to migrate to CargoWise One global platform
- Acquire compliance capabilities to avoid high risk, costly market entry
- Acquire skilled employees with local market experience, logistics industry capability and processes
- Acquire to efficiently enter new geographic regions with lower cost and lower risks than organic growth may deliver



## What we target

- New geographies
- Strongly entrenched leading providers (preferably top 3)
- In markets with complex compliance requirements (particularly customs)
- Major markets with larger 3PL customers to allow us to drive network effect
- New, complex, adjacent competencies to allow us to acquire specialist market knowledge to support our product development



# Outlook - industry dynamics

*Industry pain points drive an exponential shift to CargoWise One*

## 3PL industry dynamics vs low propensity to switch out of proprietary systems

## Impact of dynamic for WiseTech

## Our leading global logistics software and open-access, usage-driven business model remove constraints to growth

Increasing regulation	→	positive	→	Fast to market with new regulatory changes
Increasing complexity	→	positive	→	Relentless innovation investment, automates or eliminates processes
Growth in transactions	→	positive	→	Highly scalable, integrated platform, productivity focused
High fragmentation	→	positive	→	Operating system for logistics, one to thousands users
Pressure on supply chain execution margins	→	positive	→	SaaS, pay for use monthly in arrears, productivity benefits
Capital constraints	→	positive	→	No upfront capital, easily add users and regions, only pay for use
Increasing network tie-ups	→	positive	→	Integrated global platform, 125+ countries, real time visibility
Demand for faster throughput	→	positive	→	Highly automated, more productive, enter data once
Cycles in 3PL verticals – economic up/downturn	→	positive	→	Pay for what you use, linked to value point
Consolidation across 1PL/2PL/3PL, Amazon	→	positive	→	Execution capability across supply chain, plug into myriad systems
3PL consolidation growing	→	positive	→	Seamless, swift, scalable on-board of thousands, global rollouts
High labour cost in high GDP trade routes	→	positive	→	Significant productivity gains through technology
Impact of political change (new govt/Brexit)	→	positive	→	Unsurpassed software development capacity to meet change
Shift to SaaS, cloud	→	positive	→	SaaS since 2008, cloud, all devices, LDaaS and PaaS to come
Shift from in-house to commercial systems	→	positive	→	Commercially proven, integrated global platform used by 19 of top 20 largest global 3PLs

**Our technology and business model turns industry problems into tailwinds**

# Outlook for FY17

- **Strong momentum into FY17**
  - Revenue growth across existing and new customers
  - Tailwinds from industry dynamics
  - Annual attrition rate <1%
  - Large customers rapidly integrating acquisitions using CargoWise One
  - Brand uplift from global rollouts, large customer wins and ASX listing
- **Business well positioned for significant growth**
  - ‘operating system for global logistics’ licensed in 125+ countries
  - Relentless innovation, \$165m (FY13 - FY17F), widening technology lead with every \$ invested
  - Strong balance sheet, quality recurring revenues, generating further cash flow
  - Accelerating organic growth by integrating acquired vendors + building out platform capability
- **Driving global expansion** with further acquisitions in key regions and adjacencies
- **Healthy growth in earnings expected yoy**

	forecast	growth vs pro forma FY16
<b>FY17 Total revenue</b>	<b>\$148m - \$155m</b>	<b>43 - 50%</b>
<b>FY17 EBIDTA</b>	<b>\$50m - \$53m</b>	<b>59 - 68%</b>



**AGM closed**

**Thank you**

WiseTech

*Changing the world of logistics one innovation at a time* GLOBAL