APPENDIX 4D
WiseTech Global Limited
For the half-year ended 31 December 2016

Results for announcement to the market

Six months ended 31 December ($000)			**2016**	**2015**
Revenue from ordinary activities	Up	46%	71,102	48,596
Profit from ordinary activities after tax attributable to members	Up	361%	14,373	3,117
Net profit/(loss) for the period attributable to members	Up	361%	14,373	3,117

Dividends - Ordinary shares	**Amount per security**	**Franked amount per security**	**Record date**	**Payment date**
FY17 interim dividend	1.00 cent	1.00 cent	13 March 2017	4 April 2017

No final dividend was declared in respect of full-year ended 30 June 2016.

Dividend reinvestment plan

WiseTech has a dividend reinvestment plan ("DRP") under which eligible shareholders can reinvest all or part of any dividends to acquire additional WiseTech shares. The price of the shares under the plan will be the volume weighted average price per share of all shares sold in the ordinary course of trading on the ASX for the 5 trading days from 15 March 2017 to 21 March 2017, rounded to the nearest cent. The last date receipt of election notices from shareholders wanting to commence, cease or vary their participation in the DRP for the 2017 interim dividend is by 5.00PM (Sydney time) on 14 March 2017.

Net tangible asset backing

Net tangible asset backing per ordinary share: 34 cents (31 December 2015: (7) cents). This has been calculated by dividing the net assets attributable to equity holders of the Company less intangible assets, by the number of ordinary shares as at 31 December 2016.

Entities for which control has been gained

During the half-year, the Group acquired the following entities. The details are as follows:

Acquired entity	**Date control gained**	**Contribution to half-year revenue $000**	**Contribution to half-year profit $000**
Softship AG (50.01%)	1 July 2016	6,478	173
- Softship America Inc			
- ASISTIM GmBH (50%)			
- Softship Dataprocessing Pte Ltd			
- Softship Inc*			

* Softship Inc is 100% subsidiary of Softship Dataprocessing Pte Ltd.

Review

This report is based on the consolidated financial statements for the half-year ended 31 December 2016 which have been reviewed by KPMG.

Directors' report

The Directors present their report together with the consolidated financial statements of the Group comprising WiseTech Global Limited ("Company") and its controlled entities for the half-year ended 31 December 2016 and the review report thereon.

Directors

The following persons were Directors of the Company during the whole of the interim period and up to the date of this report unless otherwise stated:

- Charles Llewlyn Gibbon
- Richard John White
- Michael John Gregg
- Andrew Charles Harrison
- Maree McDonald Isaacs

Principal activities

We are 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. We provide our solutions to more than 6,000 customers across 125 countries through offices in Australia, New Zealand, China, Singapore, South Africa, Germany, the United Kingdom and the United States.

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 principally through the cloud. We provide our software as a service which customers access as needed and pay for usage monthly. Our customers range from large multinational companies to small and mid-sized regional and domestic enterprises. Our software is designed to assist our customers to better address the complexities of the logistics industry while dramatically increasing productivity, reducing costs and mitigating risks through the use of a single, global integrated software platform.

Innovation and productivity are at the core of what we do, we invest heavily in product development and we have achieved strong and profitable growth during our history.

Directors' report (continued)

Review of operations

Operational and financial review

Summary of statutory financial performance

During the six months to 31 December 2016 (“1H17”), we delivered significant revenue growth of 46% compared to 1H16, through strong organic growth from both existing customers and new sales across our business, further accelerated by targeted acquisitions.

Operating profit increased 184% to $17.9m (1H16: $6.3m) and net profit attributable to equity holders of the parent increased 361% to $14.4m (1H16: $3.1m).

	Notes	1HY17	1HY16	Change	Variance
	1	$m	$m	$m	%
Recurring monthly and annual software usage revenue		66.2	47.6	18.6	39%
OTL and support services		4.9	1.0	3.9	390%
Total revenue		**71.1**	**48.6**	**22.5**	**46%**
Cost of revenues		(11.6)	(7.1)	(4.5)	63%
Gross profit		**59.5**	**41.5**	**18.0**	**43%**
Product design and development		(17.9)	(14.1)	(3.8)	27%
Sales and marketing		(7.5)	(8.3)	0.8	(10)%
General and administration		(16.2)	(12.8)	(3.4)	27%
Total operating expenses		**(41.6)**	**(35.2)**	**(6.4)**	**18%**
Operating profit		**17.9**	**6.3**	**11.6**	**184%**
Net finance income/(costs)		1.9	(0.4)	2.3	n/a
Share of loss of associate		-	-	-	-
Profit before income tax		**19.8**	**5.9**	**13.9**	**236%**
Income tax expense		(5.4)	(2.8)	(2.6)	93%
Net profit after tax		14.5	3.1	11.4	368%
Net profit attributable to equity holders of the parent		**14.4**	**3.1**	**11.3**	**361%**

Key financial metrics		**1HY17**	**1HY16**	**Change**
Recurring revenue %		93%	98%	(5)pp
Gross profit margin		84%	85%	(1)pp
Product, design and development as % total revenue	2	25%	29%	(4)pp
Sales and marketing as % total revenue		11%	17%	(6)pp
General and administration as % total revenue		23%	26%	(3)pp
Operating profit margin		25%	13%	12pp
Capitalised development cost ($m)	3	9.7	9.6	0.1

1. Differences in tables are due to rounding.
2. Product design and development cost includes $3.6m ($3.4m in 1H16) depreciation and amortisation but excludes capitalised development amounts.
3. Represents cash cost and includes capital expenditure for software licences and patents.

Directors' report (continued)

Review of operations (continued)

Revenue

In 1H17 we grew total revenue by 46% or $22.5m to $71.1m (1H16: $48.6m). This growth was driven by a combination of:

• revenue growth from the existing customer base;
• revenue growth from new customers won in 1H17 and the full year impact of customers won in the previous two financial years, reflecting the longer term nature of new customer on-boarding; and
• revenue from customers using acquired products.

Revenue from our existing customer base grew by $12.8m or 26%, offset slightly by $1.3m foreign exchange. This growth in existing customer revenue is 62% higher than the equivalent growth experienced in 1H16 and reflected increased usage of the CargoWise One platform across transactions, users and regions, the commencement of the global rollout for DHL Global Forwarding and continuing rollout programs for our other large to mid-sized customers.

Our new customer revenue increased by $4.0m, partially offset by $0.3m foreign exchange. Growth reflects both new customer sales and increased usage by on-boarding customers.

We focus on transaction-based licensing for all new customers and over time have been transitioning our substantial existing customer base from One-Time licence (“OTL”) to On-Demand licences and this is now substantially complete for all CargoWise One customers. Excluding the recent acquisitions[1], revenue from our “On-Demand” licence models increased to 91% of total revenue up from 79% in 1H16 and our OTL and support services revenue represent only 1% of 1H17 revenue. Including recent acquisitions, OTL and support services revenue represents 7% of total revenue compared to 2% in 1H16.

Customers using acquired products represent customers not yet transitioned onto CargoWise One. In the current period, revenue from acquired product customers grew by $7.7m reflecting the recent acquisitions, partially offset by $0.4m foreign exchange.

Excluding the impact of recent acquisitions, we increased our recurring revenue to 99% of total revenue from 98% in 1H16.

Gross profit and gross profit margin

Our gross profit increased 43% or $18.0m to $59.5m (1H16: $41.5m), predominantly driven by our strong revenue growth.

Growth in the cost of revenues during the period reflected increased headcount consistent with business growth, recent acquisitions and software licences.

Gross profit margin decreased by 1pp to 84% from 85% in 1H16 however, excluding the recent acquisitions, gross profit margin increased 2pp to 87%, reflecting operating leverage.

Operating expenses

As the business expanded, our total operating expenses grew by 18% or $6.4m to $41.6m (1H16: $35.2m). Operating expenses as a percentage of total revenue are more efficient at 59% reducing from 72% in 1H16, reflecting increased operating leverage as our revenue grows.

Product design and development is at the core of our business strategy and during the period we increased our investment in development resources and product development headcount. Expenses increased by 27% or $3.8m to $17.9m (1H16: $14.1m), however product design and development expenses as a percentage of total revenue reduced to 25% (1H16: 29%).

[1]Recent acquisitions are those executed in the 12 months to 31 December 2016: Cargo Community Network Pty Ltd (“CCN”) and Softship AG (“Softship”).

Directors' report (continued)

Review of operations (continued)

In addition, we continued to invest in development activities for new product innovation and functionality enhancements to support current and future growth. The level of capitalised development cost, including external software licences remained stable at $9.7m.

Sales and marketing expenses reduced by 10% or $0.8m to $7.5m (1H16: $8.3m). Sales and marketing expenses as a percentage of total revenue reduced to 11% from 17% in 1H16, predominantly reflecting changes in the composition of the sales force and structure of the commission schemes.

General and administration expenses increased by 27% or $3.4m to $16.2m (1H16: $12.8m) to support business growth, corporate office and recent acquisitions. General and administration expenses as a percentage of total revenue were 23% compared to 26% in 1H16.

Finance income includes a non-taxable, non-cash gain of $2.0m, which arose due to an increase in fair value recognised in accordance with the Accounting Standards in relation to the acquisition of Softship (see note 4).

Cash flow

Net cash flows from operating activities increased by $13.9m or 120% to $25.5m (1H16: $11.6m). We invested operating cash in product development, IT equipment, facilities and acquisitions. In total, $5.5m was utilised for acquisitions, net of cash acquired, including payments for acquisitions completed in earlier periods. Our period-end cash and cash equivalents was $114.7m compared to $109.5m at 30 June 2016.

Delivery on our growth strategy

The key strategic developments during the first half were

Innovation and expansion of our global platform

• In 1H17 51% of our people were employed on product development and we invested $24m further expanding our commercialisable innovations and delivering approximately 300 product upgrades and enhancements across the CargoWise One platform.

• We have added to our considerable pipeline of development initiatives focusing on universal cross-border compliance, productivity and visibility, machine learning and artificial intelligence.

Greater usage by existing customers

• Strong existing customer revenue growth of $12.8m delivering the majority of 1H17 organic revenue growth. Our large customer base continues to increase their use of the platform, adding transactions, users and geographies and moving into more modules.

• Expanding further global rollout programmes with the world’s largest global forwarding groups.

• Continued transition of customer licensing (excluding recent acquisitions) with 91% of revenues generated from On-Demand licensing, an access-as-needed, monthly payment based on usage licence.

Increasing new customers on the platform

We continued to enjoy strong new customer growth, as our On-Demand commercial model encourages customers of all sizes to migrate from outdated platforms. New customer wins progressed in the mid-market (100-500 users) across North America, Asia and Europe and we are growing revenue as larger 3PL customers, including Hitachi, CEVA and Pentagon, further on-board.

Stimulated network effects

We utilised the powerful network effect present in global logistics through our customers and their partners and within our CargoWise One platform. To further stimulate network effects that support lead generation and sales activity we operate active targeting programmes including WiseBusiness, WiseService and WiseTechnical partners, Wise Agent Referral Program (WARP), Certified Professional plus WiseIndustry programs for freight forwarding network groups globally.

Directors' report (continued)

Review of operations (continued)

Accelerating organic growth through acquisitions

• Developed product and commenced early adopter sales for our integrated acquisitions in China (Zsoft) and South Africa (Core Freight and Compu-Clearing) and fully integrated air cargo messaging distributor (Cargo Community Network).

• Increased strategic shareholding in German-domiciled, global sea-freight software provider, Softship to 50.01%.

• Continued to build and develop our considerable pipeline of near-term, mid-term and long-term acquisition opportunities in our target areas of Asia, Europe and South America.

• In February 2017 we acquired German customs solutions provider, znet Group GmbH, and Italian customs solutions provider, ACO Informatica S.r.l..

Dividends

Dividends paid or declared during the half-year

No dividends were paid or declared (except dividend arrears, see note 10) during 1H17.

Dividends declared after reporting date

After the reporting date, the Directors have declared a fully franked interim dividend of 1.00 cent per share (1H16: 0.60cps), $2.9m.

	Cents per share	31 Dec 2016 ($000)
FY17 interim dividend	1.00	2,906

The financial effect of this dividend has not been brought to account in the consolidated interim financial statements for 1H17 and will be in the subsequent financial reports as and when declared.

Events subsequent to balance date

In early February 2017 the Group acquired znet group GmbH and ACO Informatica S.r.l.. The combined purchase price was upfront cash payments of $4.8m in addition to $5.5m undiscounted contingent consideration payments which are tied to integration, customer conversion and other milestones through to the period 30 June 2021, for a total undiscounted consideration of $10.3m.

Other than the matter discussed above, there has not arisen in the interval between the 31 December 2016 and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

Likely developments and expected results

The strong momentum of the Group’s performance during 1H17 combined with 99% recurring revenue (excluding recent acquisitions), annual attrition rate of less than 1% and continued growth across our global operations, affirms that we are on track to meet our guidance for FY17.

We confirm our expectation of revenue growth for FY17 of 43% to 50%, revenue of $148m to $155m, EBITDA growth of 59% to 68% and EBITDA of $50m to $53m.

Rounding of amounts

The Company is of a kind referred to in Australian Securities and Investments Commission Corporations ("ASIC") (Rounding in Financial/Directors’ Reports) Instrument 2016/191, relating to the ‘rounding off’ of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with this instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Directors' report (continued)

Auditor independence declaration

The lead auditor's independence declaration is set out on page 8 and forms part of the Directors' report for the six months ended 31 December 2016.

Signed in accordance with a resolution of the Directors:

Charles Llewlyn Gibbon
Chairman
21 February 2017

Richard John White
Executive Director and CEO
21 February 2017

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of WiseTech Global Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2016 there have been:

(i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and

(ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

Caoimhe Toouli

Caoimhe Toouli

Partner

Sydney

21 February 2017

Consolidated statement of profit or loss and other comprehensive income

For the half-year ended 31 December 2016

	Notes	31 Dec 2016 $000	31 Dec 2015 $000
Revenue	3	71,102	48,596
Cost of revenues		(11,567)	(7,065)
Gross profit		**59,535**	**41,531**
Product design and development		(17,875)	(14,105)
Sales and marketing		(7,517)	(8,302)
General and administration		(16,217)	(12,830)
Total operating expenses		**(41,609)**	**(35,237)**
Operating profit		**17,926**	**6,294**
Finance income	4	3,161	568
Finance costs		(1,233)	(961)
Net finance income/(costs)		**1,928**	**(393)**
Share of loss of associate, net of tax		(20)	-
Profit before income tax		**19,834**	**5,901**
Income tax expense		(5,375)	(2,784)
Net Profit for the period		**14,459**	**3,117**
Net profit for the period attributable to:			
Equity holders of the parent		14,373	3,117
Non-controlling interests		86	-
		14,459	**3,117**
Other comprehensive income/(loss)			
Items that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		1,410	(3,479)
Fair value of available-for-sale financial assets reclassified to profit or loss		(2,046)	-
Net gain/(loss) on available-for-sale financial assets		194	(388)
Other comprehensive loss for the period, net of tax		**(442)**	**(3,867)**
Total comprehensive income/(loss) for the period, net of tax		**14,017**	**(750)**
Total comprehensive income for the period attributable to:			
Equity holders of the parent		13,475	(750)
Non-controlling interests		542	-
		14,017	**(750)**
Earnings per share			
Basic earnings per share (cents)	5	4.9	1.2
Diluted earnings per share (cents)	5	4.9	1.2

These financial statements should be read in conjunction with the accompanying notes.

Consolidated statement of financial position

As at 31 December 2016

	Notes	31 Dec 2016 $000	30 Jun 2016 $000
Assets			
Current assets			
Cash and cash equivalents		114,721	109,527
Trade receivables		16,972	12,102
Current tax receivables		1,760	1,747
Other current assets		3,351	3,668
Total current assets		136,804	127,044
Non-current assets			
Property, plant and equipment		16,456	13,361
Intangible assets	6	115,429	96,852
Equity accounted investees		197	-
Equity securities - available for sale	8	-	4,303
Other non-current assets		3,603	4,219
Total non-current assets		135,685	118,735
Total assets		**272,489**	**245,779**
Liabilities			
Current liabilities			
Trade and other payables		17,844	8,684
Borrowings	7	3,585	3,659
Deferred revenue		11,964	13,380
Current tax liabilities		1,380	1,620
Employee benefits		5,517	4,902
Other current liabilities		3,567	4,182
Total current liabilities		43,857	36,427
Non-current liabilities			
Borrowings	7	2,328	2,665
Employee benefits		707	699
Deferred tax liabilities		11,882	8,031
Other non-current liabilities		457	1,781
Total non-current liabilities		15,374	13,176
Total liabilities		**59,231**	**49,603**
Net assets		**213,258**	**196,176**
Equity			
Share capital		165,571	165,571
Reserves		4,070	5,354
Retained earnings		39,619	25,251
Equity attributable to equity holders of the parent		**209,260**	**196,176**
Non-controlling interests		3,998	-
Total equity		**213,258**	**196,176**

These financial statements should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

For the half-year ended 31 December 2016

	Attributable to equity holders of WiseTech Global Limited								
	Share capital	Acquisition reserve	Fair value reserve	Share - based payment reserve	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
	$000	$000	$000	$000	$000	$000	$000	$000	$000
As at 1 July 2015	**44,869**	**-**	**(168)**	**1,692**	**(283)**	**26,897**	**73,007**	**-**	**73,007**
Net profit for the period	-	-	-	-	-	3,117	3,117	-	3,117
Other comprehensive (loss)/income	-	-	(388)	-	(3,479)	-	(3,867)	-	(3,867)
Total comprehensive income	-	-	(388)	-	(3,479)	3,117	(750)	-	(750)
Equity settled share-based payment expense	-	-	-	2,190	-	-	2,190	-	2,190
Transactions costs	(66)	-	-	-	-	-	(66)	-	(66)
Dividends	-	-	-	-	-	(2,300)	(2,300)	-	(2,300)
At 31 December 2015	**44,803**	**-**	**(556)**	**3,882**	**(3,762)**	**27,714**	**72,081**	**-**	**72,081**
As at 1 July 2016	**165,571**	**-**	**1,852**	**7,993**	**(4,491)**	**25,251**	**196,176**	**-**	**196,176**
Net profit for the period	-	-	-	-	-	14,373	14,373	86	14,459
Other comprehensive (loss)/income	-	-	(1,852)	-	954	-	(898)	456	(442)
Total comprehensive income	-	-	(1,852)	-	954	14,373	13,475	542	14,017
Equity settled share-based payment expense (note 13)	-	-	-	780	-	-	780	-	780
Dividends (note 10)	-	-	-	-	-	(5)	(5)	-	(5)
Additional investment in a subsidiary (note 8)	-	(1,166)	-	-	-	-	(1,166)	3,456	2,290
At 31 December 2016	**165,571**	**(1,166)**	**-**	**8,773**	**(3,537)**	**39,619**	**209,260**	**3,998**	**213,258**

These financial statements should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

For the half-year ended 31 December 2016

	Notes	31 Dec 2016 $000	31 Dec 2015 $000
Operating activities			
Receipts from customers		70,581	51,126
Payments to suppliers and employees		(41,474)	(37,615)
Initial public offering fees paid		(740)	-
Income tax paid		(2,910)	(1,879)
Net cash flows from operating activities		**25,457**	**11,632**
Investing activities			
Payment for intangible assets		(9,676)	(9,566)
Purchase of property, plant and equipment		(4,144)	(2,406)
Interest received		780	568
Acquisition of subsidiaries, net of cash acquired		(5,532)	(18,748)
Net cash flows used in investing activities		**(18,572)**	**(30,152)**
Financing activities			
Interest paid		(133)	(961)
Dividends received from equity accounted investees		33	-
Repayment of finance lease liabilities		(1,624)	(1,463)
(Repayment of)/proceeds from borrowings		(113)	2,440
Financing transaction costs		-	(322)
Dividends	10	(5)	(2,300)
Net cash flows used in financing activities		**(1,842)**	**(2,606)**
Net increase/(decrease) in cash and cash equivalents		5,043	(21,126)
Cash and cash equivalents at 1 July		109,527	43,155
Effect of exchange differences on cash balances		151	-
Cash and cash equivalents at 31 December		**114,721**	**22,029**

These financial statements should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements

For the half-year ended 31 December 2016

1. Corporate information

WiseTech Global Limited ("Company") is a company domiciled in Australia. These consolidated interim financial statements comprise the Company and its controlled entities (collectively "Group" or “WiseTech") as at and for the six months ended 31 December 2016.

The Group is a for-profit entity and its principal business is providing software to the logistics services industry globally.

A copy of the 2016 Annual Report is available on the Company's website, www.wisetechglobal.com.

2. Summary of significant accounting policies

Basis of preparation

Statement of compliance

These consolidated interim financial statements for the half-year ended 31 December 2016 have been prepared in accordance with IAS 34 *Interim Financial Reporting*, AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

They do not include all of the information required for a complete set of annual financial statements and should be read in conjunction with the consolidated financial statements as at and for the year ended 30 June 2016, together with any public announcements made by the Company during the half-year ended 31 December 2016 in accordance with the continuous disclosure obligations of the ASX Listing Rules. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 30 June 2016.

The consolidated interim financial statements were authorised for issue by the Board of Directors on 21 February 2017.

Functional and presentation currency

The financial report is presented in Australian dollars.

Rounding of amounts

The Group is of a kind referred to in Australian Securities and Investments Commission ("ASIC") Corporations (Rounding in Financial/Directors’ Reports) Instrument 2016/191, relating to the ‘rounding off’ of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with this instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Accounting policies

The accounting policies applied in these consolidated interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 30 June 2016, unless otherwise stated.

3. Revenue

	31 Dec 2016 $000	31 Dec 2015 $000
Recurring monthly and recurring annual software usage revenue	66,178	47,649
OTL and support services	4,924	947
Total revenue	**71,102**	**48,596**

Notes to the consolidated financial statements (continued)

For the half-year ended 31 December 2016

4. Finance income

	31 Dec 2016 $000	31 Dec 2015 $000
Fair value of available-for-sale financial asset reclassified to profit or loss (refer to note 8)	2,046	-
Interest income	1,115	568
Total finance income	**3,161**	**568**

5. Earnings per share ("EPS")

Basic EPS is calculated by dividing the profit for the half-year attributable to ordinary equity holders of the Company, by the weighted average number of ordinary shares outstanding during the period. The weighted average number of shares outstanding for the six month period ended 31 December 2016 includes 2,385,628 of share rights which were issued to certain employees at the completion of the IPO. When a share right vests, the holder will receive one ordinary share. These share rights are not subject to performance or employment related hurdles or conditions and will not lapse if the holder's employment with the Group terminates prior to the vesting date.

Diluted EPS is calculated by dividing the profit for the half-year attributable to ordinary equity holders of the Company, by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	31 Dec 2016	31 Dec 2015
Profit attributable to equity holders of the Company ($000)	14,373	3,117
Basic weighted average number of ordinary shares	293,014,225	252,762,059
Basic EPS (cents)	4.9	1.2
Profit attributable to equity holders of the Company ($000)	14,373	3,117
Basic weighted average number of ordinary shares	293,014,225	252,762,059
Shares issuable in relation to warrants	-	1,876,172
Shares issuable in relation to equity-based compensation schemes	143,119	1,964,443
Diluted weighted average number of ordinary shares	293,157,344	256,602,674
Diluted EPS (cents)	4.9	1.2

Notes to the consolidated financial statements (continued)

For the half-year ended 31 December 2016

6. Intangible assets

	Computer software	Development costs (WIP)	External software	Goodwill	Intellectual property	Customer relationships	Trade names	Patents	Total
	$000	**$000**	**$000**	**$000**	**$000**	**$000**	**$000**	**$000**	**$000**
At 30 June 2015									
Cost	30,051	15,058	1,583	20,302	8,848	6,707	-	-	82,549
Accumulated amortisation and impairment	(8,345)	-	(119)	(63)	(6,497)	(1,523)	-	-	(16,547)
Net book value	**21,706**	**15,058**	**1,464**	**20,239**	**2,351**	**5,184**	**-**	**-**	**66,002**
At 1 July 2015	21,706	15,058	1,464	20,239	2,351	5,184	-	-	66,002
Additions	-	15,960	1,674	-	-	-	-	104	17,738
Acquisition via business combination	-	-	-	20,983	1,025	1,337	647	-	23,992
Transfers	8,796	(8,796)	-	-	-	-	-	-	-
Amortisation	(4,405)	-	(383)	-	(916)	(899)	(63)	-	(6,666)
Exchange differences	-	-	-	(3,541)	(315)	(261)	(97)	-	(4,214)
Net book value at 30 June 2016	**26,097**	**22,222**	**2,755**	**37,681**	**2,145**	**5,361**	**487**	**104**	**96,852**
At 30 June 2016									
Cost	38,847	22,222	3,257	37,744	9,558	7,783	550	104	120,065
Accumulated amortisation and impairment	(12,750)	-	(502)	(63)	(7,413)	(2,422)	(63)	-	(23,213)
Net book value	**26,097**	**22,222**	**2,755**	**37,681**	**2,145**	**5,361**	**487**	**104**	**96,852**
At 1 July 2016	26,097	22,222	2,755	37,681	2,145	5,361	487	104	96,852
Additions	-	9,613	602	-	-	-	-	61	10,276
Acquisition via business combination	-	-	313	6,960	2,017	728	839	-	10,857
Transfers	5,565	(5,565)	120	-	(120)	-	-	-	-
Amortisation	(2,457)	-	(361)	-	(524)	(440)	(61)	-	(3,843)
Exchange differences	-	(7)	(20)	1,286	(63)	97	(6)	-	1,287
Net book value at 31 Dec 2016	**29,205**	**26,263**	**3,409**	**45,927**	**3,455**	**5,746**	**1,259**	**165**	**115,429**
At 31 Dec 2016									
Cost	44,412	26,263	4,996	45,990	11,900	8,449	1,368	165	143,543
Accumulated amortisation and impairment	(15,207)	-	(1,587)	(63)	(8,445)	(2,703)	(109)	-	(28,114)
Net book value	**29,205**	**26,263**	**3,409**	**45,927**	**3,455**	**5,746**	**1,259**	**165**	**115,429**

For the half-year ended 31 December 2016

6. Intangible assets (continued)

Impairment testing for cash generating units ("CGUs") containing goodwill

Management performed an assessment for the impairment indicators and concluded that no impairment indicators existed at 31 December 2016 in relation to goodwill. All key assumptions disclosed in the financial statements as at and for the year ended 30 June 2016 are not materially different to those applied in the financial statements for the period ended 31 December 2016.

Critical judgements

Management has made judgements in the process of applying the Group's accounting policies that have a significant effect on the amounts recognised in the Group financial statements.

The most significant of these judgements 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 a value is first attributed at the time of acquisition. The capitalisation of these assets and the related amortisation charges are based on judgements about the value and economic life of such items. The economic lives for intangible assets are consistent with the policy as stated in the consolidated financial statements for the year ended 30 June 2016, with the exception of trade names which previously had an estimated useful life of 10 years. It is now estimated to be between 10 and 15 years as a result of the acquisition of Softship AG ("Softship").

Management has also made judgements and assumptions when assessing the economic life at acquisition date and the pattern of consumption of the economic benefits embodied in the asset.

7. Borrowings

	31 Dec 2016 $000	30 Jun 2016 $000
Current		
Finance lease liability	3,481	3,659
Bank loan	104	-
Total current borrowings	**3,585**	**3,659**
Non-current		
Finance lease liability	1,253	2,665
Bank loan	1,075	-
Total non-current borrowings	**2,328**	**2,665**
Total borrowings	**5,913**	**6,324**

Bank debt facilities

As at 31 December 2016, the Group has available debt facilities of $55,000,000 (30 June 2016: $55,000,000) maturing in September 2019 and no drawdown on these facilities had been made (30 June 2016: nil).

The facility agreement is secured by fixed and floating charges over the whole of the Group's assets including goodwill and uncalled capital.

7. Borrowings (continued)

Bank loans

In June 2014, one of the Group's subsidiaries, Softship (which became a subsidiary on 1 July 2016), entered into a debt contract with Commerzbank for $1.4m (Euro 1.0m), having a maturity of eight years and a fixed interest rate of 3.29% per annum. The outstanding balance at 31 December 2016 was $1.2m (Euro 0.8m). The bank loan is not secured.

8. Business combinations and acquisition of non-controlling interests

Acquisitions in period ending December 2016

Acquisition of Softship

Softship is a leading provider of logistics software solutions to the global sea-freight industry.

On 1 July 2016, the Group acquired a controlling interest in Softship by increasing its ownership from 19.99% to 42.84% of shares on issue. From 1 July 2016, as a result of acquiring a controlling interest, the accounting for the available-for-sale investment at fair value through OCI no longer applies and Softship forms part of the consolidated financial statements of the Group.

In the six months to 31 December 2016, Softship has contributed revenue of $6.5m and profit of $0.1m (after share of profit of non-controlling interest). The Group incurred $0.5m in acquisition related costs, which are recognised in General and administration expenses.

Purchase consideration

The fair value of the Group's purchase consideration for 42.84% is $7.9m, comprising:

	$000
Cash paid in prior periods	2,587
Cash paid 1 July 2016	5,289
Total consideration paid	7,876

The fair value of the net identifiable assets acquired and liabilities assumed at the date of acquisition were:

	$000
Cash and cash equivalents	3,864
Trade receivables	2,246
Current tax receivables	9
Other current assets	552
Property, plant and equipment	268
Intangible assets	3,897
Equity-accounted investees	250
Other non-current assets	306
Trade and other payables	(1,315)
Borrowings	(1,300)
Deferred revenue	(122)
Current tax liabilities	(1)
Employee benefits	(18)
Other current liabilities	(306)
Deferred tax liabilities	(1,110)
Other non-current liabilities	(306)
Fair value of identifiable net assets acquired (100%)	**6,914**

8. Business combinations and acquisition of non-controlling interests (continued)

A valuation was undertaken by Ernst & Young, Germany, in relation to the acquired intangibles with respect to customer relationships ($0.7m), trade name ($0.8m) and intellectual property ($2.0m).

The methodology used to derive the value of customer relationships was the multi-period excess earnings method ("MEEM"). The MEEM considers the present value of net cash flows expected to be generated by the customer relationships, by excluding any cash flows related to contributory assets.

The royalty relief method was used to value the trade name and intellectual property whereby it considers the discounted estimated royalty payments that are expected to be avoided as a result of the patents or trademarks being owned.

The trade receivables balance represents the gross contractual amounts due of $2.3m, of which $0.1m was expected to be uncollectible at the date of acquisition. The Group also acquired receivables relating to deferred purchase price on a sale of investment that occurred prior to acquisition. The fair value is nil on acquisition and the gross contractual amount receivable is $0.6m. The deferred purchase price of $0.6m is receivable in April 2017 (50%) and April 2018 (50%), however is contingent upon no claims against warranties given.

Non-controlling interest ("NCI") and goodwill

The Group has adopted the proportionate method of accounting for NCI and therefore, on the date of control NCI is valued at 57.16% of the net identifiable assets acquired.

NCI and goodwill arising from the acquisition have been recognised as follows:

	$000
Total consideration paid	7,876
Fair value of pre-existing interest in Softship	2,046
NCI, based on proportionate interest in the net identifiable assets acquired	3,952
Less: Fair value of net identifiable assets acquired	(6,914)
Goodwill	**6,960**

The fair value of the pre-existing interest in Softship of $2.0m was reclassified from reserves to finance income in the statement of profit or loss on the date of acquisition.

The goodwill is attributable mainly to the key management, specialised know-how of the workforce, employee relationships, competitive position and service offerings that do not meet the recognition criteria as an intangible asset at the date of acquisition. The goodwill is not deductible for tax purposes.

Increase in ownership after obtaining control

After obtaining control of Softship on 1 July 2016, the Group increased its ownership percentage to 50.01%. $1.7m was paid in cash for the additional 7.17% of shares on issue. This resulted in a reduction of NCI by $0.5m. The $1.2m paid in excess of the fair value has been recorded in the acquisition reserve.

9. Related party disclosures

Directors of the Company controlled 67.72% (30 June 2016: 67.72%) of the voting shares of the Company as at 31 December 2016. Two Directors or their related parties hold positions in other companies that result in them having control or significant influence over these companies. Some of these companies transacted with the Group during the half-year. The terms and conditions of these transactions were no more favourable than those available, or which might reasonably be expected to be available, in similar transactions with non-key management personnel ("KMP") related companies on an arm's length basis.

9. Related party disclosures (continued)

The aggregate value of transactions and outstanding balances related to KMP and entities over which they have control or significant influence were as follows:

		Transaction values for half-year ended 31 Dec		Balance outstanding as at 31 Dec	
		2016	2015	2016	2015
Director	**Transactions**	**$000**	**$000**	**$000**	**$000**
R White & M Isaacs	Company apartments rent (1)	77	78	9	-
R White	Company apartments rent (1)	9	-	9	-
R White & M Isaacs	US office costs (2)	569	314	276	146
R White & M Isaacs	US data centre costs (2)	441	137	678	(137)
R White & M Isaacs	Office services agreements	11	9	-	-

(1) The Group maintained its apartment leases with Realwise Holdings, a company controlled by R White and M Isaacs until 30 November 2016. From 1 December 2016, these agreements were transferred to Marwood White Administrators Pty Ltd, a company controlled by R White.

(2) The US office and US data centre are in a building owned by RealWise Investments LLC, a company controlled by R White & M Isaacs. These arrangements were agreed on normal market rates.

10. Dividends

	31 Dec 2016	31 Dec 2015
	$000	**$000**
Declared and paid during the half year:		
Dividends on ordinary shares:		
Final dividend: FY16 nil cents per share (FY15: 0.91 cents)	-	2,300
Other	5	-
	5	**2,300**

In November 2016, dividend payments totalling $4,738.79 were paid in arrears to certain employees and former employees in relation to dividends from the period from January 2013 to September 2015 in respect of unvested shares.

11. Segment information

The Group manages its operations as a single business operation and there are no parts of the Group that qualify as operating segments under AASB 8 *Operating Segments*. The CEO (Chief Operating Decision Maker or "CODM") assesses the financial performance of the Group on an integrated basis only and accordingly, the Group is managed on the basis of a single segment.

Information presented to the CODM on a monthly basis is categorised by type of revenue, recurring and non-recurring. This analysis is presented below:

	31 Dec 2016	31 Dec 2015
	$000	**$000**
Recurring revenue	66,178	47,649
Non-recurring revenue	4,924	947
Total revenue	**71,102**	**48,596**
Segment profit before income tax	**19,834**	**5,901**

Notes to the consolidated financial statements (continued)

For the half-year ended 31 December 2016

11. Segment information (continued)

In general, a large amount of 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, the Group is managed as a single segment. The amounts for revenue by region in the following table are based on the invoicing location of the customer.

There were no customers contributing more than 10% of revenue during the current and comparative period.

Geographic information

Revenue generated by location of customer (billing address):

	31 Dec 2016 $000	31 Dec 2015 $000
Asia Pacific	25,201	21,326
Americas	27,376	15,001
Europe, Middle East and Africa ("EMEA")	18,525	12,269
Total revenue	**71,102**	**48,596**

Non-current assets by geographic location:

	31 Dec 2016 $000	30 Jun 2016 $000
Asia Pacific	95,335	88,522
Americas	1,677	1,711
EMEA	38,673	28,502
Total non-current assets	**135,685**	**118,735**

12. Events after the end of the reporting period

In early February 2017 the Group acquired znet group GmbH, a provider of customs software, customs clearing and customs consulting services in Germany, and ACO Informatica S.r.l., a provider of customs and logistics solutions in Italy. The combined purchase price was upfront cash payments of $4.8m in addition to $5.5m undiscounted contingent consideration payments which are tied to integration, customer conversion and other milestones through to the period 30 June 2021, for a total undiscounted consideration of $10.3m.

Since the end of the period end, the Directors have declared a fully franked interim dividend of 1.00 cent per share, payable 4 April 2017. The financial effect of this dividend has not been brought to account in the interim financial statements for the half-year ended 31 December 2016.

Other than the matter discussed above, there has not arisen in the interval between the 31 December 2016 and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

For the half-year ended 31 December 2016

13. Other disclosures

Measurement of fair values

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset of liability), or, in the absence of such a market, the most advantageous market available to the entity at reporting date (i.e. the market that maximises the receipts from the sale of the asset or minimises the payment made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and where significant, are detailed in the respective note to the financial statements.

Fair value hierarchy

Significant valuation issues are reported to the Audit and Risk Management Committee.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Notes to the consolidated financial statements (continued)

For the half-year ended 31 December 2016

13. Other disclosures (continued)

Measurement of fair values (continued)

Fair value of assets and liabilities

The fair values of the Level 3 contingent consideration is shown below:

	31 Dec 2016		30 Jun 2016	
	Fair value $000	**Carrying amount $000**	**Fair value $000**	**Carrying amount $000**
Contingent consideration	3,831	3,453	6,203	5,561

A reconciliation of the movements in recurring fair value measurements allocated to Level 3 of the hierarchy is provided below:

Year ended 30 June 2016	**$000**
Opening balance	4,487
Additions/accruals	2,355
Cash paid	(1,272)
Exchange differences	(9)
Closing balance	**5,561**

Half-year ended 31 December 2016	**$000**
Opening balance	5,561
Additions/accruals	294
Cash paid	(2,453)
Exchange differences	51
Closing balance	**3,453**

The Group has contingent consideration measured at fair value at 31 December 2016 and 30 June 2016 in relation to contingent consideration arising out of the acquisition of Shenzhen Zsoft Software Development Co. Ltd ("Zsoft"), Core Freight Systems (Proprietary) Ltd ("CFS") and Cargo Community Network Pty Limited ("CCN"). The contingent consideration is deemed to be a Level 3 measurement of fair value which will be paid over various periods from the acquisition date up to 30 June 2018 and has been discounted accordingly based on a number of milestones including the successful integration of customers into CargoWise One. The contingent consideration in relation to CCN was settled during the half-year.

There is also an unexpensed portion of contingent consideration in relation to CFS of $0.2m, which represents the remaining amount of contingent consideration that will be expensed up until 1 June 2018.

At 30 June 2016, the fair value of the Softship equity securities was a Level 2 measurement, based on quoted prices of the security which is listed on the Frankfurt Stock Exchange. During the half-year, the Group obtained control of Softship and does not hold these investments as available-for-sale assets as it is now consolidated into the Group's results.

Share-based payment transactions

The Group outlined the strategy and proposed structure of the FY17 Executive remuneration plan, (‘the Plan’) in the Remuneration Report in the Annual Report for the year ended 30 June 2016. The service period was disclosed for the Plan as commencing on 1 July 2016. Whilst the Plan details are currently in development and the grant date has not been achieved as at 31 December 2016, the Company has a reasonable basis for estimating the share based payment expense that has been incurred for the six month period to 31 December 2016. An estimated expense of $0.8m and a corresponding increase in the share based payment reserve has been recorded for the half year period ending 31 December 2016. The actual expense may differ from the estimate.

Directors' declaration

In the opinion of the Directors of WiseTech Global Limited ("the Company"):

1. the consolidated interim financial statements and notes set out on pages 9 to 22, are in accordance with the *Corporations Act 2001* including:

   (a) the interim financial statements and notes of WiseTech Global Limited for the financial half-year ended 31 December 2016 are in accordance with the *Corporations Act 2001*, including:

      (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and

      (ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and

   (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:

Charles Llewlyn Gibbon
Chairman
21 February 2017

Richard John White
Executive Director and CEO
21 February 2017

Independent Auditor's Review Report

To the shareholders of WiseTech Global Limited

Report on the half-year Financial Report

Conclusion

We have reviewed the accompanying ***half-year Financial Report*** of WiseTech Global Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year Financial Report of WiseTech Global Limited is not in accordance with the *Corporations Act 2001* including:

- giving a true and fair view of the ***Group's*** financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The ***half-year Financial Report*** comprises:

- the consolidated statement of financial position as at 31 December 2016
- the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year period ended on that date
- Notes 1 to 13 comprising a summary of significant accounting policies and other explanatory information
- The Directors' Declaration.

The ***Group*** comprises WiseTech Global Limited (the Company) and the entities it controlled at the half year's period end or from time to time during the half-year period.

Responsibilities of the Directors for the half-year Financial Report

The Directors of the Company are responsible for:

- the preparation of the half-year Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*; and
- for such internal control as the Directors determine is necessary to enable the preparation of the half-year Financial Report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the half-year Financial Report

Our responsibility is to express a conclusion on the half-year Financial Report based on our review. We conducted our review in accordance with *Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year Financial Report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2016 and its performance for the half-year period ended on that date; and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of WiseTech Global Limited, *ASRE 2410* requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

KPMG

KPMG

Caoimhe Toouli

Caoimhe Toouli

Partner

Sydney

21 February 2017