

Profitability:

A commercial model that drives sustainable revenue growth and enhances profitability



Acquisitions and integration:

Becoming part of the WiseTech Global family



Mark Hall

Head of Acquisitions and Integration

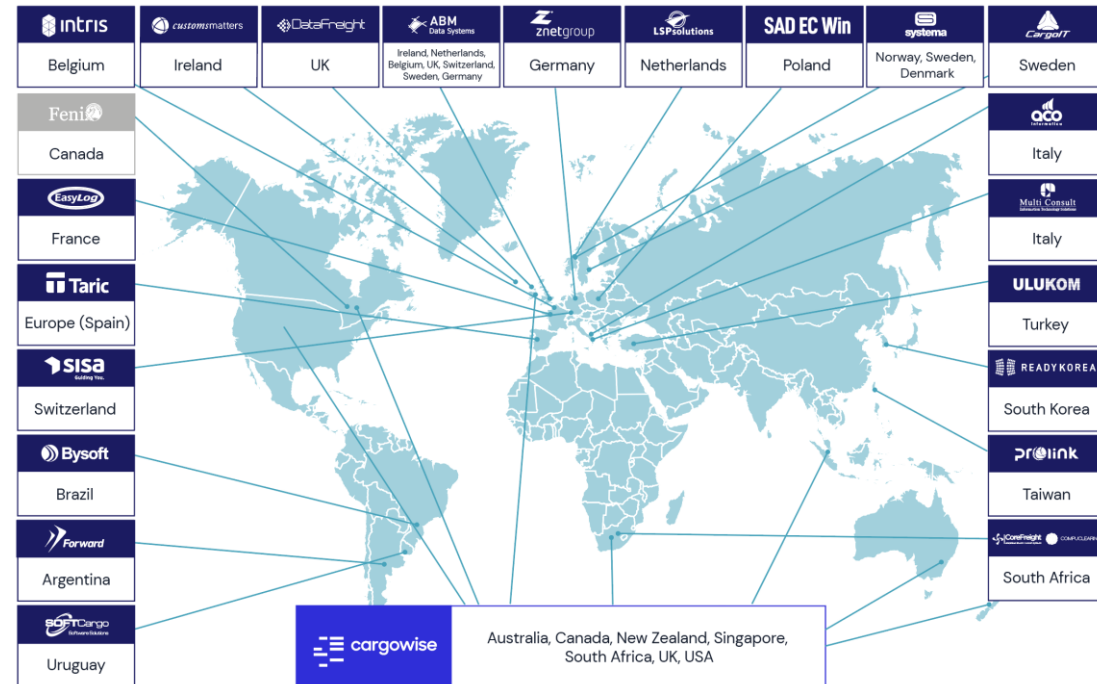
Acquiring assets for geographic expansion

Small targeted acquisitions in key regions provide safer, faster, stronger entry to new markets

Geo – foothold acquisitions

- We buy into leading market positions that would take years to build, integrate swiftly and drive value across the platform.
- We acquire leading software vendors across G20+20 – targeting ~90% of world's manufactured trade flows.
- We originate our own acquisition pipeline focusing on founder-led assets of significant strategic value. We execute with our internally built M&A engine.
- ~700 industry experts – centuries of hard-to-access capability and significant development capability in local feet on the ground.
- Integration process commences immediately.
- Embedded product build + customer transition over following 3-5yrs.

We are building **the world's customs platform**, designed to cover ~90% of manufactured trade flows



30 countries covered
in-depth for customs processing

80% of global GDP
will be reached

Acquiring adjacency assets for innovation pipeline

Building and extending CargoWise ecosystems

Adjacency acquisitions

- We accelerate convergence of technologies by adding targeted acquisitions of key adjacencies to our innovation pipeline to build valuable ecosystems and global product sets.
- We look for adjacencies that we can scale from domestic multi-region to global product capability.
- We look for adjacencies to scale globally that:
 - provide a core element for ecosystem development
 - expand development of CargoWise modules or
 - feed into global data set for machine learning and automation
- ~600 industry experts with hard-to-access significant development capability in specialist logistics technologies.

TRANSPORT MANAGEMENT SOLUTIONS

pierbridge

Leading parcel shipping TMS provider to large and medium enterprises in the US with offices in the UK and Finland.



Specialist US Less Than Truckload TMS provider with LTL road rate capabilities to expand road booking, rates.



TMS to add to CargoWise next generation Land Transport solution.



Specialist inter-modal trucking TMS and container tracking provider in US and Canada.



A leading multi-carrier parcel and LTL shipping solution in ANZ, UK, South Africa and Asia.

SPECIALIST WMS



Specialist WMS globally for enterprise, express, 3PL and cold storage. Gartner rated.



Leading global provider of software solutions to international liner shipping industry – with operations across Germany, US, Philippines and Singapore.



Australian reference data providers absorbed into stage 1 of our global BorderWise development.



A leading interoperable messaging and integration solutions provider.

MACHINE LEARNING

CYPRESS

Early-stage machine-learning classification technology developer.

LANDSIDE / CONTAINER

CONTAINERCHAIN

Leading container optimisation and solutions provider to container shipping + landside communities, Asia-Pac, Europe and US.



The leading US container yard solution provider for over 200 depots and terminals and 6 million gate movements per year.

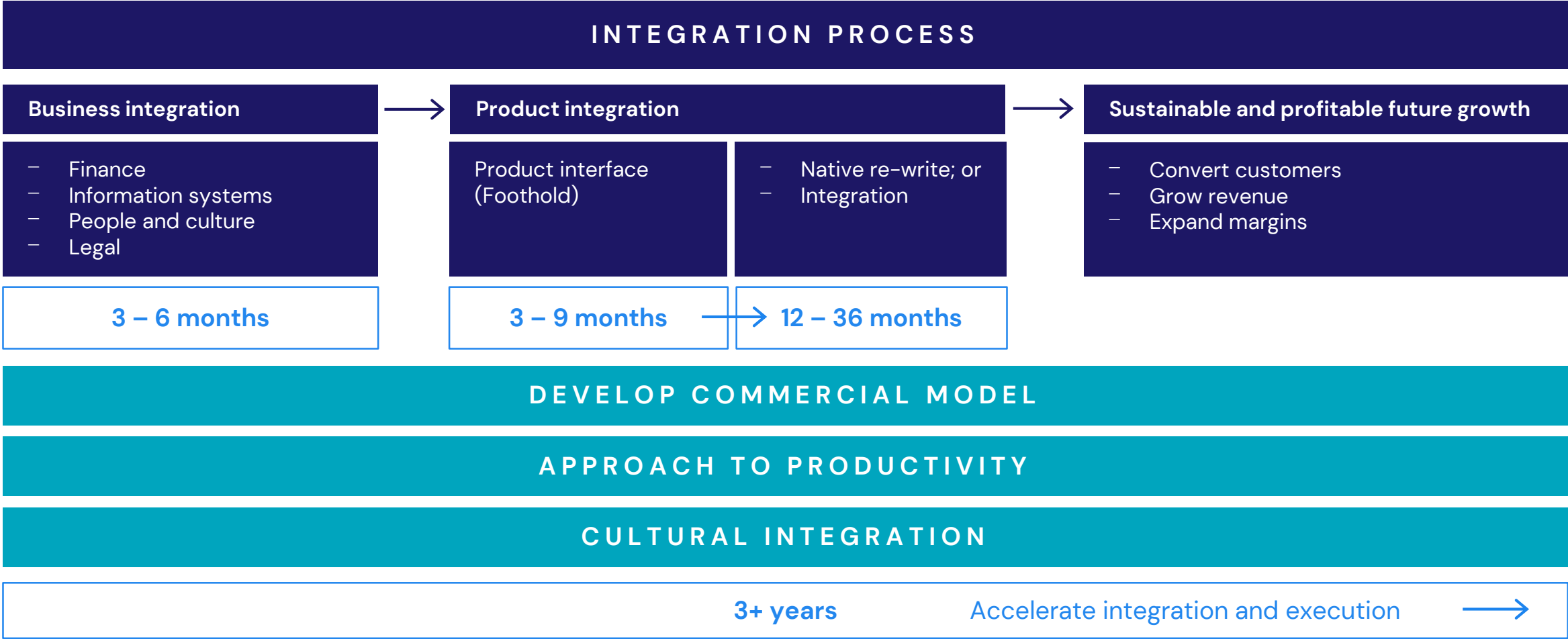


Global ocean rates management – live, global data set on carrier rates. Platform links carriers and 3PLs.



Global air rates management – provides global data set on carrier rates. Platform linking carriers and 3PLs.

Our multi-stage, multi-year integration process is designed to generate long-term value



Productivity is at the core of everything we do, driving efficiencies throughout the integration process



Prioritise quality over speed – slower today, faster forever



Focus on test first and automated testing



Utilise automated workflow tools – PAVE



Deploy universal, scalable content

Five key principles help ensure the integration process is global, efficient and scalable



We ensure alignment from the start

We are anchored by a common culture and agreement on the strategic objectives.



We start our integration work early

We bring forward as much of the integration phase into the acquisition process.



We work in a scalable way and create an efficient process

We utilise functional specialists, extensive content and PAVE to drive global processes.



We understand the differences and leverage similarities

We are focused on aligning resources and empowering the unique capabilities of our acquired assets.



We focus on doing the most important work first

We always prioritise quality and our mantra, 'slower today, faster forever'.

Customs integration and roadmap

Customs becomes native to the CargoWise platform, available to all CargoWise customers and to acquired customers who convert over time.

Live CargoWise	Planned FY21	Planned for FY22	Planned for FY23
Australia	France (EasyLog)	Belgium (ABM Data)	Argentina
Canada	Germany (znet)	Brazil (Bysoft)	Chile
China	Ireland (ABM, CM)	Denmark (Systema)	Costa Rica
New Zealand	Italy (ACO/MC)	Korea (Ready Korea)	Dominican Republic
South Africa	Spain (Taric)	Netherlands (LSP)	Panama
Singapore		Norway (Systema)	Paraguay
Taiwan		Poland (SAD EC)	Puerto Rico
United States		Sweden (CargoIT)	
United Kingdom		Turkey (Ulukom)	

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A leading multi-carrier parcel and LTL shipping solution in ANZ, UK and South Africa.

- ✓ SmartFreight expanding into UK, interface to CargoWise ready for pilot.
- ✓ CMS integration complete Freight 2020 mobility within CargoWise.
- ✓ Trinium executed large customer rollouts, 1H21 beta testing of transport orders in CargoWise.
- ✓ SaaS Trans pilot testing of SaaS LTL CargoWise integration ready to commence 1H21.
- ✓ Pierbridge parcel integration to CargoWise ready for pilot, launched Home Office Shipping.

SPECIALIST WMS



Global specialist WMS provider for enterprise, express, 3PL, cold storage for complex enterprise or mid-tier. Gartner rated.

GLOBAL SHIPPING



Leading global provider of software solutions to international liner shipping industry – with operations across Germany, US, Philippines and Singapore.

COMPLIANCE



Australian reference data providers absorbed into stage 1 of our global BorderWise development.

MESSAGING



A leading interoperable messaging and integration solutions provider.

MACHINE LEARNING

CYPRESS

A leading multi-carrier parcel and LTL shipping solution in ANZ, UK and South Africa.

- ✓ Microlistics large wins in UK/Europe, WMS tailwinds with COVID-19/Brexit ecommerce demands, released pre-configured Global Express WMS.
- ✓ Xware and Cypress progressing technology builds for CargoWise.
- ✓ Softship developments for large customers, COVID-19 slowing projects, STL model ready.
- ✓ BorderWise expanded to cover Australia, Canada, Europe, North America, Singapore, South Africa, United Kingdom, United States.

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GLOBAL RATES MANAGEMENT



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- ✓ Cargoguide launched 2nd gen product, signs include DAMCO and EMO Trans.
- ✓ Containerchain, wins include Ports of Auckland (10 year contract), expanding Europe rollouts.
- ✓ CargoSphere launched Hamburg Sud, progressed key carriers, wins include Rohlig and Cargo Partner.
- ✓ Depot Systems progressing integration and joint teams with Containerchain.

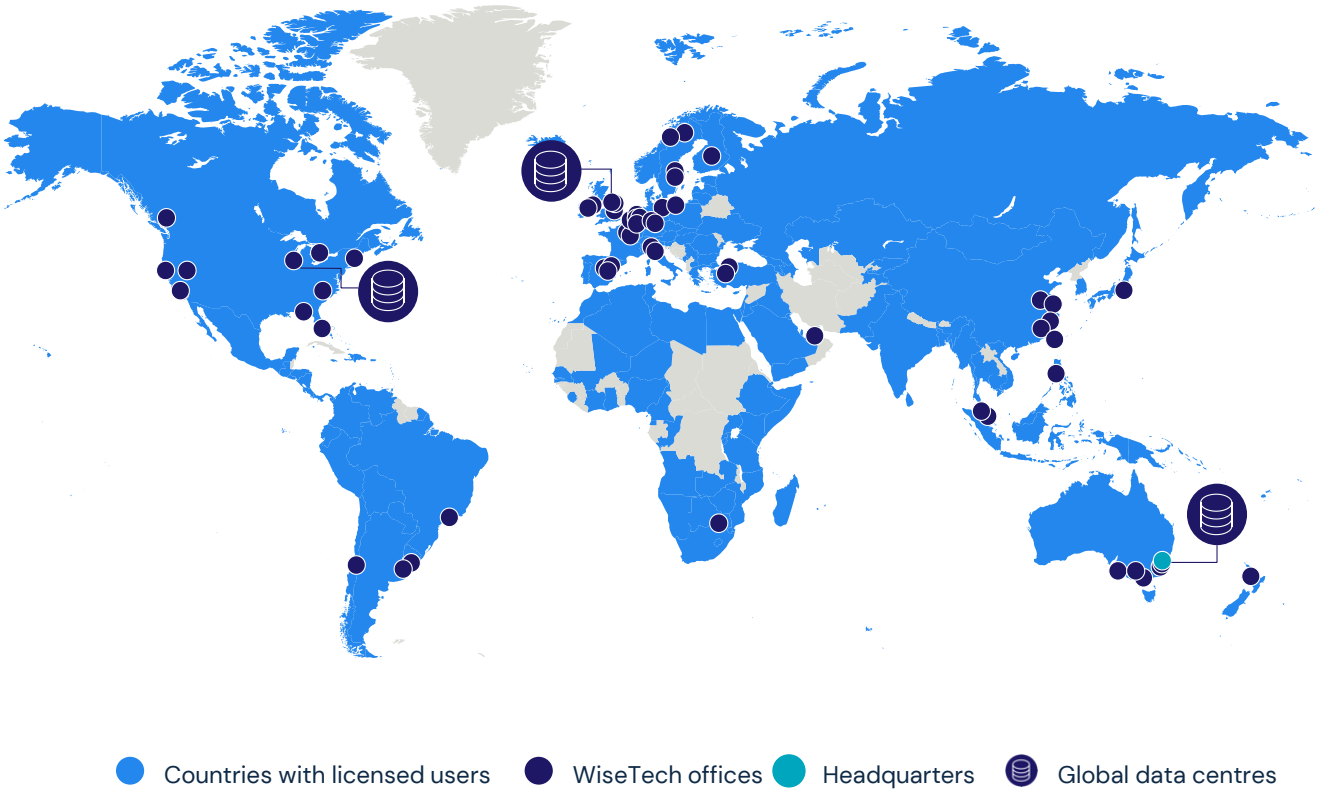
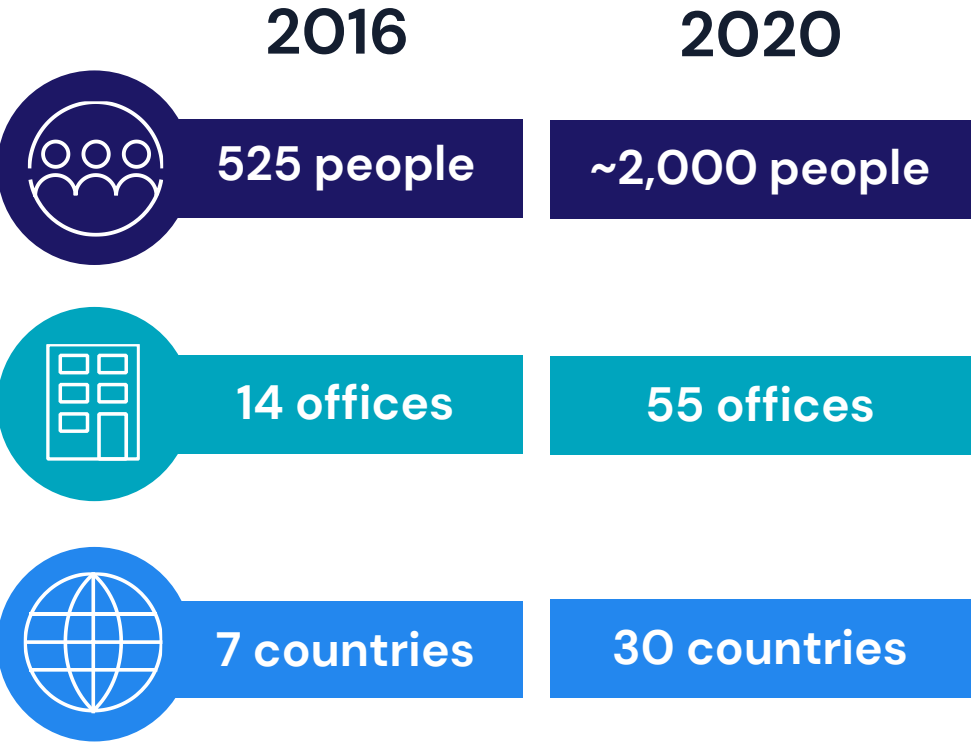
Driving operational efficiency:

Transforming for global growth



Vlad Bilanovsky
Chief Execution Officer

We have experienced significant, sustainable growth since IPO in 2016



Opportunity to deliver efficiencies, productivity improvements and cost savings



Shared functions across global operations and removal of duplication



Centralising physical operations and development hubs in critical jurisdictions



Aligning our product and development teams by co-locating teams across the world



Aligning our product portfolio with the CargoWise product suite

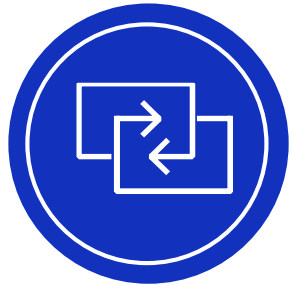


Consolidating software product delivery into three regional data centres



Right-sizing our global operations

Opportunity to generate operational efficiencies and cost savings



Initiatives are well underway

Positioning us to deliver accelerated value-creation, return on investment, capability and growth.

Commercial Model:

Driving sustainable revenue growth
and enhancing profitability



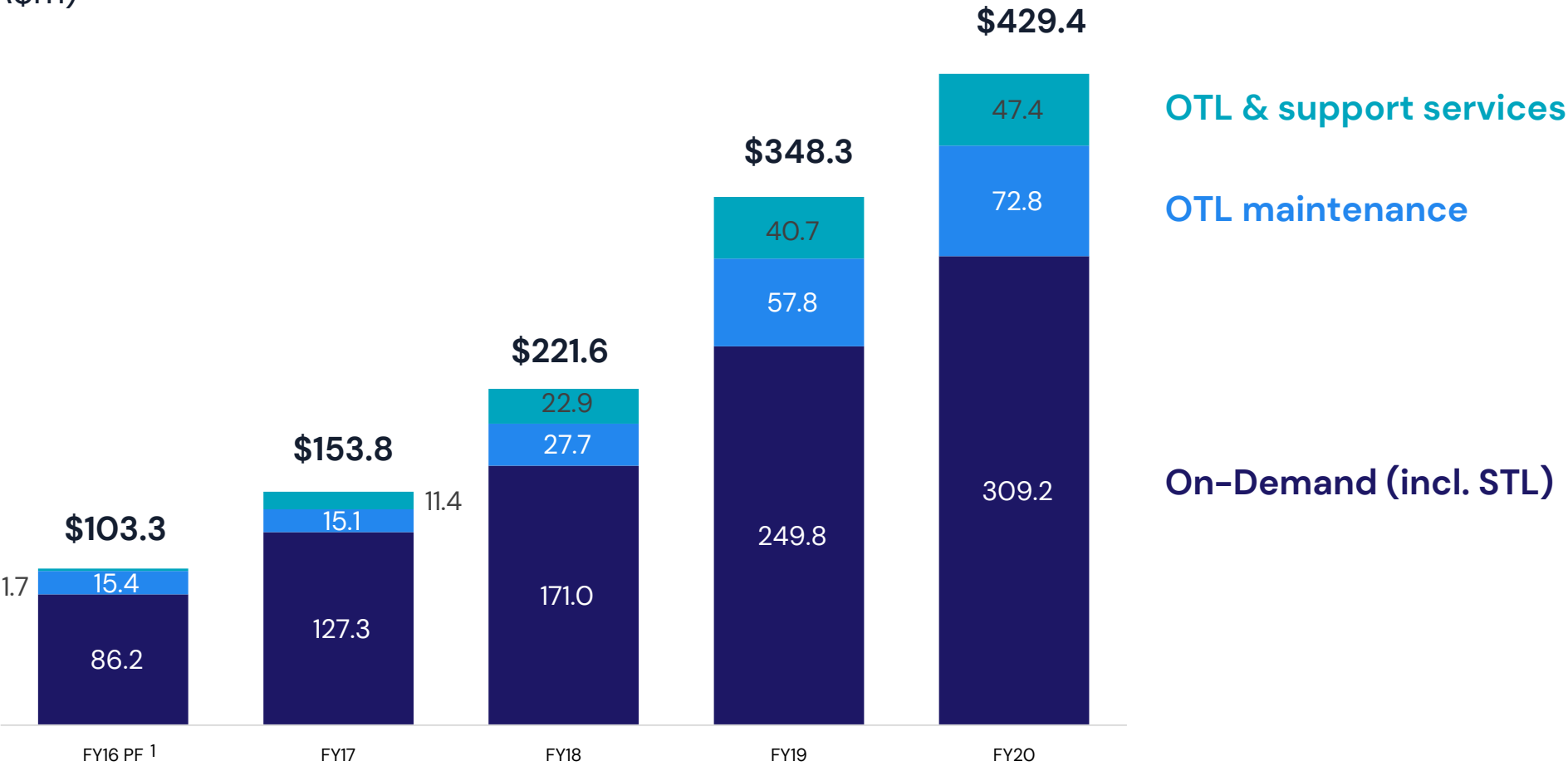
Andrew Cartledge
Chief Financial Officer

Sources of revenue generation

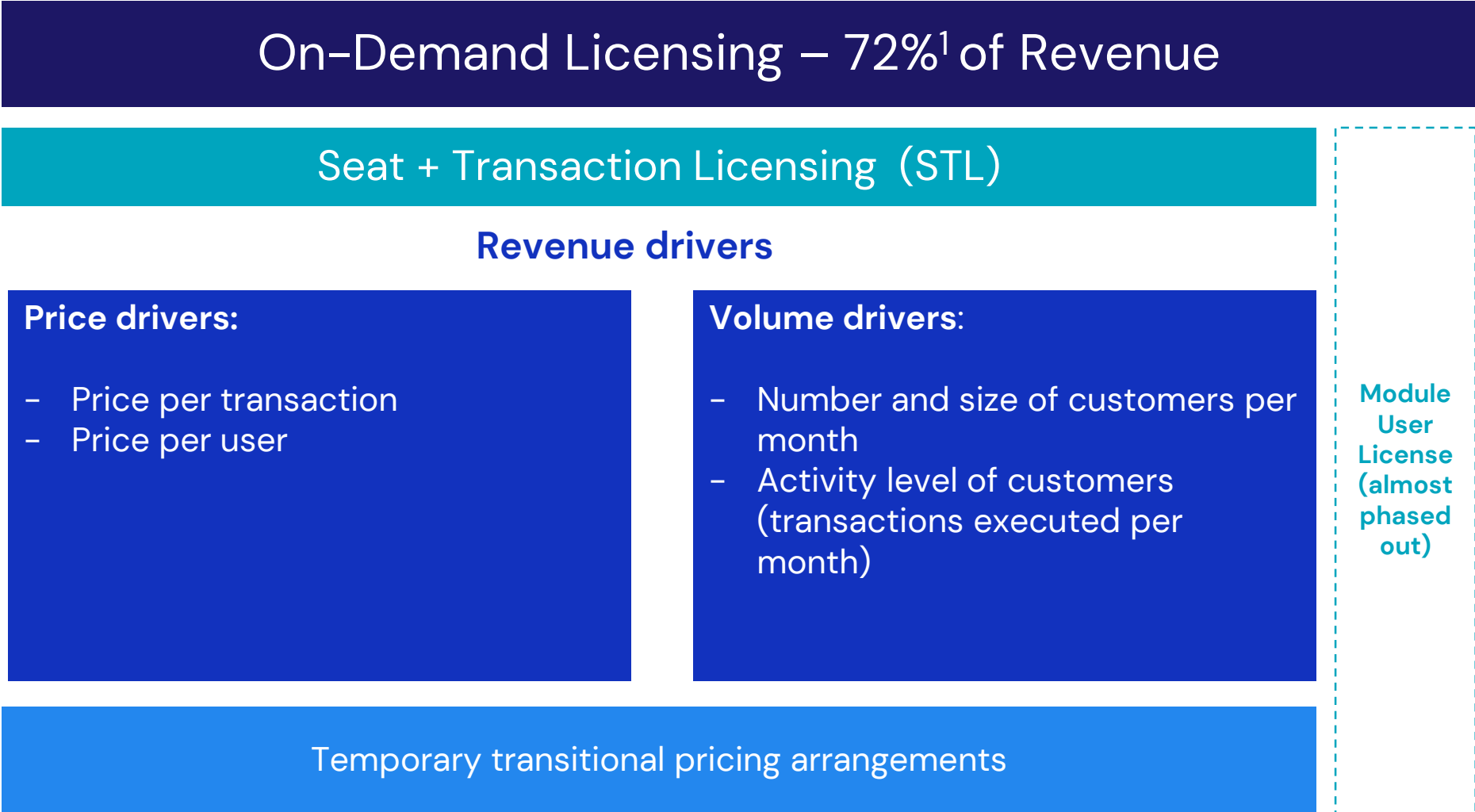


Revenue leverage fueled by 'On-Demand' licensing

Group revenue by license type
(A\$m)



Evolution of the WiseTech Global licensing model



¹Source: FY20 Presentation WiseTech Global, page. 37

STL revenue model based on a 'win-win' philosophy

STL revenue **94%** of all CargoWise revenue¹

STL Revenue	FY20
Stable and growing	~50%
Transactional and growing	~50%

- About half of CargoWise organic STL revenue is considered stable and growing, and includes elements such as seat revenue from new and existing customers, static pricing arrangements or transitional contracts for rollouts and commitment agreements.
- About half the organic STL revenue is related to transactions which are growing as customers increase usage of the platform increase number of transactions, module usages, new features and enhancement etc.

CargoWise transaction volumes are not entirely correlated to wider industry volumes, but are instead driven by:



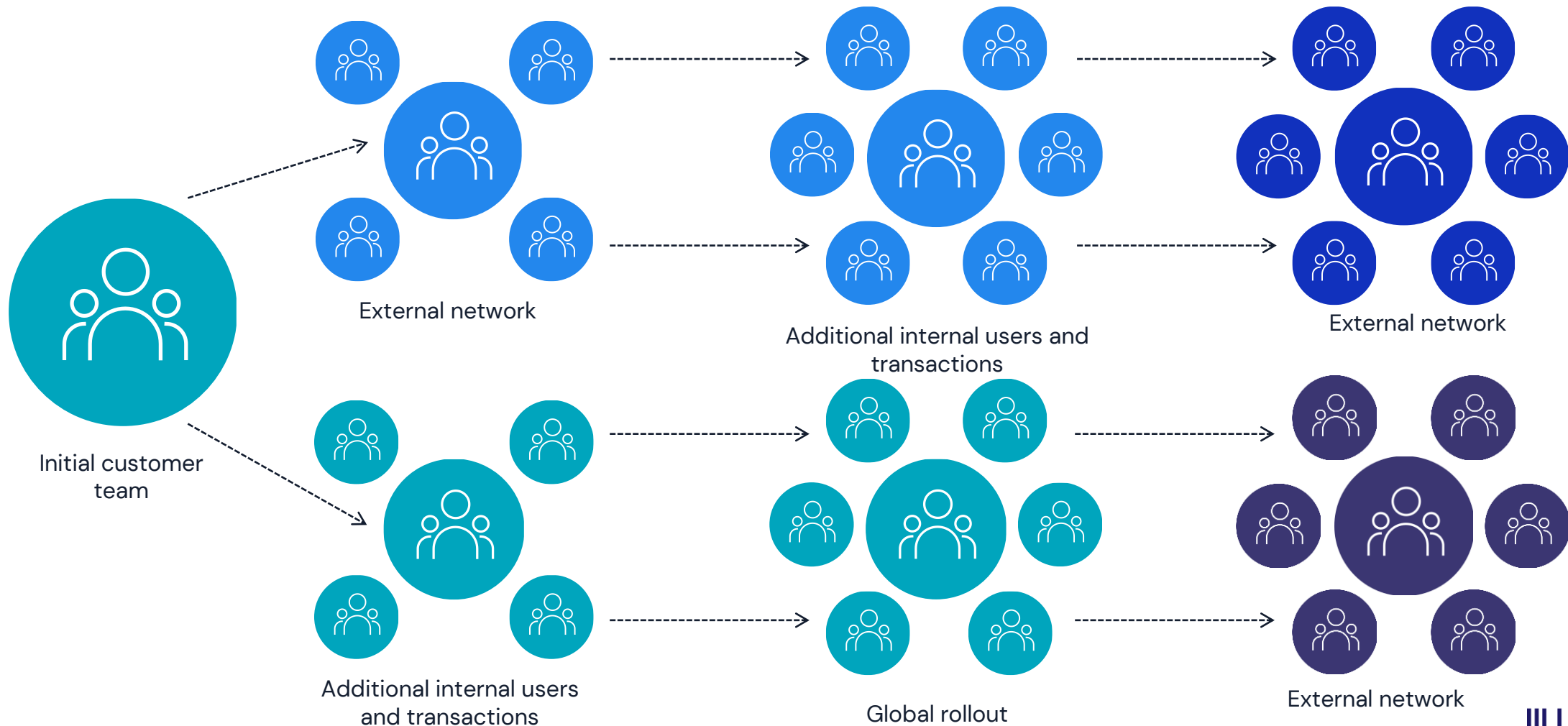
Increased market penetration



CargoWise customers increasing use of & expansion across the platform

STL and long-term revenue growth network effect

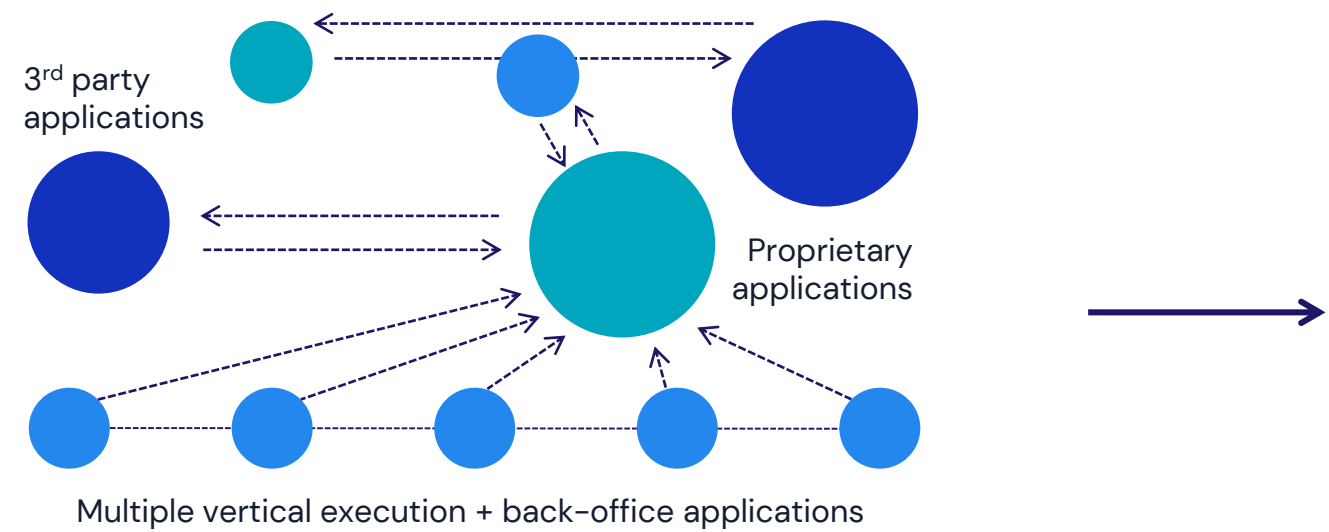
Internal and external network effect



Revenue growth drivers

Value versus price

Multiple software applications by multiple suppliers¹



Many users processing transactions with multiple applications

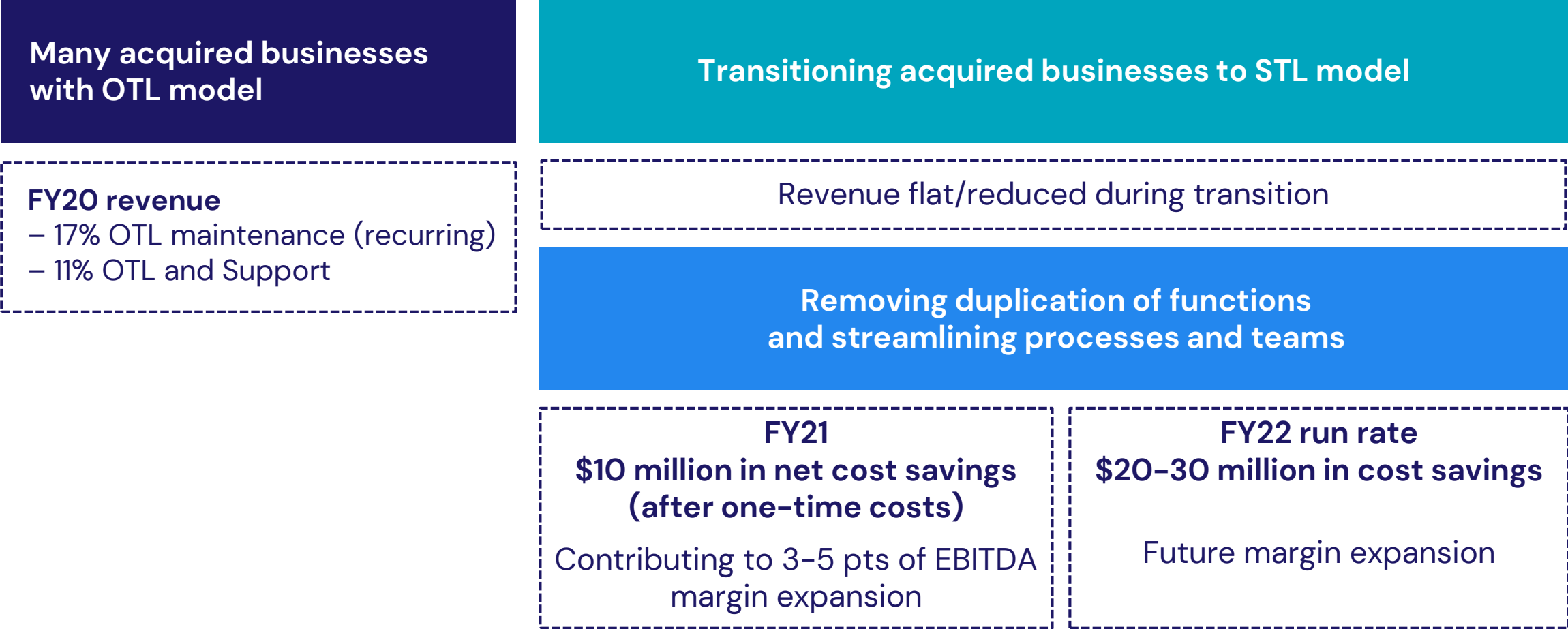


CargoWise provides an integrated software solution, requiring fewer users to process higher volumes of transactions



Acquisition revenue and integration upside

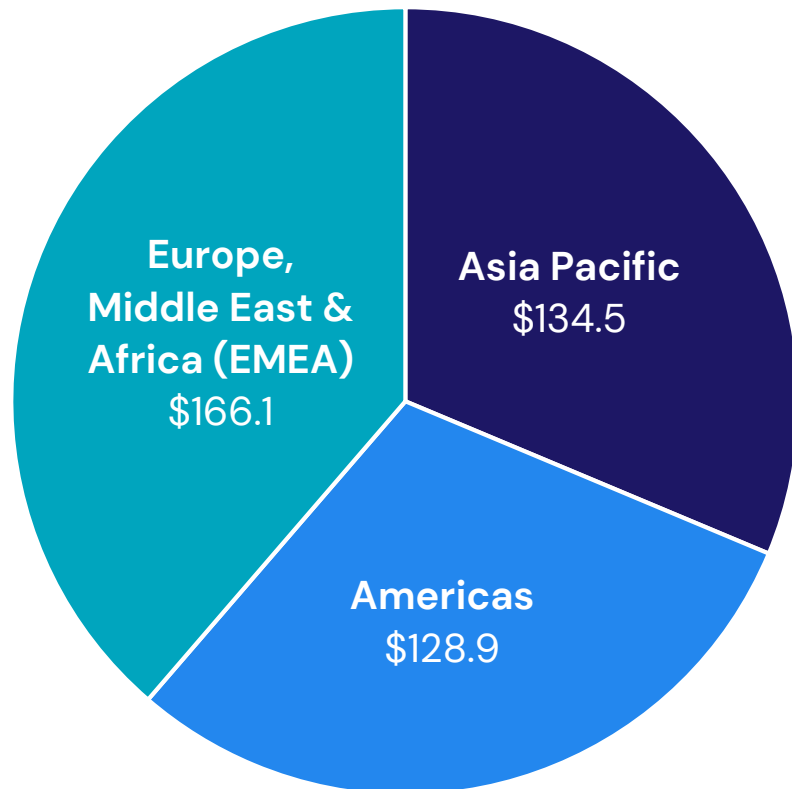
Integration process to deliver net cost savings



Global revenues – a natural FX hedge

We are a global company operating in 160 countries

Revenue generated by invoicing location (FY20)
(A\$m)



75% of revenue
generated in non-AUD currencies (FY20)

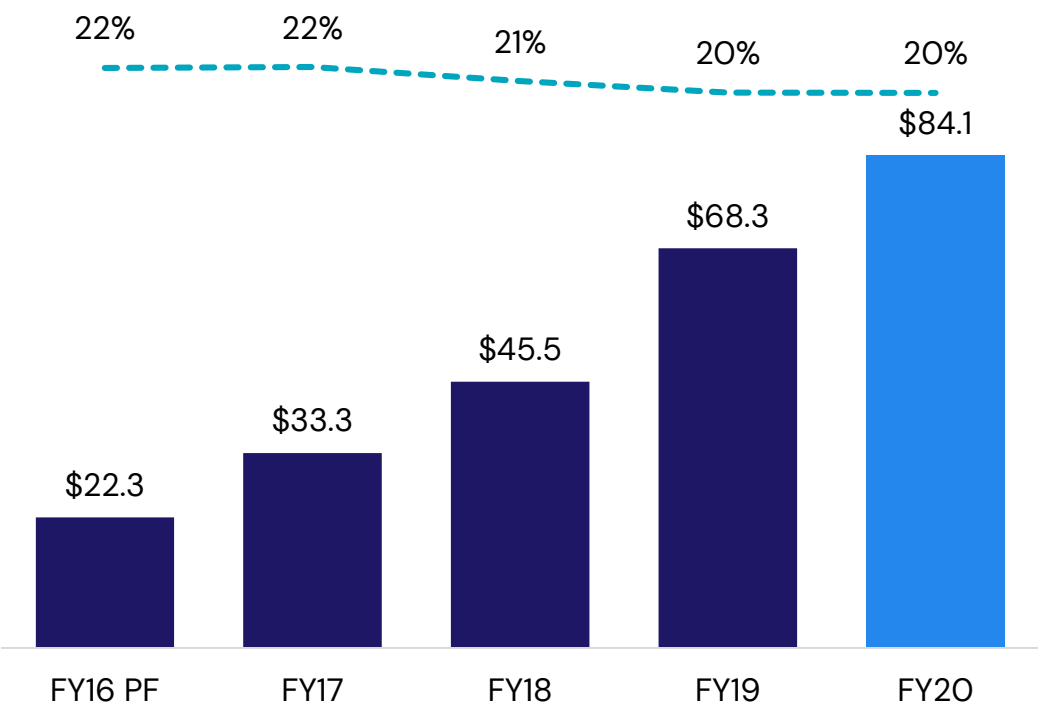
43% of revenue in non-local (FY20)
due to impact from overseas acquisitions
and mix of CargoWise transactions & users

FX sensitivity analysis available in FY20 Results Presentation

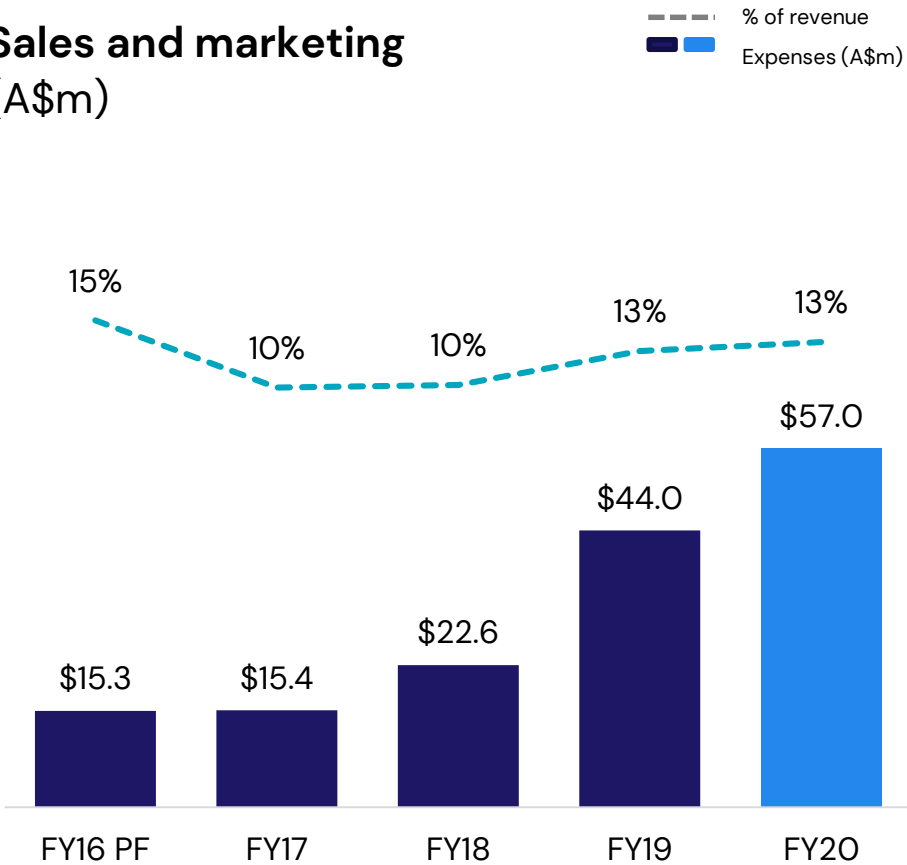
Enhancing profitability

Managing the bottom line

General and administration
(A\$m)



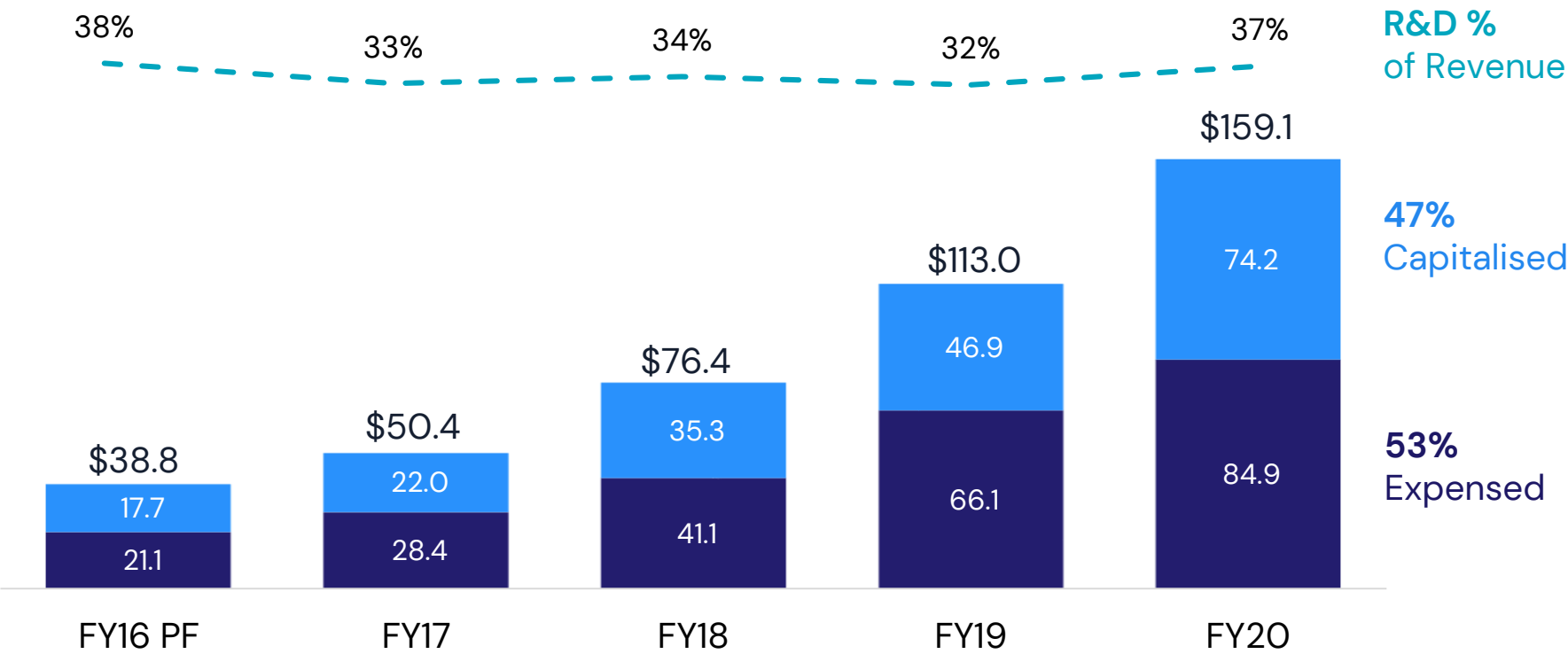
Sales and marketing
(A\$m)



Driving revenue growth through continued investment in R&D

Product development and innovation key driver of long-term recurring revenue growth

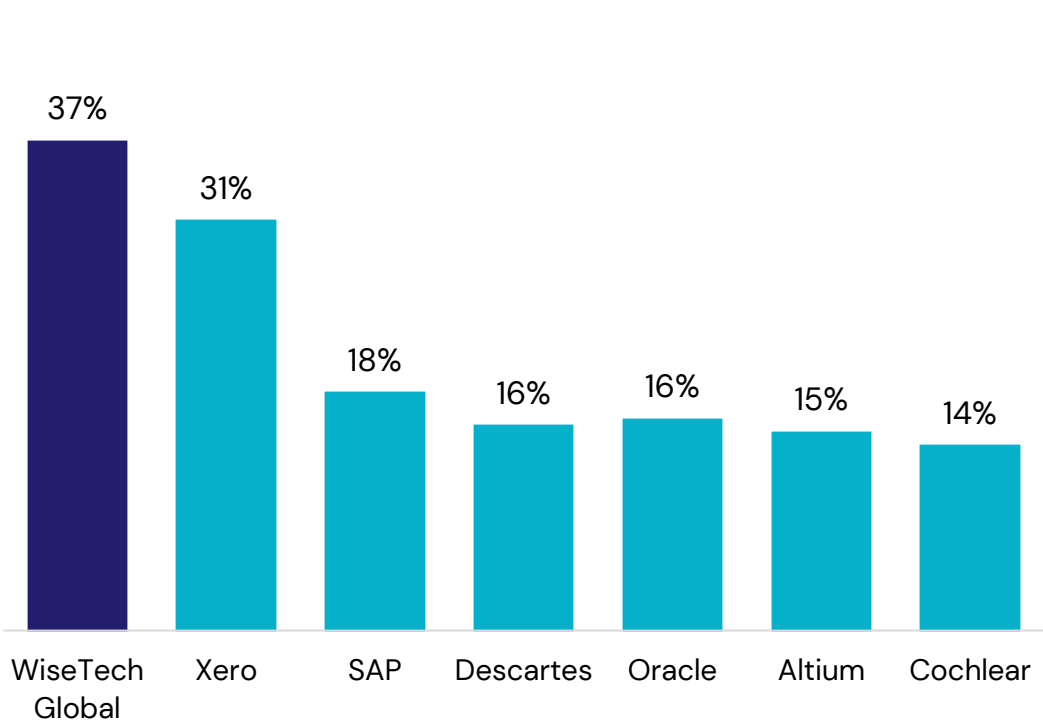
Investment
in Product
Development
& Innovation
(A\$m)



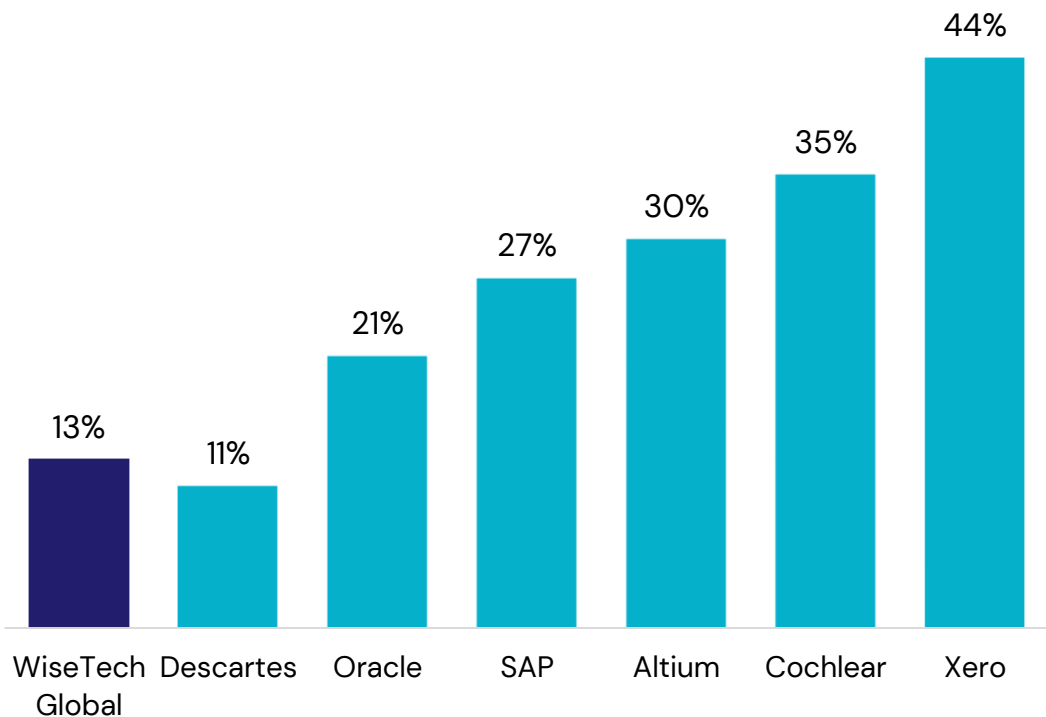
Expenses compared to SaaS Peers

R&D investment focus with efficient sales and marketing

R&D Investment¹
% of total revenue



Sales and marketing expense¹
% of total revenue

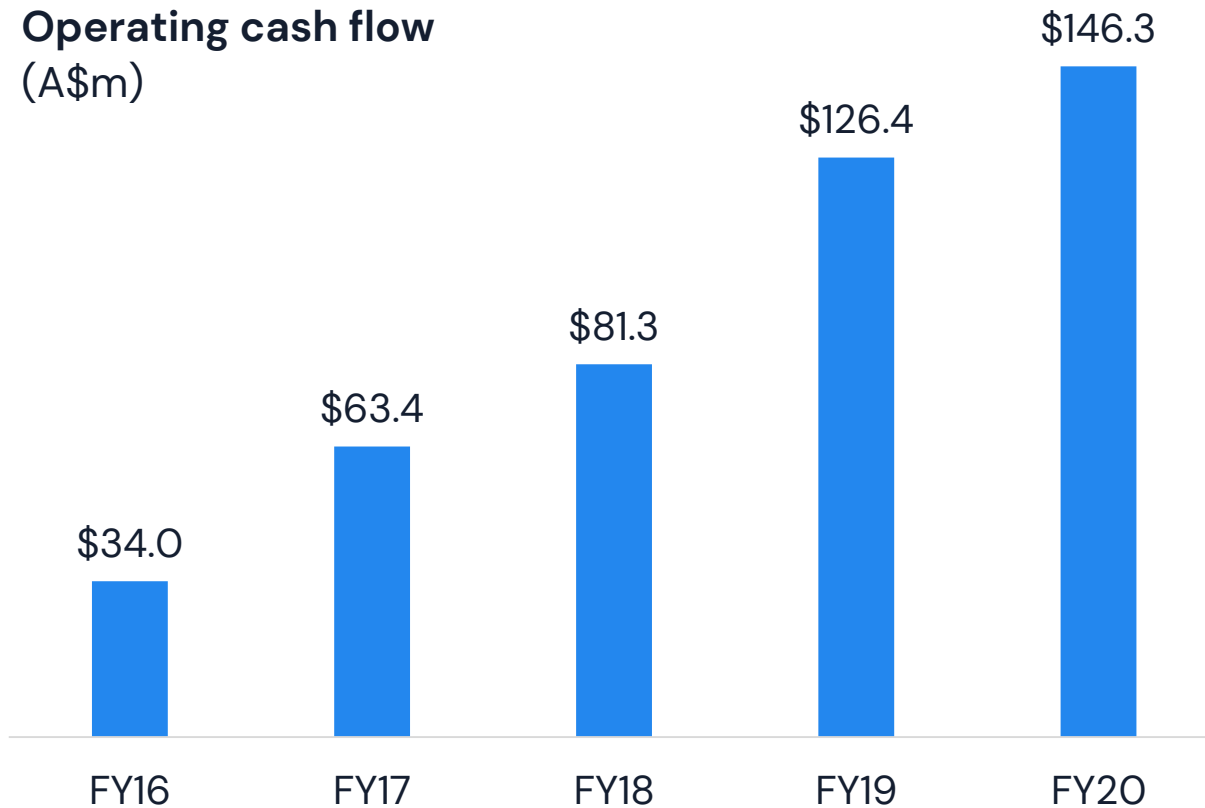


¹Sources: relevant public disclosures of FY20 results of Xero, Altium and Cochlear, 4Q20 results of Oracle, 2Q20 results of SAP and 1Q21 results of Descartes.

Robust cashflows

Testament to high quality earnings

Operating cash flow
(A\$m)



Delivered \$398 million EBITDA
over the past 5 years

\$451 million operating cash flow
over the past 5 years

Closing cash balance \$224 million
(at 30 June 2020)
providing significant liquidity

\$190 million undrawn debt facility
with additional \$200 million accordion

High growth, low cost model means significant upside potential

Strong revenue growth

+43% CAGR in last 5 years

High quality recurring revenue

CargoWise 97% recurring revenue in FY20

Strong balance sheet

\$224m in cash and undrawn facility of \$190m (30 Jun 20)

High EBITDA margin CargoWise

CargoWise EBITDA margin 48% in FY20

Low customer attrition

<1% CargoWise customer attrition annually

Robust operating cash flow

+16% on FY19 – Testament to high quality earnings