

# Annual General Meeting 2021

19 November 2021

# Virtual meeting platform

 Virtual meeting online guide

[wisotechglobal.com/investors/annual-general-meetings/](https://www.wisotechglobal.com/investors/annual-general-meetings/)

 Access virtual meeting

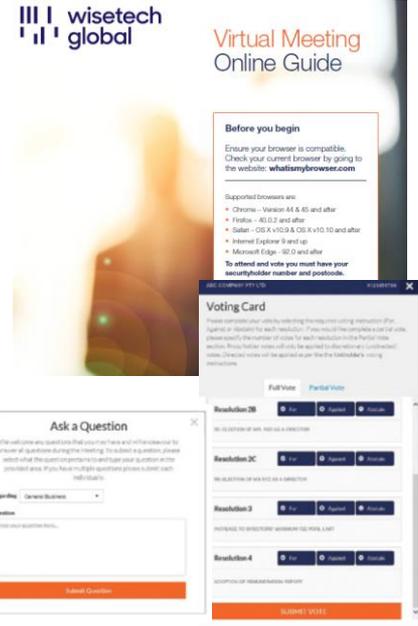
[agmlive.link/WTC21](https://agmlive.link/WTC21)

 How to vote

Click '**Get a Voting Card**' button

 How to ask a question

Click '**Ask a Question**' button



**Help number:  
+61 1800 990 363**

# How to ask written questions through the online platform

1. Click '**Ask a Question**' button either at the top or bottom of the webpage
2. Complete the two sections in the '**Ask a Question**' box
3. Click '**Submit Question**'. You can view your questions in 'View Questions' section
4. Click '**Submit Another Question**' in 'View Questions' box if you would like to ask another question

The screenshot displays the Wisetech Global online platform interface. At the top, the logo 'wisetech global' is on the left, and the 'HELP NUMBER 1800 990 363' is on the right. A navigation bar contains three buttons: 'Ask a Question' (highlighted with a blue box), 'Get a Voting Card', and 'Exit Meeting'. Below this, a video player is shown with a play button and the text 'The presentation will begin at XX:XX am/pm ZONE'. To the right of the video player is a banner for the '2021 Annual General Meeting' with the tagline 'Enabling and empowering the world's supply chains'. Below the video player and banner is a dark blue navigation bar with three buttons: 'Get a Voting Card', 'Ask a Question' (highlighted with a blue box), and 'Downloads'. The 'Downloads' section lists: 'Speakers Bio', 'Sustainability Report', 'Notice of meeting', and 'Online Guide'. Below the navigation bar are two panels: 'Ask a Question' and 'View Questions'. The 'Ask a Question' panel has a dropdown menu for 'Regarding' set to 'General Business', a text input field for the question, and a 'Submit Question' button (highlighted with a blue box). The 'View Questions' panel shows a submitted question: 'When will the next AGM be held?' with a plus icon, 'Asked regarding General Business', 'Asked at: 7:18AM', 'Updated: 7:18AM', 'OPEN COMMENTS', and a 'SUBMIT ANOTHER QUESTION' button (highlighted with a blue box).

# How to ask questions by phone

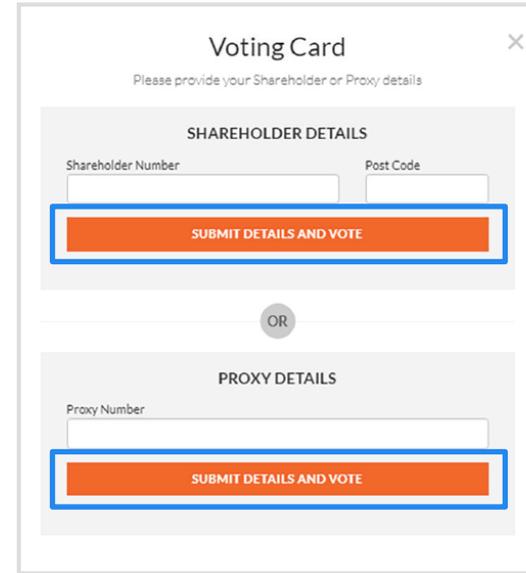
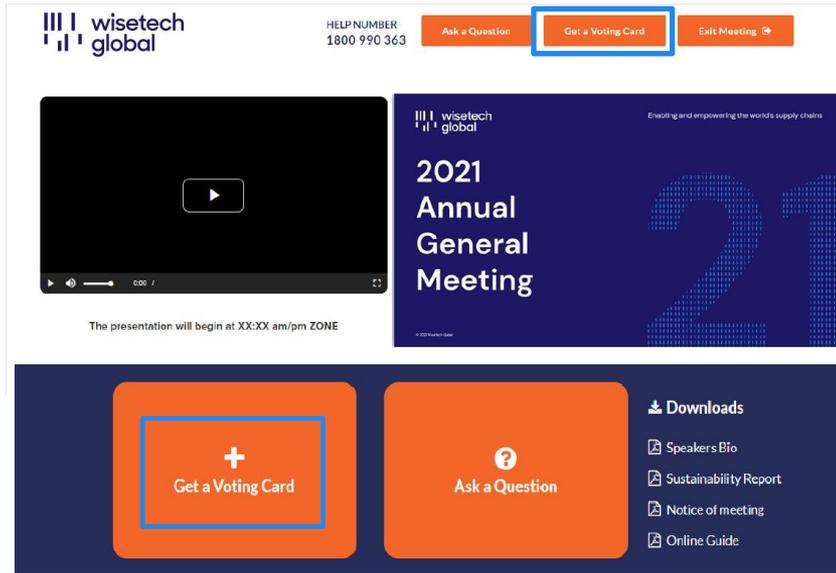
1. Join the AGM by land line or mobile device
2. Enter your unique PIN. Please contact Link Market Services if you would like to request a PIN
3. When the Chair calls for questions on each resolution, **press \*1** on your keypad if you wish to notify the operator you have a question
4. When it is your time to ask your question, the moderator will introduce you to the meeting, please unmute your phone and ask your question

Join AGM by phone  
Australia Toll Free:  
1800 416 518  
International:  
+61 2 9189 8864

Request PIN:  
Link Market Services help number  
+61 1800 990 363

# How to vote on items of business by poll

1. Click the **'Get a Voting Card'** button either at the top or bottom of the webpage
2. Enter your Shareholder Number (SRN/HIN) or Proxy Number and click **'Submit Details and Vote'**



# How to vote on items of business by poll

3. Select either 'Full Vote' or 'Partial Vote'
4. Place your vote by clicking 'For', 'Against' or 'Abstain' voting buttons
5. If you would like to submit a partial vote, ensure you enter the number of votes for any or all resolutions
6. Click 'Submit Vote' or 'Submit Partial Vote' button to complete your vote

- You may cast your live vote at any time during the AGM
- You must log on to the online platform to cast the live vote. You cannot cast a vote over the phone
- Live voting will close approximately five minutes after the close of the AGM

ABC COMPANY PTY LTD X123456789

### Voting Card

Please complete your vote by selecting the required voting instruction (For, Against or Abstain) for each resolution. If you would like complete a partial vote, please specify the number of votes for each resolution in the Partial Vote section. Proxy holder votes will only be applied to discretionary (undirected) votes. Directed votes will be applied as per the the Unitholder's voting instructions.

Full Vote Partial Vote

**Resolution 2B** For Against Abstain  
RE-ELECTION OF MR. ABC AS A DIRECTOR

**Resolution 2C** For Against Abstain  
RE-ELECTION OF MS XYZ AS A DIRECTOR

**Resolution 3** For Against Abstain  
INCREASE TO DIRECTORS' MAXIMUM FEE POOL LIMIT

**Resolution 4** For Against Abstain  
ADOPTION OF REMUNERATION REPORT

**SUBMIT VOTE**

# WiseTech Global Limited Board



**Andrew Harrison**  
Independent Chair and  
Non-Executive Director



**Richard White**  
Executive Director, Founder  
and CEO



**Teresa Engelhard**  
Independent  
Non-Executive Director



**Charles Gibbon**  
Independent  
Non-Executive Director



**Michael Gregg**  
Independent  
Non-Executive Director

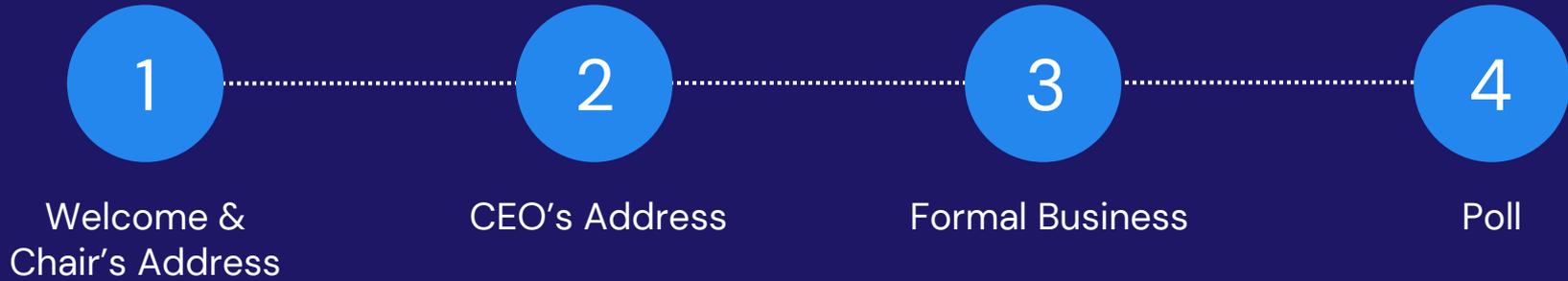


**Maree Isaacs**  
Executive Director,  
Co-founder and Head  
of Licence Management



**Arlene Tansey**  
Independent  
Non-Executive Director

# Agenda



# Chair's Address

ANDREW HARRISON



# Global supply chain market conditions

Constrained capacity resulting in increasing freight rates, accelerating digitisation & consolidation



## Global trade

- 'Goods-led' recovery in global trade has continued in 2021
- Consumer demand buoyed by various country-specific COVID-19 fiscal stimulus support packages<sup>1</sup>
- This has boosted demand for manufacturing and global trade



## Freight

- Air freight impacted by passenger flight restrictions leading to limited availability of belly freight
- Sea freight affected by geographically unbalanced demand leading to vessel and container shortages, as well as port access challenges
- Freight disruptions resulting in:
  - constrained capacity
  - supply chain bottle-necks and disruption
  - increased freight rates



## Structural changes

- Whilst short term freight rate increases do not translate into immediately increased WiseTech revenue, they do lead to acceleration of:
  - replacement of customers' legacy systems
  - demand for integrated global software solutions with increased visibility
  - CargoWise customers driving growth and industry consolidation via M&A

# FY21 financial highlights

Robust financial performance, strong revenue growth & cash generation reflecting operating leverage

**Total revenue \$507.5m**

↑ **24% ex FX** (↑ 18% incl. FX)  
on FY20

Total revenue growth **\$78.1m**

Recurring revenue **90%** (↑ 1pp)

**CargoWise revenue \$331.6m**

↑ **31% ex FX** (↑ 26% incl. FX)  
on FY20

CargoWise revenue growth **\$68.6m**

Acquisition revenue<sup>1</sup> **\$175.9m**  
(↑ 12% ex FX, ↑ 6% incl. FX)

**EBITDA \$206.7m**

↑ **63%**  
on FY20

EBITDA growth **\$80.0m**

EBITDA margin **41%** (↑ 11pp)

CargoWise EBITDA margin **55%**

**Underlying NPAT<sup>1</sup> \$105.8m**

↑ **101%**  
on FY20

Statutory NPAT **\$108.1m** (↓ 33%)<sup>2</sup>

Underlying EPS **32.6cps** (↑ 99%)

**Free cash flow \$139.2m**

↑ **149%**  
on FY20

Free cash flow conversion rate **67%** (↑ 23pp)

Cash at 30 June 2021 of **\$315.0m**

Undrawn debt facility of **\$225m**  
(refinanced July 2021)<sup>3</sup>

**Final dividend 3.85cps**

↑ **141%**  
on FY20

Fully franked

Payout ratio **20%** of Underlying NPAT

# Board renewal

Aligning Board composition to support our technology leadership, global reach and footprint

## Appointment of 2 Independent Non-Executive Directors, effective 1 December 2021



### Richard Dammery

- Non-executive director Australia Post, Aussie Broadband (ASX: ABB) & others
- Previous Chief Legal Officer and Company Secretary Woolworths Group
- Extensive ASX governance experience

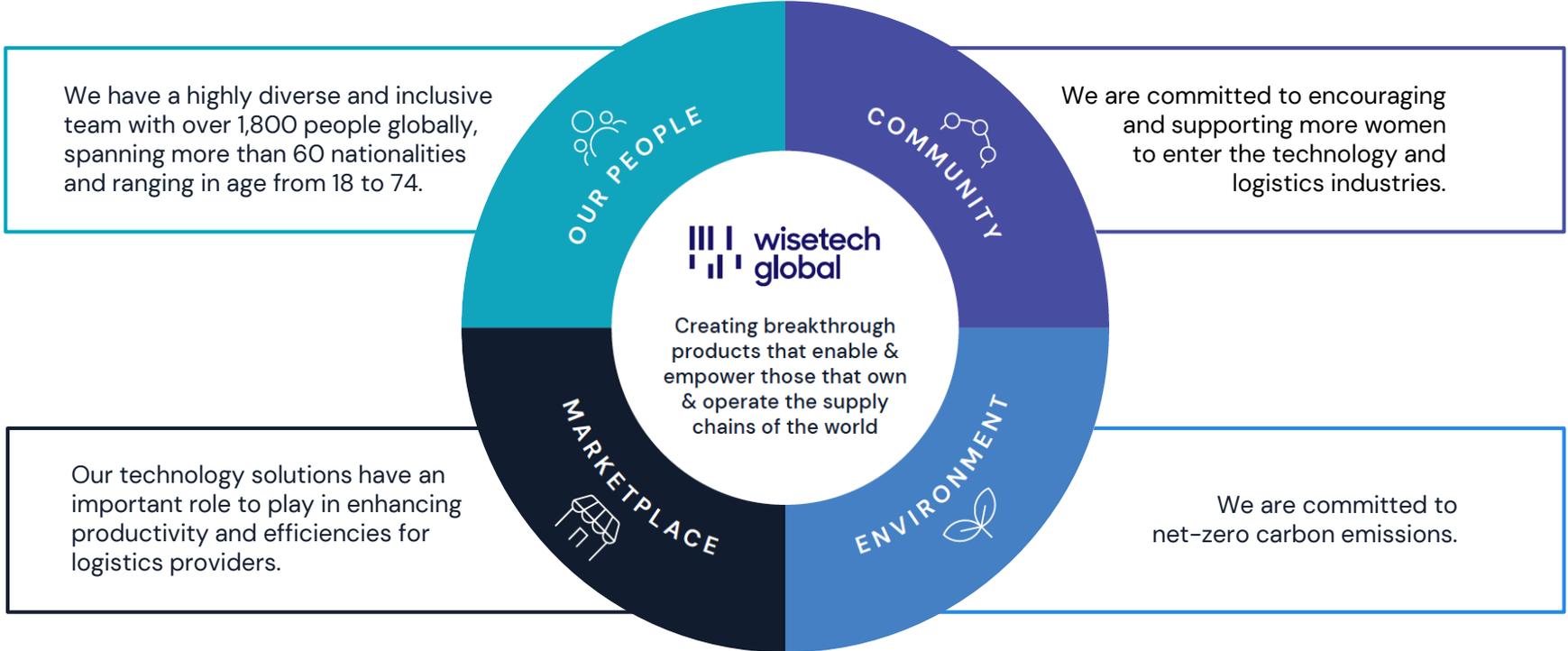


### Michael Malone

- Founder of iiNet
- Non-executive director Seven West Media Limited (ASX: SWM)
- +20 years experience across technology, telecommunications and media industries

# Sustainability pillars

Committed to making a positive contribution to our people, communities and customers



# CEO's Address

RICHARD WHITE



# Strong financial performance

CargoWise revenue growth signifying market penetration momentum and ecosystem expansion

Top-line growth and efficiency program enabled a marked step change in operating leverage

Acceleration of revenue contribution by large global freight forwarder rollouts

Total FY21 Revenue  
\$507.5m  
↑ **18%** on FY20

Expansion of CargoWise ecosystem

CargoWise FY21 revenue  
\$331.6m  
↑ **26%** on FY20

Organisation-wide efficiency and acquisition synergy extraction program

FY21 EBITDA  
\$206.7m  
↑ **63%** on FY20



# WiseTech's strategy designed to leverage structural changes

Our people facilitate the acceleration of our long-term strategy

To be the operating system for global logistics

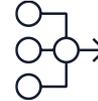
Our strategy is designed to accelerate growth by **leveraging structural changes**



Need to replace ageing legacy systems



Demand for integrated global software solutions with increased visibility



Logistics providers pursuing industry consolidation

Our people are focused on the 3Ps to **deliver on our vision** →

## Product

Extend technology lead

## Penetration

Expand market penetration

## Profitability

Drive operational efficiency

# FY21 strategic highlights

Strategic progress on the 3Ps to leverage structural changes and deliver on our vision



## Product

- Significant progress in continued alignment of acquired product & development teams to support WiseTech's development priorities
- Geographic expansion of native customs functionality, covering ~45% of global manufactured trade flows<sup>1</sup>
- Product integration of global rates functionalities onto CargoWise – in production with a number of major customers and native rewrite commenced
- Addition of sea freight to eCommerce capabilities – operational in AU, NZ and US
- 1,096 new CargoWise product and feature enhancements
- Deployed beta version of CargoWise Neo



## Penetration

- Strategic focus on the Top 25 Global Freight Forwarders<sup>2</sup> & top 200 global logistics providers
- 6 new global rollouts of CargoWise by Large Global Freight Forwarders<sup>3</sup> secured in FY21, bringing total large global customer rollouts to 36 (including DHL, Bolloré, DSV/Panalpina)
- Post-FY21 additional signing of new global rollout with FedEx
- 10 of Top 25 Global Freight Forwarders have either rolled out or are in progress with global rollouts on the CargoWise platform



## Profitability

- Strong revenue growth drives operating leverage and margin expansion
- Implementation of organisation-wide efficiency and acquisition synergy program to:
  - streamline processes and teams
  - ensure resources appropriately allocated to support scalability, growth and delivery of WiseTech's vision
- Program delivered:
  - \$22.0m gross FY21 cost reductions (\$8.2m restructuring costs)
  - \$13.8m net benefit, exceeded \$10m target
  - ~\$40m net cost reduction run rate for FY22, exceeding previous \$20m-\$30m target

1. Global manufactured trade flows refers to import and export related manufactured commodities.

2. Top 25 based on Armstrong & Associates, Inc. Top 25 Global Freight Forwarders List ranked by 2020 logistics gross revenue/turnover and freight forwarding volumes (revenues are company reported or Armstrong & Associates estimates). Updated 10 August 2021.

3. 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.

# FY22 guidance

## Strong growth outlook

### FY22 revenue

**\$600m – \$635m**

**18% – 25%**

FY22 growth vs FY21

### FY22 EBITDA

**\$260m – \$285m**

**26% – 38%**

FY22 growth vs FY21

### FY22 EBITDA %

**43% – 45%**

**2pp – 4pp**

FY22 vs FY21

### FY22 guidance assumptions

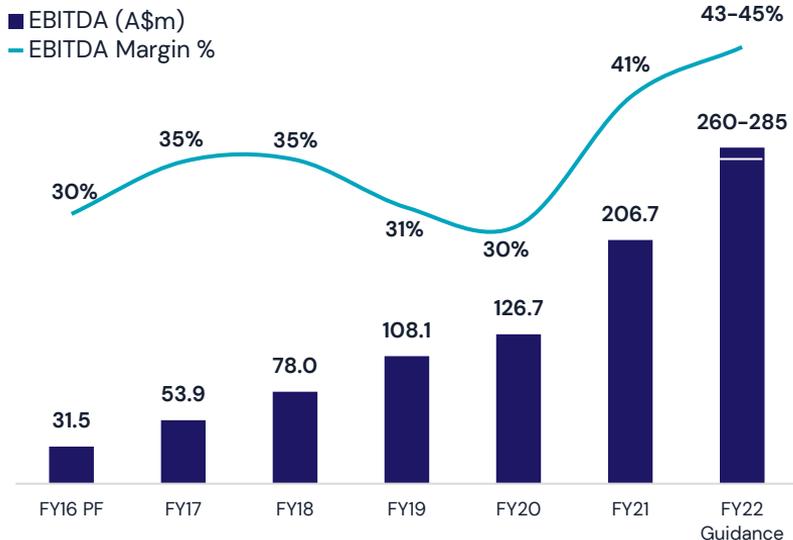
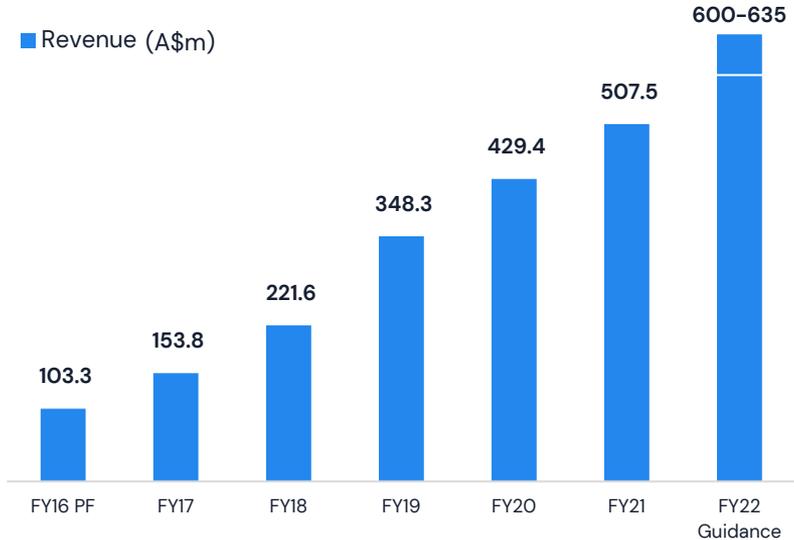
- 1 CargoWise: revenue growth of ~30% – 40%** (excluding FX)
  - Strong momentum from FY21 run rate
  - FY22 first and second half splits broadly similar to FY21
  - FX headwind reduces growth by ~3pp
- 2 Acquisitions:**
  - No new acquisitions not already closed
  - Flat revenue growth
- 3 FX: headwind \$10m revenue and \$7m EBITDA**
  - Additional FX variability, partially offset by hedging
  - See FY21 Investor Presentation Appendix for sensitivity analysis
- 4 Operating Expenses:**
  - ~\$40m cost reduction run rate for FY22, \$13.8m net benefit achieved in FY21, results in ~\$26m net cost reductions in FY22 vs. FY21
  - ~\$70m – \$80m additional cost investments to support long-term growth, staff retention and post COVID-19 activities

**Guidance provided in line with these assumptions and those in the FY21 Investor Presentation Appendix, slide 29.**

Uncertainty around future economic and industrial production growth and pandemic stimulus measures may lead to alternative outcomes.

Prevailing uncertainties relating to sovereign and geopolitical risk may also reduce assumed growth rate.

# Strategic approach delivering long-term sustainable shareholder value



✓ Delivering strong revenue growth

✓ Gaining momentum in market penetration

✓ Expanding CargoWise ecosystem

✓ Increasing operating leverage

✓ Growing EPS  
FY16 PF: 5.4cps to FY21: 33.3cps

# Formal Business



[www.wisotechglobal.com/investors](http://www.wisotechglobal.com/investors)

