

26 February 2025

WiseTech delivers strong 1H result with progress on 3P strategy

21% CargoWise revenue growth, 17% total revenue growth

28% EBITDA growth with margin up 5pp to 50%

WiseTech Global Limited (WiseTech or the Company) today announced its financial results for the six months ended 31 December 2024 (1H25). All amounts are in U.S. dollars (USD) unless otherwise presented.¹

1H25 highlights

- Total revenue of \$381.0 million, up 17% (up 15% organically²) on 1H24
- CargoWise revenue of \$331.7 million, up 21% (up 20% organically) on 1H24, driven by customer growth including Large Global Freight Forwarder (LGFF) rollouts
- EBITDA of \$192.3 million, up 28% on 1H24; EBITDA margin expansion, up 5pp to 50%
- Underlying NPAT³ of \$112.1 million, up 34% on 1H24; with Statutory NPAT of \$106.4 million, up 38%
- Operating cash flow of \$202.7 million, up 24% on 1H24. Free cash flow of \$124.1 million, up 22%
- Interim dividend of 6.7cps, up 31% on 1H24; representing payout ratio of 20% of Underlying NPAT
- CargoWise customer penetration momentum continues with two new Top 25 LGFF wins – Nippon Express, and LOGISTEED secured post balance date
- Progressing with breakthrough products – ComplianceWise and CargoWise Next launched, Container Transport Optimization now expected as an initial launch in 2H25 in Australia

Group financial metrics	1H24	1H25	1H25 vs. 1H24
Total revenue (USD m)	327.0	381.0	17%
Recurring revenue ⁴	97%	98%	1pp
EBITDA (USD m)	150.1	192.3	28%
EBITDA margin	46%	50%	5pp
Statutory NPAT (USD m)	77.1	106.4	38%
Underlying NPAT (USD m)	83.8	112.1	34%
Underlying EPS (USD cps)	25.3	33.7	33%
Interim ordinary dividend (USD cps)	5.1	6.7	31%
Free cash flow (USD m)	101.8	124.1	22%
Free cash flow conversion rate	68%	65%	(3)pp

¹ The Company advises that the functional currency of WiseTech Global Limited and other subsidiary entities in the Group have changed to U.S. dollars (USD) from Australian dollars (AUD), effective 1 July 2024. Consistent with this change, the presentational currency of the Group has also changed to USD. This change means that the financial information for the Group has been presented in USD unless otherwise presented.

² Refers to revenue and EBITDA growth and EBITDA margin adjusted for FY24/FY25 M&A without full period comparisons, foreign exchange impacts, restructuring and M&A costs.

³ Underlying NPAT is Net profit after tax excluding fair value adjustments from changes to acquisition contingent consideration (1H25: \$0.2 million, 1H24: nil), non-recurring tax on acquisition contingent consideration (1H25: \$2.6 million, 1H24: \$1.1 million), acquired amortization, net of tax (1H25: \$6.0 million, 1H24: \$5.5 million), contingent and deferred consideration interest unwind, net of tax (1H25: \$0.4 million, 1H24: \$0.3 million) and M&A costs (1H25: \$1.6 million, 1H24: \$2.0 million).

⁴ Recurring revenue percentage is the sum of revenue categorized as Recurring On-Demand License revenue and Recurring One-Time License (OTL) Maintenance revenue divided by Total Revenue.

WiseTech Interim CEO, Andrew Cartledge said, "I'm pleased to announce a strong first half financial performance, with revenue and EBITDA in line with expectations. This was driven by our global teams' ongoing focused execution of our 3P strategy as CargoWise's strong momentum continued with a Top 25 LGFF win in Nippon Express as well as strong growth from existing customers.

"Our next generation platform, CargoWise Next, has launched with a systematic phased rollout expected to start in 2H25. ComplianceWise is being used by customers with product development continuing to drive uptake into the future, and development of our third breakthrough product Container Transport Optimization continues and we now expect an initial launch in the second half of FY25 in Australia. We continue to make strategic tuck-in acquisitions with BSM completed and ImpexDocs signed, both of which add to our capabilities in digital documentation, one of our six key development areas."

Strong financial and operational performance

The Company reported **Total revenue** growth in 1H25 of 17% to \$381.0 million (1H24: \$327.0 million). This reflected strong growth from CargoWise (up 21% on 1H24), included \$5.2 million growth from FY24/FY25 M&A and a \$1.3 million FX headwind. Organically, Total revenue grew by 15% (\$50.1 million) on the prior corresponding period (pcp).

CargoWise recurring revenue in 1H25 grew by 21% on 1H24 to \$327.2 million. Organically, CargoWise recurring revenue grew by 20%, primarily driven by LGFF rollouts, growth from existing and new customers, price increases to offset inflation and generate returns on product investment and new product releases from prior years.

Reported earnings before interest, tax, depreciation and amortization (EBITDA) grew 28% to \$192.3 million and reflected the benefit of price increases, operating leverage and WiseTech's ongoing financial discipline, offset by increased investment in product development. The reported EBITDA margin of 50% was up 5pp on 1H24.

Strong balance sheet, cash flow generation and liquidity

1H25 operating cash flow of \$202.7 million was up 24% on 1H24 and free cash flow of \$124.1 million was up 22% on 1H24, demonstrating the highly cash-generative nature of the Company's operating model. The Company has significant financial headroom, with total liquidity of more than \$380 million from cash and undrawn debt facilities.

Strategic execution

WiseTech's '3P strategy' – *Product; Penetration; and Profitability* – is key to delivering its vision and enabling WiseTech to achieve sustainable growth through the cycle.

1. Product

In 1H25, the Company continued to make progress on its three breakthrough products, with the launch of ComplianceWise and CargoWise Next, and Container Transport Optimization now expected as an initial launch in the second half of FY25 in Australia.

WiseTech also continued to accelerate its innovation and product development efforts, increasing its R&D investment by 18% to \$137.0 million (1H24: \$116.4 million), equating to 36% of Total revenue. This investment delivered 612 new product enhancements in 1H25, taking total product enhancements delivered on the CargoWise application suite over the last five years to over 5,800, from a total investment of over \$870 million.

1H25 capitalized development increased by 18% to \$74.4 million, with 54% of total R&D investment being capitalized, in line with 1H24. This reflects continued product investment and the underlying quality of WiseTech's development process, which delivers higher productivity and lower defects, enabling teams to focus more on developing new products. The level of capitalized development as a percentage of total R&D is expected to remain in the 50% to 55% target range.

WiseTech's organic growth is supplemented by targeted acquisitions to accelerate CargoWise product development. In 1H25, the Company completed the acquisition of Singeste, creating a customs foothold in Portugal. As a result, WiseTech's global customs platform now covers approximately 80% of global manufactured trade flows including countries in production and development. Post balance date, we completed the acquisition of BSM Global and signed ImpexDocs, which will expand CargoWise's digital documentation capability.

2. Penetration

WiseTech's market approach targets the Top 25 Global Freight Forwarders⁵ and top 200 global logistics providers, enabling the Company to benefit from large-scale global rollouts and consolidation within the logistics sector.

In 1H25, the Company secured a new rollout with Top 25 Global Freight Forwarder Nippon Express, Japan's largest. Post balance date, the Company has also secured LOGISTEED, another Japanese Top 25 Global Freight Forwarder, delivering continued business momentum. The Company has a total of 54 LGFF rollouts which include 14 of the Top 25 Global Freight Forwarders.

3. Profitability

WiseTech's strong revenue growth, efficient operating model, and ongoing strong financial discipline continue to drive operating leverage and robust margins.

The Company-wide cost efficiency program has exceeded its target of \$33 million (AUD50 million) and is expected to deliver \$36 million annual run rate savings with \$14 million net cost out in 1H25, and FY25 net savings of ~\$25 million vs. ~\$20 million previously expected. EBITDA margin was up 5pp to 50% in 1H25.

Dividend

Reflecting its confidence in the underlying business performance and outlook, the Board has determined a fully franked interim ordinary dividend of 6.7cps, representing a 31% increase on the FY24 interim dividend. The interim dividend is payable on 11 April 2025 to shareholders registered as at 17 March 2025 and represents a payout ratio of 20% of Underlying NPAT.

⁵ Based on Armstrong & Associates, Inc. Top 25 Global Freight Forwarders List ranked by 2023 gross logistics revenue/turnover and freight forwarding volumes - updated 14 August 2024.

Outlook and guidance

As announced on Monday 24 February 2025, the Board has reviewed progress of the Company's activities having regard to the revenue and EBITDA guidance given to the market at the Company's AGM. The Company now expects revenue to be at the bottom end of the guidance range, due to further delays to the rollout of the three announced Breakthrough Products. EBITDA margin rate is expected to be towards the top of the previously announced range, driven by stronger results from a company-wide efficiency program.

FY25 guidance is provided on the basis that market conditions do not materially change, and reflects current trends in supply chain volumes, noting that changes in industrial production and/or global trade (both favorable and unfavorable) may impact guidance. FY25 Guidance is subject to the assumptions set out in the WiseTech Global 1H25 Results presentation.

Mr Cartledge concluded, *"We have a consistent and strong track record of revenue, EBITDA, and cash flow growth since our listing. Our global team continues to drive business momentum with a new Top 25 Large Global Freight Forwarder win in LOGISTEED secured early in the second half as well as growth from existing customers, the continued expansion of our global capabilities through our strategic acquisitions, and the rollout of our breakthrough products.*

"The opportunity for future growth is substantial and underpinned by our strategic investments in technology, our breakthrough products and our global teams relentless focus on adding long-term value for our global supply chain customers."

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Authorized for release to ASX by the Board of WiseTech Global Limited.

Investor Presentation Please refer to the WiseTech Global 1H25 Results presentation released today for detailed financial data and analysis.

Analyst Briefing The WiseTech Global 1H25 Results presentation webcast will be held at 10.00am (Sydney time) today. The webcast will be available [here](#).

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Forward-looking statements

Forward-looking statements in this release are based on information and assumptions known to date and are subject to various risks and uncertainties. Actual results, performance or achievements could be significantly different from those expressed in, or implied by, these forward-looking statements. Such forward-looking statements are not a guarantee of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of WiseTech Global. These factors may cause actual results to differ materially from those expressed in the statements contained in this announcement.

About WiseTech Global

WiseTech Global is a leading developer and provider of software solutions to the logistics execution industry globally. Our customers include over 16,500⁶ of the world's logistics companies across 195 countries, including 46 of the top 50 global third-party logistics providers and 24 of the 25 largest global freight forwarders worldwide⁷.

⁶ Includes customers on CargoWise and non-CargoWise platforms whose customers may be counted with reference to installed sites.

⁷ Armstrong & Associates: Top 50 Global 3PLs & Top 25 Global Freight Forwarders ranked by 2023 gross logistics revenue/turnover and freight forwarding volumes – updated 14 August 2024.

Our mission is to change the world by creating breakthrough products that enable and empower those that own and operate the supply chains of the world. At WiseTech, we are relentless about innovation, adding over 5,800 product enhancements to our global CargoWise application suite in the last five years while bringing meaningful continual improvement to the world's supply chains. Our breakthrough software solutions are renowned for their powerful productivity, extensive functionality, comprehensive integration, deep compliance capabilities, and truly global reach. For more information about WiseTech Global or CargoWise, please visit wisetechglobal.com and cargowise.com

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