

**WISETECH GLOBAL LIMITED
AND ITS CONTROLLED ENTITIES**

ABN: 41 065 894 724

**Interim Financial Report
31 December 2015**

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AND ITS CONTROLLED ENTITIES
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Interim financial report

31 December 2015

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Directors' Report

The Directors present their report together with the consolidated financial statements of the Group comprising WiseTech Global Limited, and its controlled entities for the six months ended 31 December 2015 and the review report thereon.

1 Directors

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

Name

Charles Llewelyn Gibbon - Non-Executive Director and Chairperson

Richard John White - Chief Executive Officer and Founder

Michael John Gregg - Non-Executive Director

Andrew Charles Harrison - Non-Executive Director (appointed 31 July 2015)

Maree McDonald Isaacs - Executive Director

2 Principal activities

We are a leading provider of software to the logistics industry globally. The principal activities of the Group were the development, sale and implementation of software solutions that enable logistics service providers to facilitate the movement and storage of goods and materials domestically and internationally. Our software assists our customers to better manage many aspects of the global logistics supply chain such as freight forwarding, customs clearance, warehousing, liner and agency, truck and rail management, air, sea, road and rail freight, container pack and unpack, track and trace and many aspects of domestic and cross-border regulatory compliance.

Our customers are logistics service providers and range from small and mid-sized regional and domestic enterprises to large multinational companies. We service more than 150,000 module users in 6,000 customers across more than 115 countries from our head office in Australia and regional offices in China, New Zealand, Singapore, South Africa, United Kingdom and the United States.

Our flagship software, CargoWise One application suite, is a cloud-based single-platform solution encompassing a large range of industry-specific modules that facilitate key aspects of logistics services while the enterprise-wide software modules help customers manage their domestic, regional and global business.

The CargoWise One application suite is designed to assist our customers to better address the complexities of the logistics industry while increasing productivity, reducing costs and mitigating risks through the use of a deeply integrated software platform.

3 Operating and financial review

The Group has continued its strong performance during the period and achieved revenue growth of 51% compared to the corresponding period largely driven by:

- Increased usage from new and existing customers of the Cargowise One application suite;
- Acquisition of CompuClearing Outsourcing Limited ("CCL") which is consolidated from 31 July 2015; and

The full impact of acquisitions from the prior year being Core Freight Systems Proprietary Limited ("CFS") and Zsoft Shenzhen Software Development Co. Ltd ("Zsoft").

Operating expenses have increased over the prior comparative period. This is largely attributed to:

- Growth in general operations of the company to support current and future revenue growth.
- Consolidation of CCL and full year of CFS and Zsoft;
- Increased investment in product design and development to support current and future growth; and
- One-off expenses including strategic initiatives.

Operating profit has grown 49% compared to the prior period after adjusting for one-off expenses.

4 Lead auditor's independence declaration

The lead auditor's independence declaration is set out on page 5 and forms part of the Directors' Report for the six months ended 31 December 2015.

5 Rounding off

The Group is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in the condensed consolidated interim financial statements and Directors' Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the Board of Directors:



Richard John White
Director

Date 10 February 2016



Charles Llewelyn Gibbon
Director



Lead Auditor's Independence Declaration

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 2015 there have been no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

Caoimhe Toouli

Caoimhe Toouli
Partner

Sydney

10 February 2016

**WISETECH GLOBAL LIMITED
AND ITS CONTROLLED ENTITIES
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME
FOR THE SIX MONTHS ENDED 31 DECEMBER**

In thousands of AUD

	Note	2015	2014
Revenue	5	48,596	32,224
Cost of revenues		(7,065)	(5,385)
Gross profit		41,531	26,839
Operating expenses			
Product design and development		(14,105)	(9,177)
Sales and marketing		(8,302)	(5,329)
General and administration		(12,830)	(5,311)
Total operating expenses		(35,237)	(19,817)
Operating profit		6,294	7,022
Finance income		568	306
Finance costs		(961)	(132)
Net finance (costs)/income		(393)	174
Profit before income tax		5,901	7,196
Tax expense		(2,784)	(2,244)
Net profit for the period		3,117	4,952
Other comprehensive income			
Items that may be reclassified to profit or loss			
Exchange differences on translating foreign operations		(3,479)	(187)
Available-for-sale financial assets - net change in fair value, net of tax		(388)	123
Other comprehensive income for the period, net of tax		(3,867)	(64)
Total comprehensive income for the period		(750)	4,888
Basic earnings per share (cents)	11	1.2	2.1
Diluted earnings per share (cents)	11	1.2	2.1

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

**WISETECH GLOBAL LIMITED,
AND ITS CONTROLLED ENTITIES
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

<i>In thousands of AUD</i>	Notes	31 Dec 2015	30 Jun 2015
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		22,029	43,155
Trade and other receivables		12,987	7,842
Current tax assets		540	1,032
Other assets		1,905	1,883
TOTAL CURRENT ASSETS		37,461	53,912
NON-CURRENT ASSETS			
Property, plant and equipment		15,151	10,021
Intangible assets	6	90,688	66,002
Equity-accounted investees	8	-	5,579
Equity securities - available for sale		1,630	2,018
Other non-current assets		4,418	3,127
TOTAL NON-CURRENT ASSETS		111,887	86,747
TOTAL ASSETS		149,348	140,659
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		7,003	5,706
Borrowings	7	3,611	3,801
Current tax liabilities		234	240
Employee benefits		4,470	3,830
Deferred revenue		13,619	10,568
Other liabilities		1,814	1,234
TOTAL CURRENT LIABILITIES		30,751	25,379
NON-CURRENT LIABILITIES			
Borrowings	7	30,953	26,662
Deferred tax liabilities		13,007	11,770
Employee benefits		646	588
Other liabilities		1,910	3,253
TOTAL NON-CURRENT LIABILITIES		46,516	42,273
TOTAL LIABILITIES		77,267	67,652
NET ASSETS		72,081	73,007
EQUITY			
Share capital		44,803	44,869
Reserves		(436)	1,241
Retained earnings		27,714	26,897
TOTAL EQUITY		72,081	73,007

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

**WISETECH GLOBAL LIMITED
AND ITS CONTROLLED ENTITIES
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**

	Notes	Share capital	Fair value reserve	Share-based payment reserve	Foreign currency translation reserve	Retained earnings	Total
<i>In thousands of AUD</i>							
Balance at 1 July 2014		9,006	-	1,106	(417)	18,762	28,457
Total comprehensive income		-	-	-	-	4,952	4,952
Profit attributable to members of the parent entity		-	-	-	-	-	-
Other comprehensive income ("OCI")		-	123	-	(187)	-	(54)
Total comprehensive income		-	123	-	(187)	4,952	4,888
Transactions with owners of the Company		-	-	729	-	-	729
Equity-settled share-based payment		-	-	(934)	-	-	-
Vesting of deferred share rights		-	-	-	-	(1,011)	(1,011)
Dividends	10	-	-	-	-	-	-
Total transactions with owners of the Company		-	-	(205)	-	(1,011)	(282)
Balance at 31 December 2014		9,940	123	901	(604)	22,703	33,063
Balance at 1 July 2015		44,869	(168)	1,692	(283)	26,897	73,007
Total comprehensive income		-	-	-	-	3,117	3,117
Profit attributable to members of the parent entity		-	-	-	-	-	-
OCI		-	(388)	-	(3,479)	-	(3,867)
Total comprehensive income		-	(388)	-	(3,479)	3,117	(750)
Transactions with owners of the Company		(66)	-	-	-	-	(66)
Transaction costs		-	-	2,190	-	-	2,190
Equity-settled share-based payment		-	-	-	-	(2,300)	(2,300)
Dividends	10	-	-	-	-	-	-
Total transactions with owners of the Company		(66)	-	2,190	-	(2,300)	(176)
Balance at 31 December 2015		44,803	(556)	3,882	(3,762)	27,714	72,081

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

**WISETECH GLOBAL LIMITED
AND ITS CONTROLLED ENTITIES
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 31 DECEMBER**

<i>In thousands of AUD</i>	Notes	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		51,126	33,010
Payments to suppliers and employees		(37,615)	(23,123)
Transaction costs		(322)	-
Income tax (paid)/refund		(1,879)	(137)
Net cash provided by operating activities		<u>11,310</u>	<u>9,750</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		568	307
Interest paid		(961)	(132)
Purchase of property, plant and equipment		(2,406)	(1,020)
Payment for intangible assets, including capitalised development costs		(9,566)	(6,818)
Payment of contingent consideration		(1,206)	-
Acquisition of CCL, net of cash acquired		(17,542)	-
Acquisition of equity securities		-	(484)
Net cash used in investing activities		<u>(31,113)</u>	<u>(8,147)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		2,440	-
Repayment of finance lease liabilities		(1,463)	(962)
Dividends	10	(2,300)	(1,011)
Net cash provided by (used in) financing activities		<u>(1,323)</u>	<u>(1,973)</u>
Net increase (decrease) in cash held		(21,126)	(370)
Cash and cash equivalents at the beginning of the half year		43,155	3,824
Cash and cash equivalents at the end of the half year		<u>22,029</u>	<u>3,454</u>

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

**WISETECH GLOBAL LIMITED
AND CONTROLLED ENTITIES**
NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2015

Note 1 Reporting entity

WiseTech Global Limited (the "Company") is a company domiciled in Australia. These condensed consolidated interim financial statements ("interim financial statement") as at and for the six months ended 31 December 2015 comprise the Company and its controlled entities (collectively the "Group" or "WiseTech"). The Company was formerly known as WiseTech Global Pty Limited and on 4 September 2015 the Company became an unlisted public company, WiseTech Global Limited.

The consolidated annual financial statements of the Group as at and for the year ended 30 June 2015 are available upon request from the Company's registered office at Unit 3a, 72 O'Riordan Street, Alexandria, 2015, NSW, Australia.

Note 2 Basis of preparation

These interim financial statements are non-statutory general purpose financial statements prepared in accordance with AASB 134 *Interim Financial Reporting* and with IAS 34 *Interim Financial Reporting*.

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 2015. 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 2015.

These interim financial statements were authorised for issue by the Board of Directors on 10 February 2016.

The Group is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in the consolidated interim financial statements have been rounded off to the nearest thousand dollars, unless otherwise stated.

The accounting policies applied in these 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 2015 except for earnings per share which is disclosed in note 11. In addition, 'Professional Services and other licence revenue' has been renamed to 'One Time Licence ("OTL") and Support services' in Note 5.

Note 3 Use of judgements and estimates

(i) Critical accounting estimates and assumptions

In preparing the Group interim financial statements, management is required to make estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities. The resulting accounting estimates, which are based on management's best judgment at the date of the Group interim financial statements, will, by definition, seldom equal the related actual results.

The significant judgements made by management in applying the Group's accounting policies and key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2015.

(ii) Critical judgements

Management has made judgments 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 judgments 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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**

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 judgments about the value and economic life of such items. The economic lives for intangible assets are estimated at between five and ten years for internal projects, which include internal use of software and internally generated software, and between three and ten years for acquisition intangibles. Management has also made judgements and assumptions when assessing the economic life at acquired date and the pattern of consumption of the economic benefits embodied in the asset.

a. Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. The finance team has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of AASBs, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Audit and Risk 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).
- 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.

The Group does not have any debt securities or derivative financial instruments which require measurement at fair value.

**WISETECH GLOBAL LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2015

Note 4 Operating segments

Identification of reportable segments

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 CEO on a monthly basis is categorised by type of revenue; recurring and non-recurring. This analysis is presented below.

In thousands of AUD

	Dec 2015	Dec 2014
Recurring revenue	47,649	31,056
Non-recurring revenue	947	1,168
Total Revenue	48,596	32,224
Segment profit before tax	5,901	7,196

The amounts for revenue by region in the following table are based on the invoicing location of the customer. 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.

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

In thousands of AUD

	Dec 2015	Dec 2014
Americas	15,001	9,225
EMEA	12,269	5,308
Asia Pacific	21,326	17,691
Total Revenue	48,596	32,224

Assets are presented based on the geographic location of the assets.

In thousands of AUD

	Dec 2015	Jun 2015
Americas	2,679	3,022
EMEA	27,195	14,052
Asia Pacific	82,013	69,673
Total non-current assets	111,887	86,747

Note 5 Revenue

In thousands of AUD

	Dec 2015	Dec 2014
Recurring monthly and recurring annual software usage revenue	47,649	31,056
One Time Licence ("OTL") & Support Services	947	1,168
Total revenue	48,596	32,224

**WISETECH GLOBAL LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**

Note 6 Intangible assets

<i>In thousands of AUD</i>	Dec 2015	Jun 2015
Computer software		
Cost	34,516	30,051
Accumulated amortisation	(10,271)	(8,345)
Net carrying amount	<u>24,245</u>	<u>21,706</u>
Development costs (WIP)		
Cost	18,693	15,058
Net carrying amount	<u>18,693</u>	<u>15,058</u>
External software licences		
Cost	3,114	1,583
Accumulated amortisation	(156)	(119)
Net carrying amount	<u>2,958</u>	<u>1,464</u>
Goodwill		
Cost	35,466	20,302
Accumulated amortisation	(63)	(63)
Net carrying amount	<u>35,403</u>	<u>20,239</u>
Intellectual property		
Cost	10,570	9,051
Accumulated amortisation	(7,303)	(6,700)
Net carrying amount	<u>3,267</u>	<u>2,351</u>
Customer relationships and reacquired rights		
Cost	7,461	6,707
Accumulated amortisation	(1,947)	(1,523)
Net carrying amount	<u>5,514</u>	<u>5,184</u>
Trade Name		
Cost	590	-
Accumulated amortisation	(58)	-
Net carrying amount	<u>532</u>	<u>-</u>
Patents		
Cost	76	-
Accumulated amortisation	-	-
Net carrying amount	<u>76</u>	<u>-</u>
Total intangibles	<u><u>90,688</u></u>	<u><u>66,002</u></u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**

Movements in carrying amounts

<i>In thousands of AUD</i>	Computer software	Development costs (WIP)	External software licences	Goodwill	Intellectual property	Customer relationships and reacquired rights	Trade name	Patents	Total
Half year ended 31 December 2015									
Balance at 1 July 2015	21,706	15,058	1,464	20,239	2,351	5,184			66,002
Additions		8,100	1,650					76	9,826
Acquisition via business combination				18,394	1,747	971	647		21,759
Transfers	4,465	(4,465)							
Amortisation charge	(1,926)		(156)		(603)	(424)	(58)		(3,167)
Foreign Exchange				(3,230)	(228)	(217)	(57)		(3,732)
Closing balance at 31 December 2015	24,245	18,693	2,958	35,403	3,267	5,514	532	76	90,688

Research and development expenditure

The aggregate amount of research and development expenditure during the period was \$20.3m (2014:\$14.4m) comprising expensed and capitalised development amounts excluding the amortisation charge.

Impairment testing for cash-generating units containing goodwill

No impairment indicators exists at 31 December 2015 in relation to goodwill. All key assumptions disclosed in the 30 June 2015 financial statements are not materially different to those at 31 December 2015.

**WISETECH GLOBAL LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2015

Note 7 Borrowings

In thousands of AUD

	Dec 2015	Jun 2015
CURRENT		
Bank overdraft		50
Finance lease liability	3,611	3,751
Total current borrowings	<u>3,611</u>	<u>3,801</u>
NON-CURRENT		
Finance lease liability	4,728	2,924
Bank loans	26,440	24,000
Transaction costs	(215)	(262)
Total non-current borrowings	<u>30,953</u>	<u>26,662</u>
Total borrowings	<u><u>34,564</u></u>	<u><u>30,463</u></u>

Terms and repayment schedule

The terms and conditions of outstanding loans are as follows:

<i>In thousands of AUD</i>	Currency	Nominal Interest rate	Year of maturity	31 December 2015		30 June 2015	
				Face value	Carrying amount	Face value	Carrying amount
Bank overdraft	AUD	5.14%	2015	-	-	50	50
Finance lease liability - Australia	AUD	5.14%	2018	7,861	7,861	6,675	6,675
Finance lease liability - South Africa	ZAR	9.35%	2018	478	478	-	-
Secured bank loan	AUD	4.07%	2018	26,440	26,440	24,000	24,000
Total interest-bearing liabilities				<u>34,779</u>	<u>34,779</u>	<u>30,725</u>	<u>30,725</u>

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

Note 8 Acquisitions

(a) CompuClearing Outsourcing Limited

On 31 July 2015, the Group entered into an arrangement with certain shareholders of CompuClearing Outsourcing Limited ("CCL") to acquire shares that brought the Group's holding to 51% and resulted in the Group obtaining control of CCL. Following this event, a shareholder vote in relation to a Scheme of Arrangement was held. The Scheme was approved by the shareholders and by the Takeover Regulation Panel in South Africa where the Group acquired the remaining 49% of shares outstanding of CCL on 4 September 2015. The results of CCL are consolidated from 31 July 2015, being the date the Group obtained control.

CCL is South Africa's industry leader in the provision of Information Technology products and services to the customs clearing, freight forwarding, air cargo and related industries.

**WISETECH GLOBAL LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**

In the 5 months to 31 December 2015, CCL has contributed consolidated revenue of \$3.3m and profit of \$0.4m. If the acquisition had occurred on 1 July 2015, management estimates that consolidated revenue would have been \$4.0m and consolidated profit for the period would have been \$0.5m. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 July 2015.

Consideration Transferred

The total consideration of CCL was \$24.9m which was paid in the form of cash at a price per share of R5.50 where \$5.6m was paid in the prior year through the acquisition of a 23.5% equity interest.

Date	Consideration transferred (\$m)	Cumulative ownership (%)
17 June 2015	\$5.6m	23.5%
31 July 2015	\$7.1m	51%
4 September 2015	\$12.2m	100%
Total	\$24.9m	100%

Acquisition-related costs

The Group incurred acquisition-related cost of \$0.3m on legal fees and due diligence costs. These costs have been included in General and Administration expense.

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

In thousands of AUD

Property Plant and Equipment	2,206
Intangibles	3,365
Trade and other receivables	1,112
Other assets	376
Cash and cash equivalents	1,823
Current tax asset	32
Trade and other payables	(1,228)
Deferred Revenue	(237)
Deferred Tax Liability	(849)
Other liabilities	(49)
Net assets acquired	6,551
Consideration	24,945
Goodwill	18,394

A valuation was undertaken by Deloitte Touche Tohmatsu in relation to the acquired intangibles with respect to customer relationships, reacquired rights, trade name and intellectual property. The methodology used to derive the value of customer relationships and reacquired rights was the multi-period excess earnings method ("MEEM"). The multi-period excess earnings method 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 where it considers the discounted estimated royalty payments that are expected to be avoided as a result of the patents or trademarks being owned.

**WISETECH GLOBAL LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**

The replacement cost approach was used to value intellectual property.

The trade receivables balance represents the gross contractual balance and is expected to be collectible.

Property plant and equipment is measured at fair value using the market comparison technique which considers quoted market prices for similar items when they are available.

If new information obtained within one year of the date of acquisition about facts and circumstances that existed at the date of acquisition identifies adjustments to the above amounts, or any additional provisions that existed at the date of acquisition, then the accounting for the acquisition will be revised.

Goodwill

Goodwill arising from the acquisition has been recognised as follows.

In thousands of AUD

Consideration transferred	24,945
Fair value of identifiable net assets	<u>(6,551)</u>
Goodwill	18,394

The Goodwill is attributable mainly to the skills and technical talent of CCL's work force and the synergies expected to be achieved from integrating the company into the Group's existing business. The goodwill is not expected to be deductible for tax purposes.

Please refer to the 30 June 2015 audited financial statements for a disclosure of the prior period acquisitions. No material changes were made to those acquisitions during the interim period.

Note 9 Related parties

(i) Transactions with key management personnel

Directors of the Company control 79.57% of the voting shares of the Company as at 31 December 2015. A number of KMP, or their related parties, hold positions in other companies that result in them having control or significant influence over these companies.

A number of these companies transacted with the Group during the Interim period. 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-KMP related companies on an arm's length basis.

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

<i>In thousands of AUD</i>	Transaction values for the six months ended 31 December		Balance outstanding	
	2015	2014	Dec 2015	June 2015
Transactions				
Company apartment rent *	78	75	-	-
US office fit out and related costs **	314	122	146	499
Data center costs***	137	-	(137)	-
Office services agreement****	9	-	-	-

* The Group entered into various apartment leases with RealWise Holdings Pty Ltd, a company controlled by a director. Amounts were billed based on normal market rates for such leases and were due and payable under normal payment terms.

**WISETECH GLOBAL LIMITED
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**

** The Group incurred various expenses related to the new US office owned by RealWise Investments LLC, a company controlled by a director.

*** The Group entered into an agreement with RealWise Investments LLC, a company controlled by a director, for the utilisation of Data Centre services.

**** The Group entered into an agreement with RealWise Holdings Pty Ltd, a company controlled by a director, for the use of premises and administrative services.

Note 10 Dividends

The following dividends were declared and paid by the Company during the interim period.

<i>In thousands of AUD</i>	Dec 2015	Dec 2014
Declared fully franked ordinary dividend of 0.91 cents (2014: 0.42 cents)	2,300	1,011
	<u>2,300</u>	<u>1,011</u>

Note 11 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the period attributable to ordinary equity holders of the Parent by the weighted average number of ordinary shares outstanding during the half year.

Diluted EPS amounts are calculated by dividing the profit attributable to ordinary equity holders of the Parent by the weighted average number of ordinary shares outstanding during the half year plus the weighted average number of ordinary shares that would be issued on conversion of all the diluted potential ordinary shares into ordinary shares.

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

<i>In thousands of AUD</i>	Dec 2015	Dec 2014
(a) Basic earnings per share		
Profit attributable to Parent shareholders	3,117	4,952
Basic weighted average number of ordinary shares	252,762,059	241,161,618
Basic earnings per share (cents)	1.2	2.1
(b) Diluted earnings per share		
Profit attributable to Parent shareholders	3,117	4,952
Basic weighted average number of ordinary shares	252,762,059	241,161,618
Shares issuable in relation to warrants and equity-based compensation schemes	3,840,615	-
Diluted weighted average number of ordinary shares	<u>256,602,674</u>	<u>241,161,618</u>
Diluted earnings per share (cents)	1.2	2.1

Note 12 Subsequent events

There has not arisen in the interval between the end of the interim period and the date of this report any item, transaction or event of a material and unusual nature, likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations or the state of affairs of the Group in the future financial periods.

**WISETECH GLOBAL LIMITED
AND ITS CONTROLLED ENTITIES
DIRECTORS' DECLARATION**

The Directors of the Company declare that:

1. The condensed consolidated interim financial statements and notes that are set out on pages 6 to 18:
 - (i) presents fairly the Group's financial position as at 31 December 2015 and its performance for the six month period ended on that date; and
 - (ii) complies with Australian Accounting Standards AASB 134 *Interim Financial Reporting*; and


2. in the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors:

Dated at Alexandria Sydney 10 day of February 2016.



Richard John White
Director



Charles Llewelyn Gibbon
Director



Independent auditor's review report to the members of WiseTech Global Limited

Report on the financial report

We have reviewed the accompanying condensed consolidated interim financial report of WiseTech Global Limited, which comprises the condensed consolidated statement of financial position as at 31 December 2015, condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the interim period ended on that date, notes 1 to 12 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year's end or from time to time during the interim period.

Directors' responsibility for the interim financial report

The directors of the company are responsible for the preparation and fair presentation of the condensed consolidated interim financial report in accordance with AASB 134 *Interim Financial Reporting*. The Directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of the consolidated interim financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the interim 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 interim financial report is not presented fairly, in all material respects, in accordance with AASB 134 *Interim Financial Reporting* so as to present a view which is consistent with our understanding of the Group's financial position as at 31 December 2015 and its performance and cash flows for the interim period ended on that date. 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 an interim 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 Accounting Professional and Ethical Standards Board.



Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that causes us to believe that the condensed consolidated interim financial report of WiseTech Global Limited does not present fairly, in all material respects, the financial position of the Group as at 31 December 2015 and of its financial performance and its cash flows for the six month interim period ended on that date, in accordance with AASB 134 *Interim Financial Reporting*.

KPMG

KPMG

Caoimhe Toouli

Caoimhe Toouli
Partner

Sydney

10 February 2016