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WTC acquires South Korean customs solutions provider, Ready Korea

Global logistics solutions group, WiseTech Global, today announced the acquisition of Ready Korea, a leading customs, bonded warehouse and trade compliance solutions provider in South Korea.

Headquartered in Seoul, Ready Korea offers a cross-border compliance solution, which facilitates the lodgement of electronic transactions to the Korean Customs Service, including customs brokerage and refunds, and Free Trade Agreement verifications, along with bonded warehouse management. Ready Korea also provides a trade administration solution to facilitate the generation and submission of electronic import/export documentation. Customers of Ready Korea include FedEx, Bayer Korea, Korea 3M Corporation, Samsung, Siemens, Johnson & Johnson, and many other organisations.

WiseTech Global Founder and CEO, Richard White, said, "As the 8th largest export market and 10th largest import market¹ in the world, South Korea plays a key role in Asia's, and the world's, supply chains. Bringing Ready Korea's regional customs and trade management expertise into the group now expands our innovation and development capabilities in this important region as we continue to build-out our global customs footprint. This is a further step in strengthening our international reach deeper across Asia and together we will develop even more productive and valuable cross-border logistics solutions for our regional and global customers."

For Ready Korea, the net purchase price comprises ~\$13.2m upfront, with a further multi-year earn-out potential of up to ~\$7.0m related to business and product integration, customs development, customer conversion and financial performance². With Ready Korea's adjusted CY18 annual revenue and EBITDA of ~\$7.3m and ~\$1.6m³ respectively, this transaction, while of strategic value, is not material to the WiseTech Global group. Ready Korea is expected to be consolidated into WiseTech Global accounts from 31 December 2019.

Remaining under the leadership of Managing Director, Tom Kim, Ready Korea's operations will be integrated within the WiseTech Global group and Ready Korea will continue to deliver its customs and trade management solutions directly to its own customers, along with CargoWise over time.

This transaction follows WiseTech's other recent logistics solutions acquisitions in Argentina, Australasia, Belgium, Brazil, Canada, France, Germany, Ireland, Italy, the Netherlands, North America, Norway, Spain, Sweden, Taiwan, Turkey, the UK and Uruguay, and is in line with WiseTech Global's clearly stated strategy of accelerating long-term organic growth through targeted, valuable geographic foothold and technology adjacency acquisitions.

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Authorised for release to ASX by David Rippon, Corporate Governance Executive and Company Secretary.

¹ World Bank (27 Sept 2019)

² Approximate AUD equivalents to consideration amounts denominated in KRW.

³ Historical revenues and EBITDA figures for acquired businesses should not be considered guidance for future financial contribution due to their differing licence arrangements, the extent of non-recurring revenue (such as one-off development and consulting income) and the potential impact of integration. Historical CY18 revenue and EBITDA adjusted to remove impact of divested property unrelated to the acquisition.

About WiseTech Global

WiseTech Global is a leading developer and provider of software solutions to the logistics execution industry globally. Our customers include over 12,000 of the world's logistics companies across 150+ countries, including 43 of the top 50 global third-party logistics providers and 25 of the 25 largest global freight forwarders worldwide⁴. Our flagship platform, CargoWise One, forms an integral link in the global supply chain and executes over 50 billion data transactions annually. At WiseTech, we are relentless about innovation, adding ~3,500 product enhancements to our global platform in the past 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.

The WiseTech Global group includes CargoWise One, ABM Data Systems, ACO Informatica, BorderWise, Bysoft, Cargoguide, CargoIT, CargoSphere, CMS Transport Systems, Containerchain, CustomsMatters, DataFreight, Depot Systems, EasyLog, Fenix, Forward, Intris, LSP Solutions, Microlistics, Multi Consult, Pierbridge, ProLink, SaaS Transportation, SmartFreight, Softcargo, Softship, Systema, Taric, Trinium Technologies, Ulukom, Xware, zsoft and znet Group.

For more information about WiseTech Global or CargoWise One, please visit www.wisetechglobal.com

About Ready Korea

Founded in 1989, Ready Korea is a leading customs, bonded warehouse management and trade compliance solutions provider in South Korea, with customers including FedEx, Bayer Korea, Korea 3M Corporation, Samsung, Siemens, Johnson & Johnson, and many other logistics providers and organisations. Ready Korea is an official partner of the Korean Customs Brokers Association.

Headquartered in Seoul, Ready Korea has a team of over 60 people, providing customs, trade and technical expertise along with software development capabilities.

For more information on Ready Korea visit www.readykorea.co.kr/

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⁴ Armstrong & Associates: Top 50 Global Third-Party Logistics Providers List, ranked by 2017 logistics gross revenue/turnover. Armstrong & Associates: Top 25 Global Freight Forwarders List, ranked by 2017 logistics gross revenue/turnover and freight forwarding volumes.