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For immediate release

Wellington Drive Technologies upgrades 2019 guidance

Wellington Drive Technologies (Wellington), a leading provider of Internet of Things (IoT) solutions and energy efficient motors to the retail food and beverage industry, today announced an upgrade of its earnings guidance for the 2019 financial year.

Wellington has recently seen an increase in order take for its Connect SCS and data services, its ECR2 motor and some legacy motors. This demand increase is a result of increased cooler equipment demand from some beverage brands and cooler manufacturers starting to position inventory in advance of first quarter 2020. It should be noted that the company's December month can be particularly volatile, with customers making order increase and deferral decisions late in the month.

As a result of these recent order increases and somewhat stronger fourth quarter demand, the company now expects revenue to be above the \$58.8m reported for 2018, versus previous guidance of revenue in line with 2018. EBITDA¹ is now expected to be in the range of \$3.5m and \$4.0m, versus previous guidance of between \$3.0m and \$3.5m. The company expects to deliver a modest pre-tax profit.

This guidance excludes any adjustment required as a result of the fair value assessment of the contingent consideration liability in respect of the iProximity acquisition.

Wellington announced its pro rata renounceable rights issue of new ordinary shares ("Offer") on 25 October 2019. Wellington confirms, as at the date of this announcement that, for the purposes of the Offer, it continues to be in compliance with its "continuous disclosure" and "financial reporting obligations", and that there is no information that is "excluded information" as each of those terms are described in Wellington's cleansing notice dated 25 October 2019. Wellington notes that the Offer closes at 5pm NZT on 25 November.

About Wellington Drive Technologies:

Wellington is a leading provider of IoT solutions, cloud-based fleet management platforms, energy-efficient electronic motors and connected refrigeration control solutions. It serves some of the world's leading food and beverage brands and refrigerator manufacturers and offers proximity-based marketing for Smart Cities to the Australian market. Wellington's products and services improve sales, decrease costs and reduce energy consumption for its customers products. Headquartered in Auckland with a global reach, Wellington is listed on the New Zealand stock exchange under the ticker symbol NZ:WDT. For further information visit www.wdtl.com

EBITDA¹ (i.e. Earnings before interest, taxation, depreciation, amortisation and impairment) is a non- GAAP earnings figure that equity analysts tend to focus on for comparable company performance analysis. Wellington considers that it is a useful financial indicator because it avoids the distortions caused by differences in amortisation and impairment policies.

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