



28th February 2018

Wellington Drive announces intent to acquire iProximity Pty Ltd, a leading proximity marketing and IoT solutions company.

Wellington Drive Technologies is pleased to announce the signing of a Sale and Purchase agreement (SPA) with iProximity, an Australian based innovative proximity marketing solutions and consumer intelligence company. The SPA is an option agreement, which runs until 28 August 2018 and allows Wellington to acquire iProximity according to the terms in Appendix A. These terms include both up-front payments and three year cash and share-based earn out targets. iProximity enhances the value of Wellington's cloud-connected SCS Connect controllers by extending *Smarter Coolers* functionality beyond operational efficiencies, into sales performance improvement and capabilities for consumer marketing and engagement. This enhances the value of SCS Connect controllers for Wellington's customers and Wellington believes it has the potential to materially assist controller sales.

Wellington's CEO, Greg Allen said; "Following twelve months of a successful commercial partnership on customer IoT growth projects, we have entered into an agreement with iProximity. We are incredibly excited to be adding iProximity's proximity marketing and IoT solutions to Wellington's expanding range of products, and to be bringing two seasoned product and marketing professionals in David Burden and Rohan Lean to the team. David will join us as Head of IoT & Marketing Solutions and Rohan as Lead Architect for these solutions. This acquisition will significantly broaden the digital offering for our food and beverage brand customers and unlock a wide range of new market opportunities for the business."

Our partnership will focus on developing and selling Wellington's *Smarter Coolers* platform – this includes the SCS Connect System, data and reporting services and adds iProximity's powerful contextual marketing technology. Wellington's customers directly engage with consumers "at the point of decision" in front of the cooler or food dispenser. Our joint efforts to date give us increased confidence that this is a game changer with Wellington's *Smarter Coolers* solution being currently assessed by a number of global customers.

iProximity's enterprise IoT platform also forms the infrastructure for its existing Smart Cities business in Australia, which will become part of the Wellington group. This platform enables city councils to engage with their citizens by providing contextual proximity based information delivered to mobile devices of locals and visitors through each city's apps. Several programmes such as '*Smart Bikes*', '*Smart Facilities*' and '*Smart Signs*' are up and running in a number of locations. As part of the acquisition Wellington will support and look to grow the Smart Cities business and explore further expansion.

iProximity founders David Burden, and Rohan Lean, commented, "Wellington's investment and development support and its position with significant global brands allows us to develop our digital marketing solutions faster, with better access to capital for investment, meaning we can accelerate adoption and growth on a global scale. We have been working closely with the Wellington team for a year now and this exciting next step is made with the full knowledge of our joint vision of growing a global digital marketing solutions business. Our technology coupled with Wellington's products and customers is world beating and we can't wait to be part of the team."

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The acquisition of iProximity, once completed, is expected to accelerate the volume growth in SCS Connect and increase the software business opportunity by complementing Wellington's existing data services with iProximity's proximity marketing and consumer engagement software. Customers who are assessing and testing this new marketing software include global beer brands, food and soft drink brands and food service retailers. The FY2018 impact from iProximity is expected to be minimal, however the relationship is already benefiting Wellington's IoT revenues.

Tony Nowell, Wellington Chairman commented "The board is pleased to announce the Company's first ever acquisition, one that is a critical next step in the company's strategy to develop vertical capability in its digital products business. It is particularly exciting to be developing proximity based marketing solutions and services for Wellington's global food and beverage brand customers. This intended acquisition further diversifies the company's revenues and enhances our growth strategy."

About Wellington Drive Technologies: Wellington Drive Technologies is a leading global provider of energy efficient electronic motors, airflows solutions and cloud-connected refrigeration control solutions for the commercial refrigeration markets. It serves some of the world's leading food and beverage brands and refrigerator manufacturers with advanced products that reduce their costs, reduce energy consumption, and improve product sales. Wellington is headquartered in Auckland, New Zealand, listed on the New Zealand stock exchange under the ticker symbol NZ:WDT.

About iProximity: iProximity delivers location intelligence through technology, platforms and software that connects digital information with physical spaces. Founded in 2013 by successful tech entrepreneurs David Burden and Rohan Lean, iProximity has developed the iPX™ cloud based IoT management platform and products that include Mobile Coupon Factory, HelloLocal, ScreenSmarts and an IoT smart Hub – the iPR™. Based in Melbourne Australia, iProximity services a growing global customer base.

For further information visit www.wdtl.com.

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