



29<sup>th</sup> August, 2016

Media Release

For Immediate Release

**Wellington Drive, a leading refrigeration technology company, announces 2016 half-year financial result, with significant revenue growth and an EBITDA profit.**

Highlights for the first half include:

- ✓ **Significant revenue growth:** NZ Dollar revenue was \$18.7 million, a 38% increase compared to the same period last year. In US Dollar terms revenue increased by 25% to US\$12.6m from US\$10.1m.
- ✓ **Gross margin continues to climb:** Gross Margin increased to 22.4% from 20.7% due to continuing supply chain cost improvements.
- ✓ **Positive EBITDA:** Adjusted EBITDA improved by \$0.9m to a profit of \$279,000 for the half.
- ✓ **Positive cash flow:** Operating cash flows of \$0.6m compared to \$0.5m in H1 2015
- ✓ **18% volume growth in EC motors:** Resulting from increased demand in the Americas and Asia Pacific regions, customer wins in Europe and growing sales of the new ECR2 motor.
- ✓ **New SCS Connect product off to a strong start:** 24,000 units sold including data services. Continued expansion of SCS Connect field trials in Asia North America, Europe, Africa and Latin America.

CEO Greg Allen commented; “We are very pleased with the progress we are making selling our new SCS Connect and ECR2 products and expect that progress to continue. There are many exciting developments under-way, in particular in the digital and data services area on our SCS Connect platform. The company is on track to achieve its 2016 full year guidance and we are anticipating further growth and EBITDA profits in 2017. We are working on a number of large growth opportunities that if secured will further accelerate our rate of improvement.”

For further information visit [www.wdtl.com](http://www.wdtl.com).

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*Note: - EBITDA is Earnings before Interest, Taxation, Depreciation, Amortisation and Impairment. Wellington has always reported the EBITDA result because this is the profit performance measure that avoids the distortions caused by differences in amortisation and impairment policies. In the 2016 year we have isolated the effects on EBITDA of the revaluation of Mandatory Convertible Preference Shares for NZD/USD exchange rate movements which is “non cash” and does not arise from the company’s business activities – this is referred to as Adjusted EBITDA.*