

## Notice of Compulsory Sale and Buyback of Minimum Holdings

Wellington Drive Technologies Limited (**Wellington**) appreciates the support of all its shareholders but is aware that it is difficult for many small shareholders to sell their Wellington shares, as they often do not have a share broker and the cost of brokerage is disproportionately high relative to the value of their shareholding.

In addition, Wellington is concerned at the ongoing high cost of maintaining a share register with many very small holdings, which currently comprise approximately 50% of Wellington's share register.

In accordance with clauses 4.4 and 5.1 of Wellington's Constitution and NZX Listing Rule 8.1.6 (c), the Board hereby gives notice that at the expiration of three months after this notice, being **30 June 2022 (Notice Expiry Date)**, the Board will exercise the power of sale of individual holdings on Wellington's share register of less than the Minimum Holding of shares in the manner described below.

Wellington intends to acquire holdings less than the Minimum Holding on 1 July 2022 (**Acquisition Date**)<sup>1</sup> being the next business day after the Notice Expiry Date, as it is permitted to do by its Constitution and the NZX Listing Rules. Wellington considers this to be the most efficient method of effecting this process of acquiring shares less than a Minimum Holding.

All shares acquired by Wellington will be cancelled.

The Minimum Holding calculated in accordance with the NZX Listing Rules for the purposes of this Notice is 5,870 Wellington shares<sup>2</sup>.

There are no brokerage or other costs to shareholders that participate in the compulsory sale and Wellington will pay the gross proceeds of sale to the relevant shareholders.

In summary the important dates are:

Relevant Date (for calculation of Minimum Holdings)	29 March 2022
Notice Date (date of this Notice)	30 March 2022
Notice Expiry Date	30 June 2022
Acquisition Date	1 July 2022

<sup>1</sup> Subject to ongoing compliance with the requirements of the Companies Act 1993. To the extent that Wellington is unable to acquire the holdings that are less than the Minimum Holding on 30 June 2022, Wellington will instead acquire such holdings on the next practicable date it is able to do so in compliance with all laws.

<sup>2</sup> The NZX Listing Rules and Wellington's Constitution define a "Minimum Holding" as a holding with an Average Market Price of at least **one thousand dollars** (\$1,000), where the "Average Market Price" is calculated as the lesser of the volume weighted average price of Wellington's shares calculated from trades through the NZX Main Board over the following two periods:

- (a) 20 Business Days before the Relevant Date; or
- (b) 5 Business Days before the Relevant Date.

The "Relevant Date" for the calculation of the Minimum Holding is 29 March 2022 (being the business day immediately prior to the date of this Notice). The Average Market Price of Wellington shares on the NZX Main Board as at the Relevant Date was \$0.170345. Therefore, the Minimum Holding for the purposes of this Notice is 5,870 Wellington shares.

**A Shareholder with a less than Minimum Holding has three months to choose one of the following four options:**

**Option 1: Do nothing and Wellington will acquire the relevant shares on the Acquisition Date.**

After the Notice Expiry Date, Wellington will acquire and cancel the shareholder's shares through an off-market share buyback under the Companies Act 1993. The price paid per share will be equal to the higher of the volume weighted average price of Wellington's shares calculated from trades through the NZX Main Board over the following two periods:

- (a) 20 Business Days before the Acquisition Date; or
- (b) 5 Business Days before the Acquisition Date.

The shareholder will receive the sale proceeds as soon as practicable after the sale of the shares to Wellington. The proceeds will be deposited into the bank account Wellington's share registrar, Computershare, has on record for the shareholder. Shareholders should therefore ensure these details are up to date.

Any tax consequences from the sale of shares to Wellington under this process will be the shareholder's responsibility.

**Option 2: Increase your shareholding:**

The compulsory sale process can be avoided if a shareholder purchases additional shares to bring their shareholding to at least the Minimum Holding. Wellington is not providing a facility for this, and shareholders may have to pay applicable brokerage fees to acquire additional shares.

The purchase of additional shares must be registered with the Company's share registrar, Computershare, in the same holding as the shareholder's existing shares by 5pm on the Notice Expiry Date.

**Option 3: Dispose of your shareholding:**

The compulsory sale process can be avoided if the Minimum Holding is:

- sold to a third party; or
- transferred to a third-party nominee account where the shares are aggregated together with other shares held by the nominee on the Wellington's share register, where the holder has sufficient other shares to avoid the compulsory sale process.

**Option 4: Notify Computershare if you wish to retain your shares:**

If you hold less than a Minimum Holding but wish to retain your shares, you must complete and return the Minimum Holding Retention Form provided with this Notice, so that it is received by Computershare by 5pm on 30 June 2022.

**Enquiries**

If you have any queries about your shareholding or you wish to check or update your details, please contact the Share Registrar:

Computershare Investor Services Limited  
Level 2, 159 Hurstmere Road, Takapuna, Auckland  
Private Bag 92119, Victoria Street West, Auckland

Investor Enquiries: 0800 650 034 (freephone within  
New Zealand) or +64 9 488 8777

Email: [wdt@computershare.co.nz](mailto:wdt@computershare.co.nz)



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