



23 November 2022

Market Announcement

For immediate release

AoFrio updates guidance

On 31 October AoFrio announced that the Company expected annual EBITDA* to fall towards the lower end of a \$3.5 – \$4.5 million range, due to some customers pushing orders out of Q4-2022 into Q1-2023. Revenue was expected to be around \$83 million for the year.

Whilst Q4 trading volumes are tracking significantly above what was recorded earlier this year (see table below), we continue to see customers delaying deliveries until next year due to inventory management.

| NZ\$000s | 2022 | 2021 |
|--------------------|------|------|
| Q1 | 18.4 | 14.6 |
| Q2 | 13.5 | 15.9 |
| Q3 | 18.1 | 15.3 |
| Q4 forecast | 29.5 | 18.3 |
| Full Year forecast | 79.5 | 64.2 |

We now expect revenue to fall between \$79 – \$80 million, which represents a 23 – 25% increase compared to the 2021 year. This revenue result is expected to deliver an EBITDA result in the range \$2.5 to \$3.0 million.

AoFrio remains on track to becoming a NZ\$100 million revenue company in 2023, which indicates revenue growth in the 20-30% range during FY23.

The Company has significant opportunities with its new product range and new customer targets and expects strong demand in these areas. However, the Company remains cautious about its base demand, given elevated global macroeconomic risks from rising interest rates that could slow global growth and impact future revenue.

**EBITDA (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. AoFrio considers it a valuable financial indicator because it avoids the distortions caused by differences in amortisation and impairment policies. Contact*

Greg Balla
Chief Executive Officer
Phone + 64 21 938 601

Howard Milliner
Chief Financial Officer
+64 27 587 0455