



Wellard

ASX Announcement
3 January 2017

Covenant Waiver Update

Wellard Limited (Wellard, ASX:WLD) provides the following update on its banking covenants.

In Wellard's previous announcements, Wellard noted that it had breached certain financial undertakings on 30 June 2016 related to its working capital facility and would likely breach certain financial covenants to be measured at 30 September and 31 December 2016 in its working capital and other secured loan facilities.

The covenant breaches in the working capital facility pertaining at 30 June and 30 September 2016 were waived.

Wellard now advises that the anticipated December 31 banking covenant breaches have occurred and Wellard is working productively with its finance providers to address the issue by way of waiver or amendment of the relevant financial covenants.

Mr Balzarini said that while the foreshadowed subdued trading conditions in the first half of FY2017 will result in a loss, improving trading conditions are expected to produce a profit in the second half.

The Company will update the market in due course.

For further information:

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