

# Windar Photonics

## Transformational Chinese contract signed

Windar Photonics has received a follow-on order from one of its Chinese distributors for 300 WindEYE LiDAR systems. The first 50 are for delivery this month, the remaining 250 during H118. Management believes that there is potential for significant follow-on orders in H218. The financial details have not been disclosed, but we calculate that this order represents two to three times as many LiDAR systems as were shipped in either FY16 or H117. We will update our estimates shortly.

Year end	Revenue (€m)	EBITDA (€m)	PBT* (€m)	EPS* (€)	DPS (€)	P/E (x)
12/15	0.9	(2.8)	(3.3)	(0.08)	0.0	N/A
12/16	1.2	(2.4)	(3.0)	(0.07)	0.0	N/A
12/17e	N/A	N/A	N/A	N/A	N/A	N/A

Note: \*PBT and EPS are normalised, excluding amortisation of acquired intangibles, share-based payments.

The order is from one of the partners in China that signed up earlier this year after management decided to develop a distribution network rather than rely on a direct salesforce. It is the culmination of several months of on-site trials based on an initial delivery back in April 2017. These test LiDAR systems were integrated directly into the wind turbine control system for optimisation of yaw alignment (orientation with respect to incoming wind) to increase the average power generation of individual turbines and reduce damaging loads, thus extending turbine life span. The partner worked closely with several Chinese independent power providers (IPPs) during the trial. The 300 LiDAR units that were recently ordered will be sold on to local IPPs for installation on existing wind turbine generators.

This volume order is not only the largest one that Windar has received so far, but is, according to management, the largest number of LiDAR units ever ordered in the history of the wind energy industry. It shows that Windar's proposition of developing a LiDAR system that is sufficiently low cost to be integrated into an individual wind turbine, directly controlling the orientation of that turbine, has become a commercial reality.

Milestone contract award

Alternative energy

6 December 2017

**Price** 98.5p  
**Market cap** £41m

Net cash (€m) at end June 2017 excluding Growth Fund loan and subscription in July raising £1.25m 0.4

Shares in issue (after subscription) 41.8m

Free float (after subscription) 47.9%

Code WPHO

Primary exchange AIM

Secondary exchange N/A

### Share price performance



### Business description

Windar Photonics is a Copenhagen-based developer and manufacturer of an innovative, low-cost light detection and ranging (LiDAR) system. Approaching wind direction and speed is measured ahead of a wind turbine, allowing appropriate yaw alignment.

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