

20 February 2025

Investments delivering outcomes that underpin future growth

PWR Holdings Limited (ASX: PWH) (**PWR**), reports a Net Profit After Tax (**NPAT**) of \$4.1 million for the period ended 31 December 2024.

A fully franked interim dividend of 2.00 cents per share will be paid to shareholders on 21 March 2025.

FINANCIAL PERFORMANCE

A\$M	FY25 H1	FY24 H1	Variance
Revenue	62.9	64.2	(2.1%)
EBITDA ¹	11.0	18.4	(40.2%)
EBITDA ¹ margin	17.5%	28.7%	(11.2ppts)
Cash conversion ratio ²	137.2%	93.7%	43.5ppts
Net profit after tax	4.1	9.8	(58.2%)
Earnings per share	4.06 cents	9.74 cents	(58.3%)
Interim dividend per share	2.00 cents	4.80 cents	(58.3%)

NPAT of \$4.1 million was above the November guidance range of \$3.2 - \$3.7 million¹.

PWR saw strong growth in Aerospace and Defence (**A&D**), and continued momentum in Motorsports programs:

- A&D revenue grew by 79% driven by an increasing number and scale of programs. The scale of this opportunity validates our decision to invest in headcount at the end of FY24 and into H1 FY25 positioning us “ahead of the curve” to capitalise on future opportunities; and
- Motorsport revenue grew by 5% due to increasing demand for emerging technologies including micro matrix and cold plates.

The half saw several headwinds. These included the completion of major Automotive OEM programs in FY24, three niche OEM EV programs not proceeding in FY25, even though PWR received purchase orders in FY24 for the FY25 work program, and a global decline in aftermarket revenue due to broader economic pressures.

PWR Chairman, Roland Dane, said “Investing in the new headquarters at Stapylton along with continued substantial investment in our factories in Rugby (UK) and Indianapolis (USA) reinforces our confidence in the significant growth opportunities ahead. These investments position PWR to capitalise on increasing demand, particularly in A&D and emerging technologies.

The Board has declared a fully franked interim dividend of 2.00 cents per share.”

¹ ASX Announcement | PWR Trading Update, 20 November 2024

Founding shareholder and Managing Director, Kees Weel, said, “FY2025 is a pivotal transition year for PWR, marked by a significant investment to position the company for future growth. While this is our largest investment to date, the scale of the opportunity makes it both necessary and timely.”

Our track record demonstrates that investing ahead of the curve has been key to our success, and as we move into our new headquarters in Stapylton, we are making the commitments needed to capitalise on future opportunities. In the near term, this will impact operating margins, but it is an essential step in ensuring PWR remains at the forefront of innovation and industry leadership. As a result, FY2025 revenue is expected to be 5-10% below FY2024.”

Investment in Aerospace and Defence

- The rapid increase in A&D revenue from \$0.6 million in FY20 (12 months) to over \$13.9 million in HY2025 (6 months) reinforces our confidence in continuing to expand our A&D capability and capacity;
- Throughout FY25 we have made - and will continue to make - disciplined strategic investments in headcount ahead of the curve, adding and repurposing roles to ensure we are well-positioned for future growth opportunities, particularly in A&D. These roles span engineering, simulation, quality assurance, quality control, advanced planning, IT and specialist manufacturing; and
- The expansion of global factory space and continued investment in advanced equipment is essential to delivering on medium- and long-term A&D and emerging technology growth opportunities. Additionally, these investments provide us with greater production site flexibility to mitigate evolving terms of trade risk.

New Headquarters at Stapylton

- PWR gained early access to the new Australian factory in Stapylton² on 1 August 2024, enabling us to commence upgrade and fit out works ahead of the full transition which is expected to be completed by November 2025; and
- The new Stapylton factory will increase PWR’s Australian factory space by 84% to 20,800m², enabling more than 100% increase in domestic manufacturing capacity. This facility, alongside PWR’s broader capital investment program will improve production efficiency by streamlining production flows and increasing automation.

Strong Balance Sheet

- Balance sheet strength and unutilised facilities provides ample ability to fund future global expansion plans. PWR finished the half with a net cash position of \$6 million.

The Appendix 4D, Audited Consolidated Financial Statements for HY2025 and an investor presentation have been lodged on the ASX Company Announcement’s Platform and can also be found on PWR’s website: www.pwr.com.au.

Management will host an investor webcast and call on Friday, 21 February 2025 at 8.00 am Brisbane time (AEST). Click on the following links to register and obtain the webcast or dial in details (<https://s1.c-conf.com/diamondpass/10044294-49g08o.html>).

For further information:

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² Supported by the Queensland Government’s Invested in Queensland program with \$8.78 Million in assistance over 10 years for the expansion of PWR’s manufacturing facility to the new premises at Stapylton.