

29 August 2019

PWR reports record FY19 NPAT of \$14.2 million

PWR Holdings Limited (ASX: PWH) (**PWR**), has reported a record Net Profit After Tax (NPAT) of \$14.2 million for the year ended 30 June 2019.

A final dividend of 6.9 cents per share has been declared together with a special dividend of 3.0 cents per share. The full year dividend payout ratio has been maintained at 60% of NPAT and, together with the special dividend, brings the total full year dividend to 11.5 cents per share which in total is an increase of 58% on FY18.

FINANCIAL PERFORMANCE

A\$'000	FY19	FY18	FY17	Variance FY18-FY19
Revenue	65,411	51,889	48,117	+26.1%
EBITDA ¹	21,763	16,336	14,728	+33.2%
EBITDA margin	33.3%	31.5%	30.6%	+5.7%
Operating cash flow	22,397	16,639	13,529	+34.6%
Net profit after tax	14,206	11,001	9,280	+29.1%
Underlying net profit after tax	14,206	12,110	9,280	+17.3%
Earnings per share (statutory NPAT)	14.2 cents	11.0 cents	9.28 cents	+29.1%
Interim dividend per share (fully franked)	1.6 cents	1.1 cents	0.9 cents	+45.5%
Final dividend per share (fully franked)	6.9 cents	6.2 cents	4.7 cents	+11.3%
Special dividend per share (fully franked)	3.0 cents	-	-	-

NPAT of \$14.2 million was driven by:

- A strong second half aligned to the seasonal activity in the motorsports industry.
- Revenue growth of 26% with GBP revenue up 40% over the prior corresponding period ("pcp"), AUD revenue up 17% on the pcp and USD revenue down 7% due primarily to C&R FY18 revenue including the now discontinued segment at C&R.
- Sales in emerging technologies including electronics cooling and battery cooling starting to develop recurring revenue streams.
- Currency hedging and exchange rate movements resulted in a \$0.57m foreign exchange gain for the reporting period and a favourable revenue impact of \$2.3m compared to the pcp.

PWR Chairman, Teresa Handicott, said "PWR has maintained its strong balance sheet with over \$20 million cash on hand at 30 June 2019. As a result, the Board has declared a final, fully franked dividend for FY19 of 6.9 cents per share and a special dividend of 3.0 cents per share, taking the total full year dividend to 11.5 cents per share, an increase of 58% on the prior period."

¹ Earnings Before Interest, Tax, Depreciation and Amortisation ("EBITDA") is a non-IFRS term which has not been subject to audit or review but has been determined using information presented in the Company's financial statements

Founding shareholder and Managing Director, Kees Weel, said the full year result reflects a solid performance across all parts of the business.

“Investments made in H2 FY18 and H1 FY19 in both people and capital equipment has enabled us to capitalise on growth opportunities and market developments.”

The transformation of C&R in the USA has seen production volumes and throughput increasing by providing manufacturing capacity for the significant revenue growth in Europe. In addition, with some of the OEM programs coming on stream in FY20, capacity utilisation at C&R is expected to continue to improve through FY20 and FY21.”

Outlook

- Niche OEM programs commenced and to ramp up through FY20 and FY21.
- Strong focus on opportunities in emerging technology and micro matrix.
- Efficient and effective growth a key focus for the next 12 months.
- Continuing investment in R&D, people, systems and processes.
- Foreign currency exchange rate fluctuations will continue to influence results and currently hedged to June 2020 for approximately 50% of anticipated GBP revenue.

The Appendix 4E, Audited Consolidated Financial Statements for FY19 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 call on 2 September 2019 at 10:00 am Brisbane time (AEST).

Participant Dial-in Numbers

- Australia Toll Free: 1800 908 299
- Australia Local: +61 2 9007 8048
- Conference ID: 1000 1713
- All Participants will be asked to provide the Conference ID when joining the Call.

For further information:

A handwritten signature in black ink, appearing to read 'Kees Weel'.

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A handwritten signature in black ink, appearing to read 'Stuart Smith'.

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