

Appendix 4D
Half Yearly Report

Name of Entity: PWR Holdings Limited
ABN: 85 105 326 850

1. Reporting Period

Reporting Period:	Half year ended 31 December 2024 ("current period")
Previous Reporting Period	Half year ended 31 December 2023 ("previous corresponding period")

2. Results for Announcement to the Market

A\$'000

Revenues from ordinary activities	Down	2.1%	to	\$62.9m
Profit / (loss) from ordinary activities after tax attributed to members	Down	58.2%	to	\$4.1m
Profit / (loss) for the period attributed to members	Down	58.2%	to	\$4.1m

Dividends (distributions)	Amount per security	Franked amount per security
<i>Current period</i>		
Interim dividend	2.00 cents	100%
<i>Previous corresponding period</i>		
Interim dividend	4.80 cents	100%
Record date for determining entitlements to the dividend		14 March 2025

Brief explanation of revenue, net profit and dividends (results commentary)

Information on results and operations is included in the Directors' Report.
Subsequent to the end of the reporting period, the directors declared a fully franked interim dividend for the half year ending 31 December 2024 of 2.00 cents per ordinary share to be paid on 21 March 2025, a total estimated distribution of \$2.0 million based on the number of ordinary shares on issue as at 21 February 2025 and representing 49% of NPAT.

3. Net Tangible assets per security

	Current period	Previous corresponding period
Net tangible assets per security	\$0.80	\$0.73

4. Details of entities over which control has been gained or lost during the period

Control gained over entities

Name of entities	Nil
Date(s) from which control was gained	N/A
Contribution to consolidated profit/(loss) from ordinary activities after tax by the controlled entities since the date(s) in the current period on which control was acquired.	N/A
Profit/(loss) from ordinary activities after tax of the controlled entities for the whole of the previous corresponding period.	N/A

Loss of control of entities

Name of entities	PWR EU B.V.
Date(s) from which control was lost	14 November 2024
Contribution to consolidated profit/(loss) from ordinary activities after tax by the controlled entities to the date(s) in the current period when control was lost.	(\$37,000)
Profit/(loss) from ordinary activities after tax of the controlled entities for the whole of the previous corresponding period.	(\$71,000)

Details of Individual and Total Dividends

		Date dividend is payable	Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
Interim dividend	Current period	21 March 2025	2.00 cents	100%	-
Interim Dividend	Previous corresponding period	22 March 2024	4.80 cents	100%	-

5. Dividend reinvestment plan

Details of any dividend reinvestment plans in operation

N/A

The last date for the receipt of an election notice for participation in any dividend or distribution reinvestment plan

N/A

6. Details of Associates and Joint Ventures:

Name of associate or joint venture entity	Percentage holding	
	Current period	Previous corresponding period
Nil	Nil	Nil

Where material to an understanding of the report – aggregate share of profits (losses) of these entities, details of contributions to net profit for each of these entities, and with comparative figures for each of these disclosures for the previous corresponding period:

N/A

7. For foreign entities, details of origin of accounting standards used in compiling the report (e.g. International Financial Reporting Standards)

N/A

8. Description of dispute or qualification if the accounts have been audited or subject to review

N/A

This report is based on: Accounts that have been subject to review.



Kees Weel

Managing Director

20 February 2025

Interim Financial Report

**For the six months ended
31 December 2024**



The Global Leader in Cooling Technology

Inspired by Engineering Excellence

PWR Holdings Limited

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The directors present their report together with the financial report of PWR Holdings Limited (the “Company”) and its controlled entities (the “Group”) for the six months ended 31 December 2024 and the review report thereon.

Directors

The directors of the Company at any time during or since the end of the period are:

Director		Commencement Date
Roland Dane	<i>Independent, Non-Executive Director and Chairman</i>	1 March 2017
Kees Cornelius Weel	<i>Managing Director</i>	30 June 2003
Kym Osley	<i>Independent, Non-Executive Director</i>	1 February 2023
Amanda Holt	<i>Independent, Non-Executive Director</i>	11 September 2023
Kristen Podagiel	<i>Independent, Non-Executive Director</i>	1 February 2024
Jason Conroy	<i>Independent, Non-Executive Director</i>	1 May 2024
Jeffrey Ian Forbes	<i>Independent, Non-Executive Director</i> <i>(resigned 18 October 2024)</i>	7 August 2015

The Company’s registered office and principal place of business is 103 Lahrs Road, Ormeau, Queensland 4208.

Operating and financial review

During the half year, the Group has continued with its previously announced commitment to strategic diversification focussing on defence and aerospace applications, in addition to maintaining and where possible growing existing core market segments.

The nature of this strategic diversification, by leveraging our unique capability and technology to grow our Aerospace and Defence business organically, is driven by investment in:

- manufacturing equipment, capacity and automation process improvement;
- increased headcount in quality assurance, cyber and technical expertise capability;
- quality management systems, certifications and accreditations; and
- continued development of innovative product solutions.

Revenue

The Group overall revenue reduced by 2.1% compared to the previous corresponding period.

Revenue grew across the major market segments of Aerospace and Defence and Motorsports, while Automotive OEM was lower due to the completion of two large programs and the automotive aftermarket was lower due to broader economic conditions and the impact of price increases.

EBITDA¹

EBITDA of \$11.0 million in HY2025 (HY2024: \$18.4 million) decreased by 40.2%. The EBITDA margin of 17.5% in HY2025 (HY2024: 28.6%) was lower mainly due to:

- Lower revenue;
- Investment in headcount and operating cost in advance of expected revenue; and
- Changes to product and service sales mix.

The Group has responded to the increased operating expenses by reviewing the organisational structure, headcount, and annual sale price increases with the full impact of these measures yet to be reflected in the financial results.

Our investment for the period of over \$14.2 million for additional capital equipment and the new headquarters at Stapylton, Queensland, will provide improved capability, automation and increased capacity.

Operating and financial review (continued)

Net Profit After Tax

Net profit after tax of the Group for the six months ended 31 December 2024 was \$4.08 million (HY2024: \$9.78 million). Earnings per ordinary share of 4.06c was a decrease of 58.3% on the previous corresponding period earnings per ordinary share of 9.74c.

Operating Segments

The operating segments of PWR Performance Products and PWR C&R (also referred to as PWR North America and C&R Racing) have been impacted by investment in additional headcount and operating costs in advance of expected revenue.

Period ending 31 December	PWR Performance Products		PWR C&R		Eliminations		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Segment revenue	48,212	50,423	23,461	18,960	(8,776)	(5,168)	62,897	64,215
Segment EBIT ¹	5,891	11,828	(671)	1,657	216	(4)	5,436	13,481

PWR Performance Products segment revenue of \$48.2 million was a decrease 4.4% on the prior corresponding period revenue of \$50.4 million. This decrease was driven by a reduction in Automotive OEM revenue due to the completion of two large OEM programs, partially offset by increased sales in Aerospace and Defence, and motorsports. PWR Performance Products segment EBIT¹ of \$5.9 million was a decrease of 50.2% on the prior corresponding period EBIT¹ of \$11.8 million due to lower revenue and an investment in headcount and operating costs in advance of expected revenue.

PWR C&R segment revenue of \$23.5 million was an increase of 23.7% on the prior corresponding period revenue of \$19.0 million. PWR C&R segment EBIT¹ loss of \$0.7 million was a decrease of 140.5% on the prior corresponding period EBIT¹ of \$1.7 million due to the increased labour rates, increase in lower margin passthrough revenue from PWR Performance Products and changes to the product sales mix.

Operating cash flow

HY2025 operating cash flow (excluding interest and tax) of \$15.1 million (HY2024: \$17.2 million) was an EBITDA to operating cash conversion of 137.2% (HY2024: 93.7%).

Working capital increased by \$0.6 million (HY2024: \$1.6 million). From 30 June 2024 to 31 December 2024 there was a \$2.4 million reduction in trade debtors and a \$1.4 million increase in inventory due to an increase in finished goods inventories.

The Group is in a net cash position of \$6.0m and continues to fund revenue growth, working capital and capital expenditure from cash resources and a \$5.5 million draw down on borrowing facilities.

¹ Earnings before interest, tax, ("EBIT") also referred to as Segment profit(loss) before interest and tax (Note B1), and Earnings before interest, tax, depreciation and amortisation ("EBITDA") are non-IFRS terms which have not been subject to audit or review but have been determined using information presented in the Group's interim financial report.

Operating and financial review (continued)

Foreign currency

Foreign currency movements during the period combined with the Group's hedging strategy resulted in a foreign exchange gain of \$0.8 million (HY2024: \$0.0 million). The Group is exposed to movements in foreign exchange rates, with consolidated revenue generated in various currencies as outlined below:

	HY2025	HY2024
British pounds (GBP)	45%	55%
US dollars (USD)	37%	30%
Australian dollars (AUD)	14%	10%
Euro (€)	4%	5%
	100%	100%

Review of principal business

During the six months ended 31 December 2024, the Group focussed on diversifying and investing in its operations within the targeted segments in a sustainable and profitable manner for the long-term benefit of stakeholders including shareholders, staff, customers, and suppliers.

Balance sheet and working capital management

The balance sheet remains strong with cash of \$11.5 million (30 June 2024: \$21.7 million) offset by borrowings of \$5.5 million (30 June 2024: \$nil).

Working capital has increased during the reporting period with an increase in finished goods inventories resulting in an increase in working capital (including prepayments) for the six months ended 31 December 2024 of \$0.6 million (HY2024: \$1.6 million).

Investment in capital expenditure was \$14.2 million (HY2024: \$6.1 million).

Environmental, Social and Governance (ESG), including the Impacts of Climate Change

The Group has established four sustainability pillars and ten material sustainability priorities as outlined in the 2024 Annual Report. The Group will provide progress updates on action taken to address the sustainability priorities in the 2025 Annual Report.

Events subsequent to reporting date

The Board declared an interim dividend of 2.00 cents per share. The financial effect of the interim dividend has not been brought to account in the consolidated financial statements for the half year ended 31 December 2024.

Other than the matters noted above, there has not arisen in the interval between the end of the period and the date of this report any items, transactions or events of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future periods.

Lead auditor's independence declaration

The lead auditor's independence declaration is set out on page 6 and forms part of the directors' report for the six months ended 31 December 2024.

Rounding of amounts

The Company is of a kind referred to in ASIC Corporations Instrument 2016/191 issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with that Instrument to the nearest thousand dollars or, in certain cases, to the nearest dollar.

Signed in accordance with a resolution of the directors:



Roland Dane
Chairman

Brisbane
20 February 2025



Kees Weel
Managing Director



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of PWR Holdings Limited

I declare that, to the best of my knowledge and belief, in relation to the review of PWR Holdings Limited for the half-year ended 31 December 2024 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

E. Neville Stanley

Erin Neville-Stanley
Partner

Brisbane
20 February 2025

**PWR Holdings Limited
and its controlled entities**

**Consolidated Statement of Profit or Loss
and Other Comprehensive Income**

For the six months ended 31 December 2024

	<i>Note</i>	31 Dec 2024 \$'000	31 Dec 2023 \$'000
Revenue	<i>B1</i>	62,897	64,215
Other income	<i>B2</i>	853	1,124
Raw materials and consumables used		(13,808)	(13,645)
Employee expenses		(32,727)	(27,163)
Occupancy expenses		(788)	(807)
Other expenses		(5,441)	(5,345)
Profit before depreciation, net finance income/costs and income tax		10,986	18,379
Depreciation and amortisation		(5,550)	(4,898)
Total depreciation and amortisation expense		(5,550)	(4,898)
Finance income	<i>B3</i>	1,050	130
Finance costs	<i>B3</i>	(361)	(336)
Net finance (costs)/income	<i>B3</i>	689	(206)
Profit before income tax		6,125	13,275
Income tax expense	<i>B4</i>	(2,041)	(3,494)
Profit for the period		4,084	9,781
Other comprehensive income			
Items that are or may be reclassified to profit or loss:			
Exchange differences on translating foreign operations		2,311	(1,090)
Cash flow hedge reserve	<i>B8</i>	(1,505)	-
Total comprehensive income for the period		4,890	8,691
Basic and diluted earnings per share		4.06 cents	9.74 cents

The accompanying notes are an integral part of these interim financial statements.

PWR Holdings Limited
and its controlled entities
Consolidated Statement of Financial Position
As at 31 December 2024

	<i>Note</i>	31 Dec 2024 \$'000	30 Jun 2024 \$'000
Assets			
Current assets			
Cash and cash equivalents		11,538	21,664
Trade and other receivables		18,277	23,057
Inventories		21,430	19,995
Other assets		2,649	2,714
Total current assets		<u>53,894</u>	<u>67,430</u>
Non-current assets			
Property, plant and equipment	<i>B5</i>	66,726	55,944
Intangible assets		16,094	15,894
Deferred tax assets		-	155
Total non-current assets		<u>82,820</u>	<u>71,993</u>
Total assets		<u>136,714</u>	<u>139,423</u>
Liabilities			
Current liabilities			
Trade and other payables		7,262	8,895
Lease liabilities		1,619	2,442
Deferred income		407	404
Contract liabilities		396	1,613
Employee benefits		5,353	4,604
Current tax liabilities		1,333	4,427
Derivatives	<i>B8</i>	1,769	-
Provisions		262	242
Total current liabilities		<u>18,401</u>	<u>22,627</u>
Non-current liabilities			
Loans & Borrowings	<i>B7</i>	5,500	-
Lease liabilities		13,769	13,425
Deferred income		1,213	949
Employee benefits		626	573
Deferred Tax Liabilities		472	1,556
Total non-current liabilities		<u>21,580</u>	<u>16,503</u>
Total liabilities		<u>39,981</u>	<u>39,130</u>
Net assets		<u>96,733</u>	<u>100,293</u>
Equity			
Share capital	<i>C1</i>	28,040	27,343
Reserves		4,144	3,240
Retained earnings		64,549	69,710
Total equity		<u>96,733</u>	<u>100,293</u>

The accompanying notes are an integral part of these interim financial statements.

PWR Holdings Limited
and its controlled entities
Consolidated Statement of Changes in Equity
For the six months ended 31 December 2024

<i>Note</i>	Share capital \$'000	Foreign currency translation reserve \$'000	Share based payments reserve \$'000	Hedge reserve \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2024	27,343	1,158	2,082	-	69,710	100,293
Total comprehensive income for the period						
Profit for the period	-	-	-	-	4,084	4,084
Other comprehensive income	-	2,311	-	(1,505)	-	806
Total comprehensive income	-	2,311	-	(1,505)	4,084	4,890
Transactions with owners, recorded directly in equity						
Dividends paid C3	-	-	-	-	(9,245)	(9,245)
Employee share-based payments	-	-	795	-	-	795
Share options exercised	697	-	(697)	-	-	-
Total transactions with owners	697	-	98	-	(9,245)	(8,450)
Balance at 31 December 2024	28,040	3,469	2,180	(1,505)	64,549	96,733
Balance at 1 July 2023	26,807	1,647	1,354	-	58,662	88,470
Total comprehensive income for the period						
Profit for the period	-	-	-	-	9,781	9,781
Other comprehensive income	-	(1,003)	-	-	(87)	(1,090)
Total comprehensive income	-	(1,003)	-	-	9,694	8,691
Transactions with owners, recorded directly in equity						
Dividends paid C3	-	-	-	-	(8,934)	(8,934)
Employee share-based payments	-	-	565	-	-	565
Share options exercised	536	-	(536)	-	-	-
Total transactions with owners	536	-	29	-	(8,934)	(8,369)
Balance at 31 December 2023	27,343	644	1,383	-	59,422	88,792

The accompanying notes are an integral part of these interim financial statements.

PWR Holdings Limited
and its controlled entities
Consolidated Statement of Cash Flows
For the six months ended 31 December 2024

	<i>Note</i>	31 Dec 2024 \$'000	31 Dec 2023 \$'000
Cash flows from operating activities			
Cash receipts from customers		72,078	69,132
Cash paid to suppliers and employees		(57,006)	(51,905)
Cash generated from operations		15,072	17,227
Interest paid		(38)	(336)
Income tax received/(paid)		(5,763)	(2,755)
Net cash from operating activities		9,271	14,136
Cash flows from investing activities			
Interest received		229	127
Proceeds from sale of property, plant and equipment		15	1
Payments for property, plant and equipment	<i>B5</i>	(14,189)	(6,064)
Net cash used in investing activities		(13,945)	(5,936)
Cash flows from financing activities			
Dividends paid	<i>C3</i>	(9,245)	(8,934)
Proceeds from borrowings	<i>B7</i>	5,500	-
Payment of lease liabilities		(1,698)	(1,288)
Net cash used in financing activities		(5,443)	(10,222)
Net decrease in cash and cash equivalents		(10,117)	(2,022)
Cash and cash equivalents at 1 July		21,664	17,626
Effect of exchange rate fluctuations on cash held		(9)	8
Cash and cash equivalents at 31 December		11,538	15,612

The accompanying notes are an integral part of these interim financial statements.

**PWR Holdings Limited
and its controlled entities**

**Notes to the consolidated interim financial statements
For the six months ended 31 December 2024**

Section A About this report

A1 Reporting entity

PWR Holdings Limited (the “Company”) is a company domiciled in Australia.

These consolidated interim financial statements of the Company as at and for the six months ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the “Group” and individually as “Group Entities”).

The Group is involved in the design, engineering, production, testing, validation and sales of customised cooling products and solutions to the motorsports, automotive original equipment manufacturing (OEM), automotive aftermarket, Aerospace and Defence, and industrial industries for domestic and international markets.

The consolidated annual financial statements of the Group as at and for the year ended 30 June 2024 are available from the Company’s website (www.pwr.com.au) or upon request from the Company’s registered office at 103 Lahrs Road, Ormeau, Queensland 4208.

A2 Basis of preparation

(a) Statement of compliance

These interim financial statements are general purpose financial statements prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*, and with IAS 34 *Interim Financial Reporting*.

They do not include all the information required for a complete set of annual financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to understanding the changes in the Group’s financial position and performance since the last annual consolidated financial statements as at and for the year ended 30 June 2024.

Except as described below, the accounting policies applied in these interim financial statements are the same applied in the Group’s consolidated financial statements as at and for the year ended 30 June 2024. The policy for recognising and measuring derivatives has changed in the current interim period and is described in note B8.

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors’ Reports) Instrument 2016/191 and in accordance with that Instrument, amounts in the Interim Financial Report and Directors’ Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

These interim financial statements were approved by the Board of Directors on 20 February 2025.

(b) Use of estimates and judgements

In preparing these interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2024.

**PWR Holdings Limited
and its controlled entities**

Notes to the consolidated interim financial statements

For the six months ended 31 December 2024

Section B Business performance

B1 Operating segments

The Group determines its operating segments based on information presented to the Managing Director being the chief operating decision maker. Intersegment pricing is determined based on cost plus a margin.

	PWR Performance Products		PWR C&R		Total	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue from sale of manufactured products	40,078	46,680	19,223	13,265	59,301	59,945
Revenue from services	340	247	3,256	4,023	3,596	4,270
External revenues	40,418	46,927	22,479	17,288	62,897	64,215
Inter-segment revenues	7,794	3,496	982	1,672	8,776	5,168
Segment revenue	48,212	50,423	23,461	18,960	71,673	69,383
Operating EBITDA ¹	9,991	15,693	779	2,690	10,770	18,383
Depreciation	(4,100)	(3,865)	(1,450)	(1,033)	(5,550)	(4,898)
Segment profit/(loss) before interest and tax	5,891	11,828	(671)	1,657	5,220	13,485

¹ Operating EBITDA is the segment's profit from operations before interest, taxation, depreciation and amortisation.

	31 Dec 2024	31 Dec 2023
	\$'000	\$'000
Reconciliation of reportable segment profit or loss		
Segment profit before interest and tax for reportable segments	5,220	13,485
Net finance (costs)/income	689	(206)
Elimination of inter-segment loss	216	(4)
Consolidated profit before tax	6,125	13,275

**PWR Holdings Limited
and its controlled entities**

Notes to the consolidated interim financial statements

For the six months ended 31 December 2024

Section B Business performance (continued)

B1 Operating segments (continued)

Geographic information

The Group operates manufacturing facilities and/or sales offices in Australia, the UK and the USA and sells its products to customers in various countries around the world. An analysis of the Group's revenue on the basis of the location of the Group's customers is outlined below.

	31 Dec 2024	31 Dec 2023
	\$'000	\$'000
Australia	5,049	5,443
USA	21,608	15,834
UK	14,527	20,122
Italy	8,471	7,687
Germany	3,401	3,610
Other	9,841	11,519
	62,897	64,215

B2 Revenue and other income

	31 Dec 2024	31 Dec 2023
	\$'000	\$'000
Revenue from contracts with customers		
Sales of goods	59,302	59,945
Rendering of services	3,595	4,270
	62,897	64,215
Other income		
R&D tax incentive	750	1,105
Indiana Investment grant receipts	17	18
Payroll tax grant	85	-
Gain on sale of assets	1	1
	853	1,124

	31 Dec 2024			31 Dec 2023		
Customer Revenue by Market Sector	Advanced Cooling ¹	Emerging Technologies ²	Total	Advanced Cooling ¹	Emerging Technologies ²	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Motorsports	24,094	7,910	32,004	24,279	6,117	30,396
Automotive OEM	6,096	794	6,890	13,005	1,127	14,132
Automotive	8,584	194	8,778	9,371	387	9,758
Aerospace and Defence	-	13,903	13,903	-	7,754	7,754
Other	1,290	32	1,322	2,008	167	2,175
	40,064	22,833	62,897	48,663	15,552	64,215

¹ Advanced Cooling includes revenue from products and services excluding revenue from Emerging Technologies.

² Emerging Technologies includes revenue from Aerospace and Defence across all technologies, and revenue from other market sectors generated by cold plate, micro matrix and additive manufacturing.

**PWR Holdings Limited
and its controlled entities**

**Notes to the consolidated interim financial statements
For the six months ended 31 December 2024**

Section B Business performance (*continued*)

B3 Finance income and finance costs

	31 Dec 2024	31 Dec 2023
	\$'000	\$'000
Interest income	229	127
Net foreign exchange gain	821	3
Finance income	1,050	130
Interest expense	(38)	(4)
Lease liability interest	(323)	(332)
Finance costs	(361)	(336)
Net finance (costs)/income	689	(206)

B4 Income tax expense

The Group's consolidated effective tax rate for the six months ended 31 December 2024 was 33.3% (HY2024: 26.3%).

B5 Property, plant and equipment

Capital expenditure for the six-month period ended 31 December 2024 of \$14.2 million (HY2024: \$6.1 million) during the reporting period has been funded partly from the Group's cash reserves and partly by drawdown from the Group's bank finance facility of \$5.5M (HY 2024: \$Nil).

B6 Seasonality of operations

The Group's operations are subject to seasonal fluctuations as motorsports seasons typically operate on a calendar year basis, with the majority of motorsports team spend occurring in the second half of the financial year. As a result, the Group typically has lower revenues and profits in the first half of the financial year. Revenue growth in Automotive OEM and Aerospace and Defence programs has begun to reduce the impact of motorsports seasonality; however, for the reporting period motorsports remains the dominant market.

B7 Loans & Borrowings

The Group has a secured multi-option debt facility of \$30 million This loan is repayable on termination in November 2027. At 31 December 2024, \$5.5 million was drawn down (HY2024: \$Nil).

The facility includes covenants that the Group complied with during the reporting period. Accordingly, the loan is classified as a non-current liability at 31 December 2024. This Group expects to comply with the covenants for at least 12 months after the reporting date.

**PWR Holdings Limited
and its controlled entities**

Notes to the consolidated interim financial statements

For the six months ended 31 December 2024

B8 Derivatives

Cash flow hedges are initially measured at fair value. Subsequent to initial recognition, the effective portion of changes in the fair value of the derivative is recognised in Other Comprehensive Income (OCI) and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in equity until it is reclassified to profit or loss in the same period as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve are immediately reclassified to profit or loss.

**PWR Holdings Limited
and its controlled entities**

Notes to the consolidated interim financial statements

For the six months ended 31 December 2024

Section C Capital structure

C1 Capital and reserves

	31 Dec 2024		31 Dec 2023	
Share capital	No. of shares	\$'000	No. of shares	\$'000
<i>Ordinary shares</i>				
Balance at 1 July	100,484,131	27,343	100,380,340	26,807
Issue of shares on vesting of performance rights - FY21	-	-	103,791	536
- FY22	79,779	697	-	-
Balance at 31 December	100,563,910	28,040	100,484,131	27,343

C2 Performance Rights

Performance Rights that vested and lapsed during the reporting period and total Performance Rights issued at 31 December 2024 are as follows:

	Number of Performance Rights				
	Balance at 30 June 2024	Issued in period	Lapsed during period	Vested & exercised during period	Balance at 31 December 2024
KMP					
Kees Weel	128,513	70,480	-	-	198,993
Martin McIver	56,666	-	(23,491)	(15,690)	17,485
	185,179	70,480	(23,491)	(15,690)	216,478
Non – KMP	299,506	176,286	(2,079)	(64,089)	409,624
Total	484,685	246,766	(25,570)	(79,779)	626,102

**PWR Holdings Limited
and its controlled entities**

**Notes to the consolidated interim financial statements
For the six months ended 31 December 2024**

C3 Dividends

Dividends recognised in the current and prior comparative period by the Company are:

Current period

	Cents per share	Total amount \$'000	Franked/ unfranked	Date of payment
2024 Final Dividend	9.20	9,245	Franked	20 September 2024
Total amount		<u>9,245</u>		

Prior comparative period

	Cents per share	Total amount \$'000	Franked/ unfranked	Date of payment
2023 Final Dividend	8.90	8,934	Franked	22 September 2023
Total amount		<u>8,934</u>		

Subsequent to half year end, the Company declared the following dividend:

	Cents per share	Total amount \$'000	Franked/ unfranked	Date of payment
2025 Interim Dividend	2.00	2,011	Franked	21 March 2025
Total amount		<u>2,011</u>		

Section D Other information

D1 Subsequent events

The Board declared an interim dividend of 2.00 cents per share. The financial effect of the interim dividend has not been brought to account in the consolidated financial statements for the half year ended 31 December 2024.

Other than the matter noted above, there has not arisen in the interval between the end of the period and the date of this report any item, transactions or events of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future periods.

**PWR Holdings Limited
and its controlled entities**

Directors' declaration

In the opinion of the directors of PWR Holdings Limited (the "Company"):

- (a) the consolidated financial statements and notes, set out on pages 7 to 17 are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the six month period ended on that date; and
 - (ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001;
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:



Roland Dane
Chairman
Brisbane
20 February 2025



Kees Weel
Managing Director
Brisbane
20 February 2025



Independent Auditor's Review Report

To the shareholders of PWR Holdings Limited

Conclusion

We have reviewed the accompanying **Interim Financial Report** of PWR Holdings Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of PWR Holdings Limited does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Group's** financial position as at 31 December 2024 and of its performance for the six months ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Interim Financial Report** comprises:

- Consolidated statement of financial position as at 31 December 2024;
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity and Consolidated statement of cash flows for the six months ended on that date;
- Notes A1 to D1 comprising material accounting policies and other explanatory information; and
- The Directors' Declaration.

The **Group** comprises PWR Holdings Limited (the Company) and the entities it controlled at 31 December 2024 or from time to time during the six months ended on that date.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

Responsibilities of the Directors for the Interim Financial Report

The Directors of the Company are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*; and
- such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the six months ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an Interim Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



KPMG



Erin Neville-Stanley
Partner

Brisbane

20 February 2025