PWO Group

Initiation of coverage

Automotive play in lightweight components

Industrials

7 July 2025

PWO Group specialises in lightweight metal components for the automotive industry, with the focus on mass production of tailor-made solutions that often have volumes of several million units per series. It has a strong 10-year track record of being profitable, except for 2020 during the COVID-19 pandemic. Despite the short-term uncertainty in automotive, including the unclear effect of global import tariffs, the long-term outlook for PWO looks very promising. The company is well positioned to outperform the automotive market by focusing on growing the number of product lines at existing customers and adding new customers, products and countries.

Year end	Revenue (€m)	EBITDA (€m)	EPS (€)	DPS (€)	P/E (x)	Yield (%)
12/23	555.8	54.2	5.19	1.75	5.5	6.2
12/24	555.1	53.6	4.01	1.75	7.1	6.2
12/25e	521.8	49.7	3.22	1.75	8.8	6.2
12/26e	563.6	55.4	4.32	1.75	6.6	6.2

Note: EBITDA is normalised, excluding amortisation of acquired intangibles and exceptional items.

Lightweight components outperform market growth

PWO focuses on the megatrends of electrification, safety and comfort. It has expertise in steel forming and lightweight design and continuously tries to improve its products' weight-to-strength ratio, pushing the boundaries of what is technologically possible. According to PWO, lightweight components are growing faster than the global vehicle market, as a lower weight reduces a vehicle's energy consumption and thereby supports the energy transition. In 2024, PWO reported flat revenues versus a decline in global light vehicle production of 1.7% y-o-y.

Strong recovery expected after 2025

On 15 May, PWO reiterated 2025 guidance of revenues declining 5% y-o-y and EBIT margin declining 10–110bp (FY24: 5.4%). This guidance now includes the potential impact of the import tariff situation. If PWO misses its revenue guidance, it is confident it can compensate for this at the profit level. As PWO produces 'local for local' and its clients mostly handle the customs, the direct impact of tariffs seems limited. Indirectly, the tariff situation might cause a global recession. As an indication of sensitivity, a 10% revenue decline delivers an EBIT of c €16m before any further cost measures, with break-even revenue below €450m.

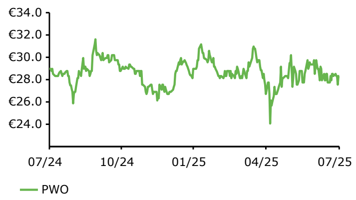
PWO's long-term prospects are very positive based on new business won in recent years and the ramp up of its new plant in Serbia from the end of 2025. PWO has set its sights on a revenue level of €700m by 2029 with good profitability. We expect revenue growth of 8% in 2026, 5% in 2027 and currently estimate a more conservative €650m for 2029. After an expected margin decline in 2025 to 4.6%, we see upside to 5.5% in 2027 and 6–7% in the medium term, driven by greater growth at higher margins in Eastern Europe and improving profitability in Canada.

Valuation offers upside

PWO is trading on a 2025 P/E of 8.8x and an EV/EBITDA of 3.6x. For its potential valuation we look at historical multiples, peer comparison and DCF, with the average pointing to a value of €35.0/share. It also offers an attractive dividend yield of c 6%.

Price	**€28.40**
Market cap	**€89m**
Net cash/(debt) at 31 March 2025	€(97.9)m
Shares in issue	3.1m
Code	PWO
Primary exchange	XETRA
Secondary exchange	N/A

Share price performance



%	1m	3m	12m
Abs	(1.6)	6.2	1.8
52-week high/low		€30.2	€22.8

Business description

PWO Group develops and produces lightweight metal components and complex systems for the automotive industry. The company has extensive expertise in cold forming of metals and joining technologies.

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Analysts

Andrew Keen +44 (0)20 3077 5700

Johan van den Hooven +44 (0)20 3077 5700

industrials@edisongroup.com

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Investment summary

Company description: Specialist in steel forming and lightweight design

PWO is specialised in steel forming and lightweight design and offers 2,000 different metal components to the automotive industry. PWO mainly uses steel and, to a far lesser extent, aluminium. Its focus is on economically mass-produced tailor-made solutions with volumes often reaching several million units per series. Lightweight material is very important in reducing the total weight of a vehicle, thereby reducing the energy consumption of the car. PWO claims to be independent on the type of engine of a car, hence all investments the company makes are focused on the future.

Barriers to entry are high in PWO's markets. Due to the company's broad range of products, it also faces a wide range of competitors with most market shares being limited. According to PWO, it is one of the market leaders in electronic motor housing and air suspension, with double-digit market shares. Several OEM and Tier 1 customers order PWO's products for multiple platforms that have different ramp-up schedules, resulting in an order book of eight to 10 years.

Financial position significantly improved, with a positive long-term outlook

In its Q125 report on 15 May, taking into account the weak automotive market and the uncertainty around the global import tariffs, PWO reiterated its 2025 guidance of revenues declining by around 5% and the EBIT margin declining by 10–110bp. If it does not meet revenue expectations, PWO is confident that with additional measures it will compensate for this at the profit level. In the long term, PWO's strategy could enable it to outperform market growth of 1–2% (source: S&P Global Mobility) by focusing on increasing the number of product lines at existing customers and adding new customers, products and countries. PWO has set its sights on a revenue level of €700m by 2029 with good profitability.

One of management's priorities is to strengthen PWO's financial position, and we have seen a solid improvement over the past four years, with net debt/EBITDA declining to 1.6x in 2024 from around 3x in 2015–19. Capex was low during the COVID-19 pandemic years, but PWO has a €120m plan for 2024–26 to prepare for new business ramping up and expanding capacity, including the new plant in Serbia. Due to the higher capex, free cash flow (FCF) might be relatively low in the next couple of years, at low single-digit millions, but we anticipate a strong improvement after 2027.

Valuation: Low EV/EBITDA of 3.6x for 2025e

PWO is valued at a 2025e EV/EBITDA of 3.6x, a discount of 23% compared to its 10-year historical average of 4.7x. Due to the current weak automotive market and uncertainty around the global import tariffs, the company's profitability in 2025 will be below its historical levels. That, we believe, justifies a discount of 15% to its historical multiple, still indicating a value per share of €34.5. For PWO's peer comparison we have selected automotive suppliers specialised in metal and/or plastic components, such as Gestamp, Magna and OPmobility. Most of them are larger, but PWO can easily compete on a solid EBIT margin that is slightly above the peer average. Assuming a valuation in line with peers, based on 2025e EV/EBITDA, results in a value of €34.3/share. We also use a discounted cash flow (DCF) model, with perpetual growth of 1.5% and an EBIT margin of 5.5%. With a weighted average cost of capital (WACC) of 9.4%, our DCF indicates a value per share of €36.3. The average of these valuation methods points to a value per share of €35.0.

Sensitivities

Developments in the global market for light vehicles are the dominant risk factor for PWO, with the current situation around global tariffs adding to the short-term uncertainty. As an indication of sensitivity, a decline of 10% in revenues could result in an EBIT level of around €16m before any further cost measurers and a decline of 15% in an EBIT of around €6m. We estimate the break-even level at around €450m in revenues, before any additional cost measures.

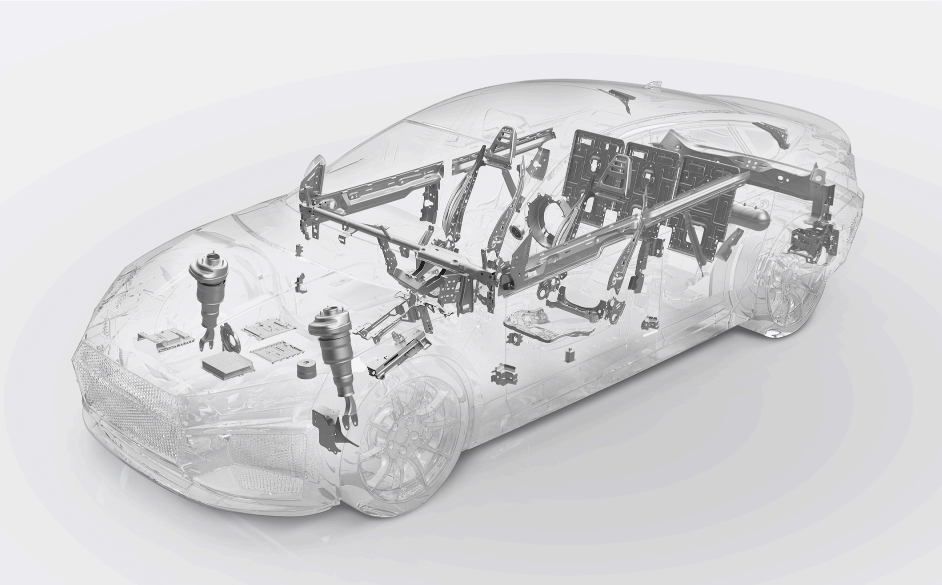
We see the following catalysts to PWO's investment case and share price: a softening in import tariffs; a faster than anticipated recovery in automotive; a faster ramp up of the new plant in Serbia from the end of 2025; new customers in Canada leading to scale benefits; and stronger growth in its international activities.

The downside risks include: a prolonged weakness in the automotive market; import tariffs remaining in place for longer than planned; increased competition for market position in a relatively stable market; and the emergence of alternative materials in the different market segments.

Company description

PWO Group was founded in 1919 as Progress-Werk Oberkirch and switched its focus completely to the automotive industry in the 1990s. The company went public in 1978. PWO is specialised in lightweight metal components and subsystems, which are used in the automotive industry, the focus being on mass production of tailor-made solutions with volumes often reaching several million units per series. PWO's end-to-end processes support its customers from the initial inquiry via product development to series production. PWO mainly uses different types of steel, and to a far lesser extent aluminium.

Exhibit 1: Examples of PWO components in a passenger car



Source: PWO Group

The company's expertise lies in cold forming and joining and assembly technologies, which enable it to produce highly complex modules consisting of many individual components while delivering high strength and ultra-high strength. The use of various materials enables highly complex geometries, and different joining techniques remove the need for many weld seams. With an instrument panel carrier having up to 55 components, these are success-critical factors. The company also performs automated and fully integrated quality tests to deliver zero-defect quality.

PWO Group has ample expertise in steel forming and lightweight design and continuously tries to improve the weight to strength ratio of its products, thereby pushing the boundaries of what is technologically possible. The company uses deep-drawing steels with different metal thicknesses, metal qualities or surface properties in its production process. For example, PWO provides a cover for an electronic brake booster, which is a key component for e-mobility, in eight variants and uses exceptionally thin 0.6mm sheet metal. The focus of product development is on minimising material usage, reducing the number of components and replacing casting solutions with forming solutions using steel sheets. The costs of product and process development are largely incurred within the scope of customers' projects. Over the past few years, PWO has spent about 2% of revenues on development activities.

PWO has about 2,000 products for the global automotive market, with many suppliers having mostly small market shares. According to the company, PWO is one of the market leaders in electronic motor housing and air suspension, with double-digit market shares. Every year, more than 100m components from PWO are installed in vehicles, with one in two new cars containing components made by PWO.

Three business units

PWO's activities can be clustered into three business units, which are all focused on developing and producing metal components largely for the automotive industry. These three business units combined represent 93% of total revenues, including the contribution of tools. Other revenues (7% of the total) are scrap revenues for unused material or for instance malfunctioning products, as the company guarantees zero-defect quality.

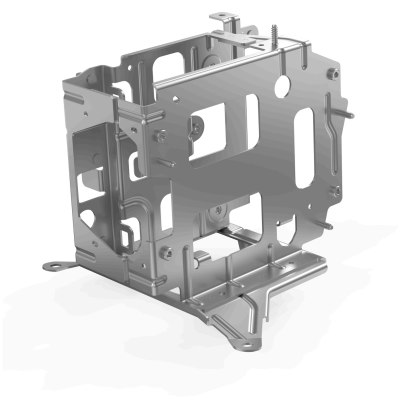
Body Components (38% of 2024 revenues)

Body Components consists of instrument panel carriers, which mount the centre console, steering wheel and head-up display in place, as well as many door components (such as lock carriers for tailgates) and reinforcements and supports for the vehicle body. The vehicle body combines maximum stability and passenger protection and incorporates for example battery cases and control units but also many body structure components.

Exhibit 2: Instrument panel carrier

Source: PWO Group

Exhibit 3: Body assembly



Source: PWO Group

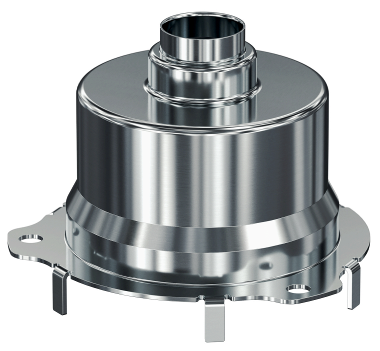
Electronic, Chassis and Airbag Components (35% of 2024 revenues)

This segment comprises a broad range of high-precision components for the electrification of vehicles, as well as safety and comfort. These mechanical components are complex parts produced from sheet steel by deep drawing or forming. Products include components for fast chargers, electronic control units, chassis and suspension, airbags and vehicle cooling but also electric engine housing for, among others, windshield wipers, window regulators and anti-lock braking systems (ABS) and electronic stability programme (ESP) systems. More recently, the company added powertrain components for electric vehicles (EVs), particularly in the areas of battery technology and fuel cells. For example, the housing for an on-board charger, which is a key part of the vehicle's fast charging system.

Air suspension systems are what allow chassis tuning and shock absorption. These systems use air-filled rubber bags or bellows, also known as air springs, rather than traditional coil or leaf springs to support the vehicle's weight and absorb road shocks. Air suspension offers superior ride comfort and adjustability, making it very suitable for premium cars but, according to PWO, it is increasingly offered in medium-class vehicles.

According to PWO, covers for electronic control units are used in almost a hundred different places in premium vehicles. To meet customers' demand for high-quality cleanliness and protection against external influences, PWO has its own cleaning technology and automated quality inspection.

Exhibit 4: Motor housing



Source: PWO Group

Exhibit 5: Top cap of air spring pot

Source: PWO Group

Exhibit 6: Cover for electronic control unit

Source: PWO Group

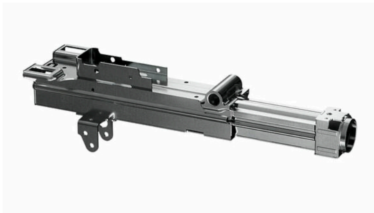
Steering and Seat Components (20% of 2024 revenues)

This group of components mainly comprises steering consoles, steering column pipes and metal structures for vehicle seats. Seat structures appear to be straightforward products, but they are characterised by highly complex geometries, with PWO delivering tailored designs with fewer components and at a lower cost. For seat components, PWO delivers to one of the largest platforms within the automotive industry. Casings allow the driver to fine tune the longitudinal adjustment to the driver's preferred setting, while their high load-bearing capacity protects the driver in the event of an accident. PWO's extremely precise welding processes and testing deliver zero-defect quality.

Exhibit 7: Front and rear seat solutions

Source: PWO Group

Exhibit 8: Casings

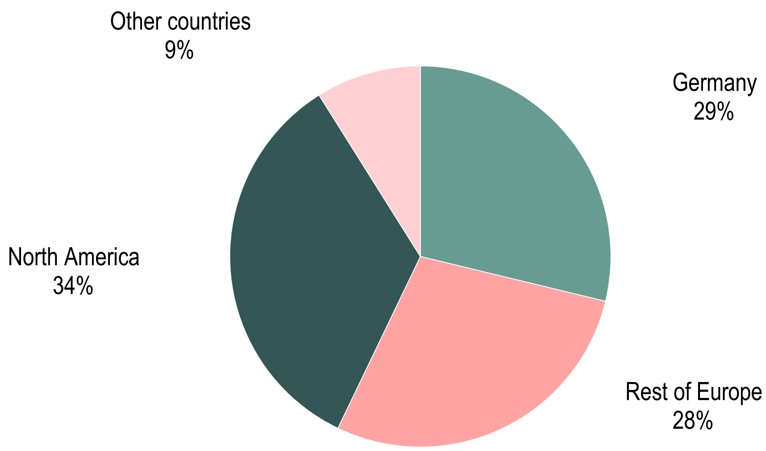


Source: PWO Group

Geographic presence

The company is headquartered in Oberkirch, Germany, and has 10 production locations in six countries (Canada, Mexico, Czech Republic, Germany, Serbia and China). On top of that, the company works with selected partners on a project-by-project basis in other countries such as Argentina, Brazil, Great Britain, India, Spain, South Africa and Thailand. Via these partnerships, PWO can also service global customers by offering products outside its own production countries, for example for cross car beams.

Exhibit 9: Geographical spread of revenues in 2024 (client location)



Source: PWO Group

In 2023, PWO added Serbia to its footprint, as the Czech Republic could not accommodate the anticipated growth in Eastern Europe on its own. In 2023, it acquired the tooling assets of Gorenje MDM, including equipment for developing, constructing, manufacturing and testing of tools for sheet metal cold forming. PWO has constructed a new production site in Serbia, which was officially opened on 3 July 2025 and is expected to deliver the first components by the end of 2025. The new business won in 2024 included several orders for the Serbian plant.

Germany is still an important market for PWO, representing 29% of FY24 revenues, but this is down from 35% in 2020. 28% of revenues came from the rest of Europe, 34% from North America (mainly ‘local for local’ in Canada and Mexico, but a significant part of all components is expected to end up in the US), and 9% other countries, including China. PWO produces its components mostly ‘local for local’, therefore the geographical split of production is broadly the same (Europe 61%, Canada 9%, Mexico 21% and China 9%). We will discuss the results by production country in the Financials section.

Customers

PWO manufactures tailor-made solutions for the international automotive manufacturers (original equipment manufacturers, or OEMs) and Tier 1 suppliers (manufacturers that deal directly with OEMs).Around 40% of PWO’s revenue is generated from OEMs and the other 60% from Tier 1s, with seven out of the global top 10 automotive OEMs as direct customers and more than 50% of the world’s top 50 suppliers as customers. The exhibit below shows an overview of PWO’s customers. For several years, four customers have accounted for more than 10% of revenues each and combined represent more than 50% of group revenues. One of these larger customers is German Bosch.

It is possible that OEM and Tier 1 customers may order PWO’s products for multiple platforms that have different ramp-up schedules, resulting in a much longer order book than the typical six to seven years for one vehicle model for one OEM. As a result of this effect, the average order book for PWO stands at eight to 10 years. According to PWO, structural components for the vehicle body and chassis are usually tied to a particular model or a particular platform and produced directly by order of the OEM, while the other components are linked to Tier 1s.

PWO mostly has framework contracts, with the customer requesting volumes when needed. For call-offs below the agreed minimum volumes, PWO will try to negotiate compensation for at least the material costs. PWO’s larger sites have a good spread over the different products, making it possible to smooth orders over the year. For smaller plants, such as Canada, this is much more difficult.

Exhibit 10: Examples of PWO clients

Adient	Brose	Hanon Systems	Röchling	Vibracoustic
Audi	Continental	KSPG	Skoda	Volkswagen
BMW	Firestone	Magna	Stellantis	Volvo
Bosch	Forvia	Mercedes-Benz	Thyssenkrupp	Yanfeng
BorgWarner	Ford	Porsche	Valeo	ZF

Source: Edison Investment Research

Management

CEO Carlo Lazzarini has been a member of the executive board since 1 September 2020, with his current term running until 31 December 2026. He graduated in engineering with a specialisation in industrial automation and has more than 20 years of experience in general management roles at international industrial firms, such as BPW Bergische Achsen, Danfoss and Carrier Corporation.

CFO Jochen Lischer has been a member of the executive board since 1 July 2023, with his current term running until 30 June 2026. He joined PWO in October 2021 as director finance & controlling. He has more than 20 years of experience in the mobility industry, among others at Hanon Systems, Magna International, Faurecia and Keiper.

PWO’s supervisory board consists of six members, with four members as shareholder representatives and two members as employee representatives. Mr Karl Schmidhuber was a member of the executive board of PWO in the period 1993–2014 and has been chairman of the supervisory board since May 2016. Mr Georg Hengstberger has been a member of the supervisory board since May 2013 and since 2014 has been managing director at shareholder Consult Invest Beteiligungsberatungs-GmbH, a family office founded by his father Klaus-Georg in 1997.

Shareholders

There are 3.125m PWO shares outstanding and that number has not changed in recent years as the last capital increase was in May 2012. The dividend per share is offered in cash only.

Two shareholders have stakes of more than 5%: Sparkasse Offenburg has 8.6% and Consult Invest Beteiligungsberatungs-GmbH has 46.9%. This family office was founded by Dr Klaus-Georg Hengstberger in 1997 and has been closely associated with Progress-Werk Oberkirch AG ever since.

Market and competition

PWO's focus is on the automotive sector, although expanding into non-mobility is still an opportunity, but only if this is achievable with the existing know-how and machinery. PWO claims to be entirely independent on the type of car engine, therefore the development of global car sales and production is important to the company. Its focus is largely on the developed regions of Europe and North America, which combined represented 91% of revenues in 2024.

According to S&P Global Mobility, the global production volume of light vehicles declined 1.7% y-o-y in 2024 to around 89.1m, with declines in all regions except for mainland China and South America. In Europe the decline in production was 5.2% and in North America 1.2%.

However, global sales volumes in new light vehicles in 2024 showed an increase of 1.7% y-o-y to around 88.2m, according to S&P Global Mobility, driven by inventory restocking during the year following more stable supply chains.

Automotive market expected to decline in 2025

The short-term outlook for the automotive market is influenced by geopolitical and macroeconomic uncertainty, while high energy and consumption prices are affecting consumer sentiment. The main factors influencing the short-term outlook are:

- The challenging economic environment.
- The unclear regulatory framework for the EV transition, which is leading to slower adoption for the time being. On the other hand, this might result in extensions of internal combustion engine platforms, with suppliers potentially having pricing power towards the additional volumes.
- New disruptive OEMs going global with increased competition from China, although market shares in Europe and the US are still relatively low. GlobalData estimates that the market share of Chinese brands in Europe will increase from 2–3% currently to close to 10% in 2030.
- The intensified competition in the domestic Chinese market, which might drive manufacturers to seek opportunities overseas. For example, Geely announced in early June it would not expand its local capacity any further, due to the price wars within the Chinese auto market and Hozon officially entered bankruptcy proceedings in the second half of June.
- The development of import tariffs between Europe and China. In November 2024, Europe announced import tariffs of up to 45% on EVs from China, based on concerns over unfair domestic subsidies. Since April 2025, the EU and China have been exploring the possibility of establishing minimum prices for Chinese-made electric vehicles.
- China imposed export restrictions from April 2025 through the licence requirements for certain rare-earth materials and magnets, complicating the process for global suppliers (many companies seem to struggle with the licensing process). China accounts for more than two-thirds of global rare-earth metal manufacturing and a higher percentage of rare-earth magnet production. These magnets are vital components in various automotive applications (both combustion engine and electric vehicles), from windshield-wiper motors to anti-lock braking sensors.
- The impact of US import tariffs (see section below).

Uncertain impact of import tariffs on the market

The US administration announced import tariffs of 25% on all light-duty vehicles imported into the US, starting on 3 April 2025, and on all automotive parts (eg engines, transmissions, powertrain parts and electrical components) starting on 3 May. The new tariffs are in addition to any other existing tariffs. This applies for all countries, with the possibility of a reduced tariff if the imported vehicles include US-manufactured parts and those components are compliant with the United States-Mexico-Canada Agreement (USMCA) free-trade rules of origin. Cars imported from Canada and Mexico could therefore be subject to a lower tariff than vehicles imported from other countries. The US administration has also communicated that USMCA components that are produced in Mexico or Canada will remain tariff-fee until a process to apply tariffs to their non-US content has been established. Mexico stated in May that cars assembled in Mexico and exported to the US will face an average tariff of 15%, rather than 25%, due to reductions for the value of US content.

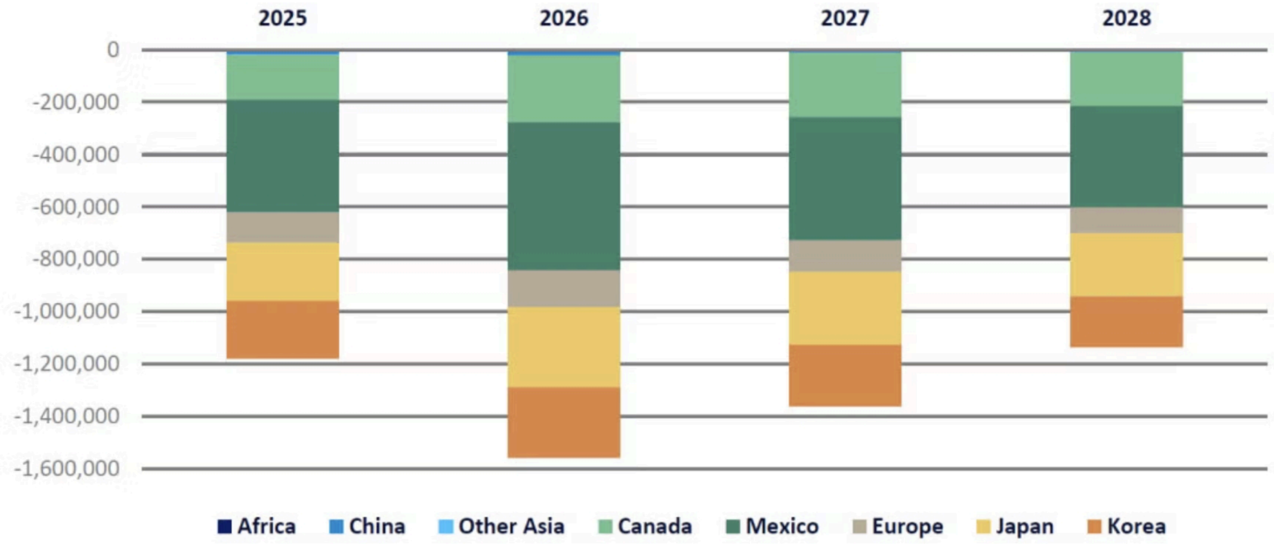
In response to the US measures, many countries have also raised their import tariffs for products coming from the US and following that, the US administration has invited many countries to negotiate the tariffs during a period of 90 days from 9 April 2025. Canada introduced counter-tariffs, but also offers some relief to certain domestic automakers and manufacturers, which will be eligible to import a designated number of US-assembled vehicles free of counter-tariffs, as long as the vehicles are compliant with USMCA and the car manufacturers continue manufacturing vehicles in Canada and continue with planned investments.

On 28 April, the US administration revealed plans to ease the impact of the new tariffs on US carmakers. Automakers that are subject to the 25% tariff on imports will not be subject to other levies, for example on steel and aluminium, thereby preventing stacking of tariffs. This adjustment in the tariff policy rewards manufacturers that produce domestically. The US and the UK announced a trade agreement, which will reduce tariffs on most UK car exports to 10%, following a previous increase to 27.5% by the US administration. The US-China trade negotiations resulted in mutually reduced tariff rates until 10 August 2025. As the tariff policy could change again and the final setting is still unclear, it is currently impossible to calculate the eventual impact on the different players in the sector.

According to S&P Global Mobility in an article on 27 March 2025, 54% of the US light vehicle sales in 2024 of 16m were manufactured in the US and 46% were imported. The countries that export the most to the US are Mexico (2.5m), South Korea (1.4m), Japan (1.3m), Canada (1.1m) and Europe (0.9m). According to VDA (the German association of the Automotive industry), German new car registrations are expected to amount to about 2.8m in 2025, while locally produced cars will be 4.15m, clearly showing the importance of exports for the German car industry.

GlobalData provided estimates of the impact of the import tariff situation on the different countries, with a total estimated impact of almost 1.2m light vehicles in 2025 (see Exhibit 11). Not surprisingly, the impact is the largest in Mexico and Canada, but the impact on Europe seems relatively modest, with 120,000 light vehicles.

Exhibit 11: Tariff impact by source country



Source: GlobalData

Most likely, car buyers in the US will have to pay higher prices for their new car one way or the other: 1) increased costs of imported vehicles, which cover about 46% of all sold cars in the US or 7.4m cars, or 2) increased costs of cars manufactured in the US (8.7m), which use imported automotive parts. According to the US government, the domestic content of the cars assembled in the US amounts to only 40–50%. Based on an average selling price of $50k, the additional cost could reach $5–10k for imported vehicles and $5k for vehicles assembled in the US.

Uncertain how automotive industry will adapt to new tariffs

It is currently unclear if, and to what extent, import tariffs will be raised and how the automotive supply chain will adapt. Some manufacturers will shift production to the US, as Honda has announced, which might result in higher car manufacturing costs. BMW initially announced that it would not change its prices for vehicles imported from Mexico, hence the higher import tariffs will be absorbed in its organisation, most likely including its suppliers. On 7 May, BMW commented it expected some tariff increases to be temporary, with reductions from July 2025. Stellantis announced temporary production stops in both Canada and Mexico and in early May it suspended its 2025 financial guidance, due to tariff-related uncertainties, and commented that it is working with policymakers to reduce the impact of trade policies.

In early June, GM announced plans to invest around $4bn in the US in the next two years to strengthen its domestic vehicle production, which will be party from transferring some production from Mexico. Most automotive contracts have input cost clauses, but it is uncertain if they all also cover raised import tariffs. Most likely, suppliers will have to negotiate their position towards customers to protect their own margins.

Automotive players’ guidance shows different expectations

With very limited visibility in the short term, automotive players’ guidance shows very different expectations for their results development in 2025. Several companies’ guidance does not include the impact of the tariffs yet, but Ford, which is a customer of PWO, pulled its previous guidance on 5 May and stated that it expects to take a hit of $1.5bn from the import tariffs, which compares to its previous guidance for adjusted EBIT of $7.0–8.5bn. GM also reduced its 2025 EBIT guidance by 25%. On the other hand, BMW confirmed its previous guidance for 2025 and still expects volumes to show an increase for the full year. Volkswagen Group still expects 5% y-o-y revenue growth in 2025 with an EBIT margin of 5.5–6.5%, but this guidance does not include any impact from import tariffs. Gestamp has also reiterated its previous 2025 guidance. Magna International indicated in its Q125 report that the direct tariff impact on its own imports was $250m and said it would try to recover this in full. Of its $4bn revenues in Canada, 70% is sold into the US, and of its $5.5bn revenues in Mexico, 25% is sold into the US and Magna stated that here the OEM is an importer of record.

Uncertain impact of import tariffs on PWO

In its annual report for 2024, dated 17 April 2025, PWO provided guidance for FY25 pointing to around 5% lower revenues at around €530m and EBIT before currency impact of €23–28m (versus €30m in 2024). That guidance was based on the weak automotive market, but did not take into account the potential impact of the changing import tariffs.

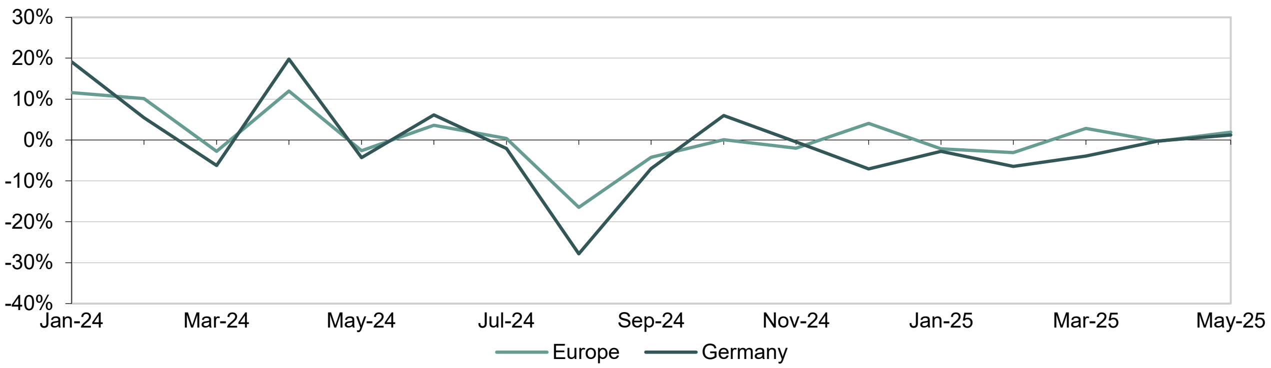
In its Q125 report on 15 May 2025, PWO reiterated this guidance, which however now includes any potential tariffs impact, noting that due to the ongoing market uncertainties, providing a reliable update remains challenging at this time. If the company misses its revenue expectations, management is confident that with additional measures it will be able to compensate for this at the EBIT level. As PWO manufactures its components ‘local for local’, also in Canada and Mexico, and its clients are mostly responsible for the customs, the direct impact on the group could be limited. There could be an indirect impact from the tariff situation, as a significant proportion of PWO’s products in Canada and Mexico do end up in the US, while the whole situation could result in a global recession, thereby affecting global light vehicle production volumes.

To provide an indication of the company’s operating leverage in case of a significant impact from the import tariffs issue, a decline in revenues of around 10% would deliver an EBIT before further cost savings of €16m or an EBIT margin of 3.2%, and a decline of 15% would deliver an EBIT of €7m or a margin of 1.4%. According to our calculations, the company’s EBIT break-even level before any further cost savings is below €450m in revenues.

Flat development in new car registrations in Europe in the first five months

Exhibit 12 shows the monthly development of new car registrations in Europe, which represents 57% of PWO revenues, based on data from ACEA (the European Automobile Manufacturers’ Association). Monthly volumes were quite volatile in 2024 and the first five months of 2025 show a flat development year-on-year in new car registrations in Europe, with a decline of 2.4% y-o-y in Germany but an increase of 3.7% y-o-y in the Czech Republic.

Exhibit 12: New car registrations Europe, growth year-on-year



Source: ACEA

Production decline expected to be largest in North America in 2025

At the beginning of 2025, S&P Global Mobility was more negative on global light vehicle production in 2025 than new light vehicle sales, expecting a decline in production of 0.4% y-o-y to 88.7m, but 1.7% y-o-y growth in sales to 89.6m. In its April update, S&P Global Mobility lowered its forecast for global light vehicle production to 87.9m, with the largest decline expected in North America. North American production is now forecast to decline around 10% y-o-y to 13.9–14.3m in 2025, from 15.5m in 2024, with a modest recovery afterwards to 14.2–14.6m in 2026 (+2% y-o-y at the mid-point) and 14.9–15.3m in 2027 (+5% y-o-y at the mid-point).

According to GlobalData, global light vehicle sales were up 5.9% y-o-y in the first five months of 2025, with strong growth of 6.3% y-o-y in the US, with pull-forward effect in anticipation of the import tariffs. China showed strong growth of 11.7% y-o-y (supported by government subsidies), but Europe reported a decline of 2.6% y-o-y, as shown in Exhibit 13 (due to low consumer confidence).

Exhibit 13: Global light vehicle sales, growth y-o-y

Region	Apr-25	May-25	Year to date
Europe	-1.9%	-0.6%	-2.6%
USA	11.3%	2.1%	6.3%
China	12.0%	9.8%	11.7%
Other	3.2%	5.3%	6.6%
World	6.0%	4.6%	5.9%

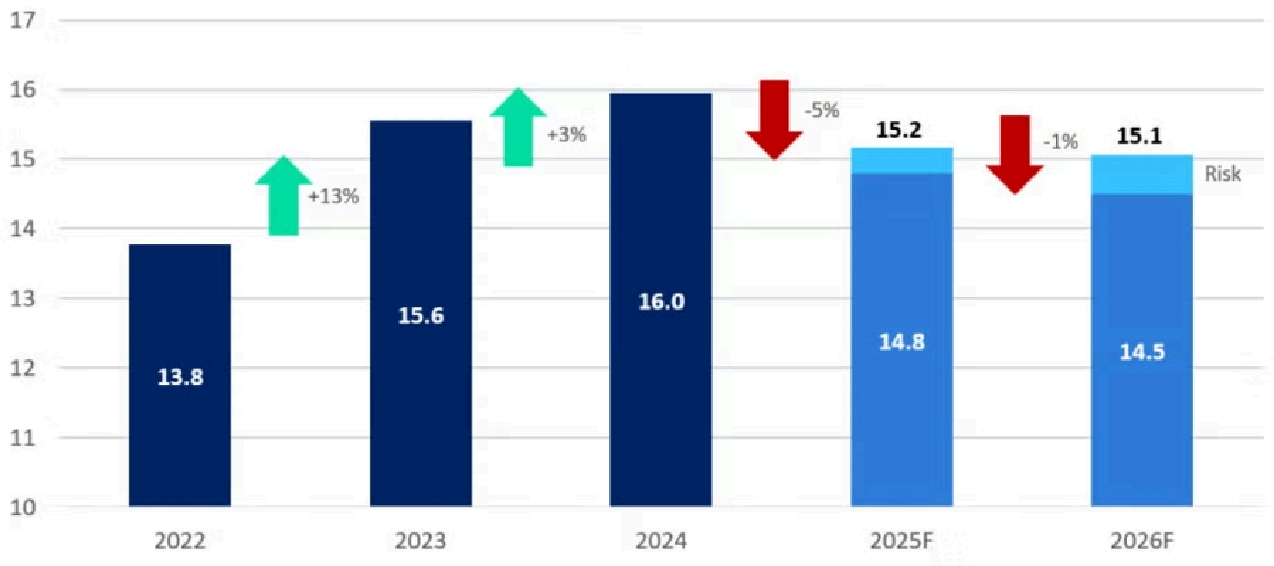
Source: GlobalData

US light vehicle sales increased 2.1% y-o-y in May, but as there was one extra selling day compared with May 2024, underlying sales declined by 1.7% y-o-y. According to GlobalData, this decline in the US in May appears to indicate that many consumers had decided to pull purchases forward, to avoid potential tariff-related pricing increases.

According to GlobalData, in May price rises explicitly linked to tariffs were still rare, but the industry seems to be pulling back on incentives, which has resulted in 3.1% y-o-y higher average transaction prices. Ford and Subaru, for example, have recently increased prices on certain models to offset higher costs.

In June, GlobalData expected declines in US light vehicle sales for both 2025 and 2026 of 5% y-o-y and 1% y-o-y respectively, with the risk that declines will be larger at 7.5% and 2%. For Europe, GlobalData expects a decline in passenger car sales of 1% y-o-y.

Exhibit 14: US light vehicles sales forecast



Source: GlobalData

Long-term outlook for the automotive market

For the longer term, modest growth is expected for the global car market. Based on expectations from S&P Global Mobility, global light vehicle production will show a CAGR of 1.5% in 2025–30. Internal combustion engines will gradually decline over the next decades and strong growth is expected for the EV segments.

PWO should be able to outperform the global automotive market

PWO aims to outperform the market with the contribution of the following factors:

- Growing the number of product lines at existing customers.
- Expanding the number of customers, for example in China. Over the past three to four years, PWO has been more active in China. In its Q125 report, PWO mentioned a new customer for air suspension.
- Adding new products to its current portfolio of around 2,000 products; in 2024, PWO added components in the field of braking systems.
- Adding new countries, such as Serbia, where the recently opened new plant will be operational before the end of 2025. Customers have moved their production to Eastern Europe and by starting its own operations in the region PWO will be situated nearer to its customers.

Within the automotive market, PWO focuses on three megatrends: electrification, safety and comfort. These segments are expected to show above-average growth within the sector. For example, electronic control units are nowadays used in almost a hundred different places in premium vehicles and will most likely also increasingly be used within the mass auto segments. Furthermore, lightweight components are becoming more important in the EV environment, as a lower weight extends the range of a car and therefore saves energy consumption. With its deep drawing and assembly expertise, PWO replaces energy-intensive, heavy castings with lighter, cold-formed solutions. PWO therefore expects above-market growth for lightweight components.

Within the automotive market, PWO has observed a trend away from plastics and back to metal for the following reasons:

- Metal can be recycled more easily than plastic.
- Metal can better absorb shocks than plastic, which cracks and breaks more easily than metal.
- Metal components can be lighter by using thin sheets and fewer components.

Based on the above, we judge that PWO should be able to outpace the market growth of the global automotive sector. Also, when looking at Europe, trends in Eastern Europe are more positive than for Western Europe and PWO is well positioned to benefit from that trend, with production locations in the Czech Republic and Serbia.

Competition in automotive supply: PWO stands out with profitability

Barriers to entry are high in PWO's market segments, because companies have to build up a trustworthy relationship with the customer while going through long qualification processes to get their product approved. The supply chain landscape in automotive is very broad with sometimes single-source suppliers, for example with tools that are relatively expensive and where it does not make sense to have multiple suppliers. Generally, for all other automotive parts, Tier 1s and OEMs do not want to be dependent on a single supplier, hence they have multiple suppliers.

PWO has a very broad portfolio of more than 2,000 product solutions. Consequently, the company meets different competitors in the various market segments, both private and listed. For example, private companies such as German Ernst Group and Erdrich have significant market positions in electric motor housings. In the case of body components and instrument panel carriers, there are well-known international companies such as Benteler, Kirchhoff and listed Gestamp. In some cases, PWO's customers still have their own in-house production, for example for seats. As well as Gestamp, other listed competitors are CIE Automotive, Magna and Voestalpine. Thyssen is the odd one out, being a customer, a supplier and a competitor. OPmobility only focuses on plastic automotive components. Below we provide a short description of several competitors, both listed and non-listed:

- Non-listed Benteler Group is headquartered in Austria and generated revenue of €8.2bn in 2024 with an EBITDA margin of 7.2% (down from 9.0% in 2023). Europe is its largest market, representing 54% of revenues, followed by the Americas with 31%. Benteler Automotive Components comprises its activities in component manufacturing, including components for chassis, bodywork, engine and exhaust systems. Automotive Components realised revenues of €4,554m in 2024 with an adjusted EBITDA margin of 8.0%.

- CIE Automotive reported €4.0bn in revenues in 2024 with an EBIT margin of 13.8%. Europe represents 35% of total revenues and North America 31%. In Europe, the EBIT margin was 11.8%, and in all other regions the margin was above 14%, with Brazil at 16.4%. In 2024, 27% of revenues were related to xEVs (any type of EV), versus 18% for the market (according to CIE based on geographical weights) and more than 40% of new orders were for xEVs. The CAGR for revenues for the period 2015–24 was 7% and for net income 12%. In comparison to PWO, CIE is also active in body, chassis, steering and seat components.
- Non-listed Ernst Group, also based in Oberkirch like PWO, had revenues of around €133m in 2024, with its focus on forming technologies mainly for automotive (non-mobility was 5% of revenues). In 2024, Ernst opened a factory in the Czech Republic to open up a new market for the company in the growing Eastern European market.
- Gestamp is mainly focused on metal components for automotive, using stamping, forming and welding technologies. In 2024, its EBITDA margin was 11% and EBIT margin 4.8%, with the margin on scrap at 7.3% (scrap sales represented 5% of total revenues in 2024). Its geographical focus is mainly on Europe (51% of revenues) and North America (20%).
- Non-listed Kirchhoff Automotive develops, produces and supplies metal parts and hybrid structures (metal/plastic). The company realised around €1,850m in revenues in 2024.
- Magna offers a wide range of products, using both metal and plastic as base material. In 2024, the company's EBITDA margin was 9.2% with an EBIT margin of 5.4%. It reported an EBITDA margin of 7.5% in Body Components and 3.8% in Seating Systems. Magna is largely exposed to North America and Europe, both combined representing 74% of total revenues in 2024. Its top five customers represent 63% of total revenues, with the top four good for 53%.
- OPmobility from France focuses on plastic components for the automotive industry with 2024 revenues of €11.6bn. Its EBITDA margin was 8.9% with an EBIT margin of 4.2%. About 80% of its revenues are from Europe and North America.
- Voestalpine is a steel specialist with a metal forming division that represents 19% of FY25 revenues (or €3.1bn). Automotive was 30% of total revenues in FY25 and 52% of the metal forming division, which amongst others manufactures automotive body parts. The EBITDA margin of the group was 8.6% in FY25 and of the metal forming division 5.4% (8.9% in FY24). The group EBIT margin dropped to 2.9%. The metal forming division derives the largest part of revenues from Europe with 58% and North America delivers 22% of revenues.

The table below shows an overview of PWO's listed and private competitors with several key performance indicators (KPIs). PWO is one of the smaller companies in terms of size, but its profitability is above average with an EBIT margin of 5.4% in 2024. Most automotive suppliers from this list realise about 60–80% of their revenues from Europe and North America, while direct sales to Asia are much lower.

Exhibit 15: Overview of PWO's competitors

Company	Country	Material	Revenues, €m	EBITDA margin	EBIT margin	Revenues in Europe	Revenues in North America
Benteler Group	Austria	Metal	8,170	7.2%	4.0%	54%	31%
CIE Automotive	Spain	Metal and plastic	3,960	18.3%	13.6%	35%	31%
Ernst Group	Germany	Metal	130	N/A	N/A	N/A	N/A
Gestamp	Spain	Metal	12,001	10.8%	4.9%	51%	20%
Kirchhoff Automotive	Germany	Metal and plastic	1,900	N/A	N/A	N/A	N/A
Magna	Germany	Metal and plastic	42,836	9.2%	5.4%	36%	48%
OPmobility	France	Plastic	10,484	8.9%	4.2%	50%	29%
PWO Group	Germany	Metal	566	9.7%	5.4%	57%	34%
Voestalpine	Austria	Metal	16,684	10.0%	3.4%	63%	14%

Source: Company webpages. Note: Figures are from FY24 (for Voestalpine FY25 ending 31 March 2025)

Financials

As one of its KPIs, PWO uses EBIT before currency effects, where EBIT is adjusted for currency effects from transactions, which affects other operating income and expenses. Currency translation effects are not part of EBIT before currency effects. About five years ago, there were significant differences between the EBIT before and after currencies, mainly due to intercompany loans that were not hedged, but in more recent years there have not been large differences.

With orders running for eight to 10 years, PWO regularly judges whether there is any risk that contracts will not be profitable over their lifetimes and in such cases takes a provision for onerous contracts. The company then will of course try to get the project back to profitability, and if it manages to do so there will be a reversal of the provision for onerous contracts. In most recent years there have been donations to the provision for onerous contracts but also reversals of this provision.

Track record of the last 10 years: Profitable except for pandemic year

PWO Group has been profitable over the last 10 years, except for 2020 during the COVID-19 pandemic. In that year, the company also had some write-offs and severance payments that affected net profit. From 2021, the company strongly recovered in most geographic areas, with group revenues in 2022 already 16% above the 2019 level. Over the past three years, PWO has realised an EBITDA margin of 9.6% on average compared to 10.1% for the period 2015–19. Due to lower D&A in recent years, the average EBIT margin (before currency effect) over the past three years of 5.2% was higher than the average of 4.7% over the period 2015–19.

Over the past two years, financial expenses were clearly higher than in the eight years before, mainly due to increasing interest rates. In 2024 this was also partly due to the different usage of the available refinancing instruments. Taxes paid vary every year, influenced by deferred taxes but also special items such as the impact of the deregistration of the intermediate holding in China in 2024 (previously PWO had an intermediate holding in Hong Kong for the business in the region, but it decided in 2024 to end this construction and now China is a direct subsidiary).

PWO does not provide normalised numbers, but it regularly reports exceptional items that are clarified in its annual reports. For 2023, PWO mentioned several different items adding up to an overall positive exceptional item of €1.9m, including a reversal of provisions for onerous contracts. The company doesn't seem to have taken into account the additions to several provisions in 2023, which would result in negative special items of €2.1m in that year. In Exhibit 16 and 30, we have normalised results for special items.

From 2024, PWO will only mention exceptional items that account for at least 5% of EBIT before currency impact. In 2024, the company mentioned the positive one-off in Canada of €0.8m, which was a combination of several items, including write-off of production equipment, where a customer reduced the planned series production. However, there was also a reversal of provisions of €4.7m against a donation to the provision of €5.3m, delivering a one-off expense of €0.6m. This results in overall positive one-off of only €0.2m.

Exhibit 16: PWO's track record

€m	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues	404.6	409.6	461.0	476.3	458.6	371.2	404.3	530.8	555.8	555.1
Growth y-o-y		1%	13%	3%	-4%	-19%	9%	31%	5%	0%
EBITDA normalised	43.6	45.3	46.0	43.5	47.2	40.5	46.3	56.6	54.2	53.6
EBITDA reported	42.9	44.6	45.0	42.7	46.0	21.2	47.2	51.2	52.0	53.7
Growth y-o-y		4%	2%	-5%	8%	-14%	14%	22%	-4%	-1%
EBITDA margin	10.8%	11.1%	10.0%	9.1%	10.3%	10.9%	11.5%	10.7%	9.7%	9.6%
EBIT normalised, before currency impac	17.8	22.3	24.4	20.4	23.4	11.2	20.2	32.9	30.4	29.8
EBIT margin, before currency effect	4.4%	5.4%	5.3%	4.3%	5.1%	3.0%	5.0%	6.2%	5.5%	5.4%
EBIT reported, before currency impact	17.1	21.6	23.4	19.6	22.2	(8.1)	22.1	27.5	28.2	30.0
EBIT reported, including currency impac	18.1	19.7	20.5	18.4	19.9	(10.1)	21.8	26.8	27.9	30.1
Financial expenses	(5.7)	(5.4)	(5.8)	(6.6)	(6.9)	(6.0)	(6.2)	(5.7)	(8.4)	(9.7)
PBT	12.3	14.3	14.7	11.9	13.0	(16.1)	15.7	21.1	19.5	20.4
Taxes	(4.8)	(4.8)	(4.6)	(5.2)	(3.9)	4.4	(0.9)	(5.9)	(3.3)	(7.9)
Net income reported	8.8	10.0	10.8	8.6	9.9	7.5	13.1	17.8	17.1	14.0
EPS normalised (€)	2.80	3.20	3.45	2.76	3.18	2.39	4.19	5.71	5.48	4.47
EPS (€)	2.41	3.05	3.22	2.12	2.91	(3.73)	4.72	4.87	5.19	4.01
DPS (€)	1.55	1.60	1.65	1.35	0.00	0.00	1.50	1.65	1.75	1.75

Source: PWO Group, Edison Investment Research

As well as the geographical spread of revenues for the customer's location, PWO splits its revenues and profitability over the countries where it has production locations, namely Germany, Canada, Mexico, Czech Republic, China and from 2023 also Serbia. Exhibit 17 shows the country results over the past six years (this current geographic split has been used since 2019). PWO recovered well from the COVID-19 pandemic in 2020, showing 9% revenue growth in 2021 and 31% in 2022, thereby recovering to above pre-pandemic levels within two years, while the EBIT margin exceeded pre-pandemic levels after one year.

Over the past few years, the strongest revenue growth has come from the Czech Republic and Mexico, the company's relatively low-cost countries. Clients have moved to Eastern Europe due to its favourable cost base and are exporting to countries in Europe from there. The good performance in the Czech Republic was the reason that PWO looked for another production location in Eastern Europe, with the recently opened plant in Serbia expected to be operational towards the end of 2025.

There are large differences in profitability between the six countries, mainly due to product mix, the amount of tools sold, the scale of the operation, the level of personnel costs and the number of hours worked per week (which is the lowest in Germany). The holding costs in Germany are distributed over the countries, thus have no influence on the level of EBIT margin per country. Tools sales can influence the margin. The Czech Republic has its own tools shop and also sells tools to third parties at good margins. Tools can be made by PWO but also acquired from third parties and subsequently delivered to the customer at no, or hardly any, margin.

Germany realised a good EBIT margin of 4% in 2019 but has not returned to that level since the COVID-19 pandemic, mainly due to the elevated personnel and energy costs. Canada has been struggling for good profitability for years, which is mainly due to the small number of large customers. In 2024, EBIT margin improved from 0.1% to 4.3% but EBIT included a positive one-off of €0.8m. The underlying EBIT of €1.3m is still much better than the performance over the past five years, reflecting an EBIT margin of 2.6%. However, more orders and the broadening of its customer base is needed to push the EBIT margin up. The new plant in Serbia will deliver its first products by the end of 2025 and start-up costs reduced EBIT by €1.9m in 2024. For 2025, PWO aims to reach break-even for Serbia. The Czech Republic, China and Mexico all realise very decent margins for an automotive supplier. China reported relatively high margins of 12–13% over the past four years, while the Czech Republic reported margins in the range of 7–9%. This plant has its own tool shop and sells tools to third parties at good margins. In the past two years, margins were somewhat lower due to the ramp up at low margins of an order for instrument panel carriers, but this is now back to normal margin levels. Mexico has shown increasing margins due to its larger scale and reported a solid 9% margin in 2024. The margin of 8.3% in 2023 was affected by the one-off expense of €1.2m for short-term materials management. Corrected for this, the EBIT margin in 2023 was 9.3%, equal to 2024, which was, however, affected by higher sales of lower-margin tools (the effect of tools from third parties that carry no, or hardly any, margin).

Exhibit 17: Reported results by geographic production location

€m	2019	2020	2021	2022	2023	2024
Germany	243.0	186.0	190.0	229.0	222.0	206.5
Czech Republic	76.0	63.0	71.0	104.0	124.0	134.3
Serbia	0.0	0.0	0.0	0.0	0.0	0.5
Canada	40.0	31.0	34.0	50.0	46.0	49.4
Mexico	62.0	51.0	67.0	96.0	113.0	116.0
China	38.0	40.0	42.0	52.0	51.0	48.4
Total revenues	**459.0**	**371.0**	**404.0**	**531.0**	**556.0**	**555.0**
Germany		-23%	2%	21%	-3%	-7%
Czech Republic		-17%	13%	46%	19%	8%
Serbia						
Canada		-23%	10%	47%	-8%	7%
Mexico		-18%	31%	43%	18%	3%
China		5%	5%	24%	-2%	-5%
Total revenue growth, y-o-y	**-4%**	**-19%**	**9%**	**31%**	**5%**	**0%**
Germany	9.6	(22.6)	1.7	2.5	5.2	3.7
Czech Republic	6.9	4.5	6.0	7.4	8.2	9.0
Serbia	0.0	0.0	0.0	0.0	(0.3)	(1.9)
Canada	0.0	(0.2)	0.3	0.2	0.0	2.1
Mexico	2.4	2.8	8.0	12.0	9.4	10.7
China	3.2	7.7	5.3	6.2	6.2	6.3
Consolidation	0.0	(0.4)	0.8	(0.8)	(0.6)	0.2
Total EBIT reported (before currencies)	**22.0**	**(8.0)**	**22.0**	**27.5**	**28.1**	**30.0**
Germany	4.0%	-12.2%	0.9%	1.1%	2.4%	1.8%
Czech Republic	9.1%	7.2%	8.5%	7.2%	6.6%	6.7%
Serbia						
Canada	0.0%	-0.5%	0.8%	0.4%	0.1%	4.3%
Mexico	3.9%	5.4%	11.9%	12.5%	8.3%	9.2%
China	8.4%	19.3%	12.7%	11.9%	12.1%	13.0%
Total EBIT margin (reported, before currencies)	**4.8%**	**-2.2%**	**5.4%**	**5.2%**	**5.1%**	**5.4%**

Source: PWO Group

In 2022, PWO changed the composition of its three divisions, with airbags and chassis being moved to the electronic division. We therefore only have a history of four years for the current divisional split. In 2024, revenues were flat compared to 2023 with good growth in Steering and Seat Components offsetting lower revenues in the other divisions. Also, other revenues were lower when compared to 2023, most likely the result of lower scrap prices.

Exhibit 18: Results by division

€m	2021	2022	2023	2024
Electronic, Chassis and Airbag Components	159.4	196.5	200.5	196.0
Steering and Seat Components	91.2	107.9	118.5	108.1
Body Components	124.0	173.4	192.3	210.5
Other	29.7	52.9	44.5	40.6
Total revenues	**404.3**	**530.8**	**555.8**	**555.1**
Electronic, Chassis and Airbag Components		23%	2%	-2%
Steering and Seat Components		40%	11%	9%
Body Components		18%	10%	-9%
Other		78%	-16%	-9%
Total revenue growth		31%	5%	0%

Source: PWO Group

Financial position clearly improved

In the period 2015–19, PWO had relatively high net debt with the net debt/EBITDA ratio around 3x, which we consider high for an automotive player. The focus of new management, which came on board in 2020, was to strengthen the company's financial position, and it has succeeded in achieving that. Since 2021, PWO's financial position has significantly improved with declining net debt and also lower net debt/EBITDA ratios.

In 2024, PWO managed to lower its net debt from €107m to €87m, driven by a strong FCF of €33m, which was helped by cash flows that were originally expected for Q125 shifting to Q424. This is the lowest level of net debt over the past 10 years and the first time in that period below the €100m mark.

The company's equity ratio stands at a solid 37.5% and due to the lower net debt and higher profitability, the net debt ratio declined from 2.1x in 2023 to 1.6x in 2024. PWO has agreed covenants with its banks but has not disclosed these. Looking at the KPIs, which are set by the company in its annual guidance, such as net debt/EBITDA of <2.5x and an equity ratio of around 37%, might give a hint towards the levels of these covenants.

For the short-term debt of €47m, interest rates varied between 3.15% and 8.75% in 2024 and for long-term debt of €52m between 1.35% and 5.9%. Unutilised credit lines, including cash, amounted to €117m in 2024, up from €93m in 2023.

PWO typically sells trade receivables to generate the liquid assets needed to finance its operations and facilitate better liquidity planning. At the end of 2024, PWO had sold receivables with a nominal amount of €14.5m versus €19.3m at the end of 2023. When looking at the past 10 years, this amount has varied from €9.9m in 2015 to a range of €14.5–19.9m in 2016–24.

For its dividend policy, the company's main goal is to keep the dividend per share as stable as possible, and to grow it when possible. Key criteria for the annual dividend are the company's earnings performance and the expected funding requirements for the ongoing growth of the company. The dividend policy is not based on a pay-out ratio range, but over the past four years the payout was in the range 32–44% of net profit, delivering a solid dividend yield of 6% based on the 2024 dividend.

Exhibit 19: PWO's financial position over the past 10 years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Equity ratio	29.3%	29.6%	28.7%	29.9%	30.1%	28.7%	33.6%	37.8%	37.0%	37.5%
Net gearing	128.8%	116.8%	109.0%	112.8%	112.2%	98.1%	82.7%	76.2%	68.5%	53.7%
Net working capital, €m	90.3	84.2	52.7	40.1	72.2	53.4	70.6	98.9	107.6	71.5
Net debt, €m	132.8	124.5	125.9	131.4	132.5	102.5	103.6	115.4	107.3	87.1
Net debt/EBITDA	3.1	2.8	2.8	3.1	2.9	4.8	2.2	2.3	2.1	1.6
Interest cover	7.5	8.2	7.7	6.5	6.7	3.5	7.7	9.0	6.2	5.5
Pay-out ratio	64%	53%	51%	64%	0%	0%	32%	34%	34%	44%
Dividend per share, €	1.55	1.60	1.65	1.35	0.00	0.00	1.50	1.65	1.75	1.75
Dividend yield	4.3%	4.0%	3.5%	5.5%	0.0%	0.0%	4.7%	5.3%	5.8%	6.0%

Source: PWO Group

Cash flow development

In 2024, PWO generated FCF of €33m despite significantly higher capex of €46m, up from €26m in 2023. FCF was helped by cash flows that were originally expected for Q125 shifting to Q424. The largest part of capex, or 31%, was related to the construction of a new plant in Serbia, which is expected to deliver the first products towards the end of 2025. Working capital was well under control, showing a decline from €108m in 2023 to €72m in 2024. Over the past 10 years, PWO's FCF has been positive except for two years, namely 2015 and 2022.

Exhibit 20: PWO's cash flow development

€m	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Cash flow from operating activities	31	46	38	38	48	49	21	12	37	78
Cash flow from investing activities	(28)	(29)	(29)	(26)	(28)	(13)	(10)	(14)	(19)	(37)
Cash flow from financing activities	(5)	(22)	4	(8)	(34)	(32)	(12)	(1)	(15)	(36)
Change in cash	(2)	(4)	13	5	(14)	3	(1)	(4)	3	5
Free cash flow	(2)	13	4	8	14	29	5	(6)	11	33

Source: PWO Group

2024 results: Flat revenues with better margins

In 2024, PWO reported stable revenues of €555m in an automotive market that worsened throughout the year, with a decline of 1.7% y-o-y in global production for the full year. Management was content with the increasing customer call-offs for new and existing projects, offsetting the weakening market conditions. PWO had higher revenues from tools, which carry lower margins than series production orders. When tools are sourced from third parties, they are neutral to income.

With less pressure on input costs, gross margin was higher in 2024. Staff costs, on the other hand, increased versus 2023, driven by wage inflation and the increasing number of staff, in anticipation of the ramp-up of new projects. PWO also invested a higher amount in IT in Germany related to its digitalisation strategy. Depreciation was below 2023's level due to the relatively low level of capex over the past few years, but this is expected to reverse over the next few years based on the company's higher capex plans in anticipation of new business. Mainly due to the better gross margin, reported EBIT before currency effect increased 6% y-o-y to €30.0m, or a margin increase of 30bp y-o-y to 5.4%. PWO reported a one-off gain of €0.8m, related to Canada, and a €0.6m addition to its provisions, resulting in an overall positive one-off of €0.2m.

In Germany, PWO still felt the impact of unfavourable framework conditions, with revenues down 6% y-o-y and EBIT margin declining 60bp to 1.8%. In China, revenues were slightly down on weaker markets and higher competition while strict cost control kept EBIT stable, with a 100bp better EBIT margin at 13%. In Canada, revenues were up 7% compared to 2023 when revenues were affected by strikes at several automotive manufacturers in the US. EBIT improved from break-even to €2.1m but that included a one-off gain of €0.8m. In Mexico, revenues were up 3% driven by higher tools revenues as customer call-offs were below the 2023 level, but as these tools were sourced from third parties these revenues hardly contributed to the results. The EBIT margin improved 90bp to 9.2%, however this was mainly due to the absence of a one-off expense of €1.2m for short-term materials management in 2023. PWO is preparing several new series productions in Mexico. In the Czech Republic, revenues increased 6% y-o-y, particularly driven by tools, while the good EBIT level of 6.7% was maintained. In Serbia, PWO generated revenues of €3m but still incurred start-up losses of €1.9m for the new plant, which is expected to be operational by the end of 2025.

Exhibit 21: FY24 results summary

€m	2023	2024	Change
Revenues	555.8	555.1	-0.1%
EBITDA normalised	54.2	53.6	-1.2%
EBIT reported, before currency impact	28.2	30.0	6.4%
EBIT margin	5.3%	5.4%	
EBIT reported (after currency impact)	27.9	30.1	7.9%
Financial income and expenses	(8.4)	(9.7)	16.1%
Pre tax income	19.5	20.4	4.8%
Taxes	(3.3)	(7.9)	141.0%
Net profit reported	16.2	12.5	-22.7%
EPS reported (€)	5.19	4.01	-22.7%
EPS normalised (€)	5.48	4.47	-18.4%

Source: PWO Group, Edison Investment Research

Financial expenses increased from €8.4m in 2023 to €9.7m in 2024, despite the lower average net debt throughout the year. The main reason for the increase was the different usage of the available refinancing instruments. Taxes paid were significantly higher than in 2023, mainly due to the reversal of deferred taxes and the impact of the deregistration of the intermediate holding in China (previously PWO had an intermediate holding in Hong Kong for the business in the region, but it decided in 2024 to end this construction and now China is a direct subsidiary).

Due to the higher interest expenses and taxes paid and despite the higher EBIT, reported net profit was down from €16.2m to €12.5m in 2024, with a corresponding decline in EPS to €4.01.

Outlook: 2025 uncertain, but good growth expected in the medium term

With its Q125 report on 15 May 2025, PWO reiterated its guidance for 2025, but it now included the potential impact of the global tariff situation. Management stated that providing guidance is challenging at this time, and if the revenue target is not met, the company will take additional measures to compensate for this at EBIT level. PWO expects a decline in revenues of almost 5% to €530m, mainly due to lower call-offs from existing customers. The timing and size of call-offs also depend on the inventory levels at its customers (PWO itself has small inventories), with some customers expecting deliveries within a few hours. New products most likely will not be enough to compensate for the decline in call-offs. On top of that, every year some lines of series production come to an end.

With revenues declining almost 5%, PWO expects EBIT before currency effect to decline from €30m in 2024 to €23–28m in 2025, which reflects a margin of 4.3–5.3% versus the reported 5.4% in 2024. As mentioned above, capex will remain high in 2025 at around €40m as the company is investing in new capacity and has finalised the construction of the plant in Serbia, which was opened on 3 July. PWO expects new business to be lower in 2025 compared to 2024, and it provided two reasons for this: 1) it aims to continue the many new production start-ups that are planned for the next few years in a safe and economically efficient way (following the high level of new business in recent years) and 2) the company wants to manage its investments over the years.

PWO's Q125 report showed a decline in revenues of almost 7% y-o-y to €137m, with a decline in EBIT from €7.4m in Q124 to €5.5m. Management commented that the decline in Q1 was as expected based on the slowdown in the automotive market, and that the disruption of global trade due to the new US administration's tariff policy has so far had no noticeable downside for its business.

Gross margin further increased, fuelled by lower prices of raw materials. Lower revenues and higher salary costs were the main reasons for the lower EBIT. The operating cash flow was negative in Q1, mainly due to the timing of the unexpected high cash flow in Q424, with cash flows that were originally expected for Q125 shifting to Q424.

Exhibit 22: Company guidance for 2025

€m	2023	2024	2025 guidance
Revenue	555.8	555.1	530.0
EBIT before currencies	28.2	30.0	23–28
Capex	26.5	46.2	40.0
Free cash flow	11.3	33.3	Low single-digit million
Equity ratio	37.0%	37.5%	Sideways
Net debt/EBITDA	2.1	1.6	<2.5
Value of new business	845	630	550–600

Source: PWO Group

In its annual report, PWO provided guidance by country where it has production locations:

- Germany: due to lower new business in the years before 2024, PWO expects revenues to decline by 6% y-o-y to €195m. Driven by cost measures, EBIT will be just above break-even, but this reflects a decline from €3.7m in 2024.
- Czech Republic: flat revenues around €135m with new business offsetting the weaker automotive market in 2025, and EBIT of €8.5–10.0m around last year's €9m, partly helped by cost savings and efficiency improvements.
- Serbia: revenues of €2m and EBIT above break-even versus a start-up loss of €1.9m in 2024.
- Canada: revenue decline of 8% y-o-y to around €45m, mainly due to a delay in a large order and the absence of the one-time payment from customers in 2024. EBIT down from €2.1m in 2024 to €0.5–1.5m, with the absence of last year's positive one-offs of €0.8m.
- Mexico: revenues stable at around €115m with new business offsetting the weaker automotive market in 2025, and EBIT of €9.5–11.0m versus the reported €10.7m in 2024.

- China: based on the planned series phase-outs and start-ups, revenue is expected in the range €40–45m, down from €48.4m in 2024, and EBIT down from €6.3m in 2024 to €4–5m.

PWO defines new business as completely new orders and recognises the lifetime value of the product. Relatively large orders are around €85m, but the company has many smaller orders for a few million units each. In 2023, PWO won two large orders with a value of about €85m each, one in the Czech Republic starting in 2025 and one in Mexico starting in 2026.

Exhibit 23: New business PWO (lifetime value)

€m	2016	2017	2018	2019	2020	2021	2022	2023	2024
Lifetime volume of series business	680	281	280	475	370	535	845	805	600
Tools (connected with series orders)	50	19	24	35	30	35	45	40	30
Total	730	300	304	510	400	570	890	845	630

Source: PWO Group

Normally, new business orders start production within one to two years. Due to the different lifetimes of products, there is no simple correlation between the value of new business and the revenues over the next few years. Also, the call off for the different products can vary from, for example, a model that is pushed into the market or a slower ramp up for an existing model that is doing well in the market. Revenue development throughout the year depends on the start of new projects, but also on the timing of the phasing out of lines of series production due to end of life.

PWO's order book consists of orders from OEMs and Tier 1s for their platforms, often with multiple models, such as ZF for airbags and Bosch for electric motor housings, whereby PWO does not necessarily know where its products end up. PWO's order book is about eight to 10 years, compared to the typical six to seven years for one model for one OEM.

In 2024, the lifetime value of new business amounted to €630m, down from €845m in 2023, which however included two large contracts of €85m each. In 2024, PWO recorded a new large order for covers for electronic control units and also new orders for air spring components. The company also won a new order for covers for electronic control units in the non-mobility segment, thereby gradually building up business outside automotive. Normally, the new business will be started within the next one to two years, but according to PWO some business won in 2024 had already started in 2024 and two orders will only start in 2027. In Q125, PWO recorded €195m in new business, including €15m for tools, with larger orders for instrument panel carriers, air suspension and seat structures. Several of these new orders will contribute to results in 2025.

Capex will remain high in 2025, with PWO focusing on expanding capacity. During the COVID-19 pandemic period, capex was low and PWO had a capex plan for the 2023–25 period of €110m, which might end up closer to €120m. For the following years, we pencil in capex of €30-40m, as PWO keeps pursuing expansion, with the Czech Republic underway and new plans for Mexico. China and Canada will follow later when they succeed in expanding the number of customers. Due to the high capex, FCF will be modest at low single-digit millions over the next couple years. We expect a clear improvement in FCF from 2027, mainly driven by the expected higher profitability and lower capex. As a result of this, we expect net debt/EBITDA to remain broadly stable over the next few years in the range of 1.6–1.8x, with further improvements after 2027.

PWO's reiterated 2025 guidance now includes the potential impact of the import tariffs, with the final outcome of these currently uncertain as rules are regularly subject to change. We provide some sensitivity analysis of PWO's revenues if they decline more than currently guided for. With a revenue decline of 10%, EBIT will be around €16m before any further cost measures, and with a revenue decline of 15% around €7m. The break-even level before any further cost measures is estimated at below €450m in revenues.

Exhibit 24: Summary of estimates, 2025–27e

€m	2024	2025e	2026e	2027e
Revenues	555.1	521.8	563.6	591.7
Change y-o-y	0.0%	-6.0%	8.0%	5.0%
EBIT before currency effects, reported	30.0	24.1	28.6	32.6
Change y-o-y		-19.9%	18.7%	14.1%
EBIT margin, reported	5.4%	4.6%	5.1%	5.5%
Free cash flow	31.7	1.4	2.1	5.6
Net debt	87.1	91.2	94.6	94.4
Net debt/EBITDA	1.6	1.8	1.7	1.6

Source: PWO Group, Edison Investment Research

We are currently broadly in line with company guidance, which we think is most likely rather conservative. For 2025, we expect a decline in revenues of 6%, a somewhat larger decline than company guidance of -5%, but PWO is hinting at not meeting its current revenue guidance. We expect a good revenue recovery of 8% in 2026, driven by the ramp up of several new projects the company is currently preparing for. Tools sales normally come before the ramp up of the series production, thus an increase in tools sales is a good sign. In 2024, in both the Czech Republic and Mexico, sales growth in tools was higher than in series production, which therefore bodes well for revenue growth in the next two years. For 2027, we estimate continued good revenue growth of 5% based on the expectation that PWO will be able to outperform market growth while orders at the Serbian plant will ramp up further.

PWO is guiding for a decline in EBIT before currency effect in 2025 to €23–28m (from €30m in 2024) and our estimate is currently at the low end of the range at €24m, as we expect a slightly larger decline in revenues. Cost savings will partly compensate for the decline in revenues and the start-up loss in Serbia is expected to be eliminated, thereby saving another €1.9m in EBIT. From the estimated EBIT margin of 4.6% in 2025 we see good margin potential towards 5.5% in 2027, driven by higher revenues, efficiency gains and scale benefits.

PWO has set its sights on a revenue level of €700m by 2029 with good profitability levels. We estimate that Serbia could potentially add €70m to group revenues by 2029. From the guided €530m revenue level for 2025, this reflects a CAGR of 7% until 2029. We are a bit more conservative, anticipating 2029 revenues at around €650m, leaving upside potential.

In the medium term, we expect an EBIT margin of 6–7% to be achievable based on the following building blocks. With Canada further building its customer base, scale benefits should support higher margins. We expect the Czech Republic, China and Mexico will continue to show good profitability, while Serbia will increasingly contribute to revenues and EBIT. We assume that Serbia could reach the same margin as PWO realises in the Czech Republic (ie 7–9%), which would have a positive effect on the group margin.

With the transition to electric cars not as fast as anticipated a few years ago, several existing platforms are being extended, as not many new internal combustion engine platforms will be developed. In such cases, suppliers seem to have pricing power related to the additional volume orders. This could be another factor to support margins in the next few years.

For the next few years, we expect financial expenses to be broadly stable as we anticipate net debt to remain about the same level as in 2024 due to the relatively high capex. FCF is expected to be positive at low-single-digit millions, with an improvement expected from 2027.

For the tax rate, we assume 30% for the next few years, with the eventual outcome possibly being influenced by changes in deferred taxes.

Valuation

For the valuation of PWO we use three methods: historical multiples, peer comparison and DCF. The average of our valuation methods points to a value per share of €35.0. On top of this, the company offers an attractive dividend yield of around 6%, based on the €1.75 per share for 2024.

Exhibit 25: Average value per share

Valuation method	Assumption	Value per share, €
Historical multiples	2025e EV/EBITDA at 15% discount to historical multiples	34.5
DCF	Terminal growth 1.5%, EBIT margin 5.5%	36.3
Peer multiples	2025e EV/EBITDA in line with peers	34.3
Average value per share		35.0
Current share price		28.4

Source: Edison Investment Research

Historical multiples

When looking at EV/EBITDA multiples for 2025e, PWO is valued at a discount of 23% compared to its historical valuation of 4.7x (average of the last 10 years). Due to the weak automotive market, PWO's revenue growth and EBITDA margin development are currently below its long-term performance, with our estimated FY25 EBITDA margin of 9.5% below its 10-year average of 10.1%. Also, given the current uncertainty in the automotive market, including the effect of the import tariffs, we believe that a discount of 15% to its historical valuation is justified. This assumption gives a value per share of €34.5.

Exhibit 26: PWO's historical multiples

	Historical valuation (10 years)			Current valuation			Discount/premium versus average	
	Average	Minimum	Maximum	2024	2025e	2026e	2025e	2026e
EV/sales (x)	0.4	0.3	0.5	0.3	0.3	0.3	-17%	-22%
EV/EBITDA (x)	4.7	3.3	4.8	3.3	3.6	3.3	-23%	-30%
P/E (x)	6.5	5.5	7.6	6.5	8.8	6.6	35%	1%
Assumed premium/(discount) on EV/EBITDA							-15%	-15%
Value per share (€)							**34.5**	**40.7**

Source: PWO Group, Edison Investment Research

Peer comparison

For the peer comparison of PWO Group, we made a list of other automotive suppliers, mostly specialised in metal components, but also including OPmobility, which focuses on plastic components only. We left out Swiss Feintool International as it is expected to be loss making in 2025. We also left out Spanish CIE Automotive, as its margin profile is a lot better than the other automotive suppliers (largely based on scale and efficiency optimisation). It would therefore affect the average valuation of the peer group, which would not give a fair comparison.

PWO is trading at a discount of 13% to this selection, based on EV/EBITDA for 2025e. However, the company's EBIT margin is in line with or better than the peer group median. We believe this should justify a valuation at least in line with its peers and this assumption would imply a value per share for PWO of €34.3.

Exhibit 27: Peer group comparison

	Currency	Share price	Market cap		EV/Sales			EV/EBITDA			P/E		EBIT
			in m	2024	2025e	2026e	2024	2025e	2026e	2024	2025e	2026e	margin FY24
Autoneum Holding	CHF	139.80	810	0.5	0.5	0.5	4.4	4.4	3.9	13.3	14.1	12.1	5.3%
Gestamp	€	3.06	1,740	0.3	0.3	0.3	2.7	2.9	2.6	7.5	8.3	6.1	4.8%
Magna	CAD	55.74	11,540	0.4	0.4	0.4	4.2	4.4	4.0	11.9	9.3	7.2	5.4%
OPmobility	€	11.07	1,580	0.3	0.3	0.3	3.3	3.4	3.0	8.5	9.0	7.6	4.2%
Voestalpine	€	23.46	4,020	0.4	0.4	0.4	4.1	4.0	3.6	15.0	10.3	7.7	3.4%
Automotive median				0.4	0.4	0.4	4.1	4.0	3.6	11.9	9.3	7.6	4.6%
PWO Group	€	28.40	90	0.3	0.3	0.3	3.3	3.5	3.2	7.2	7.6	6.9	5.4%
Premium / (Discount)				-9%	-8%	-14%	-19%	-13%	-12%	-39%	-18%	-9%	
Assumed premium / (discount)					0%	0%		0%	0%		0%	0%	
Implied value per share, €					33.9	37.5		34.3	33.8		45.2	40.0	

Source: LSEG Data & Analytics (share prices as at 4 July 2025)

Discounted cash flow

Our DCF model is based on the following assumptions:

- A terminal revenue growth rate of 1.5% as long-term market growth in automotive is expected to be limited.
- A terminal EBIT margin of 5.5% as PWO is well on the way to further building its profitability, driven by expanding its scale.
- The tax rate is expected to be around 30%, which is the blended level of the different countries PWO is active in.
- We use a beta of 1.5 to reflect the relatively small size of the company and the current uncertainty in the automotive market, including the eventual impact of the import tariffs.
- We use a risk-free rate of 3.0% (based on the German 30-year government bond) and a market equity risk premium of 6.0%, delivering a WACC of 9.4%.
- Our DCF model suggests a fair value for PWO of €36.3 per share.

The following sensitivity analyses show the fair value outcome under different sales growth, EBIT margins and WACC scenarios.

Exhibit 28: Sensitivity analysis of WACC versus growth (€/share)

		Perpetual growth				
		0.5%	1.0%	1.5%	2.0%	2.5%
WACC	8.4%	42.7	46.1	50.0	54.5	59.7
	8.9%	36.5	39.4	42.7	46.4	50.6
	9.4%	31.1	33.6	36.3	39.4	42.9
	9.9%	26.3	28.4	30.7	33.3	36.2
	10.4%	22.0	23.8	25.8	27.9	30.4

Source: Edison Investment Research

Exhibit 29: Sensitivity analysis of WACC versus EBIT margin (€/share)

		EBIT margin				
		4.5%	5.0%	5.5%	6.0%	6.5%
WACC	8.4%	35.1	42.6	50.0	57.4	64.8
	8.9%	29.2	35.9	42.7	49.4	56.1
	9.4%	24.0	30.1	36.3	42.4	48.6
	9.9%	19.4	25.1	30.7	36.3	42.0
	10.4%	15.4	20.6	25.8	30.9	36.1

Source: Edison Investment Research

Exhibit 30: Financial summary

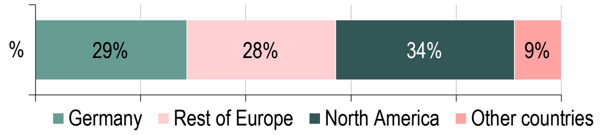
€m	2021	2022	2023	2024	2025e	2026e	2027e
Year end 31 December	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
INCOME STATEMENT							
Revenue	404.3	530.8	555.8	555.1	521.8	563.6	591.7
Gross Profit	200.6	220.6	234.7	244.5	232.4	252.1	265.9
EBITDA normalised (Edison definition)	**46.3**	**56.6**	**54.2**	**53.6**	**49.7**	**55.4**	**60.3**
Exceptionals	0.8	(5.4)	(2.1)	0.2	0.0	0.0	0.0
EBITDA reported	47.2	51.2	52.0	53.7	49.7	55.4	60.3
Depreciation & Amortisation	(26.4)	(25.6)	(24.8)	(23.6)	(25.6)	(26.9)	(27.7)
Amortisation of acquired intangibles	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Exceptionals	1.1	1.1	0.6	0.0	0.0	0.0	0.0
EBIT normalised, before currency effects (Edison definition)	20.2	32.9	30.4	29.8	24.1	28.6	32.6
EBIT reported, before currency effects	22.1	27.5	28.2	30.0	24.1	28.6	32.6
EBIT reported, including currency effects	21.8	26.8	27.9	30.0	24.1	28.6	32.6
Net Interest	(6.2)	(5.7)	(8.4)	(9.7)	(9.7)	(9.3)	(8.9)
Profit Before Tax	15.7	21.1	19.5	20.2	14.4	19.3	23.7
Reported tax	(0.9)	(5.9)	(3.3)	(7.9)	(4.3)	(5.8)	(7.1)
Profit After Tax	14.7	15.2	16.2	12.4	10.1	13.5	16.6
Net income normalised (Edison definition)	13.1	17.8	17.1	14.0	10.1	13.5	16.6
Net income reported	14.7	15.2	16.2	12.5	10.1	13.5	16.6
Average number of shares (m)	3.13	3.13	3.13	3.13	3.13	3.13	3.13
Total number of shares (m)	3.13	3.13	3.13	3.13	3.13	3.13	3.13
EPS normalised (€, Edison definition)	**4.19**	**5.71**	**5.48**	**4.47**	**3.22**	**4.32**	**5.31**
EPS reported (€)	4.72	4.87	5.19	4.01	3.22	4.32	5.31
DPS (€)	1.50	1.65	1.75	1.75	1.75	1.75	1.75
Revenue growth	8.9%	31.3%	4.7%	-0.1%	-6.0%	8.0%	5.0%
Gross Margin	49.6%	41.6%	42.2%	44.0%	44.5%	44.7%	44.9%
EBITDA Margin	11.5%	10.7%	9.7%	9.6%	9.5%	9.8%	10.2%
Normalised EBIT margin before currency effects	5.0%	6.2%	5.5%	5.4%	4.6%	5.1%	5.5%
BALANCE SHEET							
Fixed Assets	224.6	218.8	219.7	245.2	258.1	266.8	272.7
Intangible Assets	8.9	9.0	9.9	11.2	12.0	12.7	13.0
Tangible Assets	179.9	175.6	173.7	195.4	207.5	215.5	221.1
Investments & other	35.7	34.2	36.1	38.6	38.6	38.6	38.6
Current Assets	148.7	181.4	203.4	187.9	176.3	189.4	198.4
Stocks	32.6	39.6	38.3	40.6	37.8	40.6	42.4
Debtors	39.9	54.2	63.8	49.0	47.9	50.9	53.4
Other current assets	69.2	84.4	94.8	86.5	82.9	88.7	93.1
Cash & cash equivalents	6.9	3.2	6.4	11.8	7.7	9.4	9.5
Current Liabilities	112.7	155.8	144.1	151.4	148.2	157.0	160.7
Creditors	37.2	41.5	52.2	65.7	64.8	70.7	72.4
Other current liabilities	33.9	37.8	37.1	38.9	36.6	39.5	41.5
Short-term borrowings	41.6	76.5	54.8	46.8	46.8	46.8	46.8
Long-Term Liabilities	135.3	93.1	122.4	119.4	119.4	124.4	124.4
Long-term borrowings	68.9	42.0	58.9	52.1	52.1	57.1	57.1
Other long-term liabilities	66.4	51.1	63.5	67.3	67.3	67.3	67.3
Shareholders' equity	125.3	151.3	156.5	162.3	166.9	174.9	186.0
Balance sheet total	373.3	400.3	423.1	433.0	434.4	456.3	471.1
CASH FLOW							
Op Cash Flow before WC and tax	39.1	45.4	64.8	43.9	50.5	56.4	61.3
Working capital	(17.2)	(28.3)	(20.1)	37.4	4.3	(2.7)	(5.1)
Tax	(0.9)	(5.5)	(7.4)	(3.3)	(4.3)	(5.8)	(7.1)
Net interest	(6.2)	(3.0)	(6.9)	(7.8)	(9.7)	(9.3)	(8.9)
Net operating cash flow	14.8	8.6	30.5	70.2	40.8	38.6	40.1
Capex	(10.1)	(14.5)	(24.2)	(38.5)	(39.4)	(36.5)	(34.5)
Acquisitions/disposals	0.1	0.2	0.0	0.3	0.0	0.0	0.0
Equity financing	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dividends	0.0	(4.7)	(5.2)	(5.5)	(5.5)	(5.5)	(5.5)
Other	(6.0)	(1.4)	6.9	(6.3)	0.0	0.0	0.0
Net Cash Flow	(1.1)	(11.8)	8.1	20.2	(4.1)	(3.3)	0.1
Opening net debt/(cash)	102.5	103.6	115.4	107.3	87.1	91.2	94.5
Closing net debt/(cash)	103.6	115.4	107.3	87.1	91.2	94.5	94.4

Source: PWO Group, Edison Investment Research

Contact details

PWO AG
Industriestraße 8
77704 Oberkirch
Germany
+49780284844

Revenue by geography



Management team

CEO: Carlo Lazzarini

Carlo joined the executive board of PWO in September 2020. He has more than 20 years of experience in general management roles at international industrial firms, such as BPW Bergische Achsen, Danfoss and Carrier Corporation.

CFO: Jochen Lischer

Jochen joined the executive board in July 2023. He has more than 20 years of experience in the mobility industry, including at Hanon Systems, Magna International, Faurecia and Keiper.

Principal shareholders

Principal shareholders	%
Consult Invest Beteiligungsberatungs-GmbH	46.9
Sparkasse Offenburg	8.6

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20 Red Lion Street
London, WC1R 4PS
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