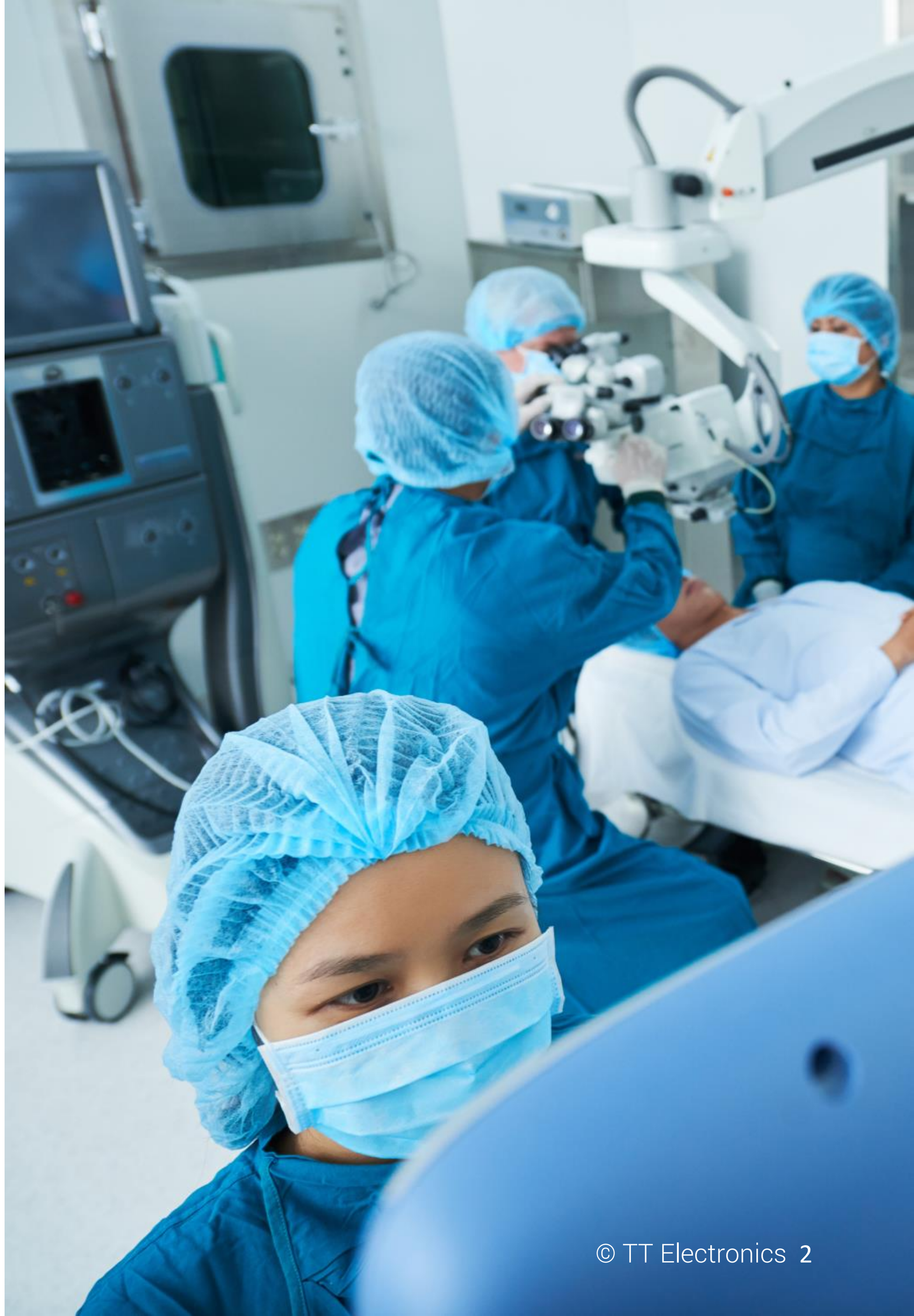
HALF YEAR RESULTS

2022

STRONG GROWTH AND MOMENTUM
FULL YEAR OUTLOOK UNCHANGED

- Revenue increase reflects successful positioning in structural growth markets
- Book to bill of 144% with order book more than double pre-pandemic levels and up 55% versus prior year
- 23 new significant contract wins in the half delivering over £60m of multi-year revenues
- Pricing action offsetting inflationary pressures
- Continued progress on ESG initiatives
- Cash spend on self help programme will complete in 2022 - benefits underpin margin improvement
- Clear line of sight to achieve our unchanged full year expectations, through growth, pricing and self-help



FINANCIAL REVIEW
MARK HOAD, CFO

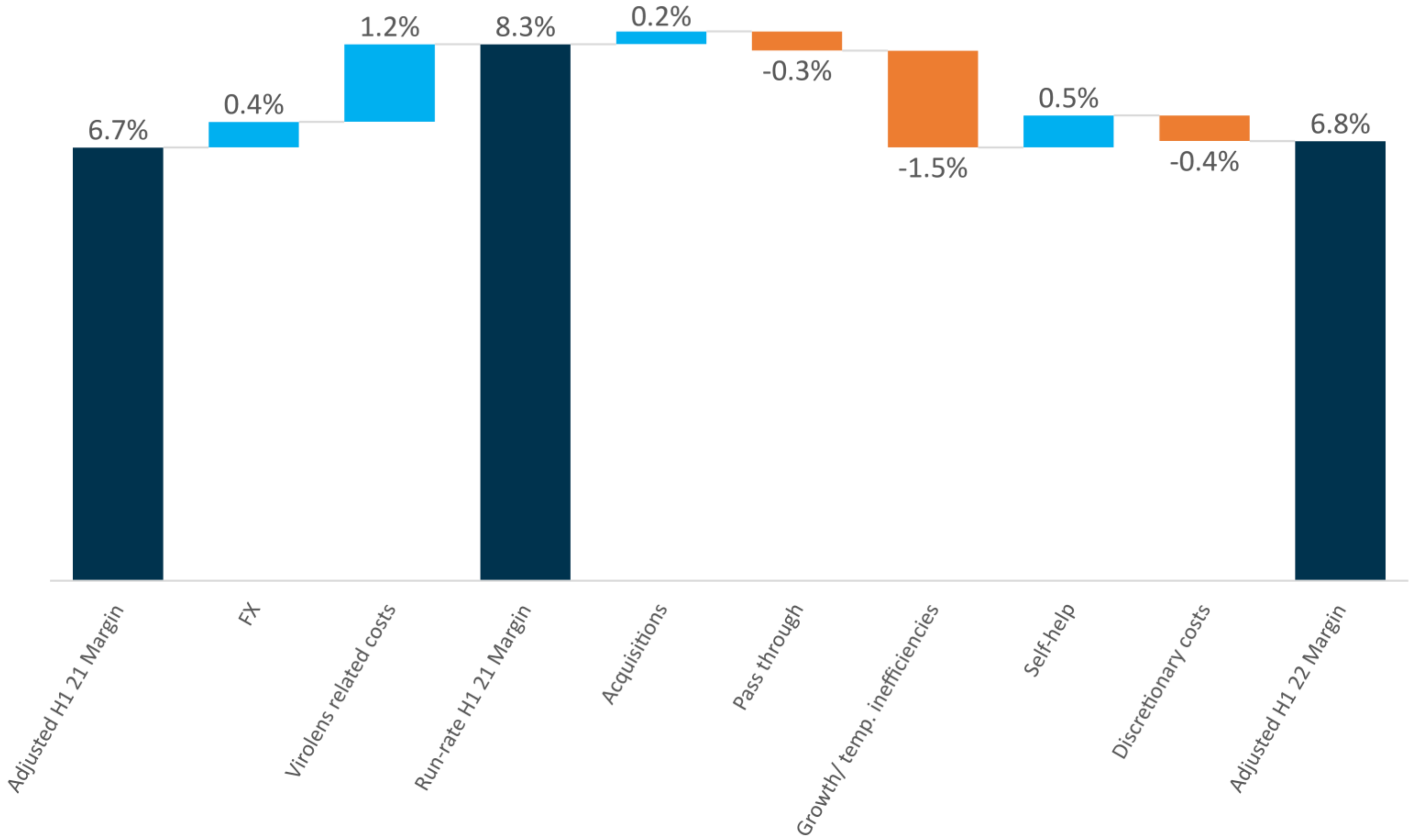
GROUP FINANCIAL PERFORMANCE

£m (except where stated)	HY 22	HY 21	Change constant fx
Revenue	269.2	235.6	10%
Operating profit*	18.3	15.9	5%
Operating profit margin*	6.8%	6.7%	(30)bps
Profit before tax*	15.0	14.1	(3)%
EPS* (pence)	6.6p	6.5p	(8)%
Free cash flow	(23.5)	(10.3)	
Net debt/EBITDA†	2.4x	1.7x‡	
ROIC (%)	8.9%	9.1%‡	(20)bps
Dividend (pence)	2.0p	1.8p	

- 8% organic revenue growth – c. 2/3 pricing/pass through, 1/3 volume
- Operating profit up 5% on constant currency basis
- Adjusted operating margin of 6.8%
- EPS down 8% at constant currency – higher interest expense and tax charge
- Free cash flow reflects working capital increase – investment to support order book and also impacted by supply chain delays
- Focus on H2 improvement - net debt to adjusted EBITDA expected to be within our 1-2x target range at year-end
- HY dividend up 11% to 2.0p, reflecting positive outlook

* *Adjusted, before exceptional costs*
† *Net debt/adjusted EBITDA calculated as per bank covenant - pre-IFRS 16, proforma for acquisitions*
‡ *FY 2021*

TEMPORARY HEADWINDS TO OPERATING MARGIN



- Ferranti delivering high-teen margins
- Dilutive impact of pass-through in GMS
- Benefits of growth offset by Covid and supply chain issues
- Continuing to realise benefits from self-help programme
- Adding back discretionary costs as planned
- Adjusted operating margin of 6.8%
- H2 recovery anticipated
  - Higher revenue
  - Agreed price increases
  - Benefits of self-help

POWER & CONNECTIVITY

	HY 22	HY 21	Change	Change constant fx
Revenue (£m)	68.8	68.2	1%	(2)%
Adjusted operating profit (£m)	2.1	3.6	(42)%	(48)%
Adjusted operating margin	3.1%	5.3%	(220)bps	(260)bps

- 2% revenue decline at constant currency, 7% organic decline
- Performance impacted by supply chain, timing of programme revenues and COVID related shutdowns
- Improved order book for H2 and recent wins support positive medium term view
- Initial strong contribution from Ferranti acquisition - £3.7m revenue, £0.7m operating profit
- Clear line of sight to substantial H2 improvement

GLOBAL MANUFACTURING SOLUTIONS

	HY 22	HY 21	Change	Change constant fx
Revenue (£m)	135.3	109.6	23%	17%
Adjusted operating profit (£m)	9.4	8.5	11%	1%
Adjusted operating margin	6.9%	7.8%	(90)bps	(120)bps

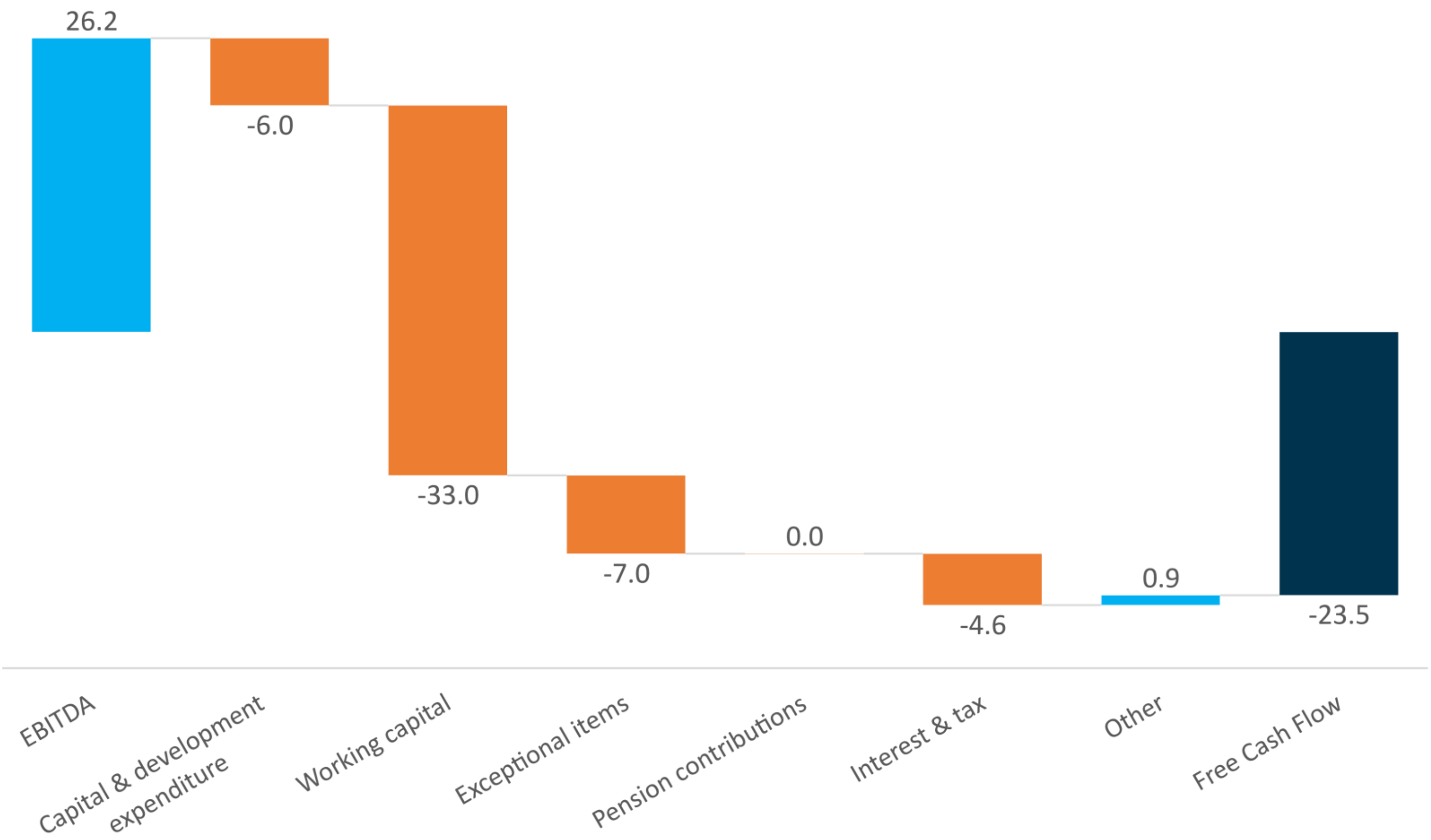
- 17% organic growth in revenue, driven by US and Asia
- Strong order intake, now booking orders for H2 2023
- Operating margins reflect £10m of pass-through (7.5% margin excluding pass through element)
- Margin progression expected in second half on higher revenues

SENSORS AND SPECIALIST COMPONENTS

	HY 22	HY 21	Change	Change constant fx
Revenue (£m)	65.1	57.8	13%	8%
Adjusted operating profit (£m)	10.6	7.4	43%	34%
Adjusted operating margin	16.3%	12.8%	350bps	320bps

- Revenue grew by 8% organically
- Strong demand from distribution customers
- Customers booking orders to secure capacity; order book for 2023 already building
- Growth and self-help actions driving profit growth
- Record margins at 16.3%

FREE CASH FLOW REFLECTING INVESTMENT FOR GROWTH



- Cash performance in H1 impacted by £33m working capital outflow
    - Continued investment in inventory to support material order book growth
    - Impact compounded by supply chain delays affecting product shipment and conversion to EBITDA and cash
- Zero pension contribution in H1 – shifting to escrow arrangement to avoid trapped surplus risk
- Leverage increased to net debt/adjusted EBITDA 2.4x – expect reduction in H2
- Bank re-fi completed at attractive rates – £147m with 4+1 tenor complementing PP loan notes completed last year

EXPANDED SELF-HELP PROGRAMME PROGRESSING WELL

Programme scope

- 3 main site closures + 4 smaller sites
- Net headcount reductions c. 500 FTEs
- Relocation/end-of-life lower margin product lines

Progressing to plan

- Closure of 6 sites complete - Barbados, Carrollton, Corpus Christi, Lutterworth, Tunisia and Akron
- Plano site line qualification now well progressed, albeit slower than planned – modest increase in costs
- New enlarged cleanroom at Bedlington operational, furnace installation underway, site re-configuration largely complete
- Integration of Covina into Kansas site underway, will complete by year-end

£m	2020	2021	2022	Total
Cash cost				
Restructuring	(1.6)	(1.8)	(5.9)	(9.3)
Capex	(2.3)	(7.9)	(1.6)	(11.8)
Total	(3.9)	(9.7)	(7.5)	(21.1)

£m	2020	2021	2022	Run rate
Benefits	2	8	10	13-14

On track to deliver planned efficiencies, supporting margin progression

RICHARD TYSON, CEO

TARGETED EXPOSURE TO STRUCTURAL GROWTH MARKETS

% OF TT REVENUE H1 22	MARKET	MEDIUM TERM GROWTH RATE	NEAR TERM DRIVERS OF HIGHER GROWTH
26%	Healthcare	+5-7%	• Growth in surgical navigation for minimally invasive, digital and robotic surgery • New applications for implantable devices expanding our addressable markets
15%	Aerospace & Defence	+3-4%	• Increased defence budgets in Europe and the US given current global threats • Strong global order book for 13,000+ aircraft
39%	Automation & Electrification	+4-6%	• Demand for automation is diversified across end markets • Electrification optimises efficiency in electronics and extends infrastructure
20%	Distribution Sales Channel	GDP+	• Strong demand in distribution reflecting market dynamics • Technological change and digital transformation driving demand

NEAR TERM DYNAMICS SUPPORTIVE OF HIGHER GROWTH RATES

GROWTH : FROM BUSINESS DEVELOPMENT IN OUR TARGET END MARKETS

Healthcare

Surgical navigation

- £8m win (over 5 years) with a medical device and healthcare company for electromagnetic tracking sensors for use in electrophysiology cardiac mapping procedures

Implantable devices

- Launched projects with catheter contract manufacturers to incorporate our electromagnetic sensors

Aerospace and Defence

Defence

- Design and develop win for electrical cable harness systems for Challenger (combat vehicle in development for British Army)

Aerospace

- Ferranti contract win to design and develop power electronic assemblies for new business jet

Automation and Electrification

Automation

- Industrial customer currently testing our revolutionary optical sensory array FlexSense™ in a robotic arm for factory automation

Electrification

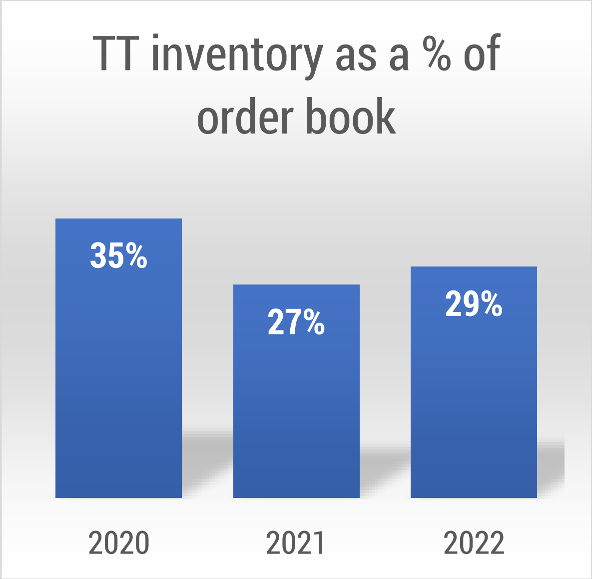
- £8m Connectivity stair lift win

ORDER BOOK STRENGTH AND MOMENTUM
GIVING GOOD VISIBILITY

- Expected strong 2022 revenue growth fully covered, book to bill of 144% in H1
- Recovering inflation and transparent pass through of extreme cost increases
- Gross profit margins being maintained
- Ongoing successful order book re-pricing, will deliver in H2 and into 2023
- Our largest customers are growing ahead of market growth rates

ORDER BOOK STRENGTH SECURES 2022 – SUPPORTS 2023 GROWTH

* All years shown at current FX spot rates



- Successfully repriced around 80% of our order book with fixed terms and conditions
- Distributor inventory levels are 5% lower than at the beginning of 2020
- 55% of next year’s revenues covered by order book (up from 21% in 2020, 34% in 2021)

CONFIDENCE IN OUTLOOK FOR H2 AND BEYOND

DOUBLE DIGIT MARGINS THROUGH SELF-HELP, GROWTH & PORTFOLIO CHANGE

- Self-help: £13-14m run rate benefit by 2023 from site closures and overhead reduction
- Growth: Operational leverage on market growth of 3–5% p.a.
- Acquisitions of higher margin business with synergy opportunities

OUTLOOK

- Strong order and sales momentum; order book more than double pre-pandemic levels and up 55% vs prior year
- Expect to continue to offset inflationary pressures through pricing and operation efficiency
- Net debt to adjusted EBITDA expected to be back within 1-2x range by year end
- Clear line of sight to delivering our unchanged full year expectations
- Well positioned for further growth and margin improvement.

THANK YOU

FINANCIAL GUIDANCE FOR 2022

Adjusting items cash spend

- £6m on self-help programme
- £1m on acquisition integration
- £2m on pension projects

Capital and development expenditure

- Capex and devex circa £18m including project spend

Working capital

- Inventory levels likely to remain elevated as supply chain constraints continue
- Expect modest working capital inflow in H2

Pension

- UK deficit contributions £5.7m – payments outside of scheme to avoid trapped surplus
- UK scheme fully funded on a self-sufficiency basis
- Further liability management projects underway

Tax

- Effective rate for year c.23%
- Cash payments c.60% of adjusted P&L charge

Foreign exchange

- USD 1 cent = c.£200k operating profit impact
- RMB 0.1 = c.£200k operating profit impact

BUILDING A SUSTAINABLE BUSINESS

Environmental

Net Zero target by 2035 for Scope 1&2 emissions

- 25% reduction in emissions delivered in 2021
- Targeting a 50% reduction by the end of 2023
- Using sustainable energy where possible
- Site specific projects to reduce energy consumption

Scope 3 emissions assessment & actions underway

Social

- Employee engagement – 85% participation rate and maintained 2* ranking by Best Companies
- InTTernship, apprentice and graduate schemes
- 23% female representation in management population
- Launch of Leadership programme for women including mentoring & advocacy
- ED&I education programme

Governance

- 33% female representation on the Board
- ED& I Policy
- Compliance with the TCFD requirements

Sustainability drives revenue growth and how we run our business

DELIVERING GROWTH AND CREATING VALUE

Megatrends driving revenue growth and demand for products that contribute to a more sustainable world

3-5% revenue CAGR

A high quality, IP rich business, with cleaner, smarter and healthier solutions

10%+ operating margin

Strong cash generation to invest in IP and value-enhancing acquisitions

90%+ cash conversion and strong free cash flow generation

Investment in R&D and M&A improving quality of business and exposure to megatrends

CAPITAL ALLOCATION PRIORITIES

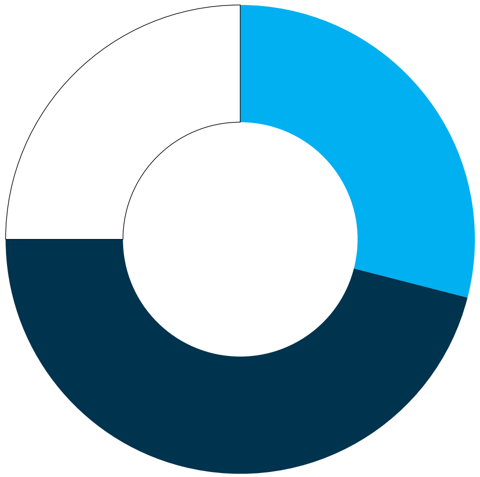
Our objective is to maintain a strong financial position and provide flexibility for growth

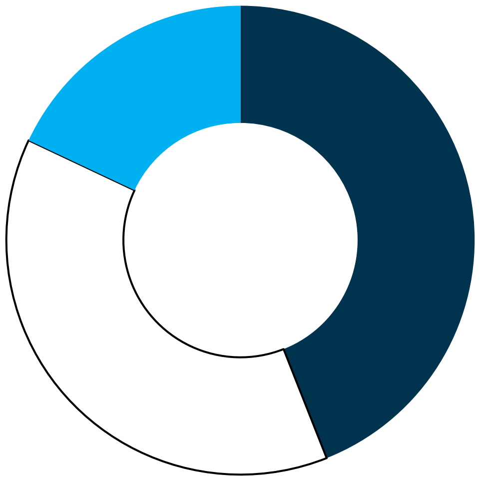
Free cash flow priorities

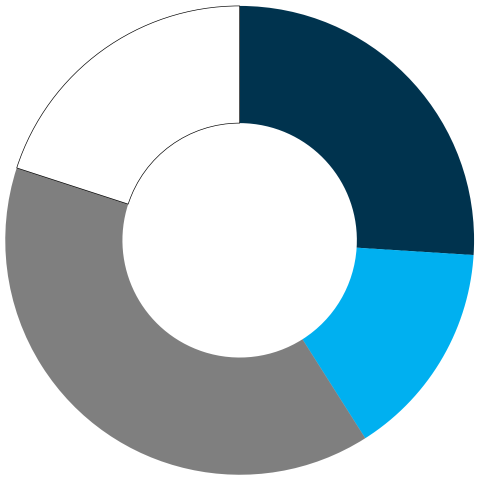
1. Maximise organic investment including R&D to support growth
2. Maintain our progressive dividend policy
3. Continue to support our strategy with targeted, complementary M&A - disciplined hurdle rates
4. Return excess capital to shareholders

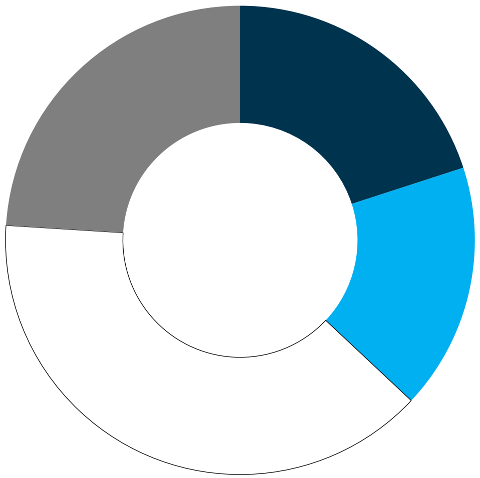
TARGET LEVERAGE WITHIN RANGE OF 1.0-2.0X EBITDA

THE TT ELECTRONICS BUSINESS









Revenue (H1 2022)

- Power & Connectivity 26%
- Global Manufacturing Solutions 50%
- Sensors & Specialist Components 24%

Underlying operating profit (H1 2022)

- Power & Connectivity 12%
- Global Manufacturing Solutions 51%
- Sensors & Specialist Components 58%
- Central costs (21)%

Revenue by market (H1 2022)

- Healthcare 26%
- Aerospace & Defence 15%
- Automation & Electrification 39%
- Distribution sales channel 20%

Revenue by geography (H1 2022)

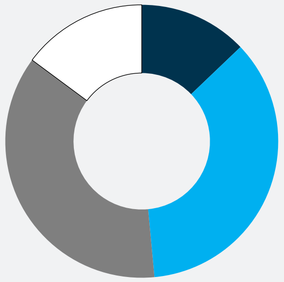
- UK 22%
- Rest of Europe 16%
- North America 38%
- Asia and RoW 24%

REVENUE BY MARKET AND GEOGRAPHY BY DIVISION

Power and Connectivity

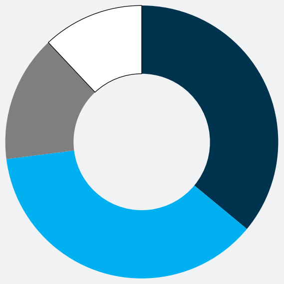
Revenue by market (%)

- Healthcare 13%
- Automation & electrification 36%
- Aerospace & defence 37%
- Distribution sales channel 14%



Revenue by geography (%)

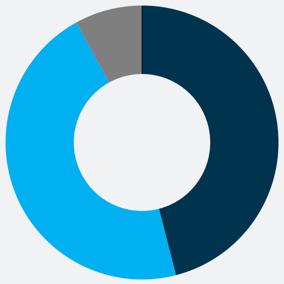
- UK 36%
- North America 37%
- Rest of Europe 15%
- Asia and RoW 12%



Global Manufacturing Solutions

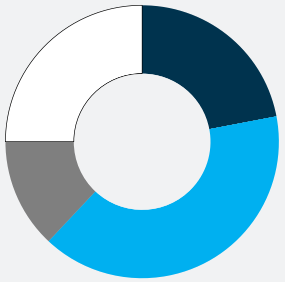
Revenue by market (%)

- Healthcare 46%
- Automation & electrification 46%
- Aerospace & defence 8%
- Distribution sales channel 0%



Revenue by geography (%)

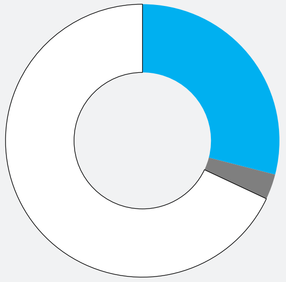
- UK 22%
- North America 40%
- Rest of Europe 13%
- Asia and RoW 25%



Sensors and Specialist Components

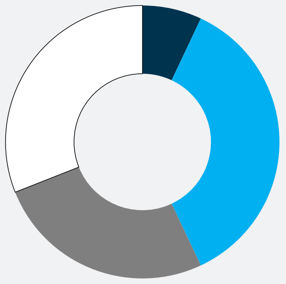
Revenue by market (%)

- Healthcare -%
- Automation & electrification 29%
- Aerospace and defence 3%
- Distribution sales channel 68%



Revenue by geography (%)

- UK 7%
- North America 36%
- Rest Of Europe 26%
- Asia and RoW 31%



SUMMARY INCOME STATEMENT

(£m)	H1 2022	H1 2021
Revenue	269.2	235.6
Adjusted operating profit	18.3	15.9
Net finance cost	(3.3)	(1.8)
Adjusted profit before taxation	15.0	14.1
Adjusting items	(9.4)	(6.6)
Profit before taxation	5.6	7.5
Taxation	(1.5)	(1.7)
Profit after taxation	4.1	5.8

SUMMARY OF REVENUE AND OPERATING PROFIT BY DIVISION
IMPACT OF FX

	Power and Connectivity	Global Manufacturing Solutions	Sensors and Specialist Components	Corporate	Group
Revenue (£m)					
HY 2022	**68.8**	**135.3**	**65.1**	**-**	**269.2**
HY 2021 at HY 2022 rates	70.2	115.3	60.2	-	**245.7**
FX impact	2.0	5.7	2.4	-	**10.1**
HY 2021 as published	68.2	109.6	57.8	-	235.6
Operating Profit (£m)					
HY 2022	**2.1**	**9.4**	**10.6**	**(3.8)**	**18.3**
HY 2021 at HY 2022 rates	4.0	9.3	7.9	(3.7)	**17.5**
FX impact	0.4	0.8	0.5	(0.1)	**1.6**
HY 2021 as published	3.6	8.5	7.4	(3.6)	15.9

INCOME STATEMENT – ADJUSTING ITEMS

£m	H1 2022	H1 2021
Operating profit	8.9	9.3
Adjusted to exclude:		
Restructuring and other items		
Restructuring	(4.5)	(3.3)
Property disposals	-	1.3
Pension related items	(1.0)	(0.6)
	(5.5)	(2.6)
Acquisition related costs		
Amortisation of intangible assets arising on business combinations	(3.1)	(2.5)
Torotel acquisition and integration costs	(0.1)	(0.9)
Covina acquisition and integration costs	-	(0.2)
Ferranti Power & Control acquisition and integration costs	(0.6)	-
Other acquisition related costs	(0.1)	(0.4)
	(3.9)	(4.0)
Total operating reconciling items	(9.4)	(6.6)
Adjusted operating profit	18.3	15.9

CASH CONVERSION

£m	H1 2022	H1 2021
Adjusted operating profit	18.3	15.9
Depreciation and amortisation	7.9	8.0
Net capital expenditure	(5.0)	(6.2)
Capitalised development expenditure	(1.0)	(1.0)
Working capital	(33.0)	(18.9)
Other	2.8	1.1
Operating cash flow after capex[1]	**(10.0)**	**(1.1)**
Cash conversion	***(55%)***	***(7)%***

[1] H1 2021 excludes the net proceeds of the Covina property sale (£5.8 million).

MOVEMENT IN NET DEBT

£m	H1 2022	H1 2021
Operating cash flow after capex	(10.0)	(1.1)
Net interest and tax	(4.6)	(4.0)
Lease repayments	(1.9)	(1.9)
Restructuring and acquisition related costs[1]	(7.0)	(0.6)
Pensions	-	(2.7)
Free cash flow	(23.5)	(10.3)
Dividends	(6.7)	(8.2)
Acquisitions	(8.3)	(0.5)
Equity issued	0.2	0.3
Other	(0.2)	(0.1)
Increase in net debt	(36.6)	(16.9)
Opening net debt	(102.5)	(83.9)
FX and other non cash items	(2.9)	(6.5)
Closing net debt	(142.0)	(107.3)

[1] *Restructuring and acquisition related costs includes the net proceeds of the Covina property sale (£5.8 million).*

CAUTIONARY STATEMENT

For the purposes of the following disclaimers, references to this ‘document’ shall be deemed to include references to the presenters speeches, the question and answer session and any other related verbal or written communications.

This document contains forward-looking statements. These have been made by the Directors in good faith based on the information available to them up to the time of their approval of this report. The Directors can give no assurance that these expectations will prove to have been correct. Due to the inherent uncertainties, including both economic and business risk factors underlying such forward-looking information, actual results may differ materially from those expressed or implied by these forward-looking statements.

The Directors undertake no obligation to update any forward-looking statements whether as a result of new information, future events or otherwise.