TT ELECTRONICS HALF YEAR RESULTS 2026

HY 2026 IN REVIEW

ERIC LAKIN, CEO

HY 2026 HIGHLIGHTS: STRATEGIC EXECUTION DRIVING IMPROVED OPERATING PERFORMANCE

- **Materially improved profitability, margin expansion and stronger commercial momentum**, reflecting strategic actions taken during 2025, improved execution, and the delivery of strategic priorities in H1 2026.

- Adjusted operating profit up **37.0% to £18.5m**, with organic[1] operating margin up **230bps**, reflecting:

    - Benefits of the operational actions taken in the Electronic Manufacturing Services division (EMS), with the **Cleveland turnaround delivered and the site profitable in the period.**

    - **Return of the Components business to profitability**, driven by business improvement and the closure of the site in Plano, which was significantly loss-making in H1 2025.

    - Divisional realignment implemented, substantial completion of the cost reduction programme, and **strong momentum in order intake across the Group in the half.**

- Board now expects 2026 adjusted operating profit to be **ahead of current market expectations[2]**

From operational turnaround to disciplined execution and delivery

1 - Organic measures are presented on a constant currency basis. Constant currency performance is calculated by translating prior period performance at the current period's FX rates.

2 - Company compiled consensus for adjusted operating profit is a range £32.6 million to £38.5 million.

DISCIPLINED FRAMEWORK DELIVERING OPERATIONAL & FINANCIAL PROGRESS

- DIVISIONAL REALIGNMENT
- COST REDUCTION PROGRAMME
- SALES TRANSFORMATION
- PORTFOLIO OPTIMISATION

Tangible progress across our strategic priorities in the first half

DIVISIONAL REALIGNMENT

Aligning the Group around Power, EMS and Components to improve collaboration, accountability and execution.

- Successfully implemented the transition to a product-led organisational structure, better aligned to how customers engage with TT
- Improved collaboration across our global footprint, with clearer accountability and simplified decision-making
- Focused investment in next-generation technologies, strengthening our competitive position and commercial pipeline
- Early operational and commercial benefits already evident, including new customer wins spanning multiple sites

Creating a more agile, customer-focused organisation

COST REDUCTION PROGRAMME

Simplifying the cost base to create a leaner operating model while maintaining our engineering capability and customer service.

- Programme implementation substantially completed
- Restructuring costs recognised above the line in the first half, with financial benefits building through H2
- Approximately £3 million of net savings expected during FY2026 and annualised savings expected to be more than £6 million from FY2027 onwards
- Creates a stronger platform for continued margin expansion and sustainable profitability

Building a leaner, more efficient operating model

SALES TRANSFORMATION

Strengthening our commercial capability to improve order intake, customer engagement and long-term organic growth.

- Continued investment in sales and business development, supported by enhanced CRM capability and pipeline management
- Greater commercial discipline driving stronger order intake and a book-to-bill ratio of 112%
- Encouraging new customer wins and improved conversion of commercial opportunities
- Building a stronger commercial organisation to support sustainable long-term growth

Building a stronger commercial engine for growth

PORTFOLIO OPTIMISATION

Actively optimising the Group's portfolio to sharpen strategic focus and enhance long-term shareholder value.

- Strategic review of the Components business complete with the Board evaluating a potential divestment following receipt of encouraging indications of interest
- Any transaction remains subject to value, with no certainty as to the outcome
- Return to profitability of Components during the period reinforces confidence in the underlying business
- Disciplined capital allocation remains a priority

Active portfolio optimisation to enhance long-term value

FINANCIAL REVIEW

IAN ASHTON, CFO

GROUP FINANCIAL PERFORMANCE

£m	HY 2026	HY 2025	Change[1]
Revenue *(organic)*	**228.1**	234.5	(2.7)%
Adjusted operating profit *(organic)*	**18.5**	13.5	37.0%
Adjusted operating profit margin *(organic)*	**8.1%**	5.8%	230bps
Adjusted profit before tax	**15.8**	8.5	85.9%
Adjusted EPS (pence)	**5.7p**	1.9p	200.0%
ROIC (%)	**17.7%**	10.0%	770bps
Net debt (excl. lease liabilities)	**(52.0)**	(73.3)	(29.1)%
Leverage	**1.1x**	1.9x	(0.8)x

- Revenue down 2.7% organically; up c4% excluding the Plano closure and the TT Suzhou to TT Kuantan EMS customer transfer
- Adjusted operating profit up 37.0%, driven by success of actions taken in 2025, notably Cleveland turnaround and return to profitability of Components
- Adjusted operating margin up 230bps to 8.1%
- On a normalised basis, if a deferred tax asset could be recognised, adjusted EPS would have been 6.5p
- ROIC improved 770bps to 17.7%
- Net debt (excl. leases) down to £52.0m; leverage 1.1x (HY 2025: 1.9x) – materially stronger financial position

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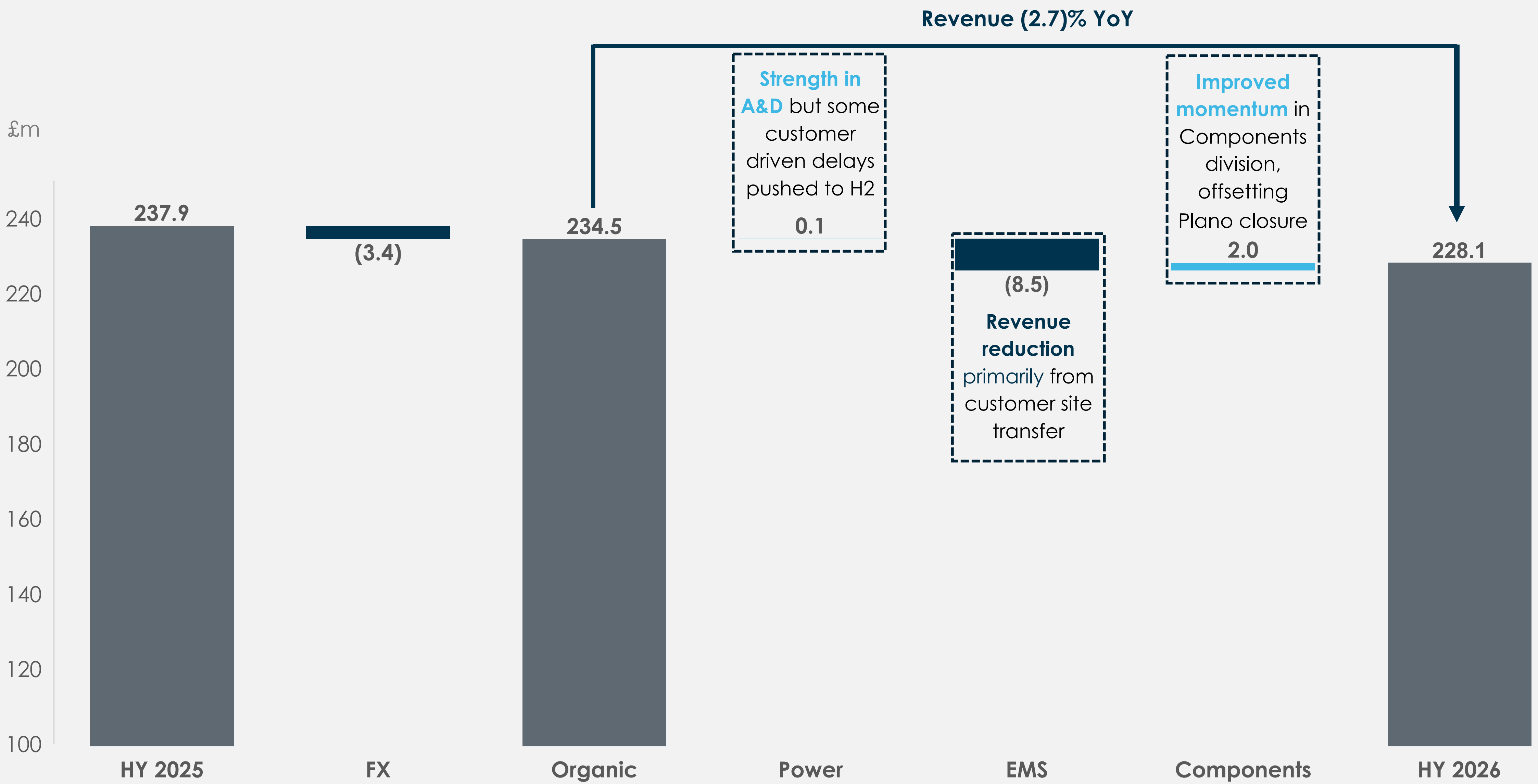
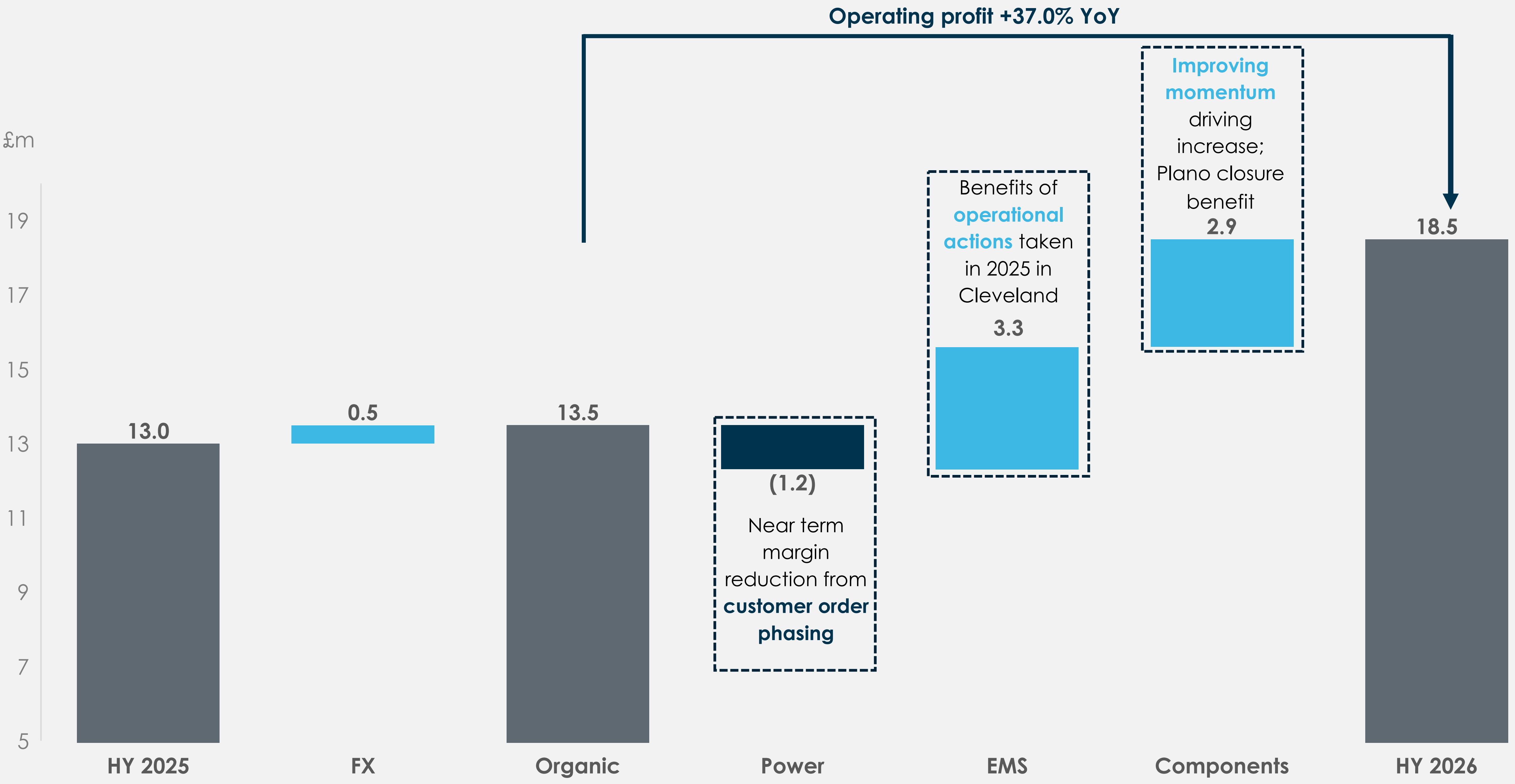
REVENUE BRIDGE



ADJUSTED OPERATING PROFIT



POWER – A&D STRENGTH AND ORDER MOMENTUM

£m	HY 2026	HY 2025	Change[1]
Revenue	97.3	97.2	0.1%
Adjusted operating profit	13.8	15.0	(8.0)%
Adjusted operating profit margin	14.2%	15.4%	(120)bps

- Revenue of £97.3m, broadly flat organically, with sustained A&D demand across our European operations
- Certain key customer agreements now finalised, with associated demand and price phasing into H2
- Margin performance in H1 impacted by the above
- Strong A&D order momentum, supported by a healthy programme pipeline
- This momentum is reflected in the 114% book to bill ratio with growth across all sites

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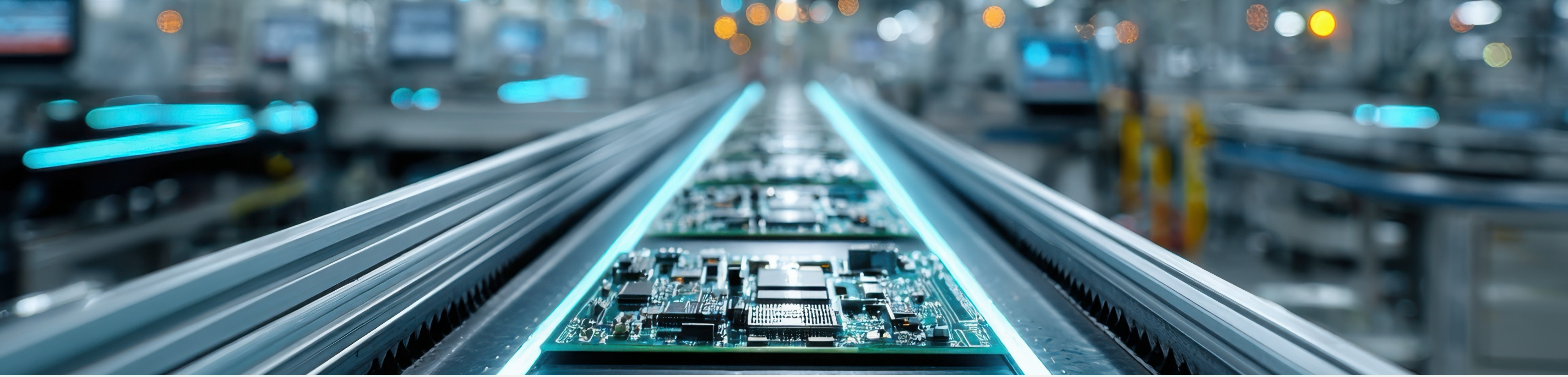

EMS – MARGIN RECOVERY UNDERWAY

£m	HY 2026	HY 2025	Change[1]
Revenue	94.1	102.6	(8.3)%
Adjusted operating profit	7.4	4.1	80.5%
Adjusted operating profit margin	7.9%	4.0%	390bps

- Revenue down 8.3%, reflecting the one-off TT Kuantan single customer transfer; up approximately 7% after excluding this.
- Adjusted operating profit up 80.5% to £7.4m, with margin up 390bps to 7.9%
- Cleveland turnaround complete, with the site profitable in the period; ongoing focus on operational improvement
- TT Kuantan transfer complete and now ramping up, positioned to support higher volumes in second half

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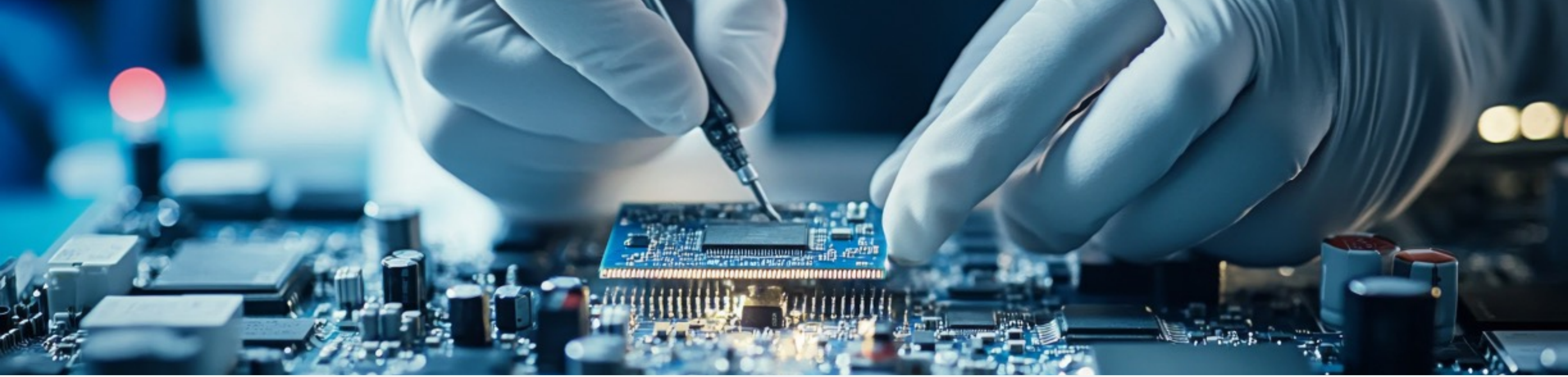

COMPONENTS – IMPROVING MOMENTUM

£m	HY 2026	HY 2025	Change[1]
Revenue	36.7	34.7	5.8%
Adjusted operating profit	1.0	(1.9)	n/a
Adjusted operating profit margin	2.7%	(5.5)%	820bps

- Revenue up 5.8% to £36.7m, despite Plano closure headwind, with improving momentum division-wide
- Return to profitability, with adjusted operating profit of £1.0m (HY 2025: £1.9m loss) and margin of 2.7%
- 2026 benefitting from closure of Plano site last year
- Strategic review complete, with encouraging number of indications of interest received; any transaction remains subject to value

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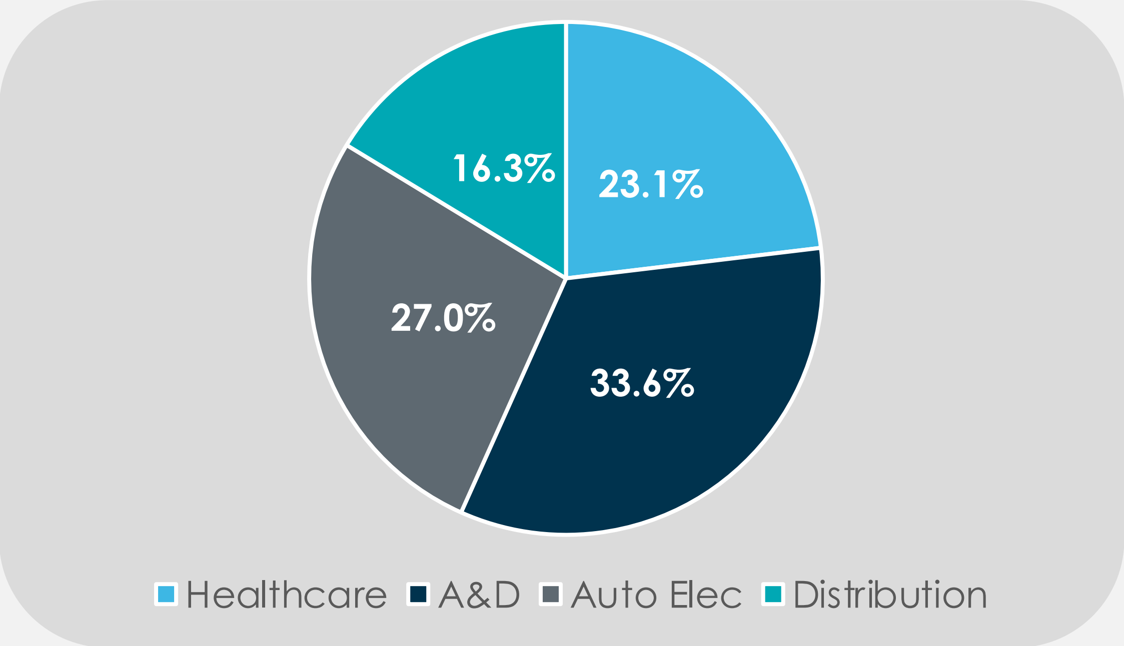
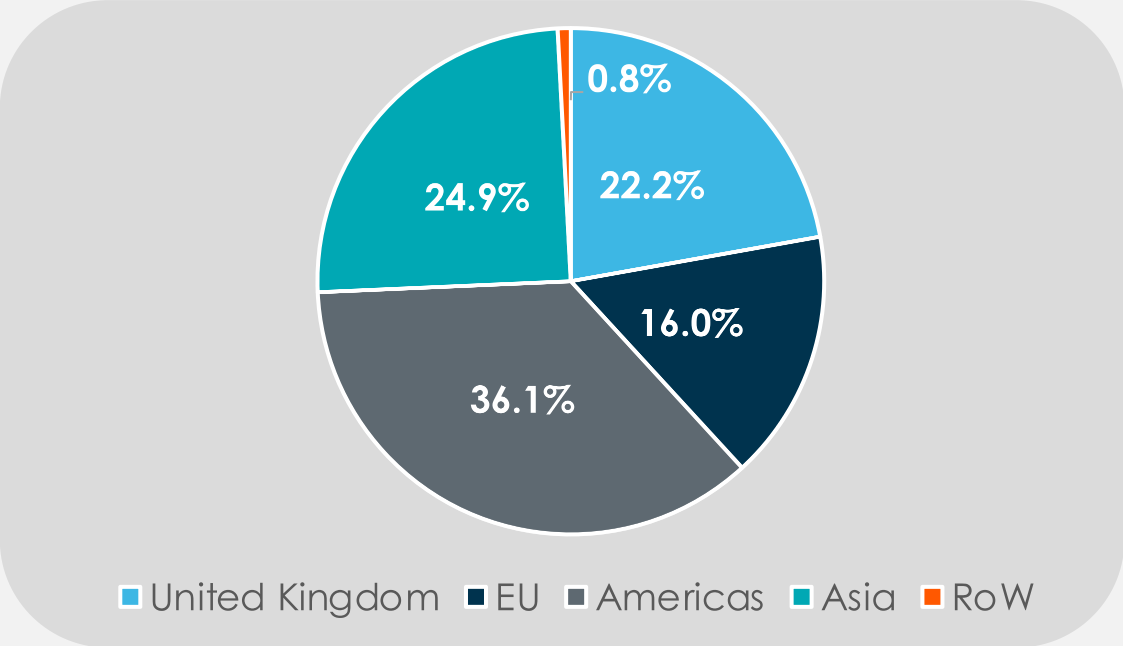
REVENUE BY SECTOR AND GEOGRAPHY

SECTOR



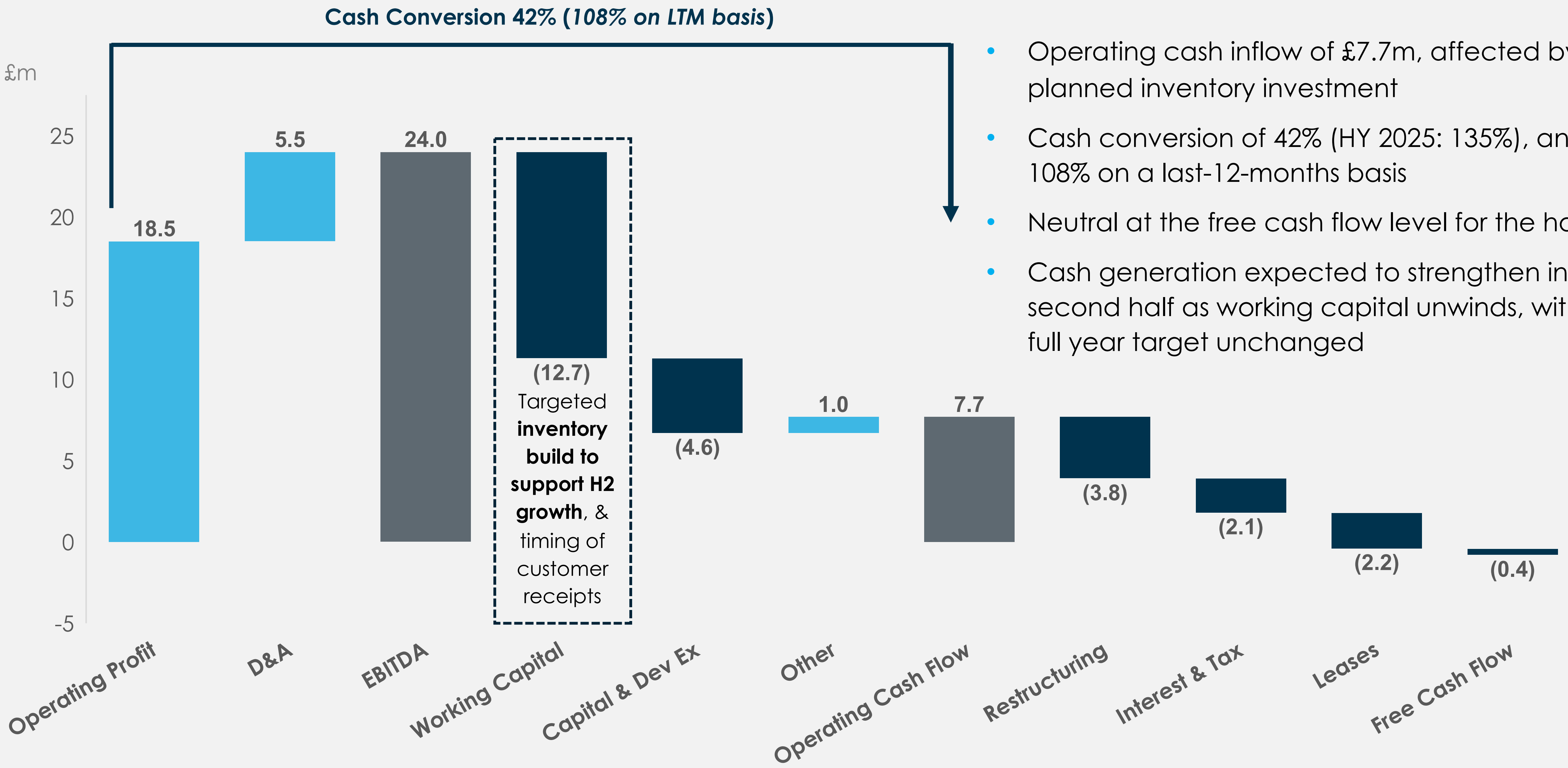
GEOGRAPHY



Broad and well-established exposure to macro growth drivers

1 – Totals refer to H1 2026 Revenue.

CASH FLOW BRIDGE



- Operating cash inflow of £7.7m, affected by planned inventory investment
- Cash conversion of 42% (HY 2025: 135%), and 108% on a last-12-months basis
- Neutral at the free cash flow level for the half.
- Cash generation expected to strengthen in second half as working capital unwinds, with the full year target unchanged

BALANCE SHEET & FINANCING

£m	HY 2026	HY 2025	Change[1]
Net debt (excl. lease liabilities)	(52.0)	(73.3)	(29.1)%
Leverage[1]	1.1x	1.9x	(0.8)x

Funding	Size (£m)	Maturity	Rate
Revolving credit facility	105.0	Jun 2028	SONIA/SOFR plus margin, based on leverage
Private Placement Notes	37.5	Dec 2028	Blended rate of 3.65%
Private Placement Notes	37.5	Dec 2031	

- Net debt (excl. leases) reduced to £52.0m, down £21.3m YoY
- Leverage reduced to 1.1x (HY 2025: 1.9x), with net interest cover of 7.9x
- RCF drawn £8m at period-end
- RCF amended and extended in H1: June 2028 expiry date, with facility size of £105m
- Interest cover covenant reverted to 4.0x under the amended facility, with the Group compliant throughout the period
- Leverage covenant remains at 3x

Modest leverage, significant room on covenants, and appropriate financing structure in place

1 - Net debt / adjusted EBITDA calculated as per bank covenant - pre-IFRS 16.

DISCIPLINED CAPITAL ALLOCATION

ORGANIC BUSINESS

- Revenue growth – stronger commercial execution in growing markets
- Sustained growth in operating profit and OP margin – leveraging fixed costs and capacity, and continued focus on costs
- Robust cash conversion % of higher profits
- Highly disciplined reinvestment in organic business

FREE CASH FLOW APPLICATION

CONTINUED DELEVERAGING

Further deleveraging expected in FY 2026

Ongoing target leverage: below 1.5x

SHAREHOLDER RETURNS

Board will keep dividend policy under review – further update in March 2027

PORTFOLIO OPTIMISATION AND M&A PIPELINE

Potential divestment of Components

Proceeds would provide enhanced financial flexibility and strategic optionality

In medium term, Board will consider selective, EPS-accretive bolt-on acquisitions

IMPROVING ORGANIC CASH GENERATION + **DISCIPLINED DEPLOYMENT OF CAPITAL**

A materially stronger balance sheet creating capacity to invest and grow

LOOKING AHEAD

ERIC LAKIN, CEO

NEW CUSTOMER WINS
BROAD COMMERCIAL MOMENTUM

- Investment in our commercial organisation driving a **stronger pipeline and increasing customer wins**
- **Material contract awards secured across multiple end markets**, including a multi-million-pound lifetime agreement with Rolls-Royce and a new strategic partnership with MBDA
- **Commercial pipeline continues to strengthen**, including growing demand across multiple sectors, and participation in major next-generation defence programmes
- New customer wins for EMS in Healthcare and growth in the semiconductor capex market, **demonstrating broader commercial traction** beyond Aerospace & Defence

SELECT CUSTOMER WINS

MBDA
Collins Aerospace
Baker Hughes
CERES AIR
ROLLS ROYCE
OXFORD INSTRUMENTS
SIEMENS Healthineers

Building a stronger commercial pipeline to support future growth

ROLLS-ROYCE A LONG-TERM STRATEGIC CUSTOMER RELATIONSHIP

LONG-TERM AGREEMENT

Multi-year agreement to supply high-reliability power electronics solutions for all large civil aircraft engines throughout their operational lifetime

MISSION-CRITICAL TECHNOLOGY

Mission-critical power electronics and precision magnetics that support the performance and reliability of Rolls-Royce's large civil aircraft engines

TRUSTED PARTNER

Builds on more than four decades of collaboration and reinforces TT's position as **a trusted design and manufacturing partner to Rolls-Royce**

LONG-TERM VALUE

Provides attractive revenue visibility and demonstrates TT's ability to secure strategic customer partnerships

Engineering partnerships that are built to last

EUROFIGHTER TYPHOON LONG-TERM POSITION ON KEY DEFENCE PROGRAMME

LONG-TERM PROGRAMME	Supporting the Typhoon programme for almost 30 years, **providing long-term revenue visibility** through production, upgrade and in-service support
HY 2026 MOMENTUM	**Secured further material contract awards during HY 2026**, reinforcing TT's position on one of Europe's leading air defence programmes
NEXT-GEN PLATFORM	**Engaged on the Future Combat Air System**, supporting the transition from today's Typhoon platform to Europe's next-generation combat aircraft
ENGINEERING EXPERTISE	TT supports highly skilled engineering capability **across Manchester, Barnstaple, Bedlington and Fairford**, creating a strong platform for future defence programmes

From Eurofighter Typhoon today, to FCAS tomorrow

OUTLOOK

Revenue & Market	• Strong order momentum and attractive positions in structurally growing markets support a return to sustainable organic growth.
Operational Performance	• A leaner, more disciplined operating model provides a platform for continued margin expansion and improved profitability.
Strategic Execution	• Delivery against our strategic priorities is strengthening commercial execution and operational excellence, positioning TT for long-term value creation.
Cash & Balance Sheet	• Stronger cash generation and continued deleveraging will provide increasing flexibility for investment and future shareholder returns.

2026 adjusted operating profit expected to be above current market expectations[1]

1- Company compiled consensus for adjusted operating profit is a range £32.6 million to £38.5 million.


Q&A


APPENDIX

FINANCIAL GUIDANCE FOR 2026

Interest

- **c.£2m** reduction vs 2025 due to reduced debt

Tax

- Effective rate would be in **mid 20s%**, but will be **c.mid-high 30s**% for 2026 due to non-recognition of deferred tax asset related to US tax losses
- Cash tax payments **c.£6m**

Capital and development expenditure

- Capex and devex **c.£10-13m**

Working capital

- Cash conversion 70-80% (following 150% in FY25 and 117% in FY24)
- Modest outflow in respect of working capital

Adjusting items cash spend

- **c.£6m** primarily from Plano and Mexicali EMS closure, plus fees related to Cicor approach

Pension

- Buy-out and wind-up expected to complete in Q4 2026 or early 2027

Foreign exchange for H2 2026

- USD 1 cent = **c.£0.1m** operating profit impact
- RMB 0.1 = **c.£0.1m** operating profit impact

SUMMARY INCOME STATEMENT

£m	HY 2026	HY 2025
Revenue	228.1	237.9
Adjusted operating profit	18.5	13.0
Net finance cost	(2.7)	(4.5)
Adjusted profit before taxation	15.8	8.5
Adjusting items	(8.8)	(16.0)
Profit/(loss) before taxation	7.0	(7.5)
Taxation	(3.5)	(0.7)
Profit/(loss) after taxation	3.5	(8.2)

INCOME STATEMENT & CASH FLOW
ADJUSTING ITEMS

£m	HY 2026 Profit	HY 2026 Cash	HY 2025 Profit	HY 2025 Cash
Operating profit / (loss)	9.7		(3.0)	
Net cash generated from operating activities		8.8		16.4
Adjusted to exclude:				
Restructuring and other items				
Mexicali closure costs	(1.0)	(0.2)	-	-
Plano closure costs	(0.4)	(2.4)	(6.7)	-
Other restructuring costs	-	(0.4)	(7.1)	(1.1)
Pension restructuring costs	(1.7)	-	(0.9)	-
	(3.1)	(3.0)	(14.7)	(1.1)
Asset impairments				
Mexicali non-current assets	(3.8)	-	-	
	(3.8)		-	
Acquisition and disposal related costs				
Amortisation of intangible assets arising on business combinations	(1.3)	-	(1.3)	-
Disposal related costs	(0.6)	(0.8)	-	(0.3)
	(1.9)	(0.8)	(1.3)	(0.3)
Total operating adjusting items	(8.8)	(3.8)	(16.0)	(1.4)
Tax refunded / (paid)		0.3		(3.6)
Adjusted operating profit	18.5		13.0	
Adjusted operating cash flow		12.3		21.4

MOVEMENT IN NET DEBT

£m	HY 2026	HY 2025
Adjusted operating cash flow post-capex	7.7	17.6
Net interest and tax	(2.1)	(7.8)
Lease payments	(2.2)	(2.0)
Restructuring and acquisition costs	(3.8)	(1.4)
Free cash flow	**(0.4)**	**6.4**
Lease payments	2.2	2.0
Equity issued	0.1	0.2
Other	(1.7)	-
Cashflow impacting net debt	**0.2**	**8.6**
Opening net debt	(64.7)	(97.4)
Other non-cash (new leases and lease reassessments)	(0.3)	(0.6)
FX	(3.2)	1.7
Closing net debt	**(68.0)**	**(87.7)**
IFRS 16 Leases	16.0	14.4
Closing net debt exc. IFRS 16 Leases	**(52.0)**	**(73.3)**

CAUTIONARY STATEMENT

For the purposes of the following disclaimers, references to this ‘document’ shall be deemed to include references to the presenters’ speeches, the Q&A 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.

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