

**TT Electronics plc**  
**Results for the full year ended 31 December 2025**

**OPERATIONAL TURNAROUND**  
**IMPROVED FINANCIAL PERFORMANCE**

**Key Highlights:**

- In a transitional year for the Group, actions taken to address operational challenges and strengthen accountability supported improved second-half performance.
- Strong cash generation and a significantly strengthened balance sheet, with improved organic<sup>1</sup> profitability reflecting:
  - Strong performance in Europe driven by momentum in Aerospace & Defence.
  - Actions taken to address underperformance in North America resulted in a significant improvement in regional performance in 2025.
  - Asia impacted by softer EMS demand and customer transfer activity, with the region better positioned operationally entering 2026.
- Significant operational progress, including ceasing production at the Plano site, continued improvement at Cleveland facility and completion of the Components strategic review.
- Book to bill ratio has improved to 109% (2024: 102%), reflecting an improvement in order intake relative to revenue compared to the previous year.

	Adjusted <sup>1</sup>		
	2025	2024	Change
Revenue (£m) (organic) <sup>1</sup>	<b>481.4</b>	494.8	(2.7)%
Operating profit (£m) (organic) <sup>1</sup>	<b>37.2</b>	36.4	2.2%
Operating profit margin <sup>4</sup> (%) (organic)	<b>7.7%</b>	7.4%	30bps
Profit before tax (£m)	<b>28.7</b>	27.2	5.5%
Basic earnings per share (p)	<b>6.9</b>	11.0	(37.3)%
Cash Conversion <sup>4</sup> (%)	<b>150%</b>	117%	33%pts
Return on invested capital <sup>4</sup> (%)	<b>13.3%</b>	10.0%	330bps
	Statutory		
Revenue (£m)	<b>481.4</b>	521.1	(7.6)%
Operating (loss) (£m)	<b>(28.2)</b>	(23.5)	(20.0)%
Operating (loss) margin (%)	<b>(5.9)%</b>	(4.5)%	(140)bps
(Loss) before tax (£m)	<b>(36.7)</b>	(33.4)	(9.9)%
Basic (loss) per share (p)	<b>(28.5)</b>	(30.2)	5.7%
Net cash from operating activities (£m)	<b>50.0</b>	51.2	(2.3)%
	Other KPIs		
Free cash flow <sup>4</sup> (£m)	<b>29.9</b>	27.7	7.9%
Net debt (excl. lease liabilities) <sup>4</sup> (£m)	<b>(50.3)</b>	(80.1)	(37.2)%
Leverage <sup>4</sup>	<b>1.1x</b>	1.8x	(37.8)%

### Financial Highlights:

- Revenue of £481.4 million (2024: £521.1 million), a 7.6% decline on a statutory basis, reflecting the impact of FX movements and the absence of revenue from divested businesses. On an organic basis, revenue declined by 2.7%.
- Adjusted operating profit up 2.2% on an organic basis, reflecting actions taken in North America, including the significant benefit to Plano in part from last-time buys, continued strong demand in European Aerospace & Defence markets, offset by softness in EMS demand.
- Statutory operating loss of £28.2 million (2024: £23.5 million loss) driven by £65.4 million of one-off charges (2024: £60.6 million), primarily relating to impairment charges of £41.4 million (2024: £52.2 million) in the North American business and restructuring and other costs of £15.2 million (2024: £0.1 million credit), the majority of which are non-cash.
- Adjusted basic earnings per share were 6.9 pence (2024: 11.0 pence), reflecting the increase in adjusted effective tax rate from the inability to currently recognise a deferred tax asset in respect of US losses. The statutory basic loss per share was 28.5 pence (2024: 30.2 pence loss).
- Free cash flow was £29.9 million (2024: £27.7 million), with much improved cash conversion of 150% (2024: 117%), driven mainly by inventory reduction initiatives. Net cash from operating activities remained strong at £50.0 million (2024: £51.2 million).
- Net debt (excluding lease liabilities) reduced to £50.3 million (2024: £80.1 million), with leverage of 1.1x (2024: 1.8x). Revolving Credit Facility (RCF) expiry date has been extended by 12 months to June 2028 and facility size reduced to £105.0 million.

### Operational Highlights:

- Production at the Plano site ceased at the end of the year as planned, with last-time buy profit contribution of c.£3.5 million in H2 which drove a £1.2 million site contribution to group profit for the year. 2025 revenue from the Plano site was £13.0 million.
- Cleveland turnaround is on track, with significant improvements in operational and financial performance leading to the site breaking even on an adjusted basis in Q4.
  - Future profitability at Cleveland will be supported by ongoing improvement initiatives together with a drive for growth in order volumes from new and existing customers to increase factory utilisation.
- Improved inventory management led to £14.8 million of underlying inventory reductions over the year; this will remain a priority into 2026.

### Outlook:

- We enter 2026 with strengthened operational discipline and a more robust financial position, with structural Aerospace & Defence demand supporting growth. Targeted actions are underway to improve EMS performance, however demand in EMS end markets remains mixed, reflecting broader macroeconomic uncertainty and customer caution.
- Reorganisation to divisional structure of Power, EMS and Components, which better aligns the business to our customers, markets and operations.
- Cost reduction programme expected to deliver approximately £3 million net benefit in 2026, with medium-term annualised savings double this level.
- Strategic review of Components business completed, with the Board assessing a range of options, including a potential disposal subject to market conditions.
- The Board expects 2026 revenue and adjusted operating profit to be in line with Company compiled consensus<sup>5</sup>.

**Eric Lakin, Chief Executive Officer, commented:**

*"2025 was a year of transition for TT Electronics, and I am pleased to report an improved financial position of the Group in my first set of annual results as Chief Executive Officer. During the year, we addressed operational challenges, strengthened accountability and restored control across the business, resulting in a materially improved performance in the second half.*

*We enter the new financial year with a clearer strategic direction and a stronger platform for growth, underpinned by our four priorities of divisional realignment, cost reduction, sales transformation and portfolio optimisation. Whilst we are mindful of the current elevated geopolitical uncertainty, we remain confident in our ability to deliver further operational and financial progress over time."*

**Notes**

<sup>1</sup> Throughout this announcement we refer to a number of alternative performance measures which provide additional useful information. Organic revenue and organic operating profit are revenue and adjusted operating profit on a constant currency basis<sup>2</sup> and excluding the impacts of business disposals (e.g. Project Albert)<sup>3</sup>, see APM 1 and APM 2 on page 43. The Directors have adopted these measures to provide additional information on the underlying trends, performance and position of the Group with further details set out in Note 2 on page 30. The adjusted measures are set out in the reconciliation of KPIs and non-IFRS measures on pages 39 to 45.

<sup>2</sup> Constant currency performance is calculated by translating prior period performance at the current period's FX rates.

<sup>3</sup> Adjusted results exclude the impact of Project Albert, being the divestment of the Group's business units in Cardiff and Hartlepool, UK, and Dongguan, China, which completed in Q1 2024.

<sup>4</sup> A reconciliation of KPIs and non-IFRS measures can be found on pages 39 to 45.

<sup>5</sup> Company compiled consensus for 2026 is a range of £477.1m to £487.1m for revenue, and adjusted operating profit is a range of £31.9m to £37.6m.

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A management presentation for analysts and investors will be held today at 09.00 at Berenberg's offices at 60 Threadneedle Street, London and a webcast can be accessed at:

[https://brrmedia.news/TTG\\_FY25](https://brrmedia.news/TTG_FY25)

A recording of the presentation and Q&A session will be available on the website later in the day. A PDF of this announcement is available for download from:

<https://www.ttelectronics.com/investors/results-reports-presentations/>

## **About TT Electronics**

TT Electronics is a global provider of electronics for performance critical applications. TT engineers and manufactures electronic solutions enabling a safer, healthier and more sustainable world. TT benefits from historically high-growth markets including Healthcare, Aerospace, Defence, Automation and Electrification. TT invests in R&D to create designed-in products where reliability is mission critical. Products designed and manufactured include sensors, power management and connectivity solutions. TT has design and manufacturing facilities in the UK, North America and Asia.

## **CHIEF EXECUTIVE OFFICER'S REVIEW**

2025 was a transitional year for TT Electronics, during which important strategic progress was made against a backdrop of continued market uncertainty, leadership transition and a period of increased corporate activity. The approach by Cicor in the second half of the year demonstrates the perceived value of the business in our market. Throughout this period, the business remained focused on meeting customer needs, delivering on its objectives and building a foundation for future growth.

As outlined at the half year, strong performance in Europe, driven by Aerospace & Defence (A&D) markets, was offset by challenges in parts of North America and softer demand in certain Electronic Manufacturing Services (EMS) end markets, as anticipated. Actions taken in the first half contributed to the improved performance in the second half, putting the Group on much stronger footing as we enter 2026.

### ***OPERATIONAL PROGRESS***

In North America, we made significant progress in addressing the site-specific operational issues highlighted earlier in the year. At our Cleveland facility, the deployment of specialist operational support, together with strengthened site leadership and tighter operational controls, led to improvements in productivity, yield, rework, customer service and cost performance. Losses reduced materially through the year, and performance improved in the second half, positioning the site for a return to profitability in the medium-term.

At our Plano site production ceased at the end of the year with final product testing and customer deliveries currently being completed and production equipment from the site now divested. The site made a positive contribution to adjusted group profit of £1.2 million in the year as a result of the last-time-buy profit contribution of c.£3.5 million in H2. Across North America overall, adjusted operating profit improved to £1.2 million, compared with a loss of £2.7 million in 2024.

In addition, we completed the transfer of some production from our Suzhou site in China to our facility in Kuantan, Malaysia, in response to a major customer requirement to diversify its supply chain. This complex transfer included both EMS and cable harness programmes and required close collaboration with the customer to ensure continuity of supply. The successful execution of this project demonstrates our ability to support customers as they adapt to changing geopolitical and regulatory environments.

Kuantan is now positioned to support higher production volumes for this customer and others as supply chains continue to regionalise. Suzhou remains an important part of our Asia footprint, focused on supporting local and regional customers as well as new programme opportunities, and continues to play a key role in our Asia-for-Asia manufacturing strategy. This customer transfer activity and softer EMS demand meant Asia's adjusted operating profit reduced by 24% year-on-year but enters 2026 on a stronger operational footing having completed the production transfer.

Performance in Europe was particularly encouraging, underpinned by sustained demand in A&D and strong execution across the region. Adjusted operating profit increased by 17% in Europe, delivering a Group-leading margin of 15.3%, reflecting improved operational leverage and programme mix. The region secured several significant long-term programme awards during the year, including new contracts supporting European defence platforms and next-generation aerospace applications, reinforcing our position as a trusted supplier on mission-critical systems.

### ***Renewed organisational focus***

Over the year we strengthened the Group's leadership and governance arrangements. We established a clearer Executive Committee structure, clarified accountability at site and regional level and improved

operational oversight across the business, which has been central to the progress made in 2025 and to support ongoing execution going into 2026.

Throughout the period of corporate activity in the second half of the year, management remained focused on the business, our customers and underlying performance. The Board also used this period to review the Group's organisational structure and cost base, reinforcing the focus on operational discipline and performance improvement and creating renewed momentum behind the Group's strategic and operational priorities.

### ***Strategic assessment of Components business***

As announced at the half year, we undertook a strategic assessment of our Components activities across all four active sites. This work considered the strategic positioning of the business within the Group's broader portfolio and its long-term role within TT Electronics.

During 2025, the business was under separate management oversight to ensure appropriate focus and oversight while the assessment was completed. This structure contributed to improved operational performance in the second half.

Following completion of the assessment, the Board is evaluating a range of strategic options for the Components business, including a potential disposal, with any decision to be guided by value and prevailing market conditions.

### ***Investing in innovation***

Engineering is key to our competitive advantage and customer value proposition. We are committed to investing in technology, products and capability, especially in power electronics, value-added EMS and specialist components. During the year, we launched several products and reached key development milestones including:

- AX-FORCE – a family of smarter, more efficient, flexible power conversion and control solutions for harsh environments in the A&D market. This is addressing rapidly growing demand in electrification of systems and platforms and positions TT with world class, differentiated technology.
- Delivered bespoke power conditioning units designed and developed by TT for an ultra-long range business jet programme, now undergoing flight qualification. This reinforces our position as a trusted supplier for high-performance aviation platforms.
- Expanded capability to manufacture high-power transformers for classified military applications, establishing significant new capability and creating a foundation that can be applied to broader high-growth sectors such as data centre and energy infrastructure.
- Developed manufacturing process capability for high power density Silicon Carbide (SiC) power modules utilising silver sintering technology, with delivery of first prototype modules to a major aerospace customer.
- Leverage of our global engineering resources to support a new customer's nearshoring strategy, establishing local manufacturing and NPI capability with rapid execution.
- Expansion of our system integration offering to include advanced precision-machined components, supporting complex assembly and testing for a global life sciences instrument OEM.

## FINANCIAL PROGRESS

For the year ended 31 December 2025, Group revenue was £481.4 million (2024: £521.1 million), a 7.6% decline on a statutory basis and 2.7% decline on an organic basis compared with the prior year. This reflected continued strength in Europe, driven by A&D markets, a contribution from last-time-buy revenue at our Plano site, offset by softer demand in certain EMS end markets in North America and Asia.

Adjusted operating profit increased by 2.2% on an organic basis to £37.2 million (2024<sup>2</sup>: £36.4 million), with the adjusted operating margin improving by 30 basis points on an organic basis to 7.7% (2024: 7.4%). This represented the benefits of operational actions taken earlier in the year which led to stronger execution in the second half, including improvements in North America and the decision to close our site at Plano. Strong demand in European Aerospace & Defence was offset by softness in EMS markets. Last-time-buy activity in Plano in H2 contributed c.£3.5 million to adjusted operating profit, which drove a £1.2 million site contribution to Group profit for the year. In what was a transitional year for the Group, it was particularly pleasing to deliver results in line with market expectations.

The statutory operating loss was £28.2 million (2024: £23.5 million loss) driven by £65.4 million of one-off charges (2024: £60.6 million), primarily relating to restructuring and Goodwill impairment in the North American business, the latter following a re-assessment of future growth rates and timing for certain North American businesses where end market demand remains soft. The majority of the one-off charges are non-cash. The statutory operating loss margin was 5.9% (2024: operating loss margin 4.5%).

Cash generation was strong, supported by disciplined working capital management, including significant inventory reduction and improved receivables performance. Net debt (excluding leases) reduced to £50.3 million at 31 December 2025 (31 December 2024: £80.1 million), with improved leverage of 1.1x (31 December 2024: 1.8x), at the lower end of the Group's target range.

Further detail on the Group's financial performance and cash flow is set out in the Chief Financial Officer's review.

## STRATEGIC PRIORITIES

Following actions taken during 2025, the Group is aligned around a clear set of strategic priorities focused on improving execution, strengthening margins, and delivering sustainable free cash flow. Our approach is centred on disciplined implementation while building on the Group's core engineering and manufacturing capabilities. Our four strategic priorities are set out below.

### ***Divisional realignment***

We are reorganising the Group during 2026 to better align our structure with our customers, end markets, products and capabilities. This will involve moving from the current regional structure towards clearer alignment around Power, EMS and Components. This approach better reflects how the Group operates and will improve collaboration across sites, support more effective deployment of resources and align more closely with how customers engage with the Group.

### ***Sales transformation***

Strengthening business development and commercial execution is a key priority as we enter 2026.

During 2025, we began implementing a sales transformation programme focused on people, tools and processes, aimed at improving pipeline visibility, order intake and pricing discipline. This has been supported by investing in the business development team, enhanced use of CRM, clearer sales

accountability and a renewed drive for new customers and business opportunities. Initial benefits are being seen with a significant improvement in order intake in H2 compared to H1, driven in part by strength in the A&D market. The programme remains focused on strengthening performance across the Group, particularly within EMS in North America and Asia.

### ***Cost reduction***

In addition to ongoing continuous improvement activity, we are implementing a targeted cost reduction programme to simplify the Group's cost base and support a leaner operating model. This is focused on reducing structural overheads, devolving greater responsibility to operating sites and improving efficiency, while maintaining the engineering, manufacturing and customer service capabilities required to support our core markets.

We expect the programme to deliver a benefit of approximately £3.0 million in 2026, net of contingencies and implementation costs. Over the medium term, we expect the annualised benefit to increase to double this level as the programme is fully implemented.

### ***Portfolio optimisation***

We continue to review the Group's portfolio on an ongoing basis to ensure it remains aligned with our strategic priorities and areas of competitive advantage. This includes maintaining a disciplined, value-led approach to any potential disposals, including the Components business, as well as considering selective bolt-on opportunities that enhance capability, technology or market access in our core sectors. Disciplined capital allocation will remain an important element of the Group's longer-term objective of improving margin quality and strengthening returns, including consideration of future shareholder distributions as performance and leverage allow.

## **DIVIDEND**

Looking ahead, the Board will balance strategic investment in growth with the objective of building a more financially robust business capable of supporting shareholder returns. Dividends remain an important component of the Group's capital allocation framework. No dividend will be paid in respect of 2025; however, the Board recognises the importance of dividends to shareholders and will keep the position under review.

## **GOING CONCERN**

In determining the appropriate basis of preparation of the financial statements, the Directors are required to consider whether the Group can continue in operational existence for the foreseeable future.

After making enquiries and having considered forecasts and appropriate sensitivities, the Directors have formed the judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of these financial statements. More information on the going concern judgement can be found in Note 2. Accordingly, the financial statements have been prepared on a going concern basis.

## **2026 OUTLOOK**

Demand in A&D continues to be strong, providing good visibility and supporting ongoing margin improvement, particularly in Europe. Demand in EMS end markets remains mixed, reflecting broader macroeconomic uncertainty and customer caution. Nevertheless, the actions taken during 2025 have strengthened the Group's operational discipline and financial position. Entering 2026, the Board is confident that the Group is better positioned to manage current market conditions and to make further progress through continued focus on execution and commercial effectiveness. Delivery of the recently announced cost reduction programme is a key priority and is expected to provide further support during the year.

The Board expects 2026 revenue and adjusted operating profit to be in line with Company compiled consensus.

## CHIEF FINANCIAL OFFICER'S REVIEW

	Adjusted <sup>1</sup>		
	2025	2024	Change
Revenue (£m) (organic)	<b>481.4</b>	494.8	(2.7)%
Operating profit (£m) (organic)	<b>37.2</b>	36.4	2.2%
Operating profit margin <sup>4</sup> (%) (organic)	<b>7.7%</b>	7.4%	30bps
Net finance expense (£m)	<b>(8.5)</b>	(9.9)	14.1%
Profit before tax (£m)	<b>28.7</b>	27.2	5.5%
Tax (£m)	<b>(16.4)</b>	(7.7)	(113.0)%
Tax rate (%)	<b>57.1%</b>	28.3%	28.8%pts
Profit after tax (£m)	<b>12.3</b>	19.5	(36.9)%
Weighted average number of shares (m)	<b>177.8</b>	176.9	0.9
Basic earnings per share (p)	<b>6.9</b>	11.0	(37.3)%
	Statutory <sup>4</sup>		
Revenue (£m)	<b>481.4</b>	521.1	(7.6)%
Operating (loss) (£m)	<b>(28.2)</b>	(23.5)	(20.0)%
Operating (loss) margin <sup>4</sup> (%)	<b>(5.9)%</b>	(4.5)%	(140)bps
Net finance expense (£m)	<b>(8.5)</b>	(9.9)	14.1%
(Loss) before tax (£m)	<b>(36.7)</b>	(33.4)	(9.9)%
Tax (£m)	<b>(13.9)</b>	(20.0)	30.5%
Tax rate (%)	<b>37.9%</b>	59.9%	(22.0)%pts
(Loss) after tax (£m)	<b>(50.6)</b>	(53.4)	5.2%
Weighted average number of shares (m)	<b>177.8</b>	176.9	0.9
Basic (loss) per share (p)	<b>(28.5)</b>	(30.2)	5.7%

### Revenue

Group revenue was £481.4 million (2024: £521.1 million). The year-on-year reduction primarily reflected currency translation headwinds of £10.1 million and the impact of the divestment of our Cardiff, Hartlepool and Dongguan sites in Q1 2024, which reduced revenue by £16.2 million.

Trading improved during the second half as operational performance stabilised, repricing initiatives took effect, and the Group progressed actions to address underperformance in North America, including the planned cessation of production at the Plano site. This included a £3.5 million contribution to adjusted operating profit from last-time buys in H2 which drove a £1.2 million site contribution to group profit for the year.

On an organic basis, revenue declined by 2.7%, or £13.4 million, compared with the prior year of £494.8 million. This reflected softer demand in several EMS end markets, particularly in North America and Asia, partly offset by continued strength in A&D markets in Europe.

## End market revenue breakdown

£m	2025	2024 (organic <sup>1</sup> )	2024
Revenue	481.4	494.8	521.1
Aerospace & Defence (A&D)	152.8	136.4	142.1
Healthcare	107.8	112.6	118.1
Automation & Electrification (A&E)	140.1	161.1	174.3
Distribution	80.7	84.7	86.6

A&D revenue increased to £152.8 million (2024: £136.4 million), reflecting continued strength in demand across our European operations and supporting improved margin quality. A&E revenue declined to £140.1 million (2024: £161.1 million), reflecting softer industrial demand and customer caution, particularly in North America and Asia. Healthcare revenues were £107.8 million (2024: £112.6 million), with performance affected by lower demand in certain medical and life sciences programmes. Distribution revenues were £80.7 million (2024: £84.7 million), broadly reflecting the continued normalisation of component demand following elevated levels in prior years.

### Operating profit

The Group delivered adjusted operating profit of £37.2 million (2024<sup>2</sup>: £36.4 million), which was an organic increase of 2.2% reflecting operational actions taken during the year which drove a stronger second-half performance. This included a positive contribution from last-time-buy activity at the Plano site in H2 of c.£3.5 million, which drove a £1.2 million site contribution to profit for the year.

After recognising £65.4 million of adjusting items (see below), the Group reported a statutory operating loss of £28.2 million (2024: £23.5 million).

### Operating margin

The Group generated an organic adjusted operating margin of 7.7% (2024: 7.4%). The improvement reflected stronger execution across the business and the benefits of operational actions taken during the year, partly offset by headwinds in Asia due to reduced volumes.

On a statutory basis, the Group recorded an operating loss margin of 5.9% (2024: operating loss margin 4.5%), reflecting the impact of the adjusting items set out below.

### Adjusting items

The Group recognised £65.4 million of items excluded from adjusted operating profit. These comprised of:

- Restructuring and other costs of £15.2 million (2024: £0.1 million credit), including approximately £7.0 million relating to the closure of the Plano facility in the US; £6.1 million of restructuring costs at the Cleveland facility, including specialist operational support and inventory write-downs; £1.6 million relating to group management changes reflecting duplicate costs for senior management transition; and £0.5 million of other restructuring costs.
- Asset impairment charges of £41.4 million (2024: £52.2 million), comprising £37.2 million of goodwill attributed to the North American business and £4.2 million of non-current assets across two sites in North America.
- Acquisition and disposal-related costs of £4.3 million (2024: £4.5 million), primarily relating to costs incurred in connection with the Cicor approach.

- Pension restructuring costs of £1.9 million (2024: £1.3 million), relating to preparation of the UK defined benefit scheme for wind-up.
- Amortisation of acquisition-related intangible assets of £2.6 million (2024: £2.7 million).

Of the above adjusting items, £7.9 million are cash impacting. These relate to £4.2 million of restructuring costs, primarily associated with Cleveland and management changes, and £3.7 million of acquisition and disposal-related costs, mainly relating to the Cicor approach.

### **Net finance expense**

The net finance cost reduced to £8.5 million (2024: £9.9 million) due to lower interest rates and lower debt levels.

### **Profitability**

Adjusted profit before tax was £28.7 million (2024: £27.2 million). On a statutory basis, the Group reported a loss before tax of £36.7 million (2024: £33.4 million loss), reflecting the adjusting items described above.

Adjusted basic earnings per share were 6.9 pence (2024: 11.0 pence). The statutory basic loss per share was 28.5 pence (2024: 30.2 pence loss).

### **Taxation**

The Group's overall tax charge was £13.9 million (2024: £20.0 million).

The tax charge on adjusted profit before tax was £16.4 million (2024: £7.7 million), resulting in an adjusted effective tax rate (ETR) of 57.1% (2024: 28.3%). The adjusted profit after tax was £12.3 million (2024: £19.5 million) and the statutory loss after tax was £50.6 million (2024: £53.4 million).

This higher than usual tax rate is due to losses in the US and the inability to currently recognise a deferred tax asset in respect of those losses, following the derecognition of the deferred tax asset of £16.0 million in 2024, as well as £2.7 million in 2025 due to the near term outlook for the US businesses. There is insufficient certainty regarding the timing and quantum of future taxable profits to support deferred tax asset recognition.

The adjusted earnings per share is 6.9p (2024: 11.0p). In the current period, if a deferred tax asset had been able to be recognised with respect to current year US losses it is anticipated that this would have reduced the adjusted effective tax rate to 25.4% and increased the adjusted earnings per share by 5.1p to 12.0p. The timing of when a deferred tax asset will be able to be recognised in future years is uncertain and will be based on the future forecast profitability of the US businesses at the point of recognition.

## Cash flow

The table below sets out Group cash flows and net debt movement:

£m	2025	2024
Adjusted operating profit	37.2	37.1
Depreciation and amortisation	12.1	13.8
Impairment of PPE and intangibles	1.0	-
Working capital movement	12.7	(1.2)
Net capital expenditure	(7.5)	(6.9)
Capitalised development expenditure	(1.1)	(1.8)
Other	1.4	2.4
<b>Adjusted Operating Cash Flow post-Capex</b>	<b>55.8</b>	<b>43.4</b>
<i>Cash conversion %</i>	<i>150%</i>	<i>117%</i>
Restructuring and acquisition costs	(7.9)	(0.6)
Net interest and tax	(15.3)	(20.3)
Lease payments	(3.8)	(4.2)
Reimbursement from pension schemes net of funding payments	1.1	9.4
<b>Free Cash Flow</b>	<b>29.9</b>	<b>27.7</b>
Dividends	-	(12.2)
Lease payments	3.8	4.2
Equity issued	0.6	0.8
Disposals	-	12.2
Other	-	(2.1)
<b>Net debt impacting cashflow</b>	<b>34.3</b>	<b>30.6</b>
Opening net debt	(97.4)	(126.2)
Leases disposed	-	2.6
Other non-cash (new leases and lease reassessments)	(3.0)	(3.2)
FX	1.4	(1.2)
<b>Closing net debt</b>	<b>(64.7)</b>	<b>(97.4)</b>

Adjusted operating cash flow post capital expenditure was £55.8 million (2024: £43.4 million). This was supported by a £12.7 million working capital inflow (2024: £1.2 million outflow), reflecting improved inventory management and tighter working capital control across the Group. A particular focus on inventory reduction delivered underlying inventory reductions of £14.8 million during the year.

On a statutory basis, net cash from operating activities remained strong at £50.0 million (2024: £51.2 million), reflecting robust underlying profitability and disciplined working capital management.

After net interest and tax payments of £15.3 million, lease payments of £3.8 million, restructuring and acquisition-related cash costs of £7.9 million, and a £1.1 million inflow relating to the US pension scheme buy-out, the Group generated free cash flow of £29.9 million (2024: £27.7 million).

### Net debt and leverage

Net debt reduced by £32.7 million during the year, supported by strong free cash flow. After taking into account foreign exchange movements and non-cash lease adjustments, closing net debt was

£64.7 million (2024: £97.4 million) including £14.4 million of lease liabilities (31 December 2024: £17.3 million). Excluding lease liabilities, net debt was £50.3 million (31 December 2024: £80.1 million).

In line with the Group's borrowing agreements, which exclude the impact of IFRS 16 leases, the leverage ratio was 1.1x at 31 December 2025 (31 December 2024: 1.8x) and net interest cover was 5.6x (31 December 2024: 4.4x).

The Group's debt facilities include financial covenants requiring leverage to remain below 3.0x and interest cover to remain above 4.0x. A temporary amendment to the interest cover covenant was agreed with lenders in late 2024 for the periods to 30 June 2025 and 31 December 2025, reducing the minimum requirement to 3.0x and 3.25x respectively, providing additional headroom during the year.

The Group remained compliant with its covenant requirements throughout the period.

In addition, the Group successfully amended and extended its Revolving Credit Facility to June 2028, post the year end. It was not necessary to seek further amendments to the interest cover covenant under the amended and extended facility, which has reverted to the prior requirement to remain above 4.0x. The expiry date has been extended by 12 months to June 2028 and facility size reduced to £105.0 million.

## **Notes**

<sup>1</sup> Throughout this announcement we refer to a number of alternative performance measures which provide additional useful information. Organic revenue and organic operating profit are revenue and adjusted operating profit on a constant currency basis<sup>2</sup> and excluding the impacts of business disposals (e.g. Project Albert)<sup>3</sup>, see APM 1 and APM 2 on page 43. The Directors have adopted these measures to provide additional information on the underlying trends, performance and position of the Group with further details set out in Note 2 on page 30. The adjusted measures are set out in the reconciliation of KPIs and non IFRS measures on pages 39 to 45.

<sup>2</sup> Constant currency performance is calculated by translating prior period performance at the current period's FX rates.

<sup>3</sup> Adjusted results exclude the impact of Project Albert, being the divestment of the Group's business units in Cardiff and Hartlepool, UK, and Dongguan, China, which completed in Q1 2024.

<sup>4</sup> Statutory results are reported in accordance with IFRS and include the impact of foreign exchange movements and discontinued operations where applicable.

<sup>5</sup> A reconciliation of KPIs and non-IFRS measures can be found on pages 39 to 45.

## Summary of Adjusted results

To assist with the understanding of earnings trends, the Group has included within its non-GAAP alternative performance measures including adjusted operating profit and adjusted profit. Further information is contained in the 'Reconciliation of KPIs and non IFRS measures' on pages 39 to 45.

A summary of the Group's adjusted results, and a reconciliation of statutory to adjusted profit numbers are set out below:

£m	2025	2024
<b>Operating (loss)</b>	<b>(28.2)</b>	(23.5)
<b>Adjusted to exclude:</b>		
<b>Restructuring and other items</b>		
Pension restructuring costs <sup>1</sup>	(1.9)	(1.3)
Restructuring <sup>2</sup>	(15.2)	0.1
	<b>(17.1)</b>	<b>(1.2)</b>
<b>Asset impairments and measurement losses</b>		
Asset impairments <sup>3</sup>	(41.4)	(52.2)
	<b>(41.4)</b>	<b>(52.2)</b>
<b>Amortisation of intangible assets arising on business combinations</b>		
Amortisation of intangible assets arising on business combinations	(2.6)	(2.7)
	<b>(2.6)</b>	<b>(2.7)</b>
<b>Acquisition and disposal related costs</b>		
Costs associated with scheme of arrangement with Cicor	(4.2)	-
Ferranti Power and Control acquisition and integration costs	-	(0.2)
Disposal costs (Project Albert)	-	(4.4)
Property sale	-	0.7
Other	(0.1)	(0.6)
	<b>(4.3)</b>	<b>(4.5)</b>
Total items excluded from adjusted measure	<b>(65.4)</b>	<b>(60.6)</b>
<b>Adjusted operating profit</b>	<b>37.2</b>	37.1
<b>Loss before tax</b>	<b>(36.7)</b>	(33.4)
Total operating reconciling items (as above)	<b>65.4</b>	60.6
<b>Adjusted profit before tax</b>	<b>28.7</b>	27.2
Taxation charge on adjusted profit	(16.4)	(7.7)
<b>Adjusted profit after taxation</b>	<b>12.3</b>	19.5

<sup>1</sup> Pension restructuring costs of £1.9 million (2024: £1.3 million) relate costs incurred preparing the scheme for buy-out.

<sup>2</sup> Restructuring costs of £15.2 million comprise £7.0 million relating to closure costs of the Plano manufacturing site, of which £4.8 million relates to inventory, £6.1 million relating to costs associated with operational restructuring at the Cleveland manufacturing site, which is predominantly related to inventory, and £1.6 million relating to costs associated with the changes in executive leadership.

<sup>3</sup> Asset impairment charges of £41.4 million (2024: £52.2 million), comprising £37.2 million of goodwill attributed to the North American business and £4.2 million of non-current assets in North America.

## REGIONAL REVIEW: EUROPE

£m Adjusted	2025	2024	Change
Revenue	144.4	146.3	(1.3)%
Operating profit	22.1	18.9	16.9%
Operating profit margin	15.3%	12.9%	240bps
<b>Adjusted &amp; Organic</b>			
Revenue <sup>1</sup>	144.4	134.5	7.4%
Operating profit <sup>1</sup>	22.1	19.4	13.9%
Operating margin <sup>1</sup>	15.3%	14.4%	90bps
<b>Statutory</b>			
Operating profit	22.1	18.9	16.9%

<sup>1</sup> See Note 2 on page 30 for an explanation of alternative performance measures, and APM 2 on page 43 in relation to organic measures which present revenue and adjusted profit on a constant currency basis, excluding the impacts of business disposals and adjusting items. Adjusting items are not allocated to regions for reporting purposes. For further information on these items please refer to Note 5.

Revenue reduced by 1.3% compared to 2024, with organic growth offset by the £11.8 million impact of the Q1 2024 disposal of sites in Cardiff and Hartlepool. Organic revenue increased by 7.4% to £144.4 million (2024: £134.5 million) driven predominantly by increased demand from our positioning on long term programmes in A&D, including several significant customer wins.

Adjusted operating profit increased by 16.9% to £22.1 million (2024: £18.9 million) and increased by 13.9% on an organic basis to £22.1 million (2024: £19.4 million). This improvement reflected decisive actions to address underperforming contracts through customer repricing agreements, together with enhanced engineering capability and associated revenue, improved operational execution and continued cost discipline. As a result, the adjusted operating margin increased to 15.3% (2024: 12.9%), and by 90 basis points on an organic basis.

On a statutory basis, operating profit was £22.1 million (2024: £18.9 million), up 16.9% on the prior year.

Overall order intake for the region was encouragingly strong throughout the year, with strong organic growth in our core A&D market and positioning ourselves well with key customers to take advantage of a resurgence in civil aviation. The book to bill ratio improved to 135% for the region in 2025, compared to 125% in 2024.

The region is well-positioned for further growth in 2026, led by expanding A&D markets, continued investment in our customer suite, automation and digitalisation facilities, and advancement of our technology roadmaps.

Notable contract awards and growth drivers during the year included:

- A new five-year contract with an existing A&D customer to supply human-machine interface assemblies for a European combat vehicle programme, strengthening TT's role in mission-critical defence systems.
- Multiple new business wins in the second half across emerging markets including Electrical Vertical Take-off and Landing (eVTOL), sixth-generation fighter aircraft and uncrewed platforms, demonstrating the broadening application of TT's technologies.

- Continuing our strong, long-standing partnership with a large European A&D prime we have recently announced a sizeable contract to supply military grade cable harness assemblies for a critical defence programme. This new contract award leverages TT's exceptional capabilities and proven track record of supporting critical defence applications worldwide.

## REGIONAL REVIEW: NORTH AMERICA

£m Adjusted	2025	2024	Change
Revenue	173.1	184.4	(6.1)%
Operating profit / (loss)	1.2	(2.7)	144.4%
Operating profit margin / (loss)	0.7%	(1.5%)	220bps
<b>Adjusted &amp; Organic</b>			
Revenue <sup>1</sup>	173.1	179.7	(3.7)%
Operating profit / (loss) <sup>1</sup>	1.2	(2.7)	144.4%
Operating margin / (loss) <sup>1</sup>	0.7%	(1.5%)	220bps
<b>Statutory</b>			
Operating (loss)	(16.1)	(18.1)	11.0%

<sup>1</sup> See Note 2 on page 30 for an explanation of alternative performance measures, and APM 2 on page 43 in relation to organic measures which present revenue and adjusted profit on a constant currency basis, excluding the impacts of business disposals and adjusting items. Adjusting items are not allocated to regions for reporting purposes. For further information on these items please refer to Note 5.

Revenue was 6.1% lower than prior year at £173.1 million (2024: £184.4 million) as weaker USD negatively impacted North American performance. Excluding the impact of FX, organic adjusted revenue declined by 3.7% to £173.1 million (2024: £179.7 million), reflecting reduced sales at the Cleveland site and volume headwinds in the Components business. This decrease was partially offset by new business opportunities in A&D and Healthcare sectors which drove higher revenues at the Minneapolis and Kansas City sites.

Despite weaker year-on-year revenue performance, operational changes implemented in North America resulted in improved regional performance, with adjusted operating profit increasing to £1.2 million (2024: £2.7 million loss). The adjusted operating profit margin was 0.7% (2024: operating loss margin 1.5%) reflecting the improved performance in Minneapolis and Kansas City offset by Cleveland, and c.£3.5 million of Plano last-time-buy activity in H2 which drove a £1.2 million site contribution to group profit for the year.

On a statutory basis, North America posted an operating loss of £16.1 million (2024: £18.1 million loss), which was a 11.0% improvement on the prior year.

Following historic challenges at the site, Cleveland began to benefit from operational improvement initiatives introduced in the first half, delivering its highest production efficiency levels in three years alongside further reductions in scrap and rework. The site is now in a significantly stronger operational position entering 2026. Further improvement in site profitability will be reliant on revenue growth, which is a priority for the site.

The Group recognised adjusting items in the period related to the region, being restructuring costs of £13.1 million (2024: £0.1 million credit) relating to Plano and Cleveland, as well as impairment charges of £4.2 million (2024: £15.5 million relating to a separate site in the region), comprising non-current assets across two North American sites.

In addition, goodwill of £37.2 million attributed to the region has been impaired and recognised within Central adjusting items.

Kansas' improvement trajectory accelerated in the second half, with productivity gains and customer repricing contributing to improved financial and operational performance. Major repricing activities have now been completed, and the site enters 2026 with a strong order book.

Production at the Plano site ceased at the end of the year as planned with final product testing and customer deliveries currently being completed, and production equipment from the site divested. The site made a positive contribution in the second half as a result of last-time-buy activity associated with the closure, and the action removes a structurally loss-making facility from the Group's footprint.

Following changes to the business development organisation to increase capacity, win new contracts, and encourage cross selling, there was a significant improvement to order intake in H2 and continued growth across all sites. Notable wins in the period include:

- Cleveland secured three new customers and six new product wins in the second half - its first new customer wins in three years - reducing reliance on legacy programmes and supporting future growth.
- Kansas secured several new product awards, including a new multi-year power supply contract with a long-standing customer.
- A customer in the commercial satellite sector selected the Juarez facility to supply high-reliability optoelectronics for use in a low earth orbit satellite programme, reflecting the strength of distributor-led customer relationships and early-stage design engagement.

The book to bill ratio for the region in 2025 improved to 104%, compared to 98% in 2024.

## REGIONAL REVIEW: ASIA

£m Adjusted	2025	2024	Change
Revenue	<b>163.9</b>	190.4	(13.9)%
Operating profit	<b>21.6</b>	28.5	(24.2)%
Operating profit margin	<b>13.2%</b>	15.0%	(180)bps
<b>Adjusted &amp; Organic</b>			
Revenue <sup>1</sup>	<b>163.9</b>	180.6	(9.2)%
Operating profit <sup>1</sup>	<b>21.6</b>	27.1	(20.3)%
Operating margin <sup>1</sup>	<b>13.2%</b>	15.0%	(180)bps
<b>Statutory</b>			
Operating profit	<b>21.6</b>	28.5	(24.2)%

<sup>1</sup> See Note 2 on page 30 for an explanation of alternative performance measures, and APM 2 on page 43 in relation to organic measures which present revenue and adjusted profit on a constant currency basis, excluding the impacts of business disposals and adjusting items. Adjusting items are not allocated to regions for reporting purposes. For further information on these items please refer to Note 5.

Revenue performance reduced by 13.9% to £163.9 million (2024: £190.4 million) reflecting foreign exchange headwinds of £5.4 million, the £4.4 million impact of the Q1 2024 disposal of the Dongguan facility in China and a decline in organic revenue generation of 9.2% to £163.9 million (2024: £180.6 million). This organic revenue decline reflects reduced demand from certain EMS customers in the Healthcare and A&E sectors, which were impacted by continued geopolitical and other related uncertainties.

Adjusted operating profit was £21.6 million (2024: £28.5 million) representing a decline of 24.2%. This reflects lower volumes, costs associated with redundancy and the customer transfer programme, foreign exchange headwinds of £1.1 million, and the impact of the Q1 2024 Dongguan disposal. On an organic basis the decline was 20.3%. The adjusted operating margin was 13.2% (2024: 15.0%).

On a statutory basis, Asia posted an operating profit of £21.6 million (2024: £28.5 million), which was down 24.2% on the prior year.

The project to transfer key customer programmes from Suzhou to the Kuantan facility was successfully completed during the year, positioning the site to commence mass production volumes in 2026. Kuantan continues to invest in capability, supply chain resilience and production capacity to support future regional growth.

Order intake in the Asia region was down compared to the prior year, reflecting softer end-market demand and the unwinding of safety stock built ahead of the customer transfer from Suzhou to Malaysia. The region has strengthened local business development capability in response to the regionalisation of customer supply chains, where TT is well placed to support Asia-for-Asia demand. Growing revenues in the region remains a key focus, with several significant customer wins secured during the year. The book to bill ratio for the region in 2025 was up marginally at 91%, compared to 88% in 2024.

Operationally, Kuantan made further progress in preparation for higher volumes, including strengthening the supplier base, expanding warehouse capacity, and recruiting and training teams to support future mass production. Capability was also extended to support intercompany cable assembly growth, alongside the upgrade of warehouse facilities to support EMS growth.

This year marked 25 years and 50 years of operations at Suzhou and Kuantan sites, respectively, as well as the celebration of 25 years as part of TT Electronics. Notable wins in the period include:

- Suzhou secured a multi-year, new business award from a long-standing A&E customer to supply eight assemblies in total, with production expected to ramp up in the second half of 2026.
- Our Kuantan facility was awarded three new contracts for PCBA requirements from a long-standing customer in the life science sector. TT already provides manufacturing for this customer at locations in Suzhou, Cleveland, and most recently, Mexicali. The customer's selection of this location and entrusting TT is a testament to the partnership and proven performance of TT teams globally.
- Suzhou has been awarded a new three-year contract by a leading medical imaging equipment provider. The award will see Suzhou provide multiple PCBAs supporting a new product design, demonstrating our success in developing valuable customer relationships – enabling us to secure positions on new, medical equipment innovations.
- A longtime customer in the industrial label and printing sector has awarded Suzhou a three-year contract for PCBA and sub-assemblies supporting the textile industry. This order reflects our ability to support this strategic account globally with prototype and NPI capabilities, while leveraging the Group's best-cost geographies.

#### **CAUTIONARY STATEMENT**

*This report 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.*

## Consolidated income statement

For the year ended 31 December 2025

£million (unless otherwise stated)	Note	2025	2024
Revenue	3	481.4	521.1
Cost of sales		(371.3)	(411.4)
<b>Gross profit</b>		<b>110.1</b>	109.7
Distribution costs		(17.6)	(22.9)
Administrative expenses		(120.7)	(110.3)
<b>Operating loss</b>		<b>(28.2)</b>	(23.5)
Analysed as:			
Adjusted operating profit	3	37.2	37.1
Restructuring costs	5	(15.2)	0.1
Pension restructuring costs	5	(1.9)	(1.3)
Asset impairments and measurement losses	5	(41.4)	(52.2)
Amortisation of intangible assets arising on business combinations	5	(2.6)	(2.7)
Acquisition and disposal related costs	5	(4.3)	(4.5)
Finance income	4	0.4	1.6
Finance costs	4	(8.9)	(11.5)
<b>Loss before taxation</b>		<b>(36.7)</b>	(33.4)
Taxation	7	(13.9)	(20.0)
<b>Loss for the year attributable to the owners of the Company</b>		<b>(50.6)</b>	(53.4)
<b>EPS attributable to owners of the Company (pence)</b>			
Basic	9	(28.5)	(30.2)
Diluted	9	(28.5)	(30.2)

## Consolidated statement of comprehensive income

For the year ended 31 December 2025

£million	2025	2024
Loss for the year	(50.6)	(53.4)
Other comprehensive (loss)/ income for the year after tax		
Items that are or may be reclassified subsequently to the income statement:		
Exchange differences on translation of foreign operations	(12.2)	2.9
Tax on exchange differences	1.8	(0.4)
Foreign exchange gain on disposals recycled to income statement	-	(0.6)
Gain/(loss) on hedge of net investment in foreign operations	2.3	(0.8)
Gain/(loss) on cash flow hedges taken to equity less amounts recycled to the income statement	8.7	(10.2)
Deferred tax (loss)/gain on movement in cash flow hedges	(2.0)	2.4
Items that will not be reclassified to the income statement:		
Remeasurement of defined benefit pension schemes	2.8	(2.3)
Tax on remeasurement of defined benefit pension schemes	(1.1)	3.1
<b>Total comprehensive loss for the year attributable to the owners of the Company</b>	<b>(50.3)</b>	<b>(59.3)</b>

## Consolidated statement of financial position

For the year ended 31 December 2025

£million	Note	2025	2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
Right-of-use assets		7.5	9.9
Property, plant and equipment		44.6	49.3
Goodwill	6	64.6	105.4
Other intangible assets		24.5	30.8
Deferred tax assets	7	8.0	13.1
Derivative financial instruments		0.6	-
Pensions		7.4	7.1
<b>Total non-current assets</b>		<b>157.2</b>	<b>215.6</b>
<b>Current assets</b>			
Inventories		103.2	132.7
Trade and other receivables		89.5	91.2
Income taxes receivable		3.3	2.9
Derivative financial instruments		2.1	0.7
Cash and cash equivalents	10	38.7	69.2
<b>Total current assets</b>		<b>236.8</b>	<b>296.7</b>
<b>Total assets</b>		<b>394.0</b>	<b>512.3</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Borrowings	10	0.1	0.1
Lease liabilities	10	3.6	4.0
Derivative financial instruments		0.5	5.4
Trade and other payables		112.5	120.0
Income taxes payable		14.9	13.1
Provisions		6.8	3.7
<b>Total current liabilities</b>		<b>138.4</b>	<b>146.3</b>
<b>Non-current liabilities</b>			
Borrowings	10	88.9	149.2
Lease liabilities	10	10.8	13.3
Derivative financial instruments		0.1	2.4
Deferred tax liability	7	5.7	3.5
Pensions		1.3	1.5
Provisions and other non-current liabilities		1.3	1.2
<b>Total non-current liabilities</b>		<b>108.1</b>	<b>171.1</b>
<b>Total liabilities</b>		<b>246.5</b>	<b>317.4</b>
<b>Net assets</b>		<b>147.5</b>	<b>194.9</b>
<b>EQUITY</b>			
Share capital	11	44.7	44.5
Share premium		25.0	24.6
Translation reserve		33.7	41.8
Other reserves		13.0	4.0
Retained earnings		31.1	80.0
<b>Total equity</b>		<b>147.5</b>	<b>194.9</b>

Approved by the Board of Directors on 24 March 2026 and signed on their behalf by:

**Eric Lakin**  
Director

**Richard Webb**  
Director

## Consolidated statement of changes in equity

For the year ended 31 December 2025

£million	Share capital	Share premium	Translation Reserve	Other reserves	Retained earnings	Total
<b>At 31 December 2023 - restated <sup>1</sup></b>	44.3	24.0	40.7	11.9	144.6	265.5
<b>Loss for the year</b>	-	-	-	-	(53.4)	(53.4)
<b>Other comprehensive income/(expense)</b>						
Exchange differences on translation of foreign operations	-	-	2.9	-	-	2.9
Tax on exchange differences	-	-	(0.4)	-	-	(0.4)
Foreign exchange gain on disposals recycled to income statement	-	-	(0.6)	-	-	(0.6)
Loss on hedge of net investment in foreign operations	-	-	(0.8)	-	-	(0.8)
Loss on cash flow hedges taken to equity less amounts recycled to the income statement	-	-	-	(10.2)	-	(10.2)
Deferred tax on movement in cash flow hedges	-	-	-	2.4	-	2.4
Remeasurement of defined benefit pension schemes	-	-	-	-	(2.3)	(2.3)
Tax on remeasurement of defined benefit pension schemes	-	-	-	-	3.1	3.1
<b>Total comprehensive income/(loss)</b>	-	-	1.1	(7.8)	(52.6)	(59.3)
<b>Transactions with owners recorded directly in equity</b>						
Equity dividends paid by the Company	-	-	-	-	(12.2)	(12.2)
Share-based payments	-	-	-	2.2	-	2.2
Deferred tax on share-based payments	-	-	-	(0.2)	-	(0.2)
New shares issued	0.2	0.6	-	-	-	0.8
Payments to fund employee benefit trust	-	-	-	(2.1)	-	(2.1)
Other movements	-	-	-	-	0.2	0.2
<b>At 31 December 2024</b>	44.5	24.6	41.8	4.0	80.0	194.9
<b>At 31 December 2024</b>	<b>44.5</b>	<b>24.6</b>	<b>41.8</b>	<b>4.0</b>	<b>80.0</b>	<b>194.9</b>
<b>Loss for the year</b>	-	-	-	-	(50.6)	(50.6)
<b>Other comprehensive income/(expense)</b>						
Exchange differences on translation of foreign operations	-	-	(12.2)	-	-	(12.2)
Tax on exchange differences	-	-	1.8	-	-	1.8
Gain on hedge of net investment in foreign operations	-	-	2.3	-	-	2.3
Gain on cash flow hedges taken to equity less amounts recycled to the income statement	-	-	-	8.7	-	8.7
Deferred tax on movement in cash flow hedges	-	-	-	(2.0)	-	(2.0)
Remeasurement of defined benefit pension schemes	-	-	-	-	2.8	2.8
Tax on remeasurement of defined benefit pension schemes	-	-	-	-	(1.1)	(1.1)
<b>Total comprehensive income/(loss)</b>	-	-	(8.1)	6.7	(48.9)	(50.3)
<b>Transactions with owners recorded directly in equity</b>						
Share-based payments	-	-	-	2.1	-	2.1
Deferred tax on share-based payments	-	-	-	0.3	-	0.3
New shares issued	0.2	0.4	-	-	-	0.6
Payments to fund employee benefit trust	-	-	-	(0.1)	-	(0.1)
<b>At 31 December 2025</b>	<b>44.7</b>	<b>25.0</b>	<b>33.7</b>	<b>13.0</b>	<b>31.1</b>	<b>147.5</b>

1. 2023 balances were restated as described in note 1h of the 2024 financial statements.

## Consolidated statement of cash flows

For the year ended 31 December 2025

£million	Note	2025	2024
<b>Cash flows from operating activities</b>			
Loss for the year <sup>1</sup>		(50.6)	(53.4)
Taxation	7	13.9	20.0
Net finance costs		8.5	9.9
Restructuring costs and non-underlying asset impairments and remeasurements <sup>1</sup>	5	58.5	53.4
Amortisation, acquisition and disposal related costs	5	6.9	7.2
<b>Adjusted operating profit</b>		<b>37.2</b>	<b>37.1</b>
Adjustments for:			
Depreciation		10.9	12.2
Amortisation of intangible assets		1.2	1.6
Impairment of PPE and intangibles		1.0	-
Share-based payment expense		1.9	2.2
Scheme funded pension administration costs		0.8	1.1
Other items		(0.5)	0.2
Decrease in inventories		14.8	12.8
Increase in receivables		(0.9)	(2.2)
Decrease in payables and provisions		(2.0)	(12.9)
<b>Adjusted operating cash flow</b>		<b>64.4</b>	<b>52.1</b>
Reimbursement from pension schemes net of funding payments		1.1	9.4
Restructuring and acquisition related costs		(7.9)	(0.6)
<b>Net cash generated from operations</b>		<b>57.6</b>	<b>60.9</b>
Income taxes paid		(7.6)	(9.7)
<b>Net cash flow from operating activities</b>		<b>50.0</b>	<b>51.2</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(8.1)	(6.9)
Proceeds from sale of property, plant and equipment and government grants received		0.6	0.5
Capitalised development expenditure		(1.1)	(1.8)
Purchase of other intangibles		-	(0.5)
Proceeds from disposal of business		-	17.5
Cash with disposed businesses		-	(5.3)
<b>Net cash flow (used in)/from investing activities</b>		<b>(8.6)</b>	<b>3.5</b>
<b>Cash flows from financing activities</b>			
Issue of share capital	11	0.6	0.8
Interest paid		(7.7)	(10.6)
Repayment of borrowings		(59.1)	(49.2)
Proceeds from borrowings		-	15.1
Capital payment of lease liabilities		(3.8)	(4.2)
Payments to fund employee benefit trust		-	(2.1)
Dividends paid by the Company		-	(12.2)
<b>Net cash flow used in financing activities</b>		<b>(70.0)</b>	<b>(62.4)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(28.6)</b>	<b>(7.7)</b>
Cash and cash equivalents at beginning of year		69.1	76.5
Exchange differences		(1.9)	0.3
<b>Cash and cash equivalents at end of year</b>		<b>38.6</b>	<b>69.1</b>
<b>Cash and cash equivalents comprise:</b>			
Cash at bank and in hand		38.7	69.2
Bank overdrafts		(0.1)	(0.1)
<b>Cash and cash equivalents at end of year</b>		<b>38.6</b>	<b>69.1</b>

1. The prior year "loss for the period" and "restructuring costs and non-underlying asset impairments and remeasurements" have been re-presented to ensure consistency with the presentation of the consolidated income statement. These revisions do not impact any other balances or sub-totals in this primary statement.

## TT Electronics Plc

### Results for the year ended 31 December 2025

#### 1 General information

The information set out below, which does not constitute full financial statements, is extracted from the audited financial statements

- was approved by the Directors on 24 March 2026;
- have been reported on by the Group's auditor, their report was unqualified, did not draw attention to any matters by way of emphasis and did not contain statements under s498(2) or (3) of the Companies Act 2006;
- will be available to the shareholders and the public in April 2026; and
- will be filed with the Registrar of Companies following the Annual General Meeting.

While the financial information included in this preliminary announcement has been prepared in accordance with the recognition and measurement criteria of UK adopted International Financial Reporting Standards ("IFRSs") adopted pursuant to IFRSs as issued by the IASB, this announcement does not itself contain sufficient information to comply with IFRSs. The Company expects to publish full financial statement that comply with IFRSs during April 2026.

#### 2 Basis of preparation

##### Going concern

Following a challenging year for the Group in 2024, 2025 has been a year of transition with improved operational performance, particularly in the second half. There was strong performance in Europe, driven by continued momentum in Aerospace & Defence. Whilst challenging market conditions have persisted in North America and Asia, actions were taken during 2025 and are expected to support improved performance as market conditions stabilise. Production at the Plano site ceased at the end of the year as planned and the Group has seen continued improvement at the Cleveland facility. Cash generation continues to be strong, with full year cash conversion at 150%, reducing the level of net debt, excluding lease liabilities, to £50.3 million (2024: £80.1 million). The Group enters 2026 with strengthened operational discipline and is anticipating structural growth in our end markets. The Group has begun implementing a targeted cost reduction programme to support a leaner operating model to deliver annualised savings.

##### Financing

At 31 December 2025 the Group's financial position was strong with access to total borrowing facilities of £265.3 million comprising:

- A £162.4 million committed revolving credit facility ("RCF"), signed in June 2022 and maturing in June 2027. The RCF operates on a floating rate basis tied to GBP SONIA, USD SOFR, or EURIBOR, depending on the loan currency. As at 31 December 2025, £14.5 million of the available £162.4 million RCF facility had been drawn down. In March 2026 the Group signed an Amend & Extend agreement which extends the RCF maturity to June 2028 and reduces the facility size to £105.0 million.
- A £75.0 million fixed-rate loan issued in December 2021 to three institutional investors, evenly split between 7- and 10-year maturities, with an average interest rate of 3.65 per cent; and
- £27.9 million in uncommitted facilities (being overdraft lines and an accordion facility of £17.6 million).

Of these total facilities, the Group had drawn down on £89.5 million as at 31 December 2025 and £85.5 million as at 23 March 2026.

There are no required repayments of principal amounts on any financing prior to the revised RCF maturity in 2028. Whilst drawdowns on existing facilities are required within the going concern review period, none of the Company's forecast models show any requirement for any additional financing beyond the existing committed facilities.

##### Financial covenants

The Group's key financing facilities, the RCF and the fixed rate loans have the same financial covenant metrics relating to debt and interest cover which measures EBITDA against net debt and net interest. The loan agreements set these at a maximum debt cover of 3.0 times and a minimum interest cover of 4.0 times. All covenants are measured on a last twelve months basis. Following the negotiations to extend the RCF facility, covenant measures remain unchanged.

As of 31 December 2025 the calculated ratios for the financial covenants as defined in the loan agreements were as follows:

- Leverage ratio of 1.1 times; and
- Interest cover of 5.6 times

## TT Electronics Plc

Results for the year ended 31 December 2025

### 2 Basis of preparation continued

#### Forecasts and covenant compliance

The Group has prepared and reviewed detailed cash flow forecasts for the period through until 30 June 2027. These forecasts take into account the Group's financial position and potential impacts of principal risks on different divisions.

Key assumptions in the Group's financial projections for this period include revenue growth, operating profit growth and working capital projections. The Board considers the Company's base case scenario to be an appropriate base case for the going concern assessment. Under this base case scenario, the Group retains sufficient liquidity and covenant headroom throughout the forecast period, with both interest cover and leverage expected to remain well within covenant limits.

The Group's financial projections have been stress-tested against "business as usual" risks (such as profit fluctuations, supply chain pressures, and working capital variances) as well as principal risks, including IT systems and information, resilience and recovery, general revenue reduction, geopolitical and research and development. These risks were analysed both individually and collectively, assuming that all adversely impact EBITDA in all periods. Under the stress tested modelling, the liquidity headroom within the group remains adequate throughout the forecast period. Financial covenants continue to be in compliance under the stress tested model and management have a number of mitigating actions which could be undertaken if required.

This severe downside scenario reduces EBITDA by £6.9 million, £10.8 million and £10.6 million for the six months to 30 June 2026, year ended 31 December 2026 and 12 months to 30 June 2027, respectively. At these levels of EBITDA reduction, the modelling shows that the Group continues to meet the financial covenants and therefore the modelling shows that severe downside scenario passing the financial covenants.

In addition to the stress tests described above the Group's stress test scenario has been sensitised for supply chain challenges and capacity constraints which shows a reduction in revenue and operating profit compared to the latest forecast. Despite this further reduction these projections show that the Group should remain within its facilities headroom and within bank covenants for the twelve months following the approval of these financial statements. A "reverse" stress-test was also modelled to understand the conditions which could jeopardise the ability of the Group to continue as a going concern including assessing against covenant testing and facility headroom. The stress testing also considered mitigating actions which the Group could put in place. Mitigating actions included limiting capital expenditure and reducing controllable costs including items such as discretionary bonuses and pay rises. The reverse stress test is deemed to have a remote likelihood.

The Group's wide geographical and sector diversification helps minimise the risk of serious business interruption or catastrophic reputational damage. Furthermore, the business model is structured so that the Group is not overly reliant on any single customer, market or geography.

In the prior year, the Directors identified and disclosed a material uncertainty over going concern. This material uncertainty arose in part due to emerging geopolitical and macroeconomic risks, including uncertainty from the proposed US tariff regime. These risks were fast moving at the date of signing the 2024 financial statements with an elevated prospect of a global recession and stress in the debt market.

During 2025 the tariff position has settled with greater certainty over the potential impact on the Group. The Group's geographical diversification and customer spread mean that the direct impact of tariffs is limited and can be mitigated through management action (for example transfer of production between sites). The Group has been successful in reducing its level of borrowings (see above) and now has significant headroom over covenant limits throughout the forecast period. The Group also made significant operational progress with improvements in the previously underperforming Cleveland site and ceasing production at the unprofitable Plano site improving forecast confidence. The result of these developments during the year, along with forecast downside and stress testing, have informed the Directors' assessment that there are no material uncertainties in relation to going concern at the date of signing the 2025 financial statements.

The Directors have assessed the future funding requirements of the Group with due regard to the risks and uncertainties to which the Group is exposed and compared them with the level of available borrowing facilities and are satisfied that the Group has adequate resources for at least twelve months from the date of signing. Accordingly, the financial statements have been prepared on a going concern basis.

#### Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

## TT Electronics Plc

Results for the year ended 31 December 2025

### 2 Basis of preparation continued

The Directors have assessed that there is currently no material impact arising from climate change on the judgements and estimates determining the valuations within the financial statements. In particular, the Group considered the impact of climate change in respect of going concern and viability of the Group over the next three years, forecast cash flows for the purposes of impairment assessments of non-current assets and the useful lives of certain assets. Whilst there is currently little short to medium-term impact expected from climate change, the Directors are aware of the changing nature of risks associated with climate change and will regularly assess these risks against judgements and estimates made in preparation of the Group's Consolidated Financial Statements.

### Critical judgements

In the course of preparing the Financial Statements, critical judgements within the scope of paragraph 122 of IAS 1: "Presentation of Financial Statements" were made during the process of applying the Group's accounting policies. These are outlined below.

### Adjusting items

Judgements were required as to whether items were disclosed as adjusting, with consideration given to both quantitative and qualitative factors. Further information about the determination of adjusting items in the year ended 31 December 2025 is included on pages 32 to 33.

### Key sources of estimation uncertainty

Assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

- Note 7 – Taxation provisions. Provisions for tax contingencies require management to make judgements and estimates in relation to tax authority audits and exposures. Amounts accrued are based on management's interpretation of country-specific tax law and the likelihood of settlement. Tax benefits are not recognised unless the tax positions are probable of being sustained. Once considered to be probable, management reviews each material tax benefit to assess whether a provision should be taken against full recognition of the benefit on the basis of potential settlement through negotiation and/or litigation. These amounts are expected to be utilised or to reverse as tax audits occur or as the statute of limitations is reached in the respective countries concerned. The Group's current tax liability at 31 December 2025 includes tax provisions of £12.2 million (2024: £10.4 million). The Group believes the range of reasonable possible outcomes in respect of these exposures is tax liabilities of up to £16.0 million (2024: £13.9 million).
- Note 7 – Deferred tax assets. Under IAS 12 a deferred tax asset can only be recognised if it is considered probable that the business will achieve a net taxable profit in the near future to utilise the deferred tax asset. Management determined that the five-year forward looking strategic plan does not support full recovery of all deferred tax assets within the US, in the North America segment.

As a result, the Group derecognised deferred tax assets of £2.7 million (2024: £16.0 million), and did not recognise a deferred tax asset in respect of current year losses, leaving deferred tax assets of £7.6 million (2024: £9.2 million) which offset against the US deferred tax liabilities. The charge was recognised in items excluded from adjusted profit after tax (note 5). Should recovery of these US deferred tax assets become probable this would cause the Group to recognise up to an additional £18.7 million (2024: £16.0 million) of deferred tax assets and a credit would be recognised in items excluded from adjusted profit. A further £7.9 million of deferred tax assets in respect of current year losses could also be recognised.

- Note 5 – Property, plant and equipment. Determining whether assets are impaired requires an estimation of the value in use of the entities within the Group. Impairment calculations require an estimation of the future cash flows to be generated from those assets. Future cash flows are a key source of estimation uncertainty and are derived from other estimates including a suitable discount rate to calculate the present value.

During the year, property, plant and equipment at one North American site was impaired by £0.8 million which was recognised in items excluded from adjusted operating profit. This site, which holds property, plant and equipment with a net book value of £6.5 million, is currently loss making and, if it does not return to profitability there would be a further impairment up to the residual value of the asset. A 15 per cent decrease in the estimated future cashflow at this site would result in an additional impairment of £1.0 million. A 12 per cent increase in future cashflows would have resulted in no impairment at the site. Should the site see an increase in cash flows in the future, the impairment will be reversed.

## TT Electronics Plc

Results for the year ended 31 December 2025

### 2 Basis of preparation continued

#### Alternative performance measures

The Group presents Alternative Performance Measures (“APMs”) in addition to the statutory results of the Group. These are presented in accordance with the guidelines on APMs issued by the European Securities and Markets Authority (“ESMA”).

Adjusted operating profit has been defined as operating profit from continuing operations excluding the impacts of significant restructuring programmes, significant one-off items including property disposals, impairment charges significant in nature and/or value, certain one-off pension costs, business acquisition, integration, and divestment related activity, and the amortisation of intangible assets recognised on acquisition. Acquisition and disposal related items include the writing off of the pre-acquisition profit element of inventory written up on acquisition, other direct costs associated with business combinations and adjustments to contingent consideration related to acquired businesses. Restructuring includes cost of management changes, significant costs associated with restructuring operations and facilities, including the movement and closure of production facilities. Costs associated with restructuring, acquisitions and disposals are uncertain with regard to their timing and size and therefore their inclusion within operating profit could mislead the reader of these accounts. Adjusted operating profit is not a defined term under IFRS and may not be comparable with similarly titled profit measures reported by other companies. It is not intended to be a substitute for, or superior to, GAAP measures. All APMs relate to the current year results and comparative years where provided.

In addition to the items above, adjusting items impacting profit after tax include:

- The net effect on tax of significant restructuring from strategy changes that are not considered by the Group to be part of the normal operating costs of the business;
- The write off of deferred tax assets in North America; and
- The tax effects of adjustments to profit before tax.

These APMs have been selected by the Directors to assist them in making operating decisions because they represent the underlying operating performance of the Group and facilitate internal comparisons of performance over time.

Alongside the statutory results, the Directors consider the adjusted results to be an important measure used to monitor how the businesses are performing as this provides a meaningful reflection of how the businesses are managed and measured on a day-to-day basis and achieves consistency and comparability between reporting periods.

### 3 Segmental reporting

The Group is organised into three regions, as shown below. Each of these regions represents an operating segment in accordance with IFRS 8 ‘Operating segments’ and there is no aggregation of segments. The chief operating decision maker is the Chief Executive Officer. The operating segments are:

- Europe - the Europe segment encompasses all the Group’s European operations comprising the manufacturing sites in Sheffield, Bedlington, Manchester, Barnstaple, Nottingham, Abercynon, Fairford and Eastleigh as well as the European sales offices. The regional segment is supported by a leadership team who have functional responsibilities that span the individual entities within the business;
- North America – the North America segment encompasses all the Group’s North American operations comprising Juarez, Mexicali, Dallas, Minneapolis, Kansas, Denver, Cleveland and Boston. The regional segment is supported by a leadership team who have functional responsibilities that span the individual entities within the business;
- Asia – the Asia segment encompasses all the Group’s Asian operations comprising the manufacturing sites in Suzhou and Kuantan and the Singapore sales office. The regional segment is supported by a leadership team who have functional responsibilities that span the individual entities within the business.

The key performance measure of the operating segments is adjusted operating profit. Refer to the section titled ‘Reconciliation of KPIs and non-IFRS Measures’ for a definition of adjusted operating profit.

Corporate costs - Resources and costs of the head office managed centrally but deployed in support of the operating units are allocated to segments based on a combination of revenue and adjusted operating profit.

Resources and costs of the head office which are not related to the operating activities of the trading units are not allocated to regions and are separately disclosed, equivalent to the segment disclosure information, so that reporting is consistent with the format that is used for review by the chief operating decision maker. This gives greater transparency of the adjusted operating profits for each segment.

The accounting policies of the reportable segments are the same as the Group’s accounting policies.

## TT Electronics Plc

Results for the year ended 31 December 2025

### 3 Segmental reporting continued

Group financing (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments. Goodwill is allocated to the segments which comprise groups of cash generating units as this is the level at which goodwill is monitored.

#### a) Income statement information

2025						
£million	Europe	North America	Asia	Total Operating Segments	Central	Total
Sales to external customers	144.4	173.1	163.9	481.4	-	481.4
Adjusted operating profit	22.1	1.2	21.6	44.9	(7.7)	37.2
Add back: adjustments made to operating profit (note 5) <sup>1</sup>	-	(17.3)	-	(17.3)	(48.1)	(65.4)
Operating profit/(loss)	22.1	(16.1)	21.6	27.6	(55.8)	(28.2)
Net finance costs						(8.5)
Loss before taxation						(36.7)

1. Adjustments made to Central operating profit include £37.2 million of goodwill relating to the North America segment as all goodwill is held centrally on consolidation

2024						
£million	Europe	North America	Asia	Total Operating Segments	Central	Total
Sales to external customers	146.3	184.4	190.4	521.1	-	521.1
Adjusted operating profit	18.9	(2.7)	28.5	44.7	(7.6)	37.1
Add back: adjustments made to operating profit (note 5) <sup>1</sup>	-	(15.4)	-	(15.4)	(45.2)	(60.6)
Operating profit/(loss)	18.9	(18.1)	28.5	29.3	(52.8)	(23.5)
Net finance costs						(9.9)
Loss before taxation						(33.4)

1. Adjustments made to Central operating profit include £36.7 million of goodwill relating to the North America segment as all goodwill is held centrally on consolidation

#### b) Geographic information

##### Revenue by destination

The Group operates on a global basis. Revenue from external customers by geographical destination is shown below. Management monitors and reviews revenue by region rather than by individual country given the significant number of countries where customers are based.

£million	2025	2024
United Kingdom	100.4	111.8
Rest of Europe	83.1	71.6
North America	189.0	214.6
Asia	106.4	122.6
Rest of the World	2.5	0.5
	481.4	521.1

Revenue from services is less than 1% of Group revenues. All other revenue is from the sale of goods.

## TT Electronics Plc

Results for the year ended 31 December 2025

### 3 Segmental reporting continued

#### c) Market information key customers

The Group operates in the following markets:

£million	2025	2024
Healthcare	107.8	118.1
Aerospace and defence	152.8	142.1
Automation and electrification	140.1	174.3
Distributors	80.7	86.6
	<b>481.4</b>	<b>521.1</b>

The Group had no customers who contributed greater than 10% of revenues in 2025 or 2024.

### 4 Finance costs and finance income

£million	2025	2024
Interest income	0.1	0.5
Net interest income on pension schemes in surplus	0.3	1.1
<b>Finance income</b>	<b>0.4</b>	<b>1.6</b>
Interest expense	7.2	10.1
Interest on lease liabilities	0.6	0.7
Net interest expense on pension schemes in deficit	0.1	0.1
Amortisation of arrangement fees	1.0	0.6
<b>Finance costs</b>	<b>8.9</b>	<b>11.5</b>
<b>Net finance costs</b>	<b>8.5</b>	<b>9.9</b>

### 5 Adjusting items

As described in note 2, adjusted profit measures are an alternative performance measure used by the Board to monitor the operating performance of the Group.

£million	2025		2024	
	Operating profit	Tax	Operating profit	Tax
<b>As reported</b>	<b>(28.2)</b>	<b>(13.9)</b>	<b>(23.5)</b>	<b>(20.0)</b>
<b>Restructuring costs</b>				
Restructuring costs	(15.2)	3.2	0.1	-
	(15.2)	3.2	0.1	-
<b>Pension restructuring costs</b>				
Pension restructuring costs	(1.9)	0.5	(1.3)	0.3
	(1.9)	0.5	(1.3)	0.3
<b>Asset impairments and measurement losses</b>				
Asset impairments	(41.4)	-	(52.2)	3.2
Deferred tax asset derecognition	-	(2.7)	-	(16.0)
	(41.4)	(2.7)	(52.2)	(12.8)
<b>Amortisation of intangible assets arising on business combinations</b>				
Amortisation of intangible assets arising on business combinations	(2.6)	0.4	(2.7)	0.5
	(2.6)	0.4	(2.7)	0.5
<b>Acquisition and disposal related costs</b>				
Ferranti Power and Control acquisition and integration costs	-	-	(0.2)	-
Disposal costs	(4.3)	1.1	(4.4)	(0.4)
Property sale	-	-	0.7	-
Other	-	-	(0.6)	0.1
	(4.3)	1.1	(4.5)	(0.3)
<b>Total items excluded from adjusted measure</b>	<b>(65.4)</b>	<b>2.5</b>	<b>(60.6)</b>	<b>(12.3)</b>
<b>Adjusted measure</b>	<b>37.2</b>	<b>(16.4)</b>	<b>37.1</b>	<b>(7.7)</b>

## TT Electronics Plc

Results for the year ended 31 December 2025

### 5 Adjusting items *continued*

#### Restructuring and other costs **£15.2 million (2024: £0.1 million credit)**

Restructuring costs of £15.2 million include £7.0 million net cost relating to the closure of the Plano, US manufacturing site (of which £4.8 million relates to inventory write offs, £0.7 million relates to asset decommissioning; £2.0 million of other costs and a credit of £0.5 million recognised in respect of property, plant and equipment); £1.6 million relating to costs associated with the changes in executive leadership; £6.1 million associated with the Cleveland manufacturing site (comprising £5.0 million relating to inventory write-offs and similar adjustments associated with the improvement project and £1.1 million for related specialist resource costs); and £0.5 million of other costs.

The net restructuring cost in the prior year of £0.1 million credit comprised a credit of £0.4 million in respect of the closure of our Barbados facility in 2021 offset by £0.3 million cost in respect of the closure of the Hatfield, USA facility.

#### Pension restructuring costs **£1.9 million (2024: £1.3 million)**

Pension restructuring costs of £1.9 million (2024: £1.3 million) comprise £1.9 million (2024: £1.1 million) cost incurred preparing the scheme for buy-out. The prior period included a settlement cost of £0.2 million in respect of the buy-out of one of the US schemes.

#### Asset impairments and measurement losses **£41.4 million (2024: £52.2 million)**

During the year an impairment of £37.2 million (2024: £36.7 million) was recognised against goodwill for the North America segment reflecting recent trading performance.

Due to a downturn in recent performance, impairment charges were recognised in two sites in the North America segment. The impairment was £4.2 million in total (2024: £15.5 million relating to a separate site in the North America segment) comprising £1.0 million of right-of-use assets (2024: £5.4 million), £1.0 million of land and buildings, and £2.2 million of property, plant and equipment (2024: £9.9 million). The impairment reduced the carrying value of the right-of-use assets, land and buildings and property, plant and equipment to £0.3 million.

The Group derecognised £2.7 million (2024: £16.0 million) of deferred tax assets reflecting the recent performance and near-term outlook for the North America region.

#### Amortisation of intangible assets arising on business combinations **£2.6 million (2024: £2.7 million)**

Amortisation of intangible assets arising on business combinations of £2.6 million (2024: £2.7 million) relate to amortisation of the fair value of acquired order books, acquired customer relationships and other intangible assets acquired on business combinations.

#### Acquisition and disposal related costs **£4.3 million (2024: £4.5 million)**

Acquisition and disposal related costs of £4.3 million (2024: £4.5 million) comprise £4.2 million (2024: £nil) relating to professional fees associated with the aborted acquisition by Cicor and £0.1 million in respect of other M&A activity. The prior year included £4.4 million relating to the sale of three business units to Cicor, £0.3 million relating to historic legal claims, £0.3 million relating to costs incurred preparing land for sale, £0.2 million relating to the acquisition of the Power and Control business of Ferranti Technologies Ltd. based in Manchester, UK, and a gain of £0.7 million relating to the sale of property in Pembroke, UK.

### 6 Goodwill

£million

<b>Cost</b>	
At 31 December 2023	140.8
Net exchange adjustment	1.3
At 31 December 2024	142.1
Net exchange adjustment	(5.7)
<b>At 31 December 2025</b>	<b>136.4</b>
<b>Impairment</b>	
At 31 December 2023	-
Impairment	36.7
At 31 December 2024	36.7
Impairment	37.2
Net exchange adjustment	(2.1)
<b>At 31 December 2025</b>	<b>71.8</b>
<b>Net book value</b>	
<b>At 31 December 2025</b>	<b>64.6</b>

## TT Electronics Plc

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### 6 Goodwill continued

The impairment charge for the year is £37.2 million (2024: £36.7 million) relating to the North America group of CGUs and within items excluded from adjusted operating profit as described in note 5.

Goodwill arising from acquisitions represents the premium paid above the fair value of net assets, including identified intangible assets, at the time of acquisition. Future enhancements to acquired businesses — driven by strategic direction, operational efficiencies, and investment — are expected to improve profitability over the ownership period.

Goodwill is allocated to groups of CGUs and monitored at this level. Each group of CGUs comprises multiple CGUs which are primarily individual manufacturing sites.

Goodwill is attributed to the following groups of CGUs:

£million	2025	2024
<b>Europe:</b>		
Europe	52.7	52.7
<b>North America:</b>		
North America	-	40.4
<b>Asia:</b>		
Asia	11.9	12.3
<b>Total</b>	<b>64.6</b>	<b>105.4</b>

### Impairment Testing

The Group tests goodwill impairment annually or more frequently if there are indications that goodwill might be impaired.

Recoverable amounts for CGUs are calculated using a value-in-use approach. Key assumptions include discount rates, growth projections, and operating cash flow forecasts taken from the board approved 5-year strategic plan. Growth rates beyond the forecast period align with long-term GDP projections, capped at long-term inflation rates for the primary CGU market. These rates are determined based on the Group's geographic footprint and market presence.

Discount rates are estimated using pre-tax rates that reflect market conditions and CGU-specific risks. In determining the cost of equity, the Capital Asset Pricing Model has been used. Accordingly, the cost of equity is determined by adding a risk premium, based on an industry adjustment, to the expected return of the equity market above the risk-free return. The relative risk adjustment reflects the risk inherent in each group of CGUs relative to all other sectors and geographies on average.

The cost of debt is determined using a risk-free rate based on the cost of government bonds, and an interest rate premium equivalent to a corporate bond with a similar credit rating to TT Electronics Plc.

Long-term growth assumptions reflect anticipated demand trends in line with economic conditions. Price evolution and cost-control measures are expected to drive sustained profitability improvements. Management has detailed plans in place reflecting the latest budget and strategic growth plan. The pre-tax discount rates and periods of management approved forecasts are shown below. The discount rates used in the annual impairment test as at 30 September 2025 are shown below:

	2025			2024		
	Pre-tax discount rate	Long term growth rate	Period of forecast (years)	Pre-tax discount rate	Long term growth rate	Period of forecast (years)
<b>Europe:</b>						
Europe	15.9%	1.4%	5.0	14.7%	1.4%	5.0
<b>North America:</b>						
North America	15.8%	2.1%	5.0	15.5%	2.1%	5.0
<b>Asia:</b>						
Asia	15.0%	3.5%	5.0	14.6%	3.5%	5.0

## TT Electronics Plc

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### 6 Goodwill continued

The recoverable amounts associated with the goodwill balances which are based on these performance projections and current forecast information do not indicate that any goodwill balance, other than that for North America, is impaired. Based on the impairment testing performed, an impairment charge of £37.2 million was recorded in 2025 (2024: £36.7 million) in respect of the North America group of CGUs related to the operational issues and weak performance in the region, the timing of the recoverability in profitability and certain macroeconomic assumptions including the discount rate. After impairment, the recoverable amount of the goodwill held in the North America group of CGUs was £nil.

The impairment charge is shown as an adjusting item (see note 5) in conjunction with related asset impairments in the North America group of CGUs. In the prior year an impairment charge of £36.7 million was recognised in relation to the North America group of CGUs and was also recorded as an adjusting item.

### Sensitivity Analysis

Sensitivity analysis has been performed on the key assumptions; operating cash flow projections, revenue growth rates and discount rate. Cash flows can be impacted by changes to sales prices, direct costs and replacement capital expenditure; individually they are not significant assumptions.

In respect of the Europe and Asia groups of CGUs, the directors have not identified reasonably possible changes in significant assumptions that would cause the recoverable amount to fall below the carrying value of recognised goodwill.

### 7 Taxation

#### a) Analysis of the tax charge for the year

£million	2025	2024
<b>Current tax</b>		
Current income tax charge	9.2	13.9
Adjustments in respect of current income tax of previous year	(0.4)	1.0
<b>Total current tax charge</b>	<b>8.8</b>	<b>14.9</b>
<b>Deferred tax</b>		
Relating to origination and reversal of temporary differences	2.4	(10.9)
Change in tax rate	-	0.1
Derecognition of deferred tax assets in the North America segment	2.7	16.0
Adjustments in respect of deferred tax of previous years	-	(0.1)
<b>Total deferred tax charge</b>	<b>5.1</b>	<b>5.1</b>
<b>Total tax charge in the income statement</b>	<b>13.9</b>	<b>20.0</b>

The applicable tax rate for the period is based on the UK standard rate of corporation tax of 25.0% (2024: 25.0%). Overseas taxation is calculated at the rates prevailing in the respective jurisdictions. The Group's effective tax rate for the year was 37.9% (the adjusted tax rate was 57.1%, see section 'Reconciliation of KPIs and non-IFRS measures'). Included within the total tax charge above is a £2.5 million credit relating to items reported outside adjusted profit (2024: £12.3 million debit).

#### b) Reconciliation of the total tax charge for the year

£million	2025	2024
Loss before tax from continuing operations	(36.7)	(33.4)
Loss before tax multiplied by the standard rate of corporation tax in the UK of 25%	(9.2)	(8.3)
Effects of:		
Impact on deferred tax arising from changes in tax rates	-	0.1
Overseas tax rate differences	4.4	3.0
Items not deductible for tax purposes or income not taxable	7.6	8.2
Adjustment to current tax in respect of prior periods	(0.4)	0.9
Current year tax losses and other items not recognised	8.8	0.3
Impairment of deferred tax assets in the North America segment	2.7	16.0
Adjustments in respect of deferred tax of previous years	-	(0.2)
<b>Total tax charge reported in the income statement</b>	<b>13.9</b>	<b>20.0</b>

## TT Electronics Plc

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### 7 Taxation continued

The overall aim of the Group's tax strategy is to support business operations by ensuring a sustainable tax rate, mitigating tax risks in a timely and cost-efficient way and complying with tax legislation in the jurisdictions in which the Group operates. It is however inevitable that the Group will be subject to routine tax audits or is in ongoing disputes with tax authorities in the multiple jurisdictions it operates within. This is much more likely to arise in situations involving more than one tax jurisdiction. Differences in interpretation of legislation, of global standards (e.g. OECD guidance) and of commercial transactions undertaken by the Group between different tax authorities are one of the main causes of tax exposures and tax risks for the Group.

In order to manage the risk to the Group an assessment is made of such tax exposures and provisions are created using the best estimate of the most likely amount to be incurred within a range of possible outcomes. The resolution of the Group's tax exposures can take considerable time to conclude and, in some circumstances, it can be difficult to predict the final outcome.

The current tax liability at 31 December 2025 includes tax provisions of £12.2 million (including £1.2 million in respect of HMRC refunds from retirement benefit schemes) (2024: £10.4 million). The Group believes the range of reasonable possible outcomes in respect of these exposures is tax liabilities of up to £16.0 million (2024: £13.9 million).

#### c) Deferred tax

The Group completed a five year forward looking strategic plan covering the periods from 2026 to 2030 in which it was forecast that the Europe and Asia regions would show increasing profitability. Therefore, a deferred tax asset relating to these regions was recognised on the basis that it is considered probable that net taxable profits will be recognised in the future.

The authorised pension surplus payments charge reduced from 35% to 25% from 6 April 2024. The deferred tax liability has been recognised at 25% (2024: 25%).

The amounts of deferred taxation assets/(liabilities) provided in the financial statements are as follows:

£million	As at 31 December 2024	Continuing operations	Recognised in equity/ OCI	Net exchange translation	As at 31 December 2025
Intangible assets	(8.2)	0.4	-	0.6	(7.2)
Property, plant and equipment	(0.5)	(1.6)	-	0.3	(1.8)
Deferred development costs	(0.1)	0.1	-	-	-
Retirement benefit obligations	(1.4)	0.7	(1.1)	-	(1.8)
Inventories	1.2	-	-	(0.1)	1.1
Tax losses	1.4	-	-	(0.2)	1.2
Unremitted overseas earnings	(0.4)	0.2	-	-	(0.2)
Share-based payments	0.3	0.1	0.3	-	0.7
Cash flow hedges	1.6	-	(2.0)	0.2	(0.2)
Short-term temporary differences	15.7	(5.0)	-	(0.2)	10.5
Net deferred tax asset	9.6	(5.1)	(2.8)	0.6	2.3
Deferred tax assets	13.1				8.0
Deferred tax liabilities	(3.5)				(5.7)
Net deferred tax asset	9.6				2.3

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**7 Taxation continued**

£million	As at 31 December 2023	Continuing operations	Recognised in equity/ OCI	Net exchange translation	As at 31 December 2024
Intangible assets	(8.5)	0.4	-	(0.1)	(8.2)
Property, plant and equipment	(1.4)	1.1	-	(0.2)	(0.5)
Deferred development costs	(0.3)	0.2	-	-	(0.1)
Retirement benefit obligations	(8.4)	3.8	3.1	0.1	(1.4)
Inventories	0.8	0.4	-	-	1.2
Tax losses	14.1	(13.0)	-	0.3	1.4
Unremitted overseas earnings	(0.8)	0.5	-	(0.1)	(0.4)
Share-based payments	0.7	(0.2)	(0.2)	-	0.3
Cash flow hedges	(0.6)	-	2.4	(0.2)	1.6
Short-term temporary differences	14.0	1.7	-	-	15.7
Net deferred tax asset	9.6	(5.1)	5.3	(0.2)	9.6
Deferred tax assets	16.6				13.1
Deferred tax liabilities	(7.0)				(3.5)
Net deferred tax asset	9.6				9.6

**8 Dividends**

	2025 pence per share	2025 £million	2024 pence per share	2024 £million
Final dividend paid for prior year	-	-	4.65	8.2
Interim dividend declared for current year	-	-	2.25	4.0

The Directors do not recommend a dividend.

**9 Earnings per share**

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of shares in issue during the year.

Pence	2025	2024
<b>Loss per share (pence)</b>		
Basic	<b>(28.5)</b>	(30.2)
Diluted	<b>(28.5)</b>	(30.2)

As the Group made a statutory loss in 2025 and 2024, diluted statutory EPS for 2025 has been calculated using the basic weighted average number of shares because using weighted average diluted shares would be anti-dilutive.

The numbers used in calculating adjusted, basic and diluted earnings per share are shown below. Adjusted earnings per share is based on the adjusted profit after interest and tax.

Adjusted earnings per share:

£million (unless otherwise stated)	2025	2024
Loss for the year attributable to owners of the Company	<b>(50.6)</b>	(53.4)
Restructuring costs	<b>15.2</b>	(0.1)
Pension restructuring costs	<b>1.9</b>	1.3
Asset impairments and measurement losses	<b>41.4</b>	52.2
Amortisation of intangible assets arising on business combinations	<b>2.6</b>	2.7
Acquisition and disposal related costs	<b>4.3</b>	4.5
Tax effect of adjusting items (see note 5)	<b>(2.5)</b>	12.3
Adjusted earnings	<b>12.3</b>	19.5
<b>Adjusted earnings per share (pence)</b>	<b>6.9</b>	11.0
<b>Adjusted diluted earnings per share (pence)</b>	<b>6.8</b>	10.9

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### 9 Earnings per share continued

The weighted average number of shares in issue is as follows (new shares issued in the year described in note 11):

£million	2025	2024
Basic	177.8	176.9
Adjustment for share awards	3.5	1.6
Diluted	181.3	178.5

### 10 Reconciliation of net cash flow to movement in net debt

Net cash of £38.6 million (2004: £69.1 million) comprises cash at bank and in hand of £38.7 million (2024: £69.2 million) and overdrafts of £0.1 million (2024: £0.1 million).

£million	Net cash	Lease liabilities	Borrowings	Net debt
<b>At 31 December 2023</b>	76.5	(20.8)	(181.9)	(126.2)
Cash flow	(4.1)	-	-	(4.1)
Disposals of business	(3.6)	2.6	-	(1.0)
Repayment of borrowings	-	-	49.2	49.2
Proceeds from borrowings	-	-	(15.1)	(15.1)
Net movement in loan arrangement fees	-	-	(0.2)	(0.2)
Payment of lease liabilities	-	4.2	-	4.2
New leases	-	(3.0)	-	(3.0)
Exchange differences	0.3	(0.3)	(1.2)	(1.2)
<b>At 31 December 2024</b>	<b>69.1</b>	<b>(17.3)</b>	<b>(149.2)</b>	<b>(97.4)</b>
Cash flow	(28.6)	-	-	(28.6)
Repayment of borrowings	-	-	59.1	59.1
Net movement in loan arrangement fees	-	-	(1.1)	(1.1)
Payment of lease liabilities	-	3.8	-	3.8
New leases	-	(1.9)	-	(1.9)
Exchange differences	(1.9)	1.0	2.3	1.4
<b>At 31 December 2025</b>	<b>38.6</b>	<b>(14.4)</b>	<b>(88.9)</b>	<b>(64.7)</b>

### 11 Share capital

£million	2025	2024
<b>Issued and fully paid</b>		
178,648,793 (2024: 177,884,541) ordinary shares of 25p each	44.7	44.5

During the period the Company issued 764,252 ordinary shares as a result of share options being exercised under the Sharesave scheme and Share Purchase plans.

The performance conditions of the Restricted Share Plan awards issued in 2021, 2022 and 2023 and the Long-term Incentive Plan awards issued in 2021 were met and shares were allocated to award holders from existing shares held by an Employee Benefit Trust for £nil consideration.

The aggregate consideration received for all share issues during the year was £0.6 million which was represented by a £0.2 million increase in share capital and a £0.4 million increase in share premium.

### 12 Related party transactions

Transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. No related party transactions have taken place in 2025 or 2024 that have affected the financial position or performance of the Group.

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Results for the year ended 31 December 2025

### Principal risk and uncertainties

The Group continues to be exposed to operational and financial risks and has an established, structured approach to identifying, assessing, and managing those risks. These risks relate to the following areas: IT systems and information; resilience and recovery; general revenue reduction; geopolitical; and research and development risks.

### Reconciliation of KPIs and non IFRS measures

In accordance with the Guidelines on APMs issued by the European Securities and Markets Authority (ESMA), additional information is provided on the APMs used by the Group below.

To assist with the understanding of earnings trends, the Group has included within its financial statements APMs adjusted operating profit and other adjusted profit measures. The APMs used are not defined terms under IFRS and therefore may not be comparable to similar measures used by other companies. They are not intended to be a substitute for, or superior to, GAAP measures.

Management uses adjusted measures to assess the operating performance of the Group, having adjusted for specific items as detailed in note 5. They form the basis of internal management accounts and are used for decision making, including capital allocation, with a subset also forming the basis of internal incentive arrangements. By using adjusted measures in segmental reporting, this enables readers of the financial statements to recognise how incentive performance is targeted. Adjusted measures are also presented in this announcement because the Directors believe they provide additional useful information to shareholders on comparable trends over time. Finally, this presentation allows for separate disclosure and specific narrative to be included concerning the adjusting items; this helps to ensure performance in any one year can be more clearly understood by the user of the financial statements.

### Income statement measures:

Alternative Performance Measure	Closest equivalent statutory measure	Note reference to reconciliation to statutory measure	Definition and purpose
Adjusted operating profit	Operating profit	Adjusting items as disclosed in note 5	<p>Adjusted operating profit has been defined as operating profit from continuing operations excluding the impacts of significant restructuring programmes, significant one-off items including property disposals, impairment charges significant in nature and/or value, certain one-off pension costs, business acquisition, integration, and divestment related activity and the amortisation of intangible assets recognised on acquisition. Acquisition and disposal related items include the writing off of the pre-acquisition profit element of inventory written up on acquisition, other direct costs associated with business combinations and adjustments to contingent consideration related to acquired businesses. Restructuring includes cost of management changes, significant costs associated with the cost of restructuring operations and facilities, including the movement and closure of production facilities.</p> <p>To provide a measure of the operating profits excluding the impacts of significant items such as restructuring or acquisition related activity and other items such as amortisation of intangibles which may not be present in peer companies which have grown organically.</p>
Adjusted operating margin	Operating profit margin	Adjusting items as disclosed in note 5	<p>Adjusted operating profit as a percentage of revenue.</p> <p>To provide a measure of the operating profits excluding the impacts of significant items such as restructuring or acquisition related activity and other items such as amortisation of intangibles which may not be present in peer companies which have grown organically.</p>

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Results for the year ended 31 December 2025

### Income statement measures: continued

Alternative Performance Measure	Closest equivalent statutory measure	Note reference to reconciliation to statutory measure	Definition and purpose
Adjusted earnings per share	Earnings per share	See note 9 for the reconciliation and calculation of adjusted earnings per share	<p>The profit for the year attributable to the owners of the Group adjusted to exclude the items not included within adjusted operating profit divided by the weighted average number of shares in issue during the year.</p> <p>To provide a measure of earnings per share excluding the impacts of significant items such as restructuring or acquisition related activity and other items such as amortisation of intangibles which may not be present in peer companies which have grown organically.</p>
Adjusted diluted earnings per share	Diluted earnings per share	See note 9 for the reconciliation and calculation of adjusted diluted earnings per share	<p>The profit for the year attributable to the owners of the Group adjusted to exclude the items not included within adjusted operating profit divided by the weighted average number of shares in issue during the year, adjusted for the effects of any potentially dilutive options.</p> <p>To provide a measure of earnings per share excluding the impacts of significant items such as restructuring or acquisition related activity and other items such as amortisation of intangibles which may not be present in peer companies which have grown organically.</p>
Prior period revenue and adjusted operating profit at constant currency	Revenue and operating profit	See note APM 1	Revenue and adjusted operating profit for the prior year retranslated at the current year's foreign exchange rates.
Organic revenue and adjusted operating profit	Revenue	See note APM 2	<p>Revenue and adjusted operating profit from continuing operations in the current year compared to the prior year, excluding the effects of currency movements, acquisitions and disposals. This measures the underlying growth or decline of the business.</p> <p>To provide a comparable view of the revenue growth of the business from period to period excluding acquisition and disposal impacts.</p>
Adjusted effective tax charge	Effective tax charge	See note APM 3	The effective tax charge on the company's adjusted profit, which gives a clearer view of the ongoing tax rate by excluding the effects of unusual or non-recurring items.
Return on invested capital	None	See note APM 4	<p>Adjusted operating profit for the year divided by average invested capital for the year. Average invested capital excludes pensions, provisions, tax balances, derivative financial assets and liabilities, cash and borrowings and is calculated at average rates taking twelve monthly balances.</p> <p>This measures how efficiently assets are utilised to generate returns with the target of exceeding the cost to hold the assets.</p>

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### Statement of financial position measures:

Alternative Performance Measure	Closest equivalent statutory measure	Note reference to reconciliation to statutory measure	Definition and purpose
Net debt	Cash and cash equivalents less borrowings and lease liabilities	Reconciliation of net cash flow to movement in net debt (note 10)	<p>Net debt comprises cash and cash equivalents and borrowings including lease liabilities.</p> <p>This is additional information provided which may be helpful to the user in understanding the liquidity and financial structure of the business.</p>
Leverage (bank covenant)	Cash and cash equivalents less borrowings	See note APM 12	<p>Leverage is the net debt defined as per the banking covenants (net debt (excluding lease liabilities) adjusted for certain terms as per the bank covenants) divided by EBITDA excluding items removed from adjusted profit and further adjusted for certain terms as per the bank covenants.</p> <p>Provides additional information over the Group's financial covenants to assist with assessing solvency and liquidity.</p>
Net capital and development expenditure (net capex)	None	See note APM 5	<p>Purchase of property, plant and equipment net of government grants (excluding property disposals), purchase of intangibles (excluding acquisition intangibles) and capitalised development.</p> <p>A measure of the Group's investments in capex and development to support longer term growth.</p>
Dividend per share	None	Not applicable	<p>Amounts payable by dividend in terms of pence per share.</p> <p>Provides the dividend return per share to shareholders.</p>

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### Statement of cash flows measures:

Alternative Performance Measure	Closest equivalent statutory measure	Note reference to reconciliation to statutory measure	Definition and purpose
Adjusted operating cash flow	Operating cash flow	See note APM 6	<p>Adjusted operating profit, excluding depreciation of property, plant and equipment and amortisation of intangible assets less working capital and other non-cash movements.</p> <p>An additional measure to help understand the Group's operating cash generation.</p>
Adjusted operating cash flow post capex	Operating cash flow	See note APM 7	<p>Adjusted operating cash flow less net capital and development expenditure.</p> <p>An additional measure to help understand the Group's operating cash generation after the deduction of capex.</p>
Working capital cashflow	Cashflow - inventories payables, provisions and receivables	See note APM 8	<p>Working capital comprises three statutory cashflow figures: (increase)/decrease in inventories, increase/(decrease) in payables and provisions, and (increase)/decrease in receivables. This definition includes the movement of any provisions over trade receivables.</p> <p>To provide users a measure of how effectively the group is managing its working capital and the resultant impact on liquidity.</p>
Free cash flow	Net increase/ decrease in cash and cash equivalents	See note APM 9	<p>Free cash flow represents cash generated from trading after all costs including restructuring, pension contributions, tax and interest payments. Cashflows to settle LTIP schemes are excluded.</p> <p>Free cash flow provides a measure of how successful the company is in creating cash during the period which is then able to be used by the Group at its discretion.</p>
Cash conversion	None	See note APM 10	<p>Adjusted operating cash flow post capex (less any property disposals which were part of restructuring programmes) divided by adjusted operating profit.</p> <p>Cash conversion measures how effectively we convert profit into cash and tracks the management of our working capital and capital expenditure.</p>
R&D cash spend as a percentage of revenue	None	See note APM 11	<p>R&amp;D cash spend and R&amp;D investment as a percentage of revenue excludes revenue from contract manufacturing services as these activities do not give rise to intellectual property.</p> <p>To provide a measure of the company's expenditure on R&amp;D relative to its overall size which may be helpful in considering the Group's longer-term investment in future product pipeline.</p>

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### APM 1 – Prior period revenue and adjusted operating profit at constant currency:

	2024			
£million	Europe	North America	Asia	Total
2024 revenue	146.3	184.4	190.4	521.1
Foreign exchange impact	-	(4.7)	(5.4)	(10.1)
2024 revenue at 2025 exchange rates	146.3	179.7	185.0	511.0

	2024					
£million	Europe	North America	Asia	Total Operating Segments	Central	Total
2024 adjusted operating profit	18.9	(2.7)	28.5	44.7	(7.6)	37.1
Foreign exchange impact	-	-	(1.1)	(1.1)	0.2	(0.9)
2024 adjusted operating profit at 2025 exchange rates	18.9	(2.7)	27.4	43.6	(7.4)	36.2

### APM 2 - Organic revenue and operating profit:

	2025				
£million	Europe	North America	Asia	Total	
2025 revenue	144.4	173.1	163.9	481.4	
2024 revenue	146.3	184.4	190.4	521.1	
Removal of businesses disposed	(11.8)	-	(4.4)	(16.2)	
Foreign exchange impact	-	(4.7)	(5.4)	(10.1)	
2024 revenue on an organic basis	134.5	179.7	180.6	494.8	
Organic revenue increase (%)	7%	(4%)	(9%)	(3%)	

	2025					
£million	Europe	North America	Asia	Total Operating Segments	Central	Total
2025 operating profit	22.1	1.2	21.6	44.9	(7.7)	37.2
2024 operating profit	18.9	(2.7)	28.5	44.7	(7.6)	37.1
Removal of businesses disposed	0.5	-	(0.3)	0.2	-	0.2
Foreign exchange impact	-	-	(1.1)	(1.1)	0.2	(0.9)
2024 operating profit on an organic basis	19.4	(2.7)	27.1	43.8	(7.4)	36.4
Organic operating profit increase (%)	14%	(144%)	(20%)	3%	(4%)	2%

### APM 3 – Effective tax charge:

£million	2025	2024
Adjusted operating profit	37.2	37.1
Net interest	(8.5)	(9.9)
Adjusted profit before tax	28.7	27.2
Adjusted tax	(16.4)	(7.7)
Adjusted effective tax rate	57.1%	28.3%

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**APM 4 – Return on invested capital:**

£million	2025	2024
Adjusted operating profit	37.2	37.1
Average invested capital	278.7	371.0
Return on invested capital	13.3%	10.0%

**APM 5 - Net capital and development expenditure (net capex):**

£million	2025	2024
Purchase of property, plant and equipment	(8.1)	(6.9)
Proceeds from sale of investment property, plant and equipment and capital grants received	0.6	0.5
Capitalised development expenditure	(1.1)	(1.8)
Purchase of other intangibles	-	(0.5)
Net capital and development expenditure	(8.6)	(8.7)

**APM 6 - Adjusted operating cash flow:**

£million	2025	2024
Adjusted operating profit	37.2	37.1
Adjustments for:		
Depreciation	10.9	12.2
Amortisation of intangible assets	1.2	1.6
Impairment of property, plant and equipment and intangible assets	1.0	-
Share based payment expense	1.9	2.2
Scheme funded pension administration costs	0.8	1.1
Other items	(0.5)	0.2
Decrease in inventories	14.8	12.8
Increase in receivables	(0.9)	(2.2)
Decrease in payables and provisions	(2.0)	(12.9)
Adjusted operating cash flow	64.4	52.1
Reimbursement from pension schemes	1.1	9.4
Restructuring and acquisition related costs	(7.9)	(0.6)
Net cash generated from operations	57.6	60.9
Net income taxes paid	(7.6)	(9.7)
Net cash flow from operating activities	50.0	51.2

**APM 7 - Adjusted operating cash flow post capex:**

£million	2025	2024
Adjusted operating cash flow	64.4	52.1
Purchase of property, plant and equipment	(8.1)	(6.9)
Proceeds from sale of property, plant and equipment and government grants received	0.6	0.5
Capitalised development expenditure	(1.1)	(1.8)
Purchase of other intangibles	-	(0.5)
Adjusted operating cash flow post capex	55.8	43.4

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### APM 8 – Working capital cashflow:

£million	2025	2024
Decrease in inventories	14.8	14.2
Increase in receivables	(0.9)	(3.6)
Decrease in payables and provisions	(2.0)	(12.9)
Scheme funded pension administration costs	0.8	1.1
Working capital cashflow	12.7	(1.2)

### APM 9 – Free cash flow:

£million	2025	2024
Net cash flow from operating activities	50.0	51.2
Net cash flow from investing activities	(8.6)	3.5
Add back: Proceeds from disposal of business	-	(17.5)
Add back: Cash with disposed businesses	-	5.3
Payment of lease liabilities	(3.8)	(4.2)
Interest paid	(7.7)	(10.6)
Free cash flow	29.9	27.7

### APM 10 – Cash conversion:

£million	2025	2024
Adjusted operating profit	37.2	37.1
Adjusted operating cash flow post capex	55.8	43.4
Cash conversion	150%	117%

### APM 11 - R&D cash spend as a percentage of revenue:

£million	2025	2024
Revenue (excluding contract manufacturing)	267.7	269.1
R&D cash spend	10.3	11.3
R&D cash spend as a percentage of revenue	3.8%	4.2%

### APM 12 - Leverage:

£million	2025	2024
Adjusted operating profit	37.2	37.1
Depreciation	10.9	12.2
Amortisation	1.2	1.6
EBITDA	49.3	50.9
Adjustment to align with covenants	(4.4)	(5.3)
EBITDA (covenants)	44.9	45.6
Net debt as per note 10	64.7	97.4
Less: leases	(14.4)	(17.3)
Net debt excluding leases	50.3	80.1
Adjustment to align with covenants	1.3	2.0
Net debt (covenants)	51.6	82.1
Leverage	1.1	1.8

