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TI Fluid Systems plc

Q1 2024 Trading Update

**Good start to 2024, confidence in full year outlook**

TI Fluid Systems plc (TIFS), a global industry leader in highly engineered automotive fluid storage, carrying and delivery systems and thermal management products and systems, issues a trading update for the first quarter ended 31 March 2024.

### Highlights for Q1 2024

- **Revenue** declined slightly, in-line with expectations, down 0.4% at constant currency and ahead of the market
- **Total bookings** at a strong level of €685 million, up 6% compared to Q1 2023, benefiting from our propulsion agnostic product portfolio
- **Operational efficiency** and productivity measures on track
- **Confidence in full year outlook** for flat to low single-digit constant currency revenue growth, Adjusted EBIT margin expansion to above 7.4% and Adjusted Free Cash Flow conversion of c.30% of Adjusted EBITDA

Revenue € million	3 months ended March 24	3 months ended March 23	% Change	% Change at constant currency
EMEA	364.0	349.4	+4.2%	+4.3%
Asia Pacific	236.7	265.3	-10.8%	-5.3%
Americas	246.3	255.1	-3.4%	-2.0%
<b>Group</b>	<b>847.0</b>	<b>869.8</b>	<b>-2.6%</b>	<b>-0.4%</b>

### Comment from Hans Dieltjens, CEO and President

*“We have had a good start to 2024 reflecting our strong market position and agility as we capitalise on the strengths of our conventional portfolio and the opportunities of electrification. While there were fewer EV opportunities in the period, our total bookings in Q1 have increased, demonstrating the benefits and resilience of our agnostic portfolio. Our strong focus on productivity is delivering the expected benefits to our bottom line. While it is early in the year, our first quarter performance underpins our confidence that we are on track to achieve our 2024 outlook. We remain focused on executing our Taking-the-Turn strategy and delivering on our mid-term targets.”*

## **Revenue performance**

Group revenue for the three months ended 31 March 2024 was €847.0 million, down 0.4% at constant currency and ahead of a 0.8% decline in global light vehicle production. Reported revenue was 2.6% lower year-on-year, with a foreign exchange headwind from the stronger Euro against most key currencies.

Revenue for the EMEA region increased 4.3% at constant currency, including a circa 200 basis points contribution from the Cascade Engineering Europe acquisition. Light vehicle production volumes in the region declined by 1.5%. This reflects strong growth in fuel tanks and delivery systems, including on plug-in hybrid platforms, partially offset by lower volumes for thermal products for EVs.

Asia Pacific revenue reduced by 5.3% at constant currency compared to a light vehicle production decline of 1.0%. Lower revenue in China was partially offset by strength in Japan and India. As expected, our lower share with local OEMs in China has continued to drive mix effects in the early part of 2024. Revenues are ramping up on our 2023 launches and we have launched approximately 20 further programmes in Q1 which will improve our position with local OEMs.

Revenue in the Americas was 2.0% lower at constant currency. As expected, the exit of a less profitable product line has resulted in a revenue headwind of over 500 basis points. Excluding this, the region grew well, driven by fuel tanks on plug-in hybrid and ICE platforms as well as brake & fuel lines in a flat market.

## **Regional structure and historical financial information**

Following the move to a regional structure from 1 January 2024, TIFS has today published historical pro forma financial information. The Group's new reporting structure comprises three regions, ensuring alignment with customers and enhancing regional leaders' agility to respond to changes in their markets, particularly the transition to electrification.

The unaudited pro forma financial information is presented for 2022 and 2023 together with H1 2023 and is available at the following [LINK](#)

## **Confidence in full year outlook**

For 2024, our planning assumptions for a modest year-on-year industry volume decline are unchanged. We expect flat to low-single digit constant currency revenue growth, a further increase in Adjusted EBIT margin to above 7.4% driven by productivity and efficiency initiatives, and strong Adjusted Free Cash Flow conversion of approximately 30% of Adjusted EBITDA.

### **Trading update call**

TI Fluid Systems plc is holding a call for analysts and investors at 11:00 am UK time today.

Conference Call Dial-In Details:

United Kingdom (Local)	020 3936 2999
United Kingdom (Toll Free)	0800 358 1035
United States (Local)	1 646 787 9445
All other locations	<a href="#">Global Dial-In Numbers</a>
Access code:	839840

You can pre-register to receive a unique PIN to dial directly into the call [using this link](#)

An audio recording will be available on our website [www.tifluidsystems.com](http://www.tifluidsystems.com) in due course.

### **Enquiries**

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### **Cautionary Statement**

This announcement contains certain forward-looking statements with respect to the financial condition, results of operations and business of TI Fluid Systems plc (the "Company"). The words "believe", "expect", "anticipate", "intend", "estimate", "forecast", "project", "will", "may", "should" and similar expressions identify forward-looking statements. Others can be identified from the context in which they are made. By their nature, forward-looking statements involve risks and uncertainties, and such forward-looking statements are made only as of the date of this announcement. Accordingly, no assurance can be given that the forward-looking statements will prove to be accurate, and you are cautioned not to place undue reliance on forward-looking statements due to the inherent uncertainty therein. Past performance of the Company cannot be relied on as a guide to future performance. Nothing in this announcement should be construed as a profit forecast.