



Full Year Results 2024

Strong execution and Adjusted EBIT margin expansion in a challenging market

TI Fluid Systems plc ("The Group"), a global industry leader in highly engineered automotive fluid storage, carrying and delivery systems and thermal management products and systems, announces its results for the year ended 31 December 2024.

€ millions

Adjusted Measures*	2024	2023	Change	Constant Currency Change
Revenue	3,360.3	3,516.2	(4.4)%	(3.5)%
Adjusted EBIT	260.8	259.6	+0.5%	+1.9%
Adjusted EBIT Margin %	7.8%	7.4%	+40bps	
Adjusted Net Income	136.7	132.8	+2.9%	
Adjusted Basic Earnings per Share (€ cents)	27.2	25.8	+5.7%	
Adjusted Free Cash Flow	113.0	140.7	(19.7)%	

Statutory Measures	2024	2023	Change
Revenue	3,360.3	3,516.2	(4.4)%
Operating Profit	132.4	195.8	(32.4)%
Profit for the Year	32.5	83.6	
Basic Earnings per Share (€ cents)	6.4	16.2	
Dividend per Share (€ cents)**	2.40	6.83	

*Adjusted measures are non - IFRS metrics and reconciled in Note 4 and defined in the glossary in Note 16

**2024 consists of a 2.40 € cents interim dividend paid in September; given the pending acquisition by ABC Technologies, the Board is not recommending a final dividend for 2024

Full year 2024 financial performance

- Revenue declined 3.5% at constant currency
 - EMEA revenue increased 3.1%, well ahead of a declining market and including a circa 160 basis points contribution from last year's acquisition of Cascade Engineering Europe
 - Revenue in Asia Pacific reduced by 7.7% driven by China where revenue performance was slightly better than the reduction in Global OEM volumes as 2023 and 2024 launches with Local OEMs ramped up
 - Americas revenue declined 8.1% as a result of destocking by a large OEM and a circa 350 basis points headwind from the previously announced exit of an unprofitable product line
- Strong Adjusted EBIT margin expansion, up 40 basis points, driven by productivity and efficiency initiatives which intensified in the second half as well as continuing commercial activities
- Statutory Operating Profit 32% lower due to higher restructuring costs in response to a weakening market and an exceptional non-cash write-down of intangible assets relating to the Americas product line exit

- Adjusted Basic EPS increased 6%, reflecting strong operational execution and financial discipline
- Adjusted Free Cash Flow conversion of 29% in line with guidance, reflecting good progress with working capital management in the second half
- Adjusted ROCE¹ remains strong at 26.8% (2023: 27.6%) demonstrating our ability to deploy capital effectively to create value

Delivering on our strategy for sustainable and profitable growth:

- Bookings remained strong at €2.7 billion (2023: €3.0 billion), including €1.1 billion of EV awards, despite tender delays as customers revised their electrification plans
- Significant progress with product development, successfully finalising and launching new product lines that will underpin the Group's EV strategy
- Continued progress in China including eight new awards with the largest Chinese OEM and 66 launches, close to two thirds with local OEMs
- Fifth and final e-Mobility Innovation Centre opened in North America
- Largest cash return to shareholders in a single year since initial public offering in 2017, with €69.2 million returned via dividends and share buyback programme
- Strong balance sheet maintained, with net leverage of 1.6x Adjusted EBITDA¹ at year end (2023: 1.5x)
- Further footprint optimisation, with three facilities closed and others downsized to adapt to customer needs and support progress towards our mid-term, double-digit Adjusted EBIT margin target
- Significant reduction in Scope 1 & 2 carbon emissions, down 28% compared to 2021 baseline (2023: 15% reduction) and 15% lower year on year
- Pending acquisition by ABC Technologies expected to complete during H1 2025

Hans Dieltjens, Chief Executive Officer and President, commented:

"We have delivered a strong margin performance and strategic progress despite multiple external headwinds, demonstrating the strengths of our propulsion agnostic portfolio and our Taking-the-Turn strategy. Our financial performance was driven by relentless commercial execution and the benefits of our intensified productivity and efficiency measures. We also continued to successfully execute our strategic priorities by further investing in our EV growth opportunities and maximising our conventional portfolio. It has been a privilege to lead TI, and I would like to thank colleagues across the business for their continued hard work and contribution to our success over the last three years. Together we have accelerated our transition to electrification and ensured TI is well-positioned to continue to deliver on its vision and create value for all stakeholders as part of an enlarged group."

Notes

¹ Adjusted EBITDA, net leverage and Adjusted ROCE defined in Note 16 in the glossary

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Chief Executive Officer's statement

In 2024, we delivered strong Adjusted EBIT margin expansion and robust free cash flow thanks to the team's relentless focus on operational execution to overcome external headwinds. We also continued to invest in EV growth and deliver strong bookings whilst benefiting from our conventional portfolio. Our performance and progress in the year reflect the strengths of our propulsion agnostic portfolio and our Taking-the-Turn strategy for a successful transition to electrification. I am proud to say that we ended 2024 on track, delivering on our vision and creating value for all stakeholders.

2024: excellent operational execution driving strong progress in a challenging market

Our 2024 performance demonstrates TI's fundamental strengths and resilience, underpinned by a propulsion agnostic portfolio and diversified geographic and customer mix. Our success in delivering further margin expansion despite external headwinds from lower industry volumes, persistent labour inflation, customer-specific destocking, slower EV growth and the continued rise of the Chinese Local OEMs ("LOEMs") is testament to the entire team's commitment to driving productivity and efficiency. I would like to thank them all.

2024 financial performance: strong Adjusted EBIT margin expansion

Group revenue declined 4.4% year on year to €3,360.3 million (2023: €3,516.2 million). At constant currency, revenue declined 3.5%, or 3.0% excluding the Cascade acquisition and a planned product line exit in the Americas. This compares to a 2.2% TIFS' weighted market production decline, and a 1.1% reduction in global light vehicle production in the year.

- **EMEA:** revenue increased 3.1% at constant currency, including a circa 160 basis points contribution from the Cascade Engineering Europe acquisition. Growth was well ahead of light vehicle production volumes, which declined 4.5%. Fuel tanks and delivery systems delivered strong revenue growth. In the second half, demand for thermal products for EVs also increased as customers ramped up BEV production ahead of 2025 European CO2 emissions standards.
- **Asia Pacific:** revenue declined 7.7% at constant currency compared to a light vehicle production increase of 0.1%. Excluding China, revenue in the region was broadly flat at constant currency. As expected, revenue was lower in China, but slightly better than the reduction in Global OEM production, particularly in Q4, as revenues continued to ramp up on our 2023 and 2024 launches with LOEMs. We also launched circa 66 programmes during 2024, almost two thirds of which were with LOEMs.
- **Americas:** revenue was 8.1% lower at constant currency compared to a 0.9% reduction in light vehicle production. As expected, the exit of a less profitable product line reduced constant currency revenue by circa 350 basis points. Destocking by the region's largest OEM customer was also a significant headwind. Tanks and brake lines delivered good growth, whilst demand for thermal products was significantly weaker.

One of the key financial highlights of the year was the continued expansion of the Group's Adjusted EBIT margin, with a 40 basis points year-on-year increase to 7.8% (2023: 7.4%) representing further progress towards our double-digit mid-term target. Through disciplined financial execution, we converted a 0.5% increase in Adjusted EBIT into 5.7% growth in Adjusted EPS.

Statutory Operating Profit was €132.4 million (2023: €195.8 million), down year on year primarily due to an exceptional charge related to the closure of the Group's manufacturing facility in Ligonier and the associated exit of the powertrain business at this location, as well as higher restructuring costs.

2024 cash generation reflected a strong second half despite continued volatility in customer production schedules. Adjusted Free Cash Flow conversion of 29% of Adjusted EBITDA was in-line with guidance. We maintained a strong balance sheet with year end net leverage of 1.6x Adjusted EBITDA (2023: 1.5x) whilst also returning a total of €69.2 million in cash to shareholders through dividends and our share buyback programme. This represents the Group's largest cash return to shareholders in a single year since its initial public offering in 2017.

Our industry

Global light vehicle production ("GLVP") in 2024 declined 1.1% year-on-year to 89.5 million units (2023: 90.5 million). Forecasts were steadily downgraded through the year, largely driven by a slowdown in BEV production and destocking in North America. Volumes were weaker in the second half in particular, down 2.0%. The changing

composition of GLVP provided an additional headwind, with the largest volume reductions in Europe and North America, partially offset by higher volumes at LOEMs in China.

The industry transition to electrification continued, but at a slower pace than previously expected. BEV production increased 13% in 2024, well below earlier projections – as recently as January 2024, the industry expected just over 30% growth in BEV volumes.

Looking ahead, industry forecasts anticipate a broadly flat GLVP in 2025 before the industry returns to growth in 2026 and 2027. The transition to EV is set to continue, and by 2030, industry forecasts expect BEV penetration of 38% (2024: 15%); PHEV & HEV of 23% (2024: 14%) and ICE of 39% (2024: 71%). Hybrids are now expected to play a much larger role in the transition coupled with a slower pace of decline in ICE vehicle production. Since August 2023, industry forecasts for 2025-30 BEV production have reduced by 41 million units, PHEV and HEV unit forecasts have increased by 24 million units and ICE unit forecasts have also increased by 13 million. Industry forecasts also indicate increasing demand for range extender BEVs which utilise a small combustion engine for battery charging. Whilst some of these developments create short-term volatility and uncertainty, a number also play directly to TI's strengths. Our propulsion agnostic portfolio means we are well-positioned to capture the resulting opportunities.

Taking-the-Turn: delivering on our strategy for long-term, profitable growth

I am delighted with our strategic progress in 2024 as we balanced investment in electrification opportunities whilst also maximising our conventional portfolio. This is particularly true of product development where we successfully finalised and launched new product lines that will underpin our EV strategy. A key highlight is our SPT 2.0 fuel tank, a new and highly successful range of fuel tanks for plug-in hybrids which was validated by awards received from some of the largest EV manufacturers in China. We also completed the development of our electric coolant pump ("eCP") and installed our first manufacturing line in China ahead of industrialisation and launch in 2025. These are just a few examples how we continue to progress our strategic vision.

As part of our Taking-the-Turn strategy, we set clear financial targets in 2023 based on delivering revenue growth and a return to double-digit Adjusted EBIT margins in the mid-term.

- Revenue growth: 2026 target of €3.8-4.2 billion; 2030 target of >€4.5 billion.
- Return to double-digit Adjusted EBIT margins in the mid-term.
- Attractive shareholder value creation: targeting Adjusted Free Cash Flow Conversion of 30% and leverage of 1.5x to underpin returns, including a progressive dividend.

We also aim to become a more sustainable business, with 2030 targets for a 50% reduction in Scope 1 & 2 carbon emissions, and a 30% reduction in Scope 3 as compared with a 2021 baseline.

Sustainable revenue growth: investing in our long-term EV future and capitalising on short-term opportunities

The changing shape and pace of the transition has increased the opportunities for conventional products for ICE vehicles. This was reflected in 2024 revenue and bookings. At the same time, we have continued to make progress against our key strategic pillars, including continued investment in the Group's future long-term EV growth.

Our product portfolio means that we are ideally placed to benefit from the slower than expected decline in ICE vehicle production and associated platform extensions. During 2024, we delivered good growth in revenue from fuel tanks and delivery systems in the Americas and Europe, including for ICE. The increasing role for PHEVs and range extender EVs in the transition is also creating new opportunities for our conventional products, including our market-leading tanks technology. Some of the strongest growth in PHEV production is expected to be in China. Through developing innovative, cost competitive tanks such as our SPT 2.0, we are very well positioned to capitalise on this trend to improve our position with Chinese LOEMs.

We maintained our focus on bookings, and total bookings for 2024 remained strong at €2.7 billion (2023: €3.0 billion) despite a reduction in bidding opportunities. Bookings demonstrated a clear shift to ICE, whilst BEV and PHEV platforms available to bid were materially smaller than expected due to delays to tenders as customers revised their plans in relation to electrification. We delivered strong growth in bookings for ICE vehicles in the Americas, whilst BEV awards and EMEA were weaker. ICE bookings represented over half of total awards in the period. BEV awards were €0.5 billion (2023: €1.3 billion), whilst HEV awards were €0.6 billion (2023: €0.8 billion).

We also continued to drive progress against our key pillars for growth in an EV world - expanding our fluid handling business for EVs, strengthening our position in Modules & Systems for EVs, and enhancing our position in China. Longer-term, the transition to BEVs represents a tremendous opportunity for our fluid handling products, particularly lines and connectors. We estimate that BEVs require 4-5x as many connectors and 2-4x as many coolant lines versus a comparable ICE vehicle.

We therefore continued to invest in products and initiatives that will drive future EV growth. This includes opening our fifth and final e-Mobility Innovation Centre ('eMIC') in the US in the middle of the year. Our eMICs are a differentiator in winning new thermal management business for EVs by providing customers with one-stop shops to tackle their thermal management challenges and accelerate speed to market. We also continued to invest in product innovation, and our new electric valve and eCP will increase our BEV content and strengthen our position in Modules & Systems.

In China, we continued to enhance our position with the LOEMs, leveraging our long history in China and strong market positions with GOEMs. Around half of our bookings and close to two thirds of the 66 launches in the period were with LOEMs. We also made important progress with the largest LOEM, with eight awards in total for brake lines and tanks for BEV and PHEV platforms in the year.

Strong margin expansion and further progress towards a double-digit Adjusted EBIT margin

2024 represented further progress towards achieving our double-digit Adjusted EBIT margin target. The Group's 40 basis points margin expansion was primarily driven by self-help initiatives, which more than compensated for lower volumes and labour inflation. Productivity contributed 130 basis points to the margin and commercial activities also played an important role.

Productivity and efficiency have always been part of the Group's DNA. Our programme for driving operational excellence and cost competitiveness is anchored in clear, simple metrics and dashboards with live data so we can actively manage performance. We entered 2024 fully focused on productivity and with many actions already underway. In response to weakening market conditions, we took additional actions in the second half, including short-term measures on headcount and fixed costs as well as accelerated restructuring. Purchasing has played an important role throughout 2024, driven by benchmarking, consolidating product lines, further localisation and leveraging our scale. Our operational efficiency programme consists of many small initiatives which are powerful when taken as a whole.

Finally, we continued to optimise our footprint, closing three facilities and downsizing other locations. In response to lower short-term industry forecasts, we have temporarily increased our investment in restructuring to €37.4 million (2023: €13.4 million), largely related to headcount and footprint optimisation.

A more sustainable business

Safety remains our number one priority as we continue to focus on continuous improvement of health and safety. Having already rolled out our ISO 45001 Occupational Health & Safety Management System to manufacturing sites, we further progressed this process for our eMICs, test centres and selected warehouses. We are also rolling out Behaviour Based Safety programmes to drive a safety-first culture focused on prevention where all employees go home safe. Our LTI rate of 1.76 represented a significant year-on-year improvement (2023: 3.0), and we continue to increase our efforts to drive further progress.

Sustainability remains at the heart of our purpose, commercial strategy and how we run our business. Our products are at the heart of this, as we develop new, cleaner technologies to support customers in producing greener vehicles. Our revenue mix remains broadly in line with the industry and we continue to invest in product innovation and development. Our new electric coolant pump is on track to enter production in the first half of 2025. This will complete our product portfolio for Modules & Systems, which in turn offer BEV manufacturers weight and efficiency gains. Our new pressurised SPT 2.0 fuel tank for PHEVs caters directly to the increasing role hybrids are expected to play in the transition. By adapting an existing technology, we have developed a tank that can withstand higher pressures and at a lower cost whilst also minimising evaporative emissions.

We also continued to improve our own environmental footprint, increasing our use of renewable energy and energy efficiency. We achieved a significant step change in reducing Scope 1 & 2 emissions (tonnes of CO₂ equivalent) which are now 28% lower than our 2021 baseline (2023: 15% lower), and 15% lower year-on-year. Development of our life cycle analysis and mapping of product carbon footprint in the period will also help us to define Scope 3 carbon emission reduction actions. We are on track to deliver our planned 50% reduction in Scope 1 & 2 emissions by 2030.

People

During 2024, I was delighted to complete our Executive Committee with one external appointment and two internal promotions. Julien Plenchette joined TI in April as President for the Americas region whilst Renee McLeod and Samantha Bellis were promoted to the Executive Committee in their respective roles of Chief Human Resources Officer in June and Vice President, Operational Excellence in September. All three bring a wealth of experience and track record in the automotive industry, and I am proud to lead an Executive Committee with a wide range of skills and deep automotive experience gained both within TI and at other leading organisations in our sector.

Our regional structure has bedded down well and is delivering the expected financial and operational benefits, ensuring our leaders are better placed to adapt to the diverging dynamics across their individual markets. This structure has enabled us to remove a global layer, reducing cost and enhancing the regions' ability to respond to local dynamics quickly and decisively. I believe this has played an important role in 2024, and that it will continue to be a differentiator in a market undergoing rapid change and deglobalisation.

Talent remains a key priority, including developing, retaining and promoting talent from within. At the same time, we seek to bring valuable new skills into the Group through select external appointments. During 2024, we intensified our focus on career and skills development within TI, including a review of high potential talent at the executive level as well as investing in upskilling in engineering and continuous improvement. As a result, we have a well-balanced leadership team, with a mix of experienced TI leaders and external appointees with a broad range of skills and diversity of experience.

Returns to shareholders

During 2024, we returned a total of €69.2 million to shareholders (2023: €26.1 million). This consisted of €34.7 million in respect of the 2023 final dividend and 2024 interim dividend and €34.5 million on buying back shares. The €40 million share buyback programme announced in August 2023 was completed in October. Given the pending acquisition of TI by ABC Technologies, the Board is not recommending a final dividend for 2024.

Outlook

I am very proud of what we have achieved in 2024, and our continued progress in a challenging market is testament to the strength of our market-leading positions, resilience and ability to adapt to changing market conditions.

Looking ahead to 2025, subject to receiving the requisite regulatory approvals and court approval of the scheme of arrangement, TI will enter a new chapter in its history as part of a larger, combined group with ABC Technologies. Assuming completion as anticipated, this transaction will bring together two complementary businesses and create an opportunity to accelerate TI's strategic development. The transaction would also result in a larger, more diversified business with more opportunities for employees, a broader range of products and customers and better positioned to navigate industry challenges.

It has been a privilege to lead TI, and I would like to thank colleagues across the business for their hard work and contribution to our success over the last three years. Together we have accelerated our transition to electrification and ensured TI is well-positioned to continue to deliver on its vision and create value for all stakeholders. I am confident that the business has an exciting future ahead as part of a larger group.

Hans Dieltjens

Chief Executive Officer and President
10 March 2025

Chief Financial Officer's report

Strong financial performance in a challenging market

We delivered a strong 2024 financial performance despite weakening industry volumes, particularly in the second half, and persistent labour inflation. By concentrating on self-help measures and factors within our control, we successfully expanded our Adjusted EBIT margin by 40 basis points to 7.8% (2023: 7.4%) despite a 3.5% decline in revenue at constant currency. Moreover, Adjusted EPS increased 5.7%, demonstrating our financial discipline as we reduced interest costs, maintained an Adjusted effective tax rate below 30% and completed our €40 million share buyback programme. Our capital allocation policy continued to deliver attractive shareholder returns, with a total cash return of €69.2 million representing the Group's largest in a single year since its initial public offering in 2017.

Adjusted cash conversion of 29% of Adjusted EBITDA was in line with guidance and reflects good progress with working capital management in the second half. We also maintained our strong balance sheet and returns profile, with year-end net debt / Adjusted EBITDA of 1.6x (2023: 1.5x) and Adjusted Return on Capital Employed of 26.8% (2023: 27.6%).

Key financial highlights

	Adjusted				Statutory		
	2024	2023	Change	Change at constant currency	2024	2023	Change
Revenue	€3,360.3m	€3,516.2m	(4.4)%	(3.5)%	€3,360.3m	€3,516.2m	(4.4)%
EBITDA	€394.9m	€393.0m	+0.5%	+1.7%			
EBIT/Operating profit	€260.8m	€259.6m	+0.5%	+1.9%	€132.4m	€195.8m	
EBIT margin	7.8%	7.4%	+40bps				
Profit for the Year	€136.7m	€132.8m	+2.9%		€32.5m	€83.6m	
Basic EPS	27.2c	25.8c	+5.7%		6.4c	16.2c	
Dividend per share*	2.40c	6.83c	n/a		2.40c	6.83c	
Free Cash Flow	€113.0m	€140.7m	(19.7)%				
ROCE	26.8%	27.6%	(80)bps				
Net debt: Adjusted EBITDA	1.6x	1.5x	+0.1x				

*Interim dividend of 2.40 Euro cents paid in-line with the Group's adoption of a progressive dividend policy in 2023; given the pending acquisition by ABC Technologies, the Board is not recommending a final dividend for 2024

Revenue performance

Group revenue for the year ended 31 December 2024 was €3,360.3 million (2023: €3,516.2 million), 4.4% lower year-on-year, partly due to a 90 basis points foreign exchange headwind from the Euro against most key currencies. At constant currency, revenue declined 3.5%, or 3.0% excluding the Cascade acquisition and the product line exit in the Americas. This was slightly lower than TIFS' weighted market production, which declined 2.2% as compared with a 1.1% decline in global light vehicle production.

Revenue by region €m

	2024	2023	Change	Constant currency change	Light vehicle production growth
EMEA	1,418.7	1,375.3	+3.2%	+3.1%	(4.5)%
Asia Pacific	978.8	1,087.5	(10.0)%	(7.7)%	0.1%
Americas	962.8	1,053.4	(8.6)%	(8.1)%	(0.9)%
Total Group revenue	3,360.3	3,516.2	(4.4)%	(3.5)%	(1.1)%

Adjusted EBIT margin

The Group uses several financial measures to manage the business, including Adjusted EBIT, which is a non-IFRS measure, but which has been consistently used by the Group to monitor and measure the underlying operating performance of the business. This ensures that decisions taken align with the Group's long-term interests. The metrics are also used in certain of our compensation plans and to communicate to our investors. A reconciliation between the reported and adjusted measures is shown in Note 4.

One of the key financial highlights of the year was the continued recovery of the Group's Adjusted EBIT margin, which increased 40 basis points to 7.8% (2023: 7.4%) despite lower revenue. This improvement was driven mainly by operational and productivity initiatives which intensified in the second half in response to weaker market volumes. Continuing commercial activities also contributed. EMEA delivered significant Adjusted EBIT margin

expansion of 210 basis points reflecting good revenue growth and a strong productivity focus. In the Americas, we succeeded in offsetting the impact of lower revenue through productivity initiatives to maintain a broadly flat Adjusted EBIT margin. In Asia Pacific, the Adjusted EBIT margin declined 100 basis points due to lower volumes in China where Global OEM production declined by 16% and which was partially offset by productivity actions. Group Adjusted EBIT was slightly higher year-on-year, up 0.5% to €260.8 million (2023: €259.6 million).

Adjusted EBIT and Adjusted EBIT margin by region €m

	2024			2023	
	Adj. EBIT €m	Adj. EBIT %	Adj. EBIT change	Adj. EBIT €m	Adj. EBIT %
EMEA	97.2	6.9%	+210 bps	66.5	4.8%
Asia Pacific	88.6	9.1%	(100) bps	109.7	10.1%
Americas	75.0	7.8%	(10) bps	83.4	7.9%
Total Group	260.8	7.8%	+40 bps	259.6	7.4%

Reconciliation of Adjusted EBIT to Statutory Operating Profit

Statutory Operating Profit was €132.4 million (2023: €195.8 million), down year on year primarily due to an exceptional charge related to the closure of the Group's manufacturing facility in Ligonier and the associated exit of the powertrain business at this location, as well as higher restructuring costs as described further below. Key adjusting items excluded from Adjusted EBIT but included in Statutory Operating Profit are below.

	2024 €m	2023 €m
Statutory Operating Profit	132.4	195.8
Restructuring costs	37.4	13.4
Exceptional items before tax	40.6	-
Depreciation and amortisation on purchase accounting	41.9	45.5
Costs associated with the potential acquisition of the Group	5.5	-
Other	3.0	4.9
Adjusted EBIT	260.8	259.6

Adjusting items include a €37.4 million restructuring cost (2023: €13.4 million) related to activity to drive efficiency, optimise our footprint and adjust our workforce as we adapt to the constantly evolving needs of our customers. The increase in restructuring costs compared to 2023 relates to elevated activity in response to the softening of industry volumes. The majority of these costs were cash related. We also incurred an exceptional item before tax of €40.6 million (2023: €nil) related to the planned exit of an unprofitable product line, the majority of which relates to the non-cash write-down of intangible assets related to the Millenium acquisition. The largest adjusting item relates to non-cash depreciation and amortisation on purchase accounting, mainly relating to Bain's acquisition of the Group in 2015. Costs of €5.5 million were incurred in respect of the pending acquisition by ABC Technologies. Other items of €3.0 million (2023: €4.9 million) consist primarily of net foreign exchange losses.

Net finance expense

Net finance expense reduced year on year to €68.5 million (2023: €74.7 million). This reflects the full year impact of the August 2023 term loan repayment and the benefit of lower interest rates on interest costs, partially offset by higher costs related to lease interest.

Effective tax rate

The Group's adjusted income tax expense was €55.4 million (2023: €52.0 million), with the Adjusted Effective Tax Rate slightly higher year on year at 28.8% (2023: 28.1%) on Adjusted profit before tax of €192.3 million (2023: €184.9 million). This reflects the significant improvement in the Group's profitability in the last two years together with the work undertaken in 2023 to address historical one-off factors driving a higher effective tax rate. Including the effect of adjusting items, the Group's statutory income tax expense was €31.4 million (2023: €37.5 million).

Earnings per share

Consistent with the definition of Adjusted EBIT, Adjusted Net Income and Adjusted EPS are non-IFRS measures which are used by the Group to monitor and measure the underlying operating performance of the business, and ensuring that decisions taken align with the Group's long-term interests. The metrics are also used in certain of our compensation plans and to communicate to our investors. A reconciliation between the reported and adjusted measures is shown in Note 4.

In 2024, Adjusted Net Income increased 2.9% to €136.7 million (2023: €132.8 million). Growth in Adjusted EPS also reflects a lower number of shares as a result of the share buyback, up 5.7% to 27.2 Euro cents (2023: 25.8 Euro cents). The weighted average number of shares for 2024 was 502.0 million (2023: 515.6 million).

On a statutory basis, the Group's Profit for the Year was €32.5 million (2023: €83.6 million), resulting in Basic Earnings per Share (EPS) of 6.4 Euro cents for the year (2023: 16.2 Euro cents).

Adjusted Free Cash Flow conversion

	2024 €m	2023 €m
Net cash generated from operating activities	213.1	236.1
Net cash used in investing activities	(130.4)	(131.9)
Free cash flow	82.7	104.2
Net restructuring cash spend	25.8	14.3
Purchase of subsidiary net of cash acquired	0.3	18.6
Costs associated with business acquisitions or disposals	1.0	2.4
Cash spend associated with the potential acquisition of the Group	2.9	-
Costs associated with 'SaaS' arrangements	0.3	1.2
Adjusted Free Cash Flow	113.0	140.7

Adjusted Free Cash Flow, the Group's primary operating measure of cash flow performance, was €113.0 million (2023: €140.7 million). This represents Adjusted Free Cash Flow conversion of 29% of Adjusted EBITDA (2023: 36%), in line with guidance and the Group's circa 30% target. This reflects a strong second half performance on working capital management. For the full year, our working capital ratio was 10.4% (2023: 8.7%), with a working capital outflow of €14.3 million (2023: €11.1 million outflow) due to higher inventory. Group tax payments decreased to €58.8 million (2023: €66.5 million).

Our capex needs remain modest, at 4.3% of revenue in 2024 (2023: 3.5%). Total capex invested, including capitalised R&D, was €145.7 million (2023: €124.4 million), largely consisting of maintenance capex and investment to support the launch of a significant number of new customer programmes. The net cash outflow on restructuring was €25.8 million (2023: €14.3 million), higher year on year as discussed above, and largely related to severance payments.

Free cash flows of €82.7 million (2023: €104.2 million) were offset by financing cash outflows of €104.3 million (2023: €162.5 million). Financing cash outflows include a total dividend cash outflow of €34.7 million (2023: €19.8 million), a further €34.5 million outflow to complete the share buyback programme announced in August 2023 (2023: €6.3 million), and lease principal repayments of €29.0 million (2023: €30.0 million).

Adjusted return on capital employed (ROCE)

The Group's Adjusted ROCE remains at a very strong level of 26.8% (2023: 27.6%), slightly lower as compared to 2023 due to a number of factors, including higher net debt as described below. This demonstrates the Group's discipline in deploying capital effectively to maximise value creation.

Returns for shareholders

Following the Group's revised capital allocation policy and adoption of a progressive dividend policy, on 13 September 2024, a 2024 interim dividend of €11.9 million (2023: €11.8 million) or 2.40 Euro cents (2.04 pence) per ordinary share (2023: 2.30 Euro cents or 1.96 pence) was paid. Given the pending acquisition by ABC Technologies, the Board is not recommending a final dividend for 2024.

The Group completed its €40 million share buyback programme which commenced in October 2023, with €34.5 million used to acquire shares in the year. Over the course of the buy-back programme, 24.1 million shares were purchased at an average price of 141.79 pence share and cancelled.

Balance sheet and liquidity

Net debt at 31 December 2024 was €619.2 million (2023: €595.0 million). At year end, the Group's net leverage ratio remained in line with our circa 1.5x target at 1.6x Adjusted EBITDA (2023: 1.5x), slightly above 2023 due to higher net debt.

Total available liquidity (cash plus available facilities) on 31 December 2024 was €686.8 million (2023: €616.2 million).

The Group excludes IFRS 16 lease liabilities from its net debt and leverage ratio. If these were included, net debt would be €783.3 million (2023: €727.5 million) and net leverage would be 2.0x Adjusted EBITDA (2023: 1.9x).

The Group operates funded and unfunded defined benefit schemes across multiple territories. All major plans are closed to new entrants, but a few allow for future accrual. Schemes are subject to periodic actuarial valuations. As at 31 December 2024, the Group's net liability position was €90.2 million (2023: €103.9 million) with the reduction in liability largely driven by the US funded pension plan which benefited from higher discount rates and employer contributions.

Alexander De Bock
Chief Financial Officer
10 March 2025

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Group Financial Statements
Consolidated Income Statement

For the year ended 31 December 2024

		2024	2024	2024	2023
		Before exceptional	Exceptional	After	Before and
		items	items (Note	exceptional	after
		€m	5)	items	exceptional
Continuing operations	Note	€m	€m	€m	items
					€m
Revenue		3,360.3	—	3,360.3	3,516.2
Cost of sales		(2,963.5)	(19.2)	(2,982.7)	(3,059.0)
Gross profit		396.8	(19.2)	377.6	457.2
Distribution costs		(105.7)	—	(105.7)	(109.9)
Administrative expenses		(121.8)	(21.4)	(143.2)	(155.9)
Net foreign exchange losses		(2.6)	—	(2.6)	(0.2)
Other gains and losses		6.3	—	6.3	4.6
Operating profit		173.0	(40.6)	132.4	195.8
Finance income	6	9.1	—	9.1	7.6
Finance expense	6	(77.6)	—	(77.6)	(82.3)
Net finance expense	6	(68.5)	—	(68.5)	(74.7)
Profit before income tax		104.5	(40.6)	63.9	121.1
Income tax expense	7	(35.9)	4.5	(31.4)	(37.5)
Profit for the year		68.6	(36.1)	32.5	83.6
Profit for the year attributable to:					
Owners of the Parent Company		68.4	(36.1)	32.3	83.5
Non-controlling interests		0.2	—	0.2	0.1
		68.6	(36.1)	32.5	83.6
Total earnings per share (Euro, cents)					
Basic	8			6.43	16.19
Diluted	8			6.35	16.11

Refer to Note 4 for reconciliation to alternative performance measures (APMs).

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2024

	Note	2024 €m	2023 €m
Profit for the year		32.5	83.6
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
– Re-measurements of retirement benefit obligations	13	9.0	0.8
– Income tax expense on retirement benefit obligations	7	(2.3)	(0.7)
		6.7	0.1
<i>Items that may be subsequently reclassified to profit or loss</i>			
– Currency translation		18.8	(54.1)
– Cash flow hedges: interest rate swaps		(1.2)	—
– Net investment hedges: cross currency interest rate swaps		(5.2)	—
		12.4	(54.1)
Total other comprehensive income for the year		19.1	(54.0)
Total comprehensive income for the year		51.6	29.6
Attributable to:			
– Owners of the Parent Company		51.4	29.5
– Non-controlling interests		0.2	0.1
Total comprehensive income for the year		51.6	29.6

Consolidated Balance Sheet

As at 31 December 2024

	Note	2024 €m	2023 €m
Non-current assets			
Intangible assets	9	474.5	542.4
Right-of-use assets		131.9	97.1
Property, plant and equipment		582.8	546.5
Deferred income tax assets	7	132.2	126.1
Trade and other receivables		27.2	23.4
		1,348.6	1,335.5
Current assets			
Inventories		402.0	378.4
Trade and other receivables		563.3	551.2
Current income tax assets		8.8	9.0
Derivative financial instruments		1.8	3.0
Cash and cash equivalents		401.9	416.7
		1,377.8	1,358.3
Total assets		2,726.4	2,693.8
Equity			
Share capital		6.6	6.8
Share premium		2.2	2.2
Other reserves		(96.9)	(109.5)
Retained earnings		763.0	765.7
Equity attributable to owners of the Parent Company		674.9	665.2
Non-controlling interests		0.8	0.6
Total equity		675.7	665.8
Non-current liabilities			
Trade and other payables		14.9	15.1
Borrowings	12	1,019.6	1,010.2
Lease liabilities		135.7	107.6
Derivative financial instruments		6.1	—
Deferred income tax liabilities	7	52.6	58.7
Retirement benefit obligations	13	90.2	103.9
Provisions	14	2.9	2.6
		1,322.0	1,298.1
Current liabilities			
Trade and other payables		627.7	632.9
Current income tax liabilities		44.3	55.4
Borrowings	12	1.5	1.5
Lease liabilities		28.4	24.9
Derivative financial instruments		1.4	0.1
Provisions	14	25.4	15.1
		728.7	729.9
Total liabilities		2,050.7	2,028.0
Total equity and liabilities		2,726.4	2,693.8

Consolidated Statement of Changes in Equity

For the year ended 31 December 2024

	Ordinary shares €m	Share premium €m	Other reserves €m	Retained earnings €m	Total €m	Non- controlling interests €m	Total equity €m
Balance at 1 January 2024	6.8	2.2	(109.5)	765.7	665.2	0.6	665.8
Profit for the year	—	—	—	32.3	32.3	0.2	32.5
Other comprehensive income	—	—	12.4	6.7	19.1	—	19.1
Total comprehensive income for the year	—	—	12.4	39.0	51.4	0.2	51.6
Share-based expense	—	—	—	9.3	9.3	—	9.3
Vested share awards	—	—	—	(7.7)	(7.7)	—	(7.7)
Issue of own shares from employee benefit trust	—	—	—	6.6	6.6	—	6.6
Purchase of own shares for share buy back programme	—	—	—	(34.5)	(34.5)	—	(34.5)
Cancellation of own shares purchased	(0.2)	—	0.2	—	—	—	—
Movement in amounts committed for future purchase of own shares	—	—	—	19.3	19.3	—	19.3
Dividends paid	—	—	—	(34.7)	(34.7)	—	(34.7)
Transactions with owners recognised directly in equity	(0.2)	—	0.2	(41.7)	(41.7)	—	(41.7)
Balance at 31 December 2024	6.6	2.2	(96.9)	763.0	674.9	0.8	675.7

	Ordinary shares €m	Share premium €m	Other reserves €m	Retained earnings €m	Total €m	Non- controlling interests €m	Total equity €m
Balance at 1 January 2023	6.8	2.2	(55.4)	722.6	676.2	0.5	676.7
Profit for the year	—	—	—	83.5	83.5	0.1	83.6
Other comprehensive income	—	—	(54.1)	0.1	(54.0)	—	(54.0)
Total comprehensive income for the year	—	—	(54.1)	83.6	29.5	0.1	29.6
Share-based expense	—	—	—	8.6	8.6	—	8.6
Vested share awards	—	—	—	(15.1)	(15.1)	—	(15.1)
Issue of own shares from employee benefit trust	—	—	—	11.1	11.1	—	11.1
Purchase of own shares for share buy back programme	—	—	—	(6.3)	(6.3)	—	(6.3)
Amounts committed for future purchase of own shares	—	—	—	(19.0)	(19.0)	—	(19.0)
Dividends paid	—	—	—	(19.8)	(19.8)	—	(19.8)
Transactions with owners recognised directly in equity	—	—	—	(40.5)	(40.5)	—	(40.5)
Balance at 31 December 2023	6.8	2.2	(109.5)	765.7	665.2	0.6	665.8

Consolidated Statement of Cash Flows

For the year ended 31 December 2024

	Note	2024 €m	2023 €m
Cash flows from operating activities			
Cash generated from operations	15	340.0	373.3
Interest paid		(68.6)	(70.7)
Receipts from interest rate swaps on borrowings		0.5	—
Income tax paid		(58.8)	(66.5)
Net cash generated from operating activities		213.1	236.1
Cash flows from investing activities			
Payment for property, plant and equipment		(120.7)	(105.4)
Payment for intangible assets		(25.0)	(19.0)
Proceeds from the sale of property, plant and equipment		7.3	1.4
Amounts paid for Cascade Engineering Europe (CEE) net of cash acquired	11	(1.0)	(16.9)
Amounts received for purchase of CEE: consideration adjustment	11	0.7	—
Interest received		8.3	8.0
Net cash used in investing activities		(130.4)	(131.9)
Net cash generated from operating & investing activities (Free Cash Flow)	4	82.7	104.2
Cash flows from financing activities			
Purchase of own shares for share buy back programme		(34.5)	(6.3)
Fees paid on refinancing of borrowings	12	(3.4)	—
Scheduled repayments of borrowings	12	(2.7)	(4.0)
Overdrafts repaid on acquisition of CEE	12	—	(3.2)
Voluntary repayments of borrowings	12	—	(99.2)
Lease principal repayments	12	(29.0)	(30.0)
Dividends paid		(34.7)	(19.8)
Net cash used in financing activities		(104.3)	(162.5)
Net decrease in cash and cash equivalents		(21.6)	(58.3)
Cash and cash equivalents at the beginning of the year		416.7	491.0
Currency translation on cash and cash equivalents		6.8	(16.0)
Cash and cash equivalents at the end of the year		401.9	416.7

1. General Information

The Group's full financial statements have been approved by the Board of Directors and reported on by the auditors on 10 March 2025. These consolidated financial statements for the current and prior years do not constitute statutory accounts as defined in section 434 of the Companies Act 2006. A copy of the statutory accounts for the year ended 31 December 2023 has been delivered to the Registrar of Companies, and those for the year ended 31 December 2024 will be delivered in due course. The independent auditors' report on the full financial statements for the year ended 31 December 2024, whilst unmodified, contains reference to the material uncertainty disclosed in note 2 below. The auditors' report does not contain a statement under either section 498(2) or section 498(3) of the Companies Act 2006.

2. Basis of Preparation

The consolidated financial statements included within this announcement have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006. The consolidated financial statements have been prepared under the historical cost convention, except for the fair valuation of assets and liabilities of subsidiary companies acquired, retirement benefit obligations, and financial assets and liabilities at fair value through profit or loss (FVTPL) (including derivative instruments not in hedged relationships).

The preparation of financial statements in conformity with UK-adopted International Accounting Standards requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenue and expenses during the reporting year. Although these estimates are based on management's reasonable knowledge, actual results may differ from those estimates.

The consolidated Financial Statements have been prepared on a going concern basis. The financial performance and position of the Company and Group, its cash flows and its approach to capital management are set out in the Chief Financial Officer's report.

The Board reviewed the Company and Group's projections for the period to June 2026 in conjunction with the severe but plausible downside scenario used to stress test the going concern assessment. The Directors have assessed the potential impact of a change in control as a result of the proposed acquisition by ABC Technologies, which was approved by the shareholders by a special resolution on 5 February 2025 and which the directors have assessed is likely to conclude in the going concern period. This assessment includes the uncertainty related to refinancing of the existing borrowing facilities as a result of a change in control, the lack of visibility or control over the availability of funding following a

change in control, and the uncertainty relating to the future intentions and plans for the business by the potential new owners. The Directors concluded that these conditions indicate the existence of a material uncertainty related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern and that it may therefore be unable to realise its assets and discharge its liabilities in the normal course of business.

Notwithstanding this uncertainty, having assessed the Company's and the Group's risks, existing facilities and performance, the Directors have concluded that the Company and the Group have adequate resources to continue in operational existence for at least 12 months from the date of approval of these consolidated financial statements and therefore have determined that the going concern basis remains appropriate for preparation of the Company's and Group's financial statements. These consolidated financial statements do not include the adjustments that would result if the Company and the Group were unable to continue as a going concern.

3. Segment Reporting

In accordance with the provisions of IFRS 8 'Operating Segments', the Group's segment reporting is based on the management approach with regard to segment identification, under which information regularly provided to the chief operating decision makers (CODM) for decision-making purposes forms the basis of the disclosure. The Company's CODM is the Chief Executive Officer (CEO), and the Chief Financial Officer. The CODM evaluates the performance of the Company's segments primarily on the basis of revenue, Adjusted EBITDA, and Adjusted EBIT (see note 4).

Effective from 1 January 2024, the Group is operating a new regional reporting structure, ensuring better alignment with customers and enhancing regional leaders' agility to respond to changes in their markets, particularly the transition to electrification. The three regional segments that the CODM now manage the business by are: Americas ("AMER"), Europe, the Middle East and Africa ("EMEA") and Asia Pacific ("APAC"). The comparative information for the following segmental disclosures has been restated accordingly, to reflect the change from a two division structure to the three regions.

Inter-segment revenue is attributable solely to the ordinary business activities of the respective region, and is conducted on an arm's length basis.

	2024 €m	Restated 2023 €m
Adjusted EBITDA		
– EMEA	154.2	122.1
– AMER	105.5	111.4
– APAC	135.2	159.5
	394.9	393.0
Adjusted EBITDA % of revenue		
– EMEA	10.9 %	8.9 %
– AMER	11.0 %	10.6 %
– APAC	13.8 %	14.7 %
Total	11.8 %	11.2 %
Depreciation, amortisation and non-exceptional impairments on non-purchase accounting		
– EMEA	57.0	55.6
– AMER	30.5	28.0
– APAC	46.6	49.8
Total	134.1	133.4
Adjusted EBIT		
– EMEA	97.2	66.5
– AMER	75.0	83.4
– APAC	88.6	109.7
	260.8	259.6
Adjusted EBIT % of revenue		
– EMEA	6.9 %	4.8 %
– AMER	7.8 %	7.9 %
– APAC	9.1 %	10.1 %
Total	7.8 %	7.4 %

Restructuring costs of €37.4 million (€20.5 million in EMEA, €8.5 million in AMER and €8.4 million in APAC) (2023: €13.4 million, of which €9.8 million in EMEA, €1.8 million in AMER and €1.8 million in APAC) comprise announced headcount reductions and related costs of balancing production capacity with market requirements. A reconciliation of alternative performance measures to the income statement can be found in Note 4.

4. Adjusting items and alternative performance measures

In addition to the results reported under IFRS, Management use certain non-IFRS financial measures to monitor and measure the performance and profitability of the business and operations. Such measures are also utilised by the Board as targets in determining compensation of certain executives and key members of Management, as well as in communications with investors. In particular, Management use Adjusted EBIT, Adjusted EBITDA, Adjusted Net Income, Adjusted Free Cash Flow, Adjusted Basic EPS and Adjusted Return on Capital Employed (Adjusted ROCE). These non-IFRS measures are not recognised measurements of financial performance or liquidity under IFRS, and should be viewed as supplemental and not replacements or substitutes for any IFRS measures. Management acknowledge the limitations of non-IFRS measures as they do not include certain profit or loss and cash flow items, and these adjusting items could have a significant impact on net performance and cash flows of the Group.

Definitions for alternative performance measures are included in the Note 16 glossary.

Adjusted Performance Measures	Note	2024 €m	2023 €m
Adjusted EBIT	4.2	260.8	259.6
Adjusted EBITDA	4.2	394.9	393.0
Adjusted Net Income	4.2	136.7	132.8
Adjusted Free Cash Flow	4.2	113.0	140.7
Adjusted Basic EPS - (euro, cents)	8.2	27.23	25.76
Adjusted Return on Capital Employed - (%)	4.2	26.8%	27.6%

4.1 Adjusting items

Management exclude certain items in the derivation of alternative performance measures, as shown below:

Adjusting Items	Note	2024 €m	2023 €m
Restructuring costs	14	37.4	13.4
Exceptional items before tax	5	40.6	—
Depreciation and amortisation arising on purchase accounting		41.9	45.5
Net foreign exchange losses		2.6	0.2
Costs associated with the potential acquisition of the Group		5.5	—
Costs associated with business acquisitions or disposals		—	3.5
Customisation and configuration costs of significant software as a service (SaaS) arrangements		0.4	1.2
		128.4	63.8

Adjusting items represent transactions that in Management's view do not form part of the substance of the trading activities of the Group, such as large-scale reorganisations, system implementations, acquisition costs and certain non-cash accounting measures.

Restructuring costs comprise announced headcount reductions and associated costs of balancing production capacity with market requirements. Restructuring programmes are discrete in nature, managed separately by country and production facility, with each programme not expected to span more than one financial year. Geopolitical tensions, supply chain disruptions and changes in technology and consumer trends are significantly impacting the automotive industry and therefore new restructuring activities are likely to occur in future years, as the Group continually adjusts its global footprint to align with customer demand.

Exceptional items before tax relate to asset impairment charges and restructuring costs arising from the closure of operations in Ligonier and exit of the Powertrain business. As a significant, non-recurring item, these charges have been separately identified within adjusting items. Refer to Note 10 for further details.

Depreciation and amortisation arising on purchase accounting relates to identifiable intangible assets and PP&E fair value adjustments arising on business combinations, which are then depreciated and amortised over the applicable useful lives of these assets.

Net foreign exchange gains and losses on the revaluation of intercompany loan, cash, deferred tax and forward foreign exchange contract balances are included in adjusting items to remove the impact of foreign exchange volatility arising on these non-operating monetary items. Foreign exchange gains and losses on the revaluation of operating monetary items, such as accounts receivable and accounts payable are recognised in the Income Statement line items to which they relate and accordingly are not adjusted from the alternative performance measures.

Costs associated with the proposed takeover of the Group relate to legal and other third party consulting and advisory costs incurred in relation to the proposed takeover of the Group by ABC Technologies Acquisitions Limited. These costs have been excluded from the alternative performance measures as they represent significant non-recurring items.

Costs associated with business acquisitions or disposals and customisation and configuration costs of significant SaaS arrangements in relation to initial costs of multi-year system upgrades or implementations have been excluded from the alternative performance measures due to their ad-hoc nature.

4.2 Adjusted Performance Measures

Reconciliations of adjusted performance measures to their statutory GAAP equivalent measures are provided below.

Adjusted EBITDA & Adjusted EBIT	Note	2024 €m	2023 €m
Operating profit after exceptional items		132.4	195.8
Adjusting items	4.1	128.4	63.8
Adjusted EBIT		260.8	259.6
Depreciation, amortisation and non-exceptional impairments on non-purchase accounting		134.1	133.4
Adjusted EBITDA		394.9	393.0

Adjusted Net Income	Note	2024 €m	2023 €m
Profit for the year		32.5	83.6
Non-controlling interests' share of profit		(0.2)	(0.1)
Adjusting items	4.1	128.4	63.8
Tax impact on adjusting items		(24.0)	(14.5)
Adjusted Net Income	8.2	136.7	132.8

Adjusted Free Cash Flow		2024 €m	2023 €m
Net cash generated from operating activities		213.1	236.1
Net cash used in investing activities		(130.4)	(131.9)
Free Cash Flow		82.7	104.2
Net restructuring cash spend		25.8	14.3
Purchase of Cascade Engineering Europe net of cash acquired and pre-existing relationships effectively settled on acquisition		0.3	18.6
Cash spend associated with business acquisitions or disposals		1.0	2.4
Cash spend associated with the potential acquisition of the Group		2.9	—
Cash spent on customisation and configuration costs of significant software as a service (SaaS) arrangements		0.3	1.2
Adjusted Free Cash Flow		113.0	140.7

The Purchase of Cascade Engineering Europe of €18.6 million in the prior year includes €1.7 million relating to the effective settlement of pre-existing relationships, which are included in net cash generated from operating activities.

Adjusted Return on Capital Employed	Note	2024 €m	2023 €m
Adjusted EBIT		260.8	259.6
Capital employed			
Total equity		675.7	665.8
Net current and deferred tax (assets)/liabilities		(44.1)	(21.0)
Derivative financial instruments		5.7	(2.9)
Net debt and lease liabilities	12	783.3	727.5
Restructuring provisions	14	17.6	4.6
Purchase price allocation balances arising on the Bain acquisition		(419.2)	(448.7)
Capital employed		1,019.0	925.3
Average capital employed		972.2	941.5
Adjusted Return on Capital Employed		26.8%	27.6%

5. Exceptional items

	Note	2024 €m	2023 €m
Cost of sales: exceptional expense:			
Impairment of separately identifiable intangible assets arising on business combinations	10	13.5	—
Impairment of property, plant and equipment	10	3.1	—
Restructuring charges	14	2.6	—
Cost of sales: exceptional expense		19.2	—
Administrative expense: impairment of goodwill	10	21.4	—
Exceptional expense before income tax		40.6	—
Income tax credit	7	(4.5)	—
Exceptional expense after income tax		36.1	—

Exceptional items in the year relate to the announced closure of the Group's manufacturing facility in Ligonier, Indiana and associated exit of the Powertrain business at this location. Restructuring charges principally relate to employee redundancies. Further details can be found in Note 10 - Impairments.

6. Finance Income and Expense

	2024 €m	2023 €m
Finance income		
Interest on short-term deposits, other financial assets and other interest income	8.1	7.5
Interest income on indirect tax receivable	—	0.1
Amounts recycled from the cost of hedging reserve	1.0	—
Finance income	9.1	7.6
Finance expense		
Interest payable on term loans before expensed fees	(33.3)	(37.4)
Interest payable on term loans: expensed fees	(2.7)	(3.1)
Interest payable on term loans: expensed fees on extinguishment of revolving credit facility	(0.8)	—
Interest payable on term loans: expensed fees on voluntary repayments of borrowings	—	(2.8)
Interest payable on unsecured senior notes before expensed fees	(22.5)	(22.5)
Interest payable on unsecured senior notes: expensed fees	(1.1)	(1.1)
Net interest expense of retirement benefit obligations	(4.5)	(4.5)
Net interest expense related to specific uncertain tax positions	(0.4)	—
Interest payable on lease liabilities	(12.2)	(10.2)
Other finance expense	(0.1)	(0.7)
Finance expense	(77.6)	(82.3)
Total net finance expense	(68.5)	(74.7)

7. Income Tax

7.1 Income tax expense

	2024 €m	2023 €m
Current tax on profit for the year	(58.8)	(77.2)
Adjustments in respect of prior years	12.8	7.4
Total current tax expense	(46.0)	(69.8)
Origination and reversal of temporary deferred tax differences	10.1	32.3
Exceptional – deferred tax impact of impairment charge	4.5	—
Total deferred tax benefit	14.6	32.3
Income tax expense – Income Statement	(31.4)	(37.5)
Origination and reversal of temporary deferred tax differences	(2.3)	(0.7)
Income tax expense – Statement of Comprehensive Income	(2.3)	(0.7)
Total income tax expense	(33.7)	(38.2)

In 2024, the Group is reporting an exceptional charge of €40.6 million with a deferred tax benefit of €4.5 million which results in an exceptional effective tax rate of 11.1%. The low exceptional effective tax rate

is due to the fact that a significant portion of the impairment is related to goodwill that does not carry a deferred tax balance and therefore this portion of the impairment is not tax effected.

On 20 June 2023, Finance (No.2) Act 2023 was substantively enacted in the UK, introducing a global minimum effective tax rate of 15%. This UK legislation implements a domestic top-up tax and a multinational top-up tax (UK Pillar Two taxes), effective for accounting periods starting on or after 31 December 2023. The Group is in scope of the legislation and has performed an assessment of its potential exposure based on the most recent tax filings, country-by-country reporting for 2023 and tax charges included in these 2024 financial statements for the constituent entities in the Group. Based on the assessment, the UK Pillar Two effective tax rates in most of the jurisdictions in which the Group operates are above 15%, there are only a limited number of jurisdictions where the transitional safe harbour relief should not apply and the Group does not expect a material exposure to UK Pillar Two taxes in those jurisdictions. The Group has applied the exception under the IAS 12 Paragraph 4A amendment to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the UK statutory tax rate applicable to profits of the consolidated entities as follows:

	2024			2023
	Before exceptional items €m	Exceptional item €m	After Exceptional items €m	After exceptional items €m
Profit before income tax	104.5	(40.6)	63.9	121.1
Income tax calculated at UK statutory tax rate of 25% (2023: 23.5%) applicable to profits in respective countries	(26.1)	10.1	(16.0)	(28.5)
Tax effects of:				
Overseas tax rates	1.5	(0.6)	0.9	0.7
Utilisation of government incentives	3.9	—	3.9	7.2
Favourable adjustments for tax purposes*	19.3	—	19.3	17.7
Expenses not deductible for tax purposes	(22.0)	—	(22.0)	(17.2)
Expenses not deductible for tax purposes – goodwill impairment	5.0	(5.0)	—	—
Temporary differences on unremitted earnings	(0.9)	—	(0.9)	1.0
Specific tax provisions	(5.1)	—	(5.1)	(8.3)
Unrecognised current year deferred tax assets	(14.7)	—	(14.7)	(10.3)
Adjustment in respect of prior years – current tax adjustments	12.8	—	12.8	7.4
Adjustment in respect of prior years – deferred tax adjustments	(6.7)	—	(6.7)	0.8
Impact of changes in tax rate	0.1	—	0.1	0.4
Other local taxes, national minimum taxes and withholding taxes	(17.6)	—	(17.6)	(21.4)
Double tax relief and other tax credits	14.6	—	14.6	13.0
Income tax expense – Income Statement	(35.9)	4.5	(31.4)	(37.5)
Deferred tax expense on remeasurement of retirement benefit obligations	(2.3)	—	(2.3)	(0.7)
Income tax expense – Statement of Comprehensive Income	(2.3)	—	(2.3)	(0.7)
Total tax expense	(38.2)	4.5	(33.7)	(38.2)

*Favourable adjustments for tax purposes comprised various local tax deductions related to foreign exchange movements, inflation adjustments, local taxes and non-taxable interest.

Other taxes comprised various local and national minimum taxes of €4.0 million (2023: €5.2 million) together with taxes withheld on dividend, interest and royalty remittances totalling €13.6 million (2023: €16.2 million).

Factors that may affect future tax charges include the continued non-recognition of deferred tax assets in certain territories as well as the existence of tax losses in certain territories which could be available to offset future taxable income in certain territories and for which no deferred tax asset is currently recognised.

7.2 Deferred Tax Assets and Liabilities

	2024 €m	2023 €m
Deferred tax assets	132.2	126.1
Deferred tax liabilities	(52.6)	(58.7)
	79.6	67.4

7.2.1 Movement on net deferred tax assets

	2024 €m	2023 €m
At 1 January	67.4	24.5
Income statement benefit before exceptional items	10.1	32.3
Exceptional income statement benefit - tax impact of impairment charge	4.5	—
Tax on remeasurement of retirement benefit obligations	(2.3)	(0.7)
Transfer of uncertain tax position balance from deferred tax to current tax	1.3	6.5
Acquisition - deferred tax asset	(0.5)	0.1
Currency translation	(0.9)	4.7
At 31 December	79.6	67.4

8. Earnings Per Share

8.1 Basic and Diluted Earnings Per Share

	2024			2023		
	Profit attributable to shareholders (€m)	Weighted average number of shares (in millions)	Earnings Per Share (€, cents)	Profit attributable to shareholders (€m)	Weighted average number of shares (in millions)	Earnings Per Share (€, cents)
Basic	32.3	502.0	6.43	83.5	515.6	16.19
Dilutive potential ordinary shares	—	6.4	—	—	2.6	—
Diluted	32.3	508.4	6.35	83.5	518.2	16.11

In 2023, the potential shares related to the €19.0 million liability included within accrued expenses regarding amounts committed for future own share purchases for subsequent cancellation, were not

included in the calculation of diluted earnings per share in the year because they would have been antidilutive.

8.2 Adjusted Earnings Per Share

	2024		2023	
	Adjusted basic	Adjusted diluted	Adjusted basic	Adjusted diluted
Adjusted Net Income (€m)	136.7	136.7	132.8	132.8
Weighted average number of shares (in millions)	502.0	508.4	515.6	518.2
Adjusted Earnings Per Share (€, in cents)	27.23	26.89	25.76	25.63

Adjusted Net Income is based on the profit for the year attributable to the Parent Company of €32.3 million (2023: €83.5 million profit), after adding back exceptional items net of tax, and eliminating the impact of net restructuring charges, foreign exchange gains or losses, depreciation and amortisation arising on purchase accounting, customisation and configuration costs of significant SaaS arrangements, the costs associated with any business acquisitions or disposals, and the tax impact on adjusting items, totalling €104.4 million (2023: €49.3 million). Reconciliations of adjusted profit measures to statutory measures are included in Note 4.

9. Intangible Assets

	2024 €m	2023 €m
Goodwill	325.5	346.2
Capitalised development expenses, computer software and licences, technology and customer platforms	149.0	196.2
Total intangible assets	474.5	542.4

9.1 Goodwill

Goodwill is deemed to have an indefinite useful life. It is carried at cost and reviewed annually for impairment.

	€m
Cost at 1 January 2024	746.0
Acquisition consideration working capital adjustment (Note 11)	(0.7)
Purchase accounting adjustments (Note 11)	(4.9)
Currency translation	18.1
Cost at 31 December 2024	758.5
Accumulated impairment at 1 January 2024	(399.8)
Impairments - exceptional items (Note 10)	(21.4)
Currency translation	(11.8)
Accumulated impairment at 31 December 2024	(433.0)
Net book value at 31 December 2024	325.5

	€m
Cost at 1 January 2023	759.0
Arising on acquisition	11.6
Currency translation	(24.6)
Cost at 31 December 2023	746.0
Accumulated impairment at 1 January 2023	(405.1)
Currency translation	5.3
Accumulated impairment at 31 December 2023	(399.8)
Net book value at 31 December 2023	346.2

9.2 Capitalised Development Expenses, Computer Software and Licences, Technology and Customer Platforms

Intangible assets are amortised over their useful economic life, which range from three to 25 years.

	Capitalised development expenses €m	Computer software and licences €m	Technology €m	Customer platforms* €m	Total €m
Cost at 1 January 2024	280.8	26.3	10.8	476.1	794.0
Accumulated amortisation	(194.2)	(22.4)	(8.6)	(372.6)	(597.8)
Net book value at 1 January 2024	86.6	3.9	2.2	103.5	196.2
Additions	24.4	0.5	—	—	24.9
Purchase accounting adjustments (Note 11)	—	—	—	1.9	1.9
Disposals	(1.0)	—	—	(0.1)	(1.1)
Transfer to other balance sheet categories	(0.4)	0.7	—	(0.1)	0.2
Amortisation charge	(22.1)	(1.1)	(1.0)	(39.9)	(64.1)
Impairments - exceptional items (Note 10)	—	—	(1.4)	(12.1)	(13.5)
Currency translation	2.0	—	0.2	2.3	4.5
Net book value at 31 December 2024	89.5	4.0	—	55.5	149.0
Cost at 31 December 2024	295.4	28.4	11.5	486.6	821.9
Accumulated amortisation	(205.9)	(24.4)	(11.5)	(431.1)	(672.9)
Net book value at 31 December 2024	89.5	4.0	—	55.5	149.0

*Customer platforms includes intangible assets relating to: customer platforms, aftermarket customer relationships, trade names and trademarks.

	Capitalised development expenses €m	Computer software and licences €m	Technology €m	Customer platforms €m	Total €m
Cost at 1 January 2023	270.5	25.7	138.5	492.2	926.9
Accumulated amortisation	(179.1)	(19.9)	(135.0)	(342.9)	(676.9)
Net book value at 1 January 2023	91.4	5.8	3.5	149.3	250.0
Additions	21.6	0.7	—	—	22.3
Arising on acquisition	—	0.1	—	—	0.1
Disposals	(0.3)	—	—	—	(0.3)
Amortisation charge	(23.4)	(2.4)	(1.1)	(40.9)	(67.8)
Impairments	(0.5)	—	—	—	(0.5)
Currency translation	(2.2)	(0.3)	(0.2)	(4.9)	(7.6)
Net book value at 31 December 2023	86.6	3.9	2.2	103.5	196.2
Cost at 31 December 2023	280.8	26.3	10.8	476.1	794.0
Accumulated amortisation	(194.2)	(22.4)	(8.6)	(372.6)	(597.8)
Net book value at 31 December 2023	86.6	3.9	2.2	103.5	196.2

The above amortisation charges for 'technology' and 'customer platforms' amounting to €40.9 million (2023: €42.0 million) arise from intangible assets recognised through purchase price accounting. Amortisation charges are included within cost of sales. During the prior year, part of the technology intangible became fully amortised and was disposed, with costs of €121.2 million and accumulated amortisation of €121.2 million, giving net nil impact on net book value.

As at 31 December 2024, goodwill of €325.5 million (2023: €346.2 million), technology of €nil (2023: €2.2 million) and customer platforms of €55.5 million (2023: €103.5 million) relate to assets that arose from purchase price allocations following historic acquisitions.

10. Impairments

10.1 Impairment Tests for Goodwill and Intangibles

As part of the Bain Capital acquisition, the purchase of TIFS Holdings Ltd (TIFSHL) on 30 June 2015, being the previous parent company of the Group, and the consequent fair valuation of assets and liabilities, resulted in recognition of goodwill of €711.1 million and other intangible assets of €663.2 million. The purchase of Millennium Industries Corporation on 16 February 2016 resulted in recognition of goodwill of €57.1 million and other intangible assets of €72.6 million, included in the Americas region. The acquisition of Cascade Engineering Europe on 2 November 2023 resulted in the recognition of goodwill with an initial value of €11.6 million, which was subsequently revised down to €6.0 million on finalisation of the acquisition accounting for the purchase during 2024 (see note 11).

The non-goodwill intangible assets recognised from the acquisitions outlined above included €369.7 million and €57.1 million in relation to customer platforms arising on the Bain and Millennium acquisitions respectively. These assets reflect the future revenue expected to arise from customer platforms existing at the date of acquisition, based on platform lives and probabilities of renewals.

The impairment test for goodwill and intangible assets is conducted at the level at which Management monitor goodwill. With the Group now operating on a regional structure effective from 1 January 2024, the cash generating unit (CGU) groups for goodwill impairment assessment purposes now identified for the Group are Americas (AMER), Europe and Africa (EMEA), and Asia-Pacific (APAC). The CGUs prior to the organisational change were the intersection between the two operating segments, FCS and FTDS, and the geographic sub-divisions, North America (NA), Europe & Africa (EU), Asia Pacific (AP) and Latin America (LA).

During 2020, an impairment loss of €304.6 million was recognised due to volume deterioration driven by the COVID-19 pandemic, with €184.2 million allocated to goodwill and the remaining €120.4 million apportioned across other assets on a pro rata basis, as required by IAS 36 'Impairment of assets'.

A further impairment loss of €317.4 million was recognised in 2022, with €217.1 million allocated to goodwill and the remaining €100.3 million apportioned across other assets on a pro rata basis, as required by IAS 36 'Impairment of assets'. This impairment was driven by several factors, including a declining trend in volume projections for light vehicle production, supply chain disruptions and semiconductor shortages, the impact of Russia's invasion of Ukraine, challenges on profit margin posed by inflationary increases in input prices and energy costs to customers, and the impact on discount rates from increased interest rates.

During Q4 2024, it was announced that the Ligonier manufacturing site in Indiana, US would be closed. Proceedings started immediately, with completion anticipated in H1 2025. This was due to the decline in the local Powertrain business which was acquired through the purchase of Millennium Industries Corporation in 2016. Accordingly, exceptional impairment losses to goodwill (€21.4 million) and other intangibles (€13.5 million), as well as plant, machinery and equipment (€3.1 million), have been recognised in 2024.

2024 has seen delays to the expected transition from ICE and HEV to BEV, partially driven by softened transition targets by governments, and reduced growth for BEVs due to pricing and lower consumer demand, leading to the improvement to BEV global volumes being below previous expectations. This has had a positive effect on the product lines servicing ICE and HEV volumes in the regions, in particular EMEA. The business has also continued to be successful in passing increased costs from inflationary pressures to customers, through cost recoveries and repriced contracts. The business has lowered expectations in APAC in line with Global OEM production in the region.

The carrying values of goodwill and other intangible assets as at 31 December 2024 are as follows (those as at 31 December 2023 have been allocated to the new regional structure for comparative purposes):

	2024		2023	
	€m	€m	€m	€m
	Goodwill	Other intangibles	Goodwill	Other intangibles
Americas	63.1	27.6	80.8	49.6
Europe & Africa	6.0	67.2	11.6	71.6
Asia-Pacific	256.4	54.2	253.8	75.0
	325.5	149.0	346.2	196.2

Goodwill increased in EMEA in 2023 as a result of acquisition of Cascade Engineering Europe (CEE), initially provisionally recorded at €11.6 million as at 31 December 2023, and adjusted down to €6.0 million on finalisation of the acquisition accounting for the purchase, see note 11.

The intangible assets above include customer platforms arising on the Bain acquisition with a carrying value at 31 December 2024 of €38.7 million (2023: €68.8 million) and remaining useful life of 1.5 years. Customer platform assets arising on the Millennium acquisition were fully impaired in the year and as such had nil carrying value at 31 December 2024 (2023: €16.2 million) and nil years of remaining useful life (2023: 3.1 years).

10.2 2024 Impairment Assessment

IAS 36 'Impairment of assets' requires the recoverable amount to be determined based on the higher of value in use and fair value less costs of disposal. In carrying out the 2024 annual impairment assessment, management have utilised a fair value less costs of disposal calculation to determine the recoverable amount. The fair values less costs of disposal were estimated with the input of external experts, using a weighted combination of the discounted cash flow method at 75%, and guideline public company method at 25% (where fair values are determined by referring to the historical and/or anticipated financial metrics of the CGUs by multiples, such as enterprise value to EBITDA, derived from an analysis of certain guideline companies). These fair values are classified as Level 3 fair value measurement within the fair value hierarchy.

In recognition of the recommended cash acquisition offer by ABC Technologies Acquisitions Limited, the fair value less costs of disposal valuation aligns with the market value as per the offer.

The basis of the fair value less costs of disposal valuation is forecast operating cash flows covering 2025 from the Group's latest budget approved by the Board of Directors, and the years 2026-2029 from the Group's latest Medium-Term Plan (MTP), which utilise S&P Global Mobility global light vehicle production forecasts. The Group is forecasting with reference to global automotive production volumes commencing in 2025 of 89.6 million.

Volume forecasts are adjusted for product mix, pricing assumptions and market outperformance to establish forecast sales values. Contribution margin, fixed cost, research and development expenditure, capital expenditure and working capital management estimates are then applied to arrive at the forecast operating cash flows for inclusion in the model. In following this approach, management carefully assessed the cost recovery rates that are expected to be achieved in the future taking into consideration historical experiences. In addition, the impact of cost increases arising from the continued effect of decarbonisation of the supply chain or carbon taxes, is assumed to be recovered from the customer base.

Cash flows resulting from restructuring activities, and enhanced capital expenditure (such as our developing thermal product portfolio), are reflected in the forecasts. Cash flows from the Corporate function are allocated to CGU groups based on their respective proportion of total Group revenue.

The five-year operating cash flows were taken from the 2025 budget and MTP, with a further five years extrapolated using the long-term expected growth rate, which were then discounted to present value using CGU specific discount rates, and combined with a perpetuity value calculated by applying the long-term expected growth rate to the terminal year cash flow forecast.

A single base set of 2025-2029 volume forecasts has been utilised, with a blended growth rates applied, which take into account the positive and negative growth rates of each propulsion type for each region with reference to S&P Global Mobility global light vehicle production volumes, as further explained below.

The forecast operating cash flows are on a nominal basis and therefore include the effect of inflation. They are then discounted using nominal discount rates.

Management have considered the potential impacts of climate change on the impairment assessment. Cost implications of managing the impact of climate change have been incorporated into the forecast operating cash flows within the impairment model. These include expenditure to reduce the carbon output from the Group's production processes and to increase the mix of renewable energy within the Group's electricity consumption, in line with our commitment to a 50% reduction of Scope 1 and 2 emissions and a 30% reduction in Scope 3 emissions by 2030 based on a 2021 baseline. As previously noted, other costs arising from the effects of climate change are assumed to be recovered from customers.

Climate change also poses transitional risks to the products that the Group currently manufactures. This is particularly evident in product lines which predominantly cater for internal combustion engine (ICE) vehicle platforms. The impact of climate change on environmental regimes and automotive market trends has a significant bearing on the rate of transition to battery electric vehicle (BEV) platforms. In some jurisdictions this transition will be mandated, as governments enforce requirements for curtailing the production of ICE vehicles, in order to achieve climate-related commitments, though there are some that have relaxed this since the prior year.

Whilst a slowing in the transition to BEV since the previous year has had a positive impact on ICE and hybrid electric vehicle (HEV) production and their need for higher margin pressurised fuel tanks and pumps, which offers mid-term opportunities for the regions, the eventual transition to BEV will result in a declining market for certain existing product lines. Management's forecasts indicate that the peak in ICE and HEV vehicle production will occur in the mid-to late-2020s with BEV platforms subsequently driving future growth in the automotive market.

The risk to future cash flows that can be achieved from fuel tank and fuel pump product technology and asset base has been captured within the CGUs' blended long-term growth rates, with negative growth rates for the ICE and HEV propulsion types being included. This is to account for the expected decline in the volumes of ICE and HEV vehicle after the MTP period (i.e. from 2030) due to the current climate change commitment from the COP21 Paris Agreement to limit global temperature increases over the next century to 1.5 to 2 degrees Celsius and associated climate change mitigations, coupled with changing customer behaviour in the future. A positive growth rate has been attached to BEV propulsion light vehicles in the calculation of blended long-term growth rates.

The 2024 impairment assessment resulted in no impairments in the year ended 31 December 2024, except for the specific impairment loss related to the announced closure of the Ligonier facility and the associated exit of the powertrain business at this location (see Note 5). However, due to the automotive industry operating in an unstable environment, all CGUs are considered to be sensitive to reasonably possible changes in key assumptions.

The key assumptions used in the fair value less costs of disposal calculations are as follows:

- forecast operating cash flows
- long-term expected growth rates
- discount rates

Forecast operating cash flows are established as described above, based on the Group's latest budget approved by the Board of Directors, and the Group's latest MTP, which were underpinned by external forecast volume data from S&P Global Mobility.

Long-term expected growth rates and discount rates are determined with input from external experts and utilise externally available sources of information, adjusted where relevant for industry specific factors.

Long-term growth rates are based on long-term economic forecasts for growth in the automotive sector in the geographical regions in which the CGUs operate. As described above, the regional growth rates combine the forecast decline in ICE and HEV revenues over the long-term period, with the offsetting forecasted increasing revenue arising from BEV platforms. The negative growth rates from ICE and HEV vehicles reflect the impact that climate change may have on the rate of market transition to BEVs.

These blended growth rates utilise a long-term forecast prepared by management in conjunction with information from external sources (S&P Global Mobility global light vehicle production volumes) covering the period from 2030 to 2035, and management judgement. Compared to prior year assumptions, the forecast decline in ICE and HEV has slowed, as has the anticipated increase in BEV, with the transition expected to take longer than previously assumed.

The blended growth rates are then applied in perpetuity and therefore reflected in the expected cash generation from ICE, HEV and BEV sales from 2030 onwards.

Discount rates are calculated for each region using a weighted average cost of capital specific to the geographical regions from which the cash flows are derived, and reflecting an appropriate company specific risk premium, with input from external experts.

The range of discount and growth rates used were as follows (prior year rates have been blended to align with the new CGUs):

	2024	2023*
	Post-tax	Post-tax
Discount rates		
Americas	13.50%	14.75%
Europe & Africa	13.25%	13.15%
Asia Pacific	12.75%	14.75%
Long-term growth rates		
Americas	0.56%	0.80%
Europe & Africa	1.00%	—%
Asia Pacific	2.65%	3.50%

* discount and growth rates in the prior year have been weighted to reflect the regional structure.

Discount rates above are those used in fair value less costs of disposal calculations as applicable.

Sensitivity analysis

Where a reasonably possible change in assumption could result in the recognition of additional impairment charges, or in the reversal of previously recognised impairment charges, sensitivity analysis has been performed.

Sensitivity analysis has been presented for Americas, Europe and Africa, and Asia Pacific, as management believes a reasonably possible change in assumptions would impact the headroom positions of the three regions' assets, due to the uncertainty and instability in the automotive industry.

The table below demonstrates the impact of changes in the long-term expected growth rates and discount rates, in isolation, as the regions' headrooms are sensitive to such changes.

The regions are also sensitive to changes in forecast operating cash flows, which could be driven by factors such as reduced demand for products, and obstacles to importing and exporting products internationally. The table therefore demonstrates the impact of an isolated 10% reduction in operating cash flow annually and into perpetuity.

	Recoverable amount €m	Assumption		Impact of 100 bps change		Impact of 10% change
		Post-tax discount rate	Long-term expected growth rate	Discount rate €m	Long-term expected growth rate €m	Operating cash flow €m
Americas	499.6	13.50 %	0.56 %	(50.0)	(30.0)	(60.0)
Europe & Africa	380.4	13.25 %	1.00 %	(50.0)	(30.0)	(70.0)
Asia Pacific	995.1	12.75 %	2.65 %	(70.0)	(50.0)	(80.0)

Should a reasonably possible change in input assumption materialise and trigger a further impairment loss, it would initially be allocated against the respective goodwill of the CGU, with any excess then being allocated across other assets on a pro rata basis.

11. Acquisition

Adjustments arising on prior year acquisition

On 2 November 2023, the Group completed a transaction to acquire 100% of the ordinary share capital of Cascade Engineering Europe (CEE) 'Cascade' an automotive company based in Hungary. On finalisation of the acquisition accounting for the purchase, an adjustment was made to the consideration, for working capital of €0.7 million, as shown below, which was received in cash during the year.

	€m
Consideration as previously reported	21.4
Working capital adjustment	(0.7)
Revised consideration	20.7

Due to the proximity of the date of acquisition to the 2023 year-end, the values of net assets previously reported were provisional. Upon finalisation of the purchase price allocation, a separable acquired intangible asset was recognised for the customer order backlog valuation of €1.9 million, and various other fair value adjustments were made as detailed below. The adjustments are not material and as such the comparative balance sheet was not restated, and the adjustments have been made in the current year.

	2 November 2023 €m
Goodwill as previously reported	11.6
Customer order backlog valuation	(1.9)
Fair value uplift to property, plant and equipment	(3.5)
Deferred income tax liabilities	0.5
Working capital adjustment to consideration	(0.7)
Revised goodwill	6.0

Deferred consideration on the transaction of \$1.1 million (€1.0 million) was paid during the current year. A further \$3.7 million (€3.6 million) is due on 2 May 2025.

12. Borrowings

	2024 €m	2023 €m
Non-current:		
Unsecured senior notes	595.1	594.0
Secured term loans and facilities	424.5	416.2
Total non-current borrowings	1,019.6	1,010.2
Current:		
Secured term loans and facilities	1.5	1.5
Total current borrowings	1.5	1.5
Total borrowings	1,021.1	1,011.7
Unsecured senior notes	595.1	594.0
Secured term loans and facilities	426.0	417.7
Total borrowings	1,021.1	1,011.7

The main borrowing facilities are shown net of issuance discounts and fees of €12.6 million (2023: €13.4 million).

12.1 Movement in total borrowings

	Unsecured senior notes €m	Term loans and facilities €m	Total borrowings €m
At 1 January 2024	594.0	417.7	1,011.7
Accrued interest	22.5	33.3	55.8
Scheduled payments including interest	(22.5)	(36.0)	(58.5)
Scheduled principal repayments of borrowings	—	(2.7)	(2.7)
Fees expensed	1.1	2.7	3.8
Fees paid on refinancing of borrowings	—	(3.4)	(3.4)
Fees expensed on extinguishment of revolving credit facility	—	0.8	0.8
Currency translation	—	10.9	10.9
31 December 2024	595.1	426.0	1,021.1

Accrued interest payable on the borrowings at 31 December 2024 of €4.8 million (2023: €4.8 million) is included in current trade and other payables.

On 5 September 2024, the Group successfully executed a refinancing of its revolving credit facility (RCF). The facility was increased by an additional \$75.0 million to \$300.0 million and extended by five years to expire on 5 September 2029, but currently capped to be coterminous with the expiry of the term loan on 16 December 2026. The refinancing was treated as an extinguishment of the old facility and as a result unamortised transaction costs were recognised as a finance expense in the Income Statement of \$0.8 million (€0.8 million), see Note 6. Directly attributable fees of €3.4 million were incurred and paid in the year as part of the transaction. These are amortised to the Income Statement over the remaining term of the facility.

	Unsecured senior notes €m	Term loans and facilities €m	Overdrafts €m	Total borrowings €m
At 1 January 2023	592.9	523.0	—	1,115.9
Accrued interest	22.5	37.4	—	59.9
Scheduled payments including interest	(22.5)	(41.4)	—	(63.9)
Scheduled principal repayments of borrowings	—	(4.0)	—	(4.0)
Overdrafts acquired on acquisition of Cascade Engineering Europe (CEE)	—	—	3.2	3.2
Overdrafts repaid on acquisition of Cascade Engineering Europe (CEE)	—	—	(3.2)	(3.2)
Voluntary repayments of borrowings	—	(99.2)	—	(99.2)
Fees expensed	1.1	3.1	—	4.2
Fees expensed on voluntary repayments of borrowings	—	2.8	—	2.8
Currency translation	—	(8.0)	—	(8.0)
31 December 2023	594.0	417.7	—	1,011.7

12.2 Currency Denomination of Borrowings

	2024 €m	2023 €m
US dollar	173.1	163.3
Euro	848.0	848.4
Total borrowings	1,021.1	1,011.7

12.3 Main borrowing facilities

The main borrowing facilities are comprised of unsecured Senior Notes and a Secured Credit Agreement consisting of a Euro term loan, a US dollar term loan, and a revolving credit facility (which was undrawn during the year except for letters of credit).

The amounts outstanding under the agreements are:

	2024 €m	2023 €m
Principal outstanding:		
Unsecured senior notes	600.0	600.0
US term loan	178.7	167.5
Euro term loan	255.0	257.6
Total principal outstanding	1,033.7	1,025.1
Issuance discounts and fees	(12.6)	(13.4)
Main borrowings facilities	1,021.1	1,011.7

Unsecured Senior Notes

The unsecured Senior Notes bear an interest rate of 3.75% p.a. and mature on 15 April 2029. Interest on the Notes is payable semi-annually in arrears on 15 April and 15 October of each year.

US term loan

The principal outstanding on the US term loan in US dollars at 31 December 2024 is \$185.0 million (2023: \$185.0 million). The loan incurs interest at one-month term SOFR + 0.11448% (minimum 0.5% p.a.) +3.25% p.a. Following a partial voluntary repayment of the loan in 2023, no repayments of principal are due on the US term loan until the final balance falls due on 16 December 2026.

Euro term loan

The rate on the Euro term loan is one-month EURIBOR (minimum 0.0% p.a.) +3.25% p.a. The amount repayable per quarter is €662,500 (2023: €662,500 per quarter) until the final balance falls due on 16 December 2026.

Revolving credit facility

The revolving credit agreement provides a facility of up to \$300.0 million (2023: \$225.0 million). Drawings under this facility bear interest in a range of SOFR +3.0% to SOFR + 3.75% p.a. depending on the Group's total net leverage ratio. The facility is available to be used to issue letters of credit by TI Group Automotive Systems LLC, either on its own behalf, or on behalf of other subsidiary undertakings. The facility was undrawn at 31 December 2024 and 31 December 2023 (except for letters of credit, see below). The revolving credit facility (RCF) expires on 5 September 2029, but is currently capped to be coterminous with the expiry of the term loan on 16 December 2026. The non-utilisation fee is 0.25% p.a. In the event the total net leverage ratio is greater than 3.5:1, the non-utilisation fee will increase to 0.375% p.a.

The net undrawn facilities under the RCF are shown below:

	2024		2023	
	\$m	€m	\$m	€m
RCF Agreement	300.0	289.7	225.0	203.7
Utilisation for letters of credit	(5.0)	(4.8)	(4.7)	(4.2)
Net undrawn revolving credit facility	295.0	284.9	220.3	199.5

Issuance discounts and fees

All capitalised fees are expensed using the effective interest method over the remaining terms of the facilities. Unamortised discounts and fees at 31 December 2024 are €12.6 million (2023: €13.4 million).

Change of control provisions

Upon a change of control in the Group, the unsecured senior notes must be repaid at between 100.0% and 101.9% of the principal amount plus accrued and unpaid interest, depending on the date when the change of control becomes unconditional. The US term loan, Euro term loan, and any amounts drawn against the Revolving credit facility (RCF) would become immediately repayable at the principal amount plus accrued and unpaid interest. All letters of credit drawn under the RCF would also be cancelled.

12.4. Total Undrawn Borrowing Facilities

	2024 €m	2023 €m
Expiring within one year	11.4	11.2
Expiring after more than one year	284.9	199.5
Total	296.3	210.7

All facilities are at floating rates.

12.5. Movements in Net Debt and Lease Liabilities

	At 1 January 2024 €m	Cash flows €m	Non-cash changes				At 31 December 2024 €m
			New leases €m	Fees expensed €m	Currency translation €m	Remeas- urement and disposals €m	
Cash and cash equivalents	416.7	(21.6)	—	—	6.8	—	401.9
Borrowings	(1,011.7)	6.1	—	(4.6)	(10.9)	—	(1,021.1)
Total net debt	(595.0)	(15.5)	—	(4.6)	(4.1)	—	(619.2)
Lease liabilities	(132.5)	29.0	(53.1)	—	(4.2)	(3.3)	(164.1)
Net debt and lease liabilities	(727.5)	13.5	(53.1)	(4.6)	(8.3)	(3.3)	(783.3)

	At 1 January 2023 €m	Cash flows €m	Non-cash changes					At 31 December 2023 €m
			Cascade Net debt and lease liabilities acquired €m	New leases €m	Fees expensed €m	Currency translation €m	Remeasurement and disposals €m	
Cash and cash equivalents	491.0	(58.3)	—	—	—	(16.0)	—	416.7
Borrowings	(1,115.9)	106.4	(3.2)	—	(7.0)	8.0	—	(1,011.7)
Total net debt	(624.9)	48.1	(3.2)	—	(7.0)	(8.0)	—	(595.0)
Lease liabilities	(149.6)	30.0	(0.3)	(14.4)	—	3.7	(1.9)	(132.5)
Net debt and lease liabilities	(774.5)	78.1	(3.5)	(14.4)	(7.0)	(4.3)	(1.9)	(727.5)

Cash flows from financing activities arising from changes in financial liabilities are analysed below:

	2024 €m	2023 €m
Fees paid on refinancing of borrowings	3.4	—
Voluntary repayments of borrowings	—	99.2
Scheduled repayments of borrowings	2.7	4.0
Overdrafts repaid on acquisition of CEE	—	3.2
Lease principal repayments	29.0	30.0
Cash outflows from financing activities arising from changes in financial liabilities	35.1	136.4
Borrowings cash flows	6.1	106.4
Lease liabilities cash flows	29.0	30.0
Cash outflows from financing activities arising from changes in financial liabilities	35.1	136.4

13. Retirement Benefit Obligations

13.1 Defined Benefit Arrangements in the Primary Financial Statements

a. Balance Sheet

Net liability	US pensions €m	Other pensions €m	US healthcare €m	Other post-employment liabilities €m	Total €m
Present value of retirement benefit obligations	(139.0)	(66.7)	(21.6)	(87.4)	(314.7)
Fair value of plan assets	124.3	73.8	—	33.5	231.6
Asset ceiling	—	(7.1)	—	—	(7.1)
Net liability at 31 December 2024	(14.7)	—	(21.6)	(53.9)	(90.2)

	US pensions €m	Other pensions €m	US healthcare €m	Other post- employment liabilities €m	Total €m
Net liability					
Present value of retirement benefit obligations	(141.2)	(72.5)	(22.3)	(88.8)	(324.8)
Fair value of plan assets	116.2	77.1	—	32.2	225.5
Asset ceiling	—	(4.6)	—	—	(4.6)
Net liability at 31 December 2023	(25.0)	—	(22.3)	(56.6)	(103.9)

b. Income Statement

Net (expense)/income recognised in the Income Statement is as follows:

Net (expense)/income	US pensions €m	Other pensions €m	US healthcare €m	Other post- employment liabilities €m	Total €m
Current service cost	—	(0.2)	—	(6.9)	(7.1)
Past service credit	—	—	—	1.6	1.6
Actuarial loss recognised on other post- Settlement/curtailment gain	—	—	—	(0.5)	(0.5)
	—	0.3	—	0.4	0.7
Net interest (expense)/income	(1.1)	0.2	(1.1)	(2.5)	(4.5)
Total expense for the year ended 31 December 2024	(1.1)	0.3	(1.1)	(7.9)	(9.8)

	US pensions €m	Other pensions €m	US healthcare €m	Other post- employment liabilities €m	Total €m
Net (expense)/income					
Current service cost	—	(0.6)	—	(8.0)	(8.6)
Settlement/curtailment (loss)/gain	—	(0.4)	—	0.3	(0.1)
Net interest (expense)/income	(1.4)	0.5	(1.4)	(2.2)	(4.5)
Total expense for the year ended 31 December 2023	(1.4)	(0.5)	(1.4)	(9.9)	(13.2)

Poland adopted a provision for long service award benefits which capped them at a maximum rate for inflation, resulting in a past service credit of €1.6m in the year (2023: nil).

c. *Statement of Comprehensive Income*

Re-measurements of retirement benefit obligations included in the Statement of Comprehensive Income are as follows:

(Expense)/income	US pensions €m	Other pensions €m	US healthcare €m	Other post- employment liabilities €m	Total €m
Return on assets excluding amounts recognised in the Income Statement	0.4	(6.3)	—	(0.3)	(6.2)
Changes in demographic assumptions	—	0.2	—	(0.2)	—
Changes in financial assumptions	6.5	6.2	1.1	2.2	16.0
Experience gains/(losses)	2.3	1.8	(0.2)	(2.3)	1.6
Change in asset ceiling	—	(2.4)	—	—	(2.4)
Total net Income for the year ended 31 December 2024	9.2	(0.5)	0.9	(0.6)	9.0

(Expense)/income	US pensions €m	Other pensions €m	US healthcare €m	Other post- employment liabilities €m	Total €m
Return on assets excluding amounts recognised in the Income Statement	7.6	(0.9)	—	(0.2)	6.5
Changes in demographic assumptions	0.8	0.9	0.3	0.1	2.1
Changes in financial assumptions	(4.1)	(3.1)	2.9	(3.7)	(8.0)
Experience gains/(losses)	0.4	(1.4)	0.9	(3.9)	(4.0)
Change in asset ceiling	—	4.2	—	—	4.2
Total net income for the year ended 31 December 2023	4.7	(0.3)	4.1	(7.7)	0.8

13.2 Sensitivity analysis

Changes in the principal assumptions would decrease/(increase) the total defined benefit obligation (DBO) as follows:

Decrease/(increase) in DBO	Change in assumption	2024		2023	
		Increase €m	Decrease €m	Increase €m	Decrease €m
Discount rate	0.5 %	14.0	(15.4)	15.7	(17.3)
Inflation rate	0.5 %	(4.0)	4.1	(5.3)	5.2
Salary growth rate	0.5 %	(1.7)	1.6	(2.5)	2.3
Life expectancy	1 year	(8.0)	8.0	(8.3)	8.4
Healthcare cost trend: Initial rate	0.5 %	(0.1)	0.1	(0.7)	0.7

The sensitivity analysis above illustrates the change in each major assumption, whilst holding all others constant. The methods of calculating the defined benefit obligation for this purpose are the same as used for calculating the end-of-year position.

14. Provisions

Movements in provisions are as follows:

	Product warranty €m	Restructuring €m	Other €m	Total €m
At 1 January 2024	7.2	4.6	5.9	17.7
Provisions made during the year	3.6	40.1	0.2	43.9
Provisions reversed during the year	(0.5)	—	(2.0)	(2.5)
Provisions used during the year	(3.7)	(27.1)	—	(30.8)
Currency translation	0.2	—	(0.2)	—
At 31 December 2024	6.8	17.6	3.9	28.3

Total provisions:

	2024 €m	2023 €m
Non-current	2.9	2.6
Current	25.4	15.1
Total provisions	28.3	17.7

Product warranty

The majority of product warranty provisions relate to specific customer issues, and are based upon open negotiations and past customer claims experience. Utilisation of the warranty provision is expected in 2025.

Restructuring

Restructuring provisions comprise announced headcount reductions and similar costs of balancing production capacity with market requirements. In response to the challenges currently facing the automotive industry, the Group has undertaken extensive restructuring initiatives during the year, resulting in a charge from provisions made of €40.1 million (2023: €13.4 million). Of this, €11.8 million was incurred in Germany, €7.8 million in China, €3.9 million in Mexico, €3.0 million in Spain, €2.8 million in Belgium and €2.6 million forming part of the Ligonier (US) closure exceptional item (further details in Note 5). The charge for the year also includes €1.1 million of redundancy costs in relation to the closure of the Group's operations in Sweden, offset by a €1.2 million gain on sale of the owned manufacturing facility. A substantial portion of the closing restructuring provision balance is expected to be utilised in 2025 with the remaining residual amount in 2026.

Other provisions

Other provisions at 31 December 2024 comprise provisions for disputed claims for indirect taxes totalling €0.7 million (2023: €1.0 million), asset retirement obligations totalling €1.9 million (2023: €1.9 million)

and other supplier, customer and employee claims of €1.4 million (2023: €3.0 million). Asset retirement obligations are linked to the useful lives of the underlying assets, with expected utilisation ranging from 2025 to 2027. The indirect tax provisions are expected to be utilised over the next three years. The outstanding customer claim was reversed during the year, with the supplier and employee claims expected to be utilised in 2025.

15. Cash Generated from Operations

	2024 €m	2023 €m
Profit for the year	32.5	83.6
Income tax expense before exceptional items	35.9	37.5
Exceptional income tax credit	(4.5)	—
Profit before income tax	63.9	121.1
Adjustments for:		
Depreciation, amortisation and non-exceptional impairment charges	176.0	178.9
Exceptional impairment charges	38.0	—
Net (gains)/losses on disposal of PP&E, intangible and right of use assets	(2.3)	0.2
Net gains on disposal of PP&E in restructuring costs	(1.1)	—
Share-based expense excluding social security costs	9.3	8.6
Net finance expense	68.5	74.7
Net foreign exchange losses	2.6	0.2
Changes in working capital:		
- Inventories	(15.0)	(11.6)
- Trade and other receivables	(2.8)	(25.8)
- Trade and other payables	3.5	26.3
Change in provisions	10.6	1.8
Change in retirement benefit obligations	(11.2)	(1.1)
Total	340.0	373.3

The changes in working capital (movements in inventories, trade and other receivables and trade and other payables) reflect a number of non-cash transactions. The most significant of these arises from movements due to changes in foreign exchange rates, on translation of the Group's overseas operations into the Group's presentation currency, Euro.

16. Glossary of terms

Adjusting items

Adjusting items represent transactions, that in Management's view, do not form part of the substance of the trading activities of the Group, such as large-scale reorganisations, system implementations, acquisition costs and certain non-cash accounting measures. Adjusting Items comprise: exceptional items, depreciation and amortisation arising on purchase accounting, net foreign exchange losses/(gains), restructuring costs, customisation and configuration costs of significant software as a service (SaaS) arrangements and costs associated with business acquisitions or disposals.

Adjusted Basic EPS

Adjusted Net Income divided by the weighted average number of shares outstanding.

Adjusted Cash Conversion

Adjusted Free Cash Flow divided by Adjusted EBITDA.

Adjusted Diluted EPS

Adjusted Net Income divided by the weighted average number of diluted shares outstanding.

Adjusted EBIT

Operating profit excluding adjusting Items.

Adjusted EBITDA

Adjusted EBIT plus depreciation, amortisation and non-exceptional impairments on non-purchase accounting.

Adjusted Free Cash Flow

Free Cash Flow adjusted for cash movements in financial assets at fair value through profit or loss, and the net cash flows arising on adjusting items.

Adjusted Net Income

Profit or loss for the period attributable to ordinary shareholders, excluding Adjusting Items, net of their tax effect.

Adjusted ROCE

Adjusted Return on Capital Employed is Adjusted EBIT divided by the two-year trailing average of capital employed, which is defined as total equity, excluding taxation balances, derivatives, net debt and lease liabilities, restructuring provisions and balances related to Bain acquisition accounting (goodwill, intangible assets and purchase price allocation adjustments).

BEV

Battery electric vehicles.

CGU

Cash-generating unit, being the management level of the Group, for example Asia Pacific (APAC).

Constant currency

The remeasurement of prior period results at current exchange rates to eliminate fluctuations in translation rates and achieve a like-for-like comparison.

EBITDA

Profit or loss before tax, net finance expense, depreciation, amortisation and impairment of property, plant and equipment, intangible assets and right-of-use assets.

EV

Electric vehicles including BEV and HEV.

FHEV

Full hybrid electric vehicles, includes PHEV and self-charging HEV.

Free Cash Flow

The total of net cash generated from operating activities and net cash used by investing activities.

GLVP

Global light vehicle production.

HEV

Hybrid electric vehicles, excluding mild hybrid vehicles.

ICE

Internal combustion engine vehicles.

LVP

Light vehicle production used as a reference when referring to regional data.

MHEV

Mild hybrid electric vehicles, which only have modest electrification.

Net debt

The total of current and non-current borrowings excluding lease liabilities, net of cash and cash equivalents and financial assets at fair value through profit or loss.

Net leverage

Net debt divided by the last 12 months' Adjusted EBITDA.

OEM

Original equipment manufacturer, used to refer to vehicle manufacturers, the main customers of the Group.

PHEV

Plug-in hybrid electric vehicles.

Revenue outperformance

The growth in revenue at constant currency compared to the growth in global light vehicle production volumes.

SBTi

Science-based target initiative, which is used to refer to the climate change targets aligned to the Paris Agreement targets.