

11 April 2023

TI Fluid Systems plc
(the "Company")

Annual Report and Accounts 2022, Sustainability Report 2022, and Annual General Meeting 2023

The Company announces that today it has released the below listed documents:

- Annual Report and Accounts for the financial year ended 31 December 2022 ('Annual Report and Accounts 2022')
- Sustainability Report for 2022
- Notice of the Annual General Meeting 2023 ('AGM')
- Form of Proxy for the AGM

In accordance with Listing Rule 9.6.1, these documents have been submitted to the National Storage Mechanism and will shortly be available for inspection at new National Storage Mechanism ('NSM') <https://data.fca.org.uk/#/nsm/nationalstoragemechanism> and on the Company's website at www.tifluidsystems.com.

The AGM is scheduled to be held at 9:00 am on Tuesday 16 May 2023 at the offices of Latham & Watkins (London) LLP, 99 Bishopsgate, London EC2M 3XF and will start at 9 am. Shareholder registration will be available from 8.30 am.

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About TI Fluid Systems plc

TI Fluid Systems plc (TIFS), a leading global manufacturer of automotive fluid storage, carrying, delivery, and thermal management products and systems for light vehicles. With 100 years of automotive fluid systems experience, TI Fluid Systems has manufacturing facilities in 98 locations in 28 countries serving major global OEMs.

Appendix

The information below, which is extracted from the Annual Report and Accounts 2022, is included solely for the purpose of complying with DTR 6.3.5 and the requirements it imposes on issuers as to how to make public annual financial reports. It should be read in conjunction with the Company's preliminary results announcement released on 16 March 2023. This announcement is not a substitute for reading the full Annual Report and Accounts 2022. Page, note and section references in the text below refer to page numbers, note and section references in the Annual Report and Accounts 2022.

Statement of Directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group financial statements in accordance with UK-adopted international accounting standards and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed for the Group financial statements and United Kingdom Accounting Standards, comprising FRS 101 have been followed for the Company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

The Directors consider that the Annual Report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's and Company's position and performance, business model and strategy.

Each of the Directors, whose names and functions are listed in the Board of Directors section of this report confirm that, to the best of their knowledge:

- the Group financial statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and loss of the Group;

- the Company financial statements, which have been prepared in accordance with United Kingdom Accounting Standards, comprising FRS 101, give a true and fair view of the assets, liabilities and financial position of the Company; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that it faces.

This responsibility statement was approved by the Board of Directors on 15 March 2023 and is signed on its behalf:

By order of the Board

Hans Dieltjens, Chief Executive Officer and President
 Ronald Hundzinski, Chief Financial Officer

Principal risks and uncertainties

Operating in an increasingly risky and uncertain environment, the Group's global operations continue to be exposed to a number of risks, which could, either on their own, or in combination with others, have an adverse impact on the Group's results, strategy, business performance and reputation, which, in turn, could impact upon shareholder returns and the wider stakeholders. The following section highlights the major risks that may affect the Group's ability to deliver the strategy, as set out on pages 30-31 of the Annual Report and Accounts.

The management and mitigation strategy, described in the principal risks section below, help to reduce the impact or likelihood of a major risk occurring. The Board also recognises there could be risks that may be unknown or that may be judged to be insignificant at present, but may later prove to be significant.

2022 has seen continued significant challenges in the macro environment. Russia's invasion of Ukraine has sustained for longer than the initial expectations of many people, heightening concerns on the wider geopolitical risks. The strict policies against COVID-19 that China maintained for most of the year, and the recent loosening of these policies, have impacted operations in Asia significantly, including disruption to our, and the customers', production activities. Supply shortages have further expanded and deepened, including energy and utilities. Inflationary pressure has hit businesses and consumers in many economies, and the cost-of-living crisis increases cost of, and competition for, workers across businesses. In some industries, tense industrial relations create a wide-ranging impact on society. These macro environmental factors weigh on the automotive industry, which already has significant challenges arising from the pivoting towards electrification, technology transformation, supply chain issues and vehicle affordability, etc. 2023 looks set to be another challenging year.

The impact of the COVID-19 pandemic, and recent events such as Russia's invasion of Ukraine, have dramatically demonstrated that the world is more volatile than ever before. With increasing economic challenges in many countries, as well as supply shortages, the resultant volatilities pose significant operating performance challenges for us and the automotive industry, generally. Disruption to our customers' production activity levels, the efficiency and operations of the automotive market supply chain and the availability of materials and labour, remained significant challenges throughout 2022 and will continue into 2023 and even beyond.

The Group remains vigilant to development in the macro environment, and the management of resilience (such as our liquidity and pivoting to electrification) is an important focus area during this time of heightening volatility and uncertainty.

With significant inflationary pricing pressure across all aspects of our operations, our ability to manage the impact of cost increases, and to recover through pricing and efficiency, is critical. Furthermore, climate change continues to drive the pace and potential severity of many of the principal risks that are already being managed. Specifically, climate change affects our technology and product-development risk as the rate of vehicle electrification accelerates across the industry, broadening our business continuity risk as we seek to transition to lower-carbon, more efficient manufacturing operations and address physical risks to our facilities. As we respond by actioning our Take the Turn strategy, our technological agility to develop and adapt our product offerings to meet the EV requirements of our customers is critical. Vehicle electrification also results in a significant impact on human resource management, as we need to ensure that the Group has sufficient salaried staff of an appropriate skill set, such as product design and development. Continual regulatory change further complicates the risk landscape, and is now a business constant that arises across all aspects of the environmental, social and governance spectrum.

Emerging risks

In the environment of fast-paced changes in the risk landscape, the Board recognises that an essential part of risk management is the ability to monitor and respond to new and emerging risks. Alongside the principal risks, emerging risks are identified and considered by the Board.

As the Board has continued to review and refine the Group's approach to vehicle electrification, operational sustainability and talent development - all of which are embodied in the Take the Turn strategy - it has been conscious of any development in strategic risks that may need to be factored into its consideration, in addition to the those already identified as principal risks. If the Group chooses to address the need to enhance the Group's product capabilities other than organically (for instance through mergers and acquisitions or joint venture arrangements), this may necessitate additional resources and expertise, and would naturally entail risks relating to management, execution and value delivery.

The Board remains acutely aware of the changing market dynamics that will continue to arise from climate change and the growing demand for BEVs. The Board feels that the Take the Turn strategy will position the Group well to respond positively to these market changes. However, it is recognised that increased frequency of future climate-related risk events (severe storms, floods, rising sea levels etc.), and the transition to a low carbon economy, may also adversely impact asset values and financial performance over time and, as such, will continue to be monitored and mitigated where practical to do so.

Climate change and sustainability issues also prompted increasing level of regulations and requirements, especially for listed companies. The use of plastic within the Group's operation is likely to become an area of increasing focus that will need to be addressed as part of the Group's sustainability strategy.

Currently widening geopolitical tensions may result in further and more prolonged global business disruptions. Competition and political tension between countries continues to increase whilst the geopolitical tensions in Europe continue. The fragility of international relations carries a consequential adverse impact on the automotive supply chain and world financial markets, such as the availability of energy.

In the light of the process undertaken, the Board believes that the current year risk assessment has been sufficiently robust, and confirms that there are no new distinct risks that are material to the Group at the date of this report.

Principal risks and uncertainties can be seen on pages 42-51 of the Annual Report and Accounts.

Related Party Transactions

Related Party Transactions and Controlling Parties

At 31 December 2022 there is no ultimate controlling party of TI Fluid Systems plc.

Transactions with Group Companies

Balances and transactions between Group companies have been eliminated on consolidation, and are not disclosed in this note except for subsidiaries that are not wholly owned. Transactions with those companies are made on the Group's standard terms of trade.

The Group holds 97% of the shares in Bundy India Ltd. At 31 December 2022, Bundy India Ltd had trade and loan receivables net of payables to other Group undertakings amounting to €4.3 million (2021: €0.6 million net trade and loan payables) and made sales within the Group during the year of €3.3 million (2021: €2.4 million).

Transactions with Related parties

Alfmeier Prazision SE is an existing supplier of the Group and was acquired by Gentherm Incorporated during the year, a

company in which Mr R Hundzinski is a director. For the period post acquisition of Alfmeier Prazision SE, now as a related party, the Group purchased goods amounting to €4.9 million. These goods were purchased on an arm's length basis.

During the year, Bain Capital, a significant shareholder of the Company, charged the Company €0.8 million (2021: €nil), which related to passed through costs from a 3rd party provider.

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