RNS Number : 7123F
CT Automotive Group PLC
26 September 2024

26 September 2024

CT Automotive Group PLC

("CT Automotive" or the "Group")

"Good visibility for both 2024 and 2025 with further margin improvement"

CT Automotive, a leading designer, developer and supplier of interior components to the global automotive industry, today announces its results for the half year ended 30 June 2024 ("**H1 24**").

Simon Phillips, Chief Executive Officer of CT Automotive, commented:

"Our focus on delivering margin improvement continues to come through with profit before tax on track to be in line with market expectations for the full year and the profit before tax margin slightly ahead.

For the first-half, gross profit margin improved by 250bps to 28.7%, compared to H1 23, reflecting successful cost reduction initiatives. As a result, the Company has delivered an Adj. PBT of 4.1million, a substantial improvement of 59% on the prior year. Existing customer volumes have aligned back to current demand as expected. However, five key contract wins from existing customers in H1 24, worth an estimated 27.5m annually[1] have boosted our order book through to 2027, which with further prospects leave the business well placed to grow revenue by taking market share."

Financial highlights+

	H1 24 m	H1 23 m
Revenue	**60.5**	68.2
Gross profit	**17.4**	17.8
Gross profit margin	**28.7%**	26.2%
Adj. EBITDA*	**7.4**	6.7
Adj. EBITDA margin	**12.2%**	9.8%
Adj. profit before taxation*	**4.1**	2.5
Adj. profit before taxation* margin	**6.7%**	3.7%
Profit before taxation	**3.8**	1.3
Earnings per share	**4.7c**	1.7c
Net debt**	**5.8**	9.0

** Adjusted for non-recurring items as explained in Notes 4 and 13 of the consolidated condensed financial statements*

*** Net debt excludes IFRS 16 lease liabilities*

+*Note: the above figures are derived from continuing operations excluding UK discontinued operations*

HY24 financial highlights

- Total revenues of 60.5m (H1 23: 68.2m)
    - Tooling revenues almost doubled to 4.5m (H1 23: 2.4m) providing an enhanced pipeline for future revenues
    - Production revenues reduced to 56.0m (H1 23: 65.8m) as a result of volumes declining in line with the broader automotive market
- Five contract wins in the period from existing customers, worth an estimated 27.5m annually[1] to supply components for new EV models from global OEMs as well as two hybrids and one ICE

new EV models from global OEMs as well as two hybrids and one ICE

- Gross profit margin improved by 250bps to 28.7%, as a result of management action to reduce direct cost from the start of 2023
- Adjusted PBT grew by 59% to 4.1m (H1 23: 2.5m), reflecting savings in direct and indirect costs
- Positive operating cash generation in H1 24, resulting in net debt of 5.8m (excluding IFRS 16) (H1 23: 9.0m)
- Discussions are progressing well towards securing a new borrowing facility, and are expected to complete imminently

HY24 operational update

- A solid period with all production facilities working to plan both in terms of output and the longer term delivery of additional capacity with further efficiencies driving improved margins
    - China recorded strong gross profit margin improvement and is pursuing further cost reduction programmes which, if successful, are to be rolled-out group wide
    - Inflationary pressures in Türkiye have eased with an improving outlook as tighter monetary policy takes effect
    - Mexico has good visibility on incoming contracts to expand current revenues, capitalising on demand from US companies looking to near-shore supply

Current trading and outlook

- Trading in the initial months of H2 24 has been robust across the Group and the Board anticipates that, with the successful margin improvement initiatives made across the business, profit before tax is on track to be in line with market expectations for the full year and the profit before tax margin slightly ahead
- Relentless focus on both direct and indirect costs, utilising digitisation, robotics and artificial intelligence to improve and expand automation of the Group's operations
- Expanded business development team across key OEM markets to drive future revenue growth
- New programmes that commenced production in 2024 have added to revenue visibility for 2025 and looking further ahead we have a strong order book of programmes commencing between 2025 and 2027 as well as a good pipeline of RFQ's

[1] Estimated annual value is based on customer nominations from underlying OEM and is expected to span five to six years

Investor Presentation

The Company will hold an investor presentation to discuss the interim results, followed by a Q&A session, on 26 September 2024 at 11.00am. To attend, please register with PI World via this link: https://bit.ly/CTA_HY24_results_webinar

Enquiries:

CT Automotive Simon Phillips, Chief Executive Officer Anna Brown, Chief Financial Officer	Via Novella
Singer Capital Markets Advisory LLP (Nominated Adviser and Broker) Steve Pearce, Alex Bond, James Todd	Tel: +44 (0)20 7496 3000
Novella Communications (Financial Public Relations) Tim Robertson, Claire de Groot, Safia Colebrook	Tel : +44 (0)20 3151 7008 ctautomotive@novella-comms.com

Notes to editors

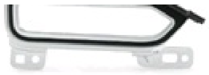
CT Automotive is engaged in the design, development and manufacture of bespoke automotive interior finishes (for example, dashboard panels and fascia finishes) and kinematic assemblies (for example, air registers, arm rests, deployable cup holders and storage systems), as well as their associated tooling, for the world's leading automotive original equipment suppliers ("OEMs") and global Tier One manufacturers.

Air registers

Wrapped assemblies

Light guides

Mechanical assemblies



Decorative finishes

HVAC

The Group is headquartered in the UK with a low cost manufacturing footprint. Key production facilities are located in Shenzhen and Ganzhou, China complemented by additional manufacturing facilities in Mexico, Türkiye and Czechia.

CT Automotive's operating model enables it to pursue a price leadership strategy, supplying high quality parts to customers at a lower overall landed cost than competitors. This has helped the Group build a high-quality portfolio of OEM customers, both directly and via Tier One suppliers including Forvia and Marelli. End customers include volume manufacturers, such as Nissan, Ford, GM and Volkswagen Audi Group, and premium luxury car brands such as Bentley and Lamborghini. In addition, the Group supplies all our customer base with a range of products for PHEV and BEV platforms and supplies electric car manufacturers, including Rivian and a US based major EV OEM.

The Group currently supplies component part types to over 57 different models for 22 OEMs. Since its formation, the Group has been one of the very few new entrants to the market, which is characterised by high barriers to entry.

Use of alternative performance measures

The commentary uses alternative performance measures, which have been adjusted for certain non-recurring items. An explanation of the items identified as non-recurring and that have been adjusted can be found in Notes 4 and 13 of the consolidated condensed interim financial statements. Non-recurring items are items which due to their one-off, non-trading and non-underlying nature, have been separately classified by the Directors in order to draw them to the attention of the reader and allow for a greater understanding of the operating performance of the Group.

CEO Statement

Overview

I am pleased to report on a positive set of results for the first six months of 2024. The business has good visibility on its growth trajectory for 2025 and subsequent years, and with less than 5% share of the global market at present, continues to see substantial scope for growth.

In 2024 the global Automotive supply chain experienced a challenging period caused by OEM destocking, a somewhat volatile and uncertain transition from internal combustion engines (ICE) to EV's, as well as weaker underlying consumer demand caused by higher interest rates. This is impacting the entire industry, especially the larger OEM's.

Despite this, as a smaller, lower cost and more agile operator with the ability to respond quickly, CT Automotive continues to perform well, take market share and grow profits. In H1 we grew adjusted PBT by 59%, enjoyed five new business wins on our customers' platforms and have been very active in responding to multiple RFQ's across our customer base.

Our confidence in our products and operating model alongside our ability to deliver across all vehicle types gives us the belief in our ability to win further market share with both existing and new customers to drive revenue growth. As a result, in H1 we expanded our sales teams across the organisation to capitalise on these significant, tangible opportunities ahead.
We continue to focus on costs and are now trialling a number of technologies to drive automation across all areas of the business and improve efficiency allowing us both to optimise margins and invest in the Group's future.

Trading

The Company has strong visibility over both booked production and tooling revenues for the remainder of 2024 and into 2025.

As anticipated, production demand in the current year declined in line with the broader automotive market, with total revenues 11% lower in H1 versus the same period in 2023. These trends are expected to continue into H2 but will be offset by further improvements in the Group's margin that will come from cost reduction programmes put in place over the past 18 months, further costs savings to commence in H2, as well as an increased mix of higher margin tooling revenues.

In H1 2024 gross margin improved once again to circa 29%, building on last year's growth from 12% to 22%, benefitting from the annualisation of last year's cost saving measures as well as some new initiatives. Moreover, we are planning future cost reduction programmes which will utilise robotics, digitisation and artificial intelligence to drive further automation across all aspects of the Company's operations.

aspects of the Company's operations.

Adjusted PBT grew to 4.1m (H1 23: 2.5m) supported by the cost reduction programmes as well as savings in operating expenditure, driving EPS growth of 176% with EPS on continuing operations of 4.7c.

New business development

Momentum in our order book is building and in H1 this year, we were awarded five new contracts from existing customers, worth an estimated 27.5m[2] annually. These include EV models hybrids and one ICE with revenue coming on stream from the start of 2026, reflecting typical long product cycles. These wins highlight our customers' confidence in our ability to deliver a high-quality product at the right unit cost in a timely manner. Prospects for further growth are positive with a strong pipeline of RFQ's.

We anticipate further opportunities for new business and so have taken the key decision during H1 to invest in expanding our New Business Development team, adding sales expertise into Korea, Türkiye, Europe, Mexico and North America. This investment is a reflection of our confidence in the opportunity to continue to grow through existing customer referrals as well as adding new leading auto manufacturers as customers.

[2] *Estimated annual value is based on customer nominations from underlying OEM and is expected to span five to six years*

Manufacturing base

China

Our relentless focus in China on reducing costs delivered a material improvement in gross profit margin. This has been enabled by the annualization of our cost reduction programmes in 2023 and initiatives commenced in 2024. We expect to see some sales migrate from China to Mexico as North American OEM's and Tier One suppliers near-shore supply. In response, we are right-sizing operations to match demand.

China is the Group's centre for testing cost reduction programmes, all of which going forward will be automation led. Currently, we are trialling the application of robotics to assembly processes, injection moulding and painting. Similarly, we are trialling AI for basic administrative tasks, with the potential to significantly reduce headcount. Each programme that is successful will then be rolled out across Türkiye and Mexico.

Türkiye

Our manufacturing site in Gebze, Türkiye traded well, primarily supplying the domestic market. The easing of inflationary pressures in Türkiye due to a tighter national monetary policy position has been helpful over the period. The business has an effective cost escalation system in place to pass on inflationary and currency cost increases, and management have also introduced shortened payment terms further reducing the Company's exposure. The ability to provide a total solution in Türkiye from design to production differentiates this business from peers and means it is well placed to continue to attract new customers.

Mexico

The decision to open a manufacturing site in Puebla, Mexico in 2022 is proving to be a pivotal decision for the business. In H1, the site performed well with trading delivering to plan. Alongside this, demand has expanded significantly as US companies look to relocate production. This is in part to be tax efficient, but also to be close to their home market. To accommodate future demand, additional capacity will be added over the next 18 months. In addition, CT Automotive México has now successfully achieved the commercially important IATF 16949:2016 and ISO 9001:2015 certifications.

Sustainability

We are very mindful of our responsibilities to create a sustainable business that will allow all stakeholders to prosper whilst reducing our impact on the environment. In 2024, as part of furthering our commitment, we were pleased to receive the Ecovadis Silver Award. Placing us in the top 15% of companies assessed by Ecovadis, scoring highly in Environment, Ethics, Labour and Human rights and Sustainable Procurement.

To support our various stakeholder groups, we are also working with Integrum which provides real time ESG data analysis for investors who are faced with more granular ESG reporting and more stringent regulatory requirements.

People

I am, as ever, very grateful to our entire workforce for their continued efforts to develop the business and deliver consistently high-quality products to our automotive customers from around the world. It is their collective endeavours which underpin our future success.

Current trading and outlook

Trading in the initial months of H2 24 has been robust across the Group and the Board anticipates that with the successful margin improvement initiatives made across the business that profit before tax is on track to be in line with market expectations for the full year and the profit before tax margin slightly ahead.

Visibility over the Company's expected trading performance in 2025 has improved as we benefit from a full year's revenue contribution from new programmes which commenced part way through 2024 as well as further programmes coming on stream through the year

In addition, there is a good pipeline of new business prospects, further supported by the investment made in expanding our global business development team.

Automation is an exciting area for the business and will enable further fixed cost reductions over time to support our low-cost positioning and afford us the ability to increase investment behind the business.

The automotive industry is undergoing a transitional period with a slower than expected move away from ICE, leading to changes in production levels and delays in new launches. Nevertheless, CT Automotive is navigating these conditions well, supported by two key drivers. Firstly, we are deploying a range of strategies to capitalise on the market share opportunity, and secondly, the automation led cost reductions we are currently trialling have the potential to drive a further step change in efficiency.

Financial review

Revenue and margins

During the first half of 2024 the Group generated total revenue of 60.5m, compared to 68.2m revenue generated during the comparative prior period. The 7.7m reduction in revenue was due to production volumes aligning with consumer demand, which resulted in 56.0m of production revenues (H1 23: 65.8m). This was partially offset by an increase in tooling revenue from 2.4m in H1 23 to 4.5m in H1 24, as the number of tooling projects increased from 5 to 7.

Despite a reduction in revenue, the Group's gross profit was maintained at 17.4m, broadly similar to H1 23 levels of 17.8m. Gross margins improved to 28.7% (H1 23: 26.2% and FY23: 21.6%) further benefitting from materials and labour cost savings as a result of ongoing efficiency and margin improvement initiatives. As part of these initiatives, labour savings contributed 1.6% towards H1 24 gross margin improvement, while materials savings contributed 5.9% when compared to FY23 gross margin.

Non-recurring items

During H1 24 the Group has reduced its non-recurring items to 0.3m (H1 23: 1.2m). These non-recurring items represented the impact of accounting for hyperinflation in Türkiye. For further details, see Notes 4 and 13 of the consolidated condensed financial statements.

EBITDA and operating result

H1 24 adjusted EBITDA was 7.4m (H1 23: 6.7m) while reported EBITDA was 7.1m (H1 23: 5.4). The improvement in adjusted EBITDA mainly came from an increased tooling gross profit and a reduction in distribution and administrative expenses. A reduction in distribution expenses was due to container rates settling to pre-Covid levels and lower sales volumes. An improvement in administrative expenses mainly came from the overheads savings initiatives. During H1 24 the Group incurred 0.7m of foreign exchange losses (H1 23: 0.3m gains) due to exchange rate movements primarily against the US and from intercompany balances.

Depreciation and amortisation charges reduced to 2.1m (H1 23: 3.0m) benefitting from the extended useful economical lives of plant and machinery which were revised at the end of December 2023. Therefore, the resulting adjusted operating profit was 5.3m (H1 23: 3.7m) and reported operating profit was 5.0m (H1 23: 2.4m).

Profit from continuing operations and EPS

H1 24 adjusted profit before tax was 4.1m (H1 23: 2.5m), while reported profit before tax was 3.8m (H1 23: 1.3m), taking into account non-recurring items of 0.3m (H1 23: 1.2m). Profit after tax from continuing operations was 3.5m (H1 23: 1.0m), resulting in basic EPS from continuing operations of 4.7c (H1 23: 1.7c).

Discontinued operations

During the first half of 2024 the Group has completed the liquidation of CAS, its UK manufacturing subsidiary. H1 24 gain attributable to the discontinued operations was 0.2m (H1 23: 0.4m loss) and related to a release of previously booked provisions which were not required.

Capital structure, working capital and interest

Since December 2023 year end, the Group saw its net asset value increase to 21.6m (FY23: 17.0m), main driver being 3.6m of net profits generated during the period.

Non-current assets remained broadly the same at 18.0m (FY23: 18.1m), while the current assets have reduced to 60.3m since the year end (FY23: 66.3m) and current liabilities reduced to 51.3m (FY23: 62.0m).

During the first half of 2024 the Group continued to actively manage its trade payable balances in China, contributing to a reduction from 43.4m to 36.7m. This was the primary driver for the reduction in current liabilities. This in turn has contributed to a reduction in cash and cash equivalents to 4.4m (FY23: 9.4m). It should be noted that the year-end cash balance was boosted by the timing of December payroll payments in China of 1.7m which took place in early January 2024.

Net debt as at 30 June 2024 was 5.8m (FY23: 3.8m) and included cash and amounts drawn on the Group's trade loans and invoice finance facilities with HSBC. After applying IFRS 16 accounting for right-of-use assets on current and non-current lease liabilities, net debt as at 30 June 2024 was 14.4m (FY23: 12.7m).

The Group uses HSBC post-dispatch trade loans and invoice financing facilities as an additional working capital lever. As at 30 June 2024 the amounts drawn on the Group's trade loans and invoice finance facilities were 10.2m (FY23: 13.2m) against total available facilities of c. 21m. Net finance costs remained at similar levels at 1.2m (H1 23: 1.1m).

As previously announced, the Group is well advanced to refinance the current HSBC facilities to put in place an asset backed facility. It is anticipated that, once in place, the new facility would support the Group's international expansion plans and will be committed over the medium-term. We are expecting to complete the refinancing process and make an announcement in the coming weeks.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Note	**Unaudited 6 months to 30 June 2024**	Unaudited 6 months to 30 June 2023	Year to 31 December 2023
		'000	'000	'000
Continuing Operations:				
Revenue	2,3	**60,498**	68,152	142,974
Cost of sales		**(43,132)**	(50,307)	(112,118)
Gross profit		**17,366**	17,845	30,856
Distribution expenses		**(1,119)**	(2,692)	(3,150)
Other operating income		**509**	312	807
Administrative expenses		**(11,792)**	(13,022)	(20,041)
EBITDA (before non-recurring items)		**7,382**	6,671	16,090
Depreciation		**(1,949)**	(2,891)	(4,950)
Amortisation		**(168)**	(100)	(294)
Non-recurring items	4	**(301)**	(1,237)	(2,374)
Operating Profit		**4,964**	2,443	8,472
Finance income		**27**	-	-
Finance expenses		**(1,242)**	(1,138)	(2,535)
Profit before tax		**3,749**	1,305	5,937
Taxation (charge)/credit		**(267)**	(351)	616
Profit for the period from continuing operations		**3,482**	954	6,553
Discontinued operations:				
Profit/(Loss) for the period from discontinued operations		**192**	(367)	(238)

Profit for the period attributable to equity shareholders		**3,674**	587	6,315
Profit for the period attributable to:				
Owners of the Company		**3,665**	587	6,313
Non-Controlling Interests		**9**	-	2
Other comprehensive income/(loss)				
Items that are or may be reclassified subsequently to profit or loss:				
Foreign currency translation differences - foreign operations		**(465)**	(1,180)	(1,426)
Other comprehensive loss for the period, net of income tax		**(465)**	(1,180)	(1,426)
Total comprehensive income/(loss) for the period		**3,209**	(593)	4,889
From continuing operations:				
Basic earnings per share	5	**4.7 c**	1.7 c	10.1 c
Diluted earnings per share	5	**4.7 c**	1.7 c	9.7 c
From continuing and discontinued operations:				
Basic earnings per share	5	**5.0 c**	1.0 c	9.7 c
Diluted earnings per share	5	**5.0 c**	1.0 c	9.4 c

Consolidated Balance Sheet

	Note	**Unaudited 6 months to 30 June 2024**	Unaudited 6 months to 30 June 2023	Year to 31 December 2023
		'000	'000	'000
Non-current assets				
Goodwill		**1,259**	1,259	1,259
Intangible assets		**286**	392	314
Property, plant and equipment	6	**7,335**	6,199	7,089
Right of use assets		**7,575**	9,008	7,895
Deferred tax assets		**1,571**	-	1,571
		18,026	16,858	18,128
Current assets				
Inventories	7	**25,747**	25,265	25,997
Tax receivable		**220**	344	261
Trade and other receivables	8	**29,976**	32,971	30,578
Cash and cash equivalents	14	**4,382**	7,592	9,440
		60,325	66,172	66,276
Total Assets		**78,351**	83,030	84,404
Current liabilities				
Trade and other payables	10	**(36,676)**	(43,695)	(43,390)
Other interest-bearing loans and borrowings	9	**(10,236)**	(16,601)	(13,198)
Derivative financial liabilities		**-**	(189)	(52)
Tax payables		**(1,232)**	(1,049)	(1,847)
Lease liabilities	9	**(3,115)**	(2,311)	(3,492)
		(51,259)	(63,845)	(61,979)
Non-current liabilities				
Lease liabilities	9	**(5,444)**	(7,905)	(5,458)
Deferred tax liabilities		**-**	(175)	-
		(5,444)	(8,080)	(5,458)
Total Liabilities		**(56,703)**	**(71,925)**	**(67,437)**
Net assets		**21,648**	11,105	16,967

Equity attributable to equity holders of the parent				
Share capital	**15**	**484**	484	484
Share premium		**63,696**	63,696	63,696
LTIP Reserve		**21**	-	4
Translation reserve		**(407)**	(1,527)	(1,397)
Merger reserve		**(35,812)**	(35,812)	(35,812)
Accumulated Deficit		**(6,405)**	(15,736)	(10,070)
Non-controlling interest		**71**	-	62
Total equity		**21,648**	11,105	16,967

Consolidated Statement of Changes in Equity

	Share capital	Share premium	LTIP reserve	Translation reserve	Merger reserve	Accumulated Deficit	Non-Controlling Interest	Total equity
	'000	'000	'000	'000	'000	'000	'000	'000
At 1 January 2023	**342**	**54,717**	**-**	**(347)**	**(35,812)**	**(16,323)**	**-**	**2,577**
Total comprehensive income for the year:								
Profit for the year	-	-	-	-	-	6,313	2	6,315
Recognition of LTIP reserve	-	-	4	-	-	-	-	4
Foreign currency translation	-	-	-	(1,050)	-	-	-	(1,050)
Total comprehensive income/ (loss) for the year	-	-	4	(1,050)	-	6,313	2	5,269
Transactions with equity:								
Share issue	142	9,488	-	-	-	-	-	9,630
Issuance Cost	-	(509)	-	-	-	-	-	(509)
Share issue in CT-Mexico	-	-	-	-	-	(60)	60	-
	142	8,979	-	-	-	(60)	60	9,121
At 31 December 2023	**484**	**63,696**	**4**	**(1,397)**	**(35,812)**	**(10,070)**	**62**	**16,967**
As at 1 January 2024	484	63,696	4	(1,397)	(35,812)	(10,070)	62	16,967
Total Comprehensive income for the period								
Profit for the period	-	-	-	-	-	3,665	9	3,674
Recognition of LTIP reserve	-	-	17	-	-	-	-	17
Foreign currency translation	-	-	-	990	-	-	-	990
Total comprehensive income for the period	-	-	17	990	-	3,665	9	4,681
Balance at 30 June 2024	**484**	**63,696**	**21**	**(407)**	**(35,812)**	**(6,405)**	**71**	**21,648**

Consolidated statement of cash flows

	Unaudited 6 months to 30 June 2024	Unaudited 6 months to 30 June 2023	Year to 31 December 2023
	'000	'000	'000
Cash flows from operating activities			
Profit for the period	3,482	954	6,553
Profit/(loss) from discontinued operations	192	(367)	(238)
Profit for the period after tax	3,674	587	6,315
Adjustments for:			
Depreciation	1,949	2,891	4,950
Amortisation	168	100	294
Share Based Charge	17	-	4
Hyperinflation impact on operating profit	301	(429)	683
Net fair value losses recognised in Profit or Loss	(1)	-	(714)
Financial expense	1,242	942	2,535
Gain on Termination of Lease	(192)	-	-
Taxation charge/(credit)	267	353	(616)
Loss on disposal of Property, Plant and Equipment	68	329	1,136
Operating Profit before working capital changes	7,493	4,773	14,587
Decrease/(Increase) in trade and other receivables	2,217	(9,178)	(4,620)
(Increase)/Decrease in inventories	(662)	3,212	641
(Decrease) in trade and other payables	(5,758)	(968)	(2,530)
Tax (paid)	(237)	-	(41)
Net cash generated/(used in) from operating activities	3,053	(2,161)	8,037
Cash flows from investing activities			
Net Purchase of intangible assets	(91)	-	(96)
Net Purchase of property, plant and equipment	(1,521)	(427)	(3,114)
Net cash used in investing activities	(1,612)	(427)	(3,210)
Cash flows from financing activities			
Gross proceeds from share issue	-	9,630	9,630
Payment of professional fees related to share issue	-	(509)	(509)
Principal repayment of lease liabilities	(1,905)	(1,018)	(3,005)
Net Interest paid	(1,215)	(945)	(2,535)
Repayment of trade loans	(3,125)	(1,166)	(578)
Repayment of invoice finance	(158)	(41)	(2,924)
Net cash (used in)/from financing activities	(6,403)	5,951	79
Net (decrease)/increase in cash and cash equivalents	(4,962)	3,362	4,906
Cash and cash equivalents at beginning of period	9,440	4,471	4,471
Effect of exchange rate fluctuations on cash held	(96)	(1,350)	63
Cash and cash equivalents at end of period (see Note 14)	4,382	6,483	9,440

Notes forming part of the unaudited consolidated condensed interim financial statements (hereinafter "the financial statements")

1. **Accounting Policies**

Introduction

The financial statements have been prepared in accordance International Financial Reporting Standards currently in force and in conformity with the requirements of the Companies Act 2006.

These financial statements have been prepared on the basis of the same accounting policies as per the audited financial statements for the year ended 31 December 2023. The financial statements, which have been prepared in accordance with International Accounting Standard 34 (IAS 34), are unaudited and do not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2023 prepared in accordance with IFRS, have been filed with Companies House. The Auditors' Report on these accounts was unqualified, did not include any matters to which the Auditors drew attention by way of emphasis without qualifying their report and did not contain any statements under section 498 of the Companies Act 2006.

The financial statements are for the six months to 30 June 2024. The interim consolidated financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2023 which were prepared in accordance with UK adopted International Accounting Standards and in conformity with the requirements of the Companies Act 2006.

Measurement convention

The financial statements are prepared on the historical cost basis except that the derivative financial instruments are stated at their fair value and the hyperinflationary adjustments are applied to the results of our foreign operations in Türkiye

Going Concern

The Directors have assessed the Group's business activities and the factors likely to affect future performance in light of the current and anticipated trading conditions. In making their assessment the Directors have reviewed the Group's latest budget, current trading, forecasts and debt facilities and considered reasonably plausible downside scenarios and mitigating actions.

The Directors are confident that, after taking into account cash and debt facilities available to the Group, the Group has adequate resources in place to continue in operational existence for a period of at least 12 months from the date of approval of these financial statements being to September 2025. In making their assessment the Directors have stress tested the cashflows of the business.

For the purposes of stress testing, the Directors modelled a base case, several downside scenarios, a combined downside scenario and a set of mitigating actions to the combined downside scenario. The base case was modelled on a prudent basis, assuming revenues based on the production schedules and cost estimates. Positive cash headroom is maintained under the base case scenario. Taking into account the economic outlook, expected interest rates and geopolitical events, the Directors have identified certain specific key risks to the base case assumptions and have modelled the scenarios as follows:

- Reduction in revenue risk: the entire automotive market suffers a downturn of 10% in revenue reflecting a scenario similar to the 2008-2009 downturn;
- Risk of increased cost of sales and freight costs: reflecting the impact of inflation in cost of sales and freight costs raising by 5% and the inability to recover the increase in costs from customers;
- Stockholding risk: reflecting a scenario caused by the disruption in customer schedules due to possible military conflicts or other plausible disruptions resulting in the need to hold more than normal stock levels required in the distribution centres.

In addition, the Directors have modelled a combined downside scenario and considered several controllable mitigating actions. The principal mitigating action modelled is the agreement of extended supplier payment terms. Additional mitigating actions which have not been modelled but are available for Management to deploy, if required, are reduced customer payment terms and a further reduction of overheads. Such mitigating actions are within Management's control and the business closely monitors appropriate lead indicators to implement these actions in sufficient time to achieve the required cash preservation impact.

In any of the scenarios noted above the combined impact of the above downside assumptions, the stress testing model, incorporating the above principal mitigation, demonstrates that the business is able to maintain a positive cash balance and covenants throughout the entire going concern review period considered.

The Group currently has trade loans and invoice finance facilities which are renewed at set times (typically quarterly, six monthly or annually) and which have been renewed as part of this renewal cycle. The Group has reviewed our current banking debt facility providers going forward and considered all viable options with regard to our potential lenders to ensure that we have the best commercial arrangements in place. Following a full externally run tender process we are currently in advanced negotiations to secure new borrowing facilities. Signed heads of terms are in place, due diligence completed and the legal documentation of the facilities is well progressed. Our current trade loan and invoice finance facilities remain in place until such time as the new borrowing facility is completed.

As a result of the above considerations, the Directors consider that the Group has adequate resources in place for at least 12 months from the date of the approval of these interim financial statements and have therefore adopted the going concern basis of accounting in preparing the financial statements.

Basis of Consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Non-controlling Interest

Non-controlling interest represents the equity in subsidiaries that is not attributable to all shareholders of the Group.

Change in subsidiary ownership and loss of control

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Where the Group loses control of a subsidiary, the assets and liabilities are derecognised along with any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Transactions eliminated on consolidation

Intra-Group balances and transactions, and any unrealised income and expenses arising from intra-Group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains.

Discontinued operations

When the Group has sold or discontinued a component that represents a separate major line of business or geographical area of operations during the year, or has classified the component as held for sale, its results are presented separately, net of any profit or loss on disposal, in the statement of profit or loss and other comprehensive income, with the comparative amounts restated.

Revenue

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

Serial production goods are recognised as sold at a point in time when control is passed to the customer, which depending on the incoterms (a series of pre-defined commercial terms published by the International Chamber of Commerce relating to international commercial law) can be when they are delivered to the customer site or when the customer collects them.

Revenue from Tooling and the provision of associated services is recognised at a point in time when the performance obligations in the contract are satisfied and control is passed to the customer, which is based on the date of issue of the parts submission warrant (PSW) or a similar approval from customers, or other evidence of the commencement of serial production. Monies received from customers in advance of completing the performance obligations are recognised as contract liabilities as at the balance sheet date and released to revenue when the related performance obligations are satisfied at a point in time.

Discounts on the serial production contracts are considered as one off and agreed with the customers as part of the negotiation and as per the terms of the contract, they are either paid in advance or otherwise. Discounts paid in advance are recognised as a prepayment and recognised as a debit to revenue in the period in which the related revenue is recognised. All other discounts are recognised as a debit to revenue based on the period in which the related revenues are recognised.

Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Property, plant and equipment
Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives are as follows:

Assets under construction	- not depreciated
Plant and equipment	- 2-15 years straight line
Furniture, fixtures and equipment	- 2-5 years straight line
Motor vehicles	- 2-5 years straight line

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date. The useful life for plant and equipment was reviewed at 31 December 2023 and changed from 2-5 years to 2-15 years.

Inventories
Inventories are stated at the lower of cost and net realisable value. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

Net realisable value is the value that would arise on sale of stock in the normal course of business, minus a reasonable estimation of selling costs.

Foreign currency
Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the date of the transaction. Foreign currency monetary assets and liabilities are translated at the rates ruling at the reporting date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised immediately in profit or loss. Exchange differences arising on the retranslation of the foreign operation are recognised in other comprehensive income and accumulated in the foreign exchange reserve.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to the Group's presentational currency US Dollars at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at an average rate for the period where this rate approximates to the foreign exchange rates ruling at the dates of the transactions.

Exchange differences arising from this translation of foreign operations are reported as an item of other comprehensive income and accumulated in the translation reserve. When a foreign operation is disposed of, such that control is lost, the entire accumulated amount in the foreign currency translation reserve, is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while still retaining control, the relevant proportion of the accumulated amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate that includes a foreign operation while still retaining significant influence, the relevant proportion of the cumulative amount is reclassified to profit or loss.

Classification of financial instruments issued by the Group
Financial instruments issued by the Group are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the Company (or Group as the case may be) to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Group; and
(b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of theCompany's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of any issues are classified as a financial liability.

Non-derivative financial instruments

Financial assets and liabilities are recognised when the Group becomes party to the contractual provisions of the instrument.

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Trade and other receivables

Trade and other receivables are initially measured at their transaction price. Trade receivables and other receivables are held to collect the contractual cash flows which are solely payments of principal and interest. Therefore, these receivables are subsequently measured at amortised cost using the effective interest rate method.

Trade and other payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method. See Note 9 for full details of classes of interest-bearing borrowings.

Effective interest rate

The 'effective interest' is calculated using the rate that exactly discounts estimated future cash payments or receipts (considering all contractual terms) through the expected life of the financial asset or financial liability to its carrying amount before any loss allowance.

Share based payments

Where share options are awarded to employees, the fair value of the options at the date of the grant is charged to the income statement over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest.

Hyperinflation

The Group has applied IAS 29, Financial Reporting in Hyperinflationary Economies, for its subsidiary in Türkiye, whose functional currency has experienced a cumulative inflation rate of more than 100%, over the past three years. Assets, liabilities, the financial position and results of foreign operations in hyperinflationary economies are translated to US Dollar at the exchange rate prevailing at the reporting date. The exchange differences are recognised directly in other comprehensive income and accumulated in the translation reserve in equity. Such translation differences are reclassified to profit or loss only on disposal or partial disposal of the overseas operation. Prior to translating the financial statements of foreign operations, the non-monetary assets and liabilities and comprehensive income (both previously stated at historic cost) are restated to account for changes in the general purchasing power of the local currencies based on the consumer price index published by the Turkish Statistical Institute. The consumer price index for the six months ended 30 June 2024 increased by 1.92%.

2. Revenue

Disaggregation of revenue	**Unaudited 6 months to 30 June 2024**	Unaudited 6 months to 30 June 2023	Year to 31 December 2023

	'000	'000	'000
An analysis of turnover by type is given below:			
Production revenue	55,966	65,811	132,046
Tooling revenue	4,532	2,341	10,928
Total revenues	**60,498**	68,152	142,974

All revenue is derived from goods transferred at a point in time.
An analysis of turnover by geographical market is given within Note 3.

3. Segment information

Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM has been identified as the management team including the Chief Executive Officer and Chief Financial Officer. The segmental analysis is based on the information that the management team uses internally for the purpose of evaluating the performance of operating segments and determining resource allocation between segments.

The Group has 3 strategic divisions which are its reportable segments. The Group has the below main divisions:

1. Tooling - Design, development and sale of tooling for the automotive industry.
2. Production - Manufacturing and distributing serial production kinematic interior parts for the automotive industry.
3. Head office - Manages group financing and capital management

The Group evaluates segmental performance based on revenue and profit or loss from operations calculated in accordance with IFRS.

Unaudited 6 months ended 30 June 2024

Revenue	**Tooling '000**	**Production '000**	**Head office '000**	**Total '000**
Total revenue from customers	4,532	55,966	-	60,498
Depreciation and amortisation	-	(2,117)	-	(2,117)
Finance expense	-	(1,242)	-	(1,242)
Group and segment Profit/(Loss) before tax and discontinued operations	**1,328**	**6,343**	**(4,018)**	**3,653**

Unaudited 6 months ended 30 June 2023

Revenue	**Tooling '000**	**Production '000**	**Head office '000**	**Total '000**
Total revenue from customers	2,341	65,811	-	68,152
Depreciation and amortisation	-	(2,991)	-	(2,991)
Finance expense	-	(928)	-	(928)
Group and segment Profit/(Loss) before tax and discontinued operations	**295**	**5,088**	**(4,078)**	**1,305**

Year ended 31 December 2023

Revenue	**Tooling '000**	**Production '000**	**Head office '000**	**Total '000**
Total revenue from customers	10,928	132,046	-	142,974
Depreciation and amortisation	-	(5,244)	-	(5,244)
Finance expense	-	(2,485)	(50)	(2,535)
Group and segment Profit/(Loss) before tax and discontinued operations	**3,885**	**9,145**	**(7,093)**	**5,937**

External revenue by location of customers	**Unaudited 6 months to 30 June 2024**	Unaudited 6 months to 30 June 2023	Year ended 31 December 2023
	'000	'000	'000
Europe	**20,987**	23,480	43,327
North America	**14,427**	19,551	32,261
Asia Pacific	**13,088**	10,545	37,568
United Kingdom	**8,158**	11,760	23,417
Rest of the World	**3,838**	2,816	6,401
	60,498	68,152	142,974

4. Non-recurring items

	Unaudited 6 months to 30 June 2024	Unaudited 6 months to 30 June 2023	Year ended 31 December 2023
	'000	'000	'000
Restructuring and margin improvement costs	**-**	884	-
One off working capital write offs (net)	**-**	-	494
Costs from historic tooling projects	**-**	345	849
Covid related business disruption charges	**-**	-	277
Impact of hyperinflation	**301**	8	683
Redundancy Costs	**-**	-	71
Total	**301**	1,237	2,374

Non -recurring items are items, which, due to their one-off, non-trading and non-underlying nature, have been separately classified by the Directors in order to draw them to the attention of the reader and allow for greater understanding of the operating performance of the Group.

Effective from 1 January 2022, the Group has applied IAS 29, Financial Reporting in Hyperinflationary Economies for its subsidiary in Türkiye. The impact of applying this standard in respect of 6 months ended 30 June 2024 was a charge of 301,000 and is considered as non-trading.

5. Earnings per share

	Unaudited 6 months to 30 June 2024	Unaudited 6 months to 30 June 2023	Year ended 31 December 2023
	Number	Number	Number
Weighted average number of equity shares	**73,597,548**	56,599,354	65,191,848
Profit for the period from continuing operations	**3,482,000**	954,000	6,553,000
	Cents	Cents	Cents
Basic Profit per share from continuing operations	**4.7**	1.7	10.1
Diluted Profit per share from continuing operations	**4.7**	1.7	9.7
Basic Profit/(Loss) per share from discontinued operations	**0.3**	(0.6)	(0.4)
Diluted Profit/(Loss) per share from discontinued operations	**0.3**	(0.6)	(0.4)

There are contingently issuable shares in existence (see Note 12) that can result in diluted Earnings/(Loss) per share being different from basic Earnings/(Loss) per share in 2024 and 2023.

6. Property, plant and equipment

	Plant and equipment '000	Fixtures and fittings '000	Motor vehicles '000	Total '000
Cost				
Balance as at 1 January 2023	13,345	4,275	23	17,643
Hyperinflationary adjustment	1,176	291	-	1,467
Additions	2,315	799	-	3,114
Disposals	(1,658)	(713)	-	(2,371)
Effect of movements in foreign exchange	(784)	(493)	-	(1,277)
Balance as at 31 December 2023 (audited) and as at 1 January 2024	14,394	4,159	23	18,576
Hyperinflationary adjustment	320	243	-	563
Additions	1,381	515	-	1,896
Disposals	(667)	(284)	-	(951)
Effect of movements in foreign exchange	(275)	(141)	-	(416)
Balance as at 30 June 2024 (unaudited)	15,153	4,492	23	19,668
Depreciation				
Balance at 1 January 2023	6,708	3,610	23	10,341
Hyperinflationary adjustment	948	263	-	1,211
Depreciation charge for the period	1,498	400	-	1,898
Disposals	(429)	(711)	-	(1,140)
Effect of movements in foreign exchange	(515)	(308)	-	(823)
Balance as at 31 December 2023 (audited) and as at 1 January 2024	8,210	3,254	23	11,487
Depreciation charge for the period	857	378	-	1,235
Disposals	(532)	(43)	-	(575)
Hyperinflationary adjustment	301	211	-	512
Effect of movements in foreign exchange	(232)	(94)	-	(326)
Balance as at 30 June 2024 (unaudited)	8,604	3,706	23	12,333
Net book value				
At 31 December 2023 (audited)	6,184	905	-	7,089
At 30 June 2024 (unaudited)	**6,549**	**786**	-	**7,335**

7. Inventories

	Unaudited as at 30 June 2024 '000	Unaudited as at 30 June 2023 '000	As at 31 December 2023 '000
Raw materials and consumables	**7,161**	6,277	6,117
Work in progress	**7,792**	8,773	7,084
Finished goods	**10,794**	10,215	12,796
	25,747	25,265	25,997

8. Trade and other receivables

	Unaudited as at 30 June 2024	Unaudited as at 30 June 2023	As at 31 December 2023
	'000	'000	'000
Trade receivables	**14,463**	22,994	16,943
VAT Receivable	**2,071**	1,446	1,813
Other receivables	**1,768**	1,031	1,807
	18,302	25,471	20,563
Prepayments and accrued income	**11,674**	7,500	10,015
Total trade and other receivables	**29,976**	32,971	30,578

The carrying value of trade and other receivables classified at amortised cost approximates fair value.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision to trade receivables. The expected loss rates are based on the Group's historical credit losses. Due to the nature of the Group's customers historic losses are limited, however a small credit loss provision of 200,000 has been made at the end of the period (H12023: nil). The key assumptions used in evaluating the credit loss provision are the historical default ratio of these customers, any known liquidity risks of the customers and based on the information available we have assessed a range of possible outcomes.

9. Loans and borrowings

	Unaudited as at 30 June 2024	Unaudited as at 30 June 2023	As at 31 December 2023
	'000	'000	'000
Non-current liabilities			
Non-current portion of finance lease liabilities	**5,444**	7,905	5,458
	5,444	7,905	5,458
Current liabilities			
Current portion of secured bank loans	**5,880**	8,416	9,005
Unsecure bank overdraft	**-**	1,109	-
Invoice finance	**4,356**	7,076	4,193
	10,236	16,601	13,198
Current portion of finance lease liabilities	**3,115**	2,311	3,492
	13,351	18,912	16,690
	18,795	26,817	22,148

10. Trade and other payables

	Unaudited as at 30 June 2024	Unaudited as at 30 June 2023	As at 31 December 2023
	'000	'000	'000
Current			
Trade payables	**16,097**	20,484	20,187
Non-trade payables and accrued expenses	**6,428**	11,077	9,684
Employee social security and taxes	**2,490**	1,605	1,997
Contract liabilities	**5,328**	2,689	5,769
Other payables	**6,333**	7,840	5,753
	36,676	43,695	43,390

11. Related parties

-

Key Management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, including the Directors of the Company.

The compensation of key management personnel (including the directors) is as follows:

	Unaudited 6 months to 30 June 2024	Unaudited 6 months to 30 June 2023	Year ended 31 December 2023
	'000	'000	'000
Key management remuneration including social security costs	**597**	783	1,116
Company contributions to money purchase pension plans	**4**	9	15
	601	792	1,131

	Unaudited 6 months to 30 June 2024	Unaudited 6 months to 30 June 2023	Year ended 31 December 2023
	'000	'000	'000
Directors' remuneration	**469**	595	1,084
Company contributions to money purchase pension plans	**4**	4	8
	473	599	1,092

12. Share options

In the 6 months to 30 June 2024, CT Automotive Group PLC granted share options to 3 executives. Subject to vesting conditions, the executives will have the option to acquire a total of 374,999 Ordinary Shares at an exercise price of £0.005 per share.

The LTIP Awards to executives will vest on the third anniversary of grant subject to meeting earnings per share performance criteria for the three year period ending FY2025. 25% of the LTIP Awards will vest on meeting minimum performance criteria, with vesting thereafter on a straight-line basis.

In addition, the Company awarded 97,560 nominal cost options under the same plan to certain senior managers. These awards vest on the third anniversary of grant subject to continued employment and no further performance conditions.

As at 30 June 2024 2,701,951 share options are outstanding.

13. Alternative performance measures

The Directors consider Alternative Performance Measures (APMs) to better allow the readers of the accounts to understand the underlying performance of the Group. The Directors also monitor these APMs to assess financial performance throughout the period.

The APMs used by the Directors include:

Adjusted EBITDA - calculated as EBITDA adjusted for non-recurring items*
Adjusted EBITDA margin - calculated as adjusted EBITDA divided by revenue in the period*
Adjusted profit before tax - calculated as profit before tax adjusted for non-recurring items*
Adjusted profit before tax margin - calculated as adjusted profit before tax divided by revenue in the period*
*Continuing operations only

EBITDA is calculated using Operating profit/(loss) before interest, taxes, depreciation and amortisation.

Detail of each of the non-recurring items is disclosed in Note 4.

Adjusted EBITDA and Adjusted EBITDA margin	**Unaudited 6 months to 30 June 2024**	Unaudited 6 months to 30 June 2023	Year ended 31 December 2023
	'000	'000	'000

Adjusted EBITDA	**7,382**	6,671	16,090
Non - recurring items			
- Restructuring and margin improvement costs	**-**	(884)	-
- Impact of hyperinflation	**(301)**	(8)	(683)
- One-off working capital write offs (net)	-	-	(494)
- Redundancy Costs	-	-	(71)
- Costs from historic tooling projects	-	(345)	(849)
- COVID related business disruption charges	-	-	(277)
EBITDA	**7,081**	5,434	13,716
Adjusted EBITDA margin	**12.2%**	9.8%	11.3%
EBITDA margin	**11.7%**	8.0%	9.6%

Adjusted Profit/(Loss) Before Tax and Adjusted Profit/(Loss) Before Tax margin	**Unaudited 6 months to 30 June 2024**	Unaudited 6 months to 30 June 2023	Year ended 31 December 2023
	'000	'000	'000
Adjusted Profit Before Tax	**4,050**	2,542	8,311
Non- recurring items			
- Restructuring and margin improvement costs	**-**	(884)	-
- Impact of hyperinflation	**(301)**	(8)	(683)
- One-off working capital write offs (net)	-	-	(494)
- Redundancy Costs	-	-	(71)
- Costs from historic tooling projects	-	(345)	(849)
- COVID related business disruption charges	-	-	(277)
Profit Before Tax	**3,749**	1,305	5,937
Adjusted Profit before tax margin %	**6.7%**	3.7%	5.8%
Profit before tax margin %	**6.2%**	1.9%	4.2%

14. Cash and cash equivalents

Cash and cash equivalents for purposes of the statement of cash flows comprises:	**Unaudited as at 30 June 2024**	Unaudited as at 30 June 2023	As at 31 December 2023
	'000	'000	'000
Cash and cash equivalents	**4,382**	7,592	9,440
Unsecured bank overdraft	**-**	(1,109)	-
	4,382	6,483	9,440

15. Share Capital

	Unaudited as at 30 June 2024	Unaudited as at 30 June 2023	As at 31 December 2023
Allotted, called up and fully paid	**'000**	'000	'000
73,597,548 (2023: 73,597,548) ordinary shared of £0.005 each	484	484	484
Shares classified in Shareholder's fund	484	484	484

END

IR FELLLZKLEBBD