

Equity Placing

Equity placing to preserve strategic investment capability and to maximise growth

On 19 June 2020 we provided an update to the Company's response to the COVID-19 outbreak and the intention to raise capital through a Placing. This has ensured that the Group could continue to invest in long-term growth as well as short-term working capital needs as markets recover.

The key ways in which these funds will be used are:

- To maintain current year investment of c.£5m in Project Atlas and other growth enablers
- To deploy up to £10m of incremental working capital investment to accelerate growth
- Ensures the Group will emerge from the crisis with a stronger balance sheet, capable of providing a platform to support further organic and acquisition growth

Activity levels showed an improvement during May and into June and the Group has the ability to ramp up to full production across all its locations as demand returns.

Reasons for the Placing

The Group responded quickly and effectively to the COVID-19 outbreak, reducing the financial and operational impacts on the business whilst also reinforcing its financial position. Whilst the Board believes that its existing resources were sufficient to manage through this period of disruption, the current uncertainty meant that, without additional funding in the short-term, it could have been necessary to defer important investment in the business which could impact future growth prospects.

Project Atlas, the Group's transformational multi-year systems and process investment programme, represents a critical part of the Board's long-term strategic plan and is approaching the roll out phase. To maintain momentum in this programme will require £3-4m of investment over the coming months.

The Placing allows the Board to proceed with this programme in the near term, as well as a further c.£2m of planned investment in enhancing the Group's M&A resourcing, unlocking supply chain efficiencies and supporting capacity investment in the Group's high growth operations (including in the USA, Spain, Thailand and India).

The Group has been able to retain its operational capability and has the ability to ramp up capacity quickly across all its sites. As customer demand improves, the rate at which the Group can respond will be determined in part by its ability to invest in working capital. Alongside the ability to maintain its strategic investment programme.

The fundraising will also allow the Group to execute against both committed and opportunistic organic investment initiatives, whilst ensuring the business retains a financial position that manages risk and provides strategic flexibility.

Prior to the outbreak of COVID-19, acquisitions formed a key part of the Group's strategy and the Board believes that the disruption caused by COVID-19 may act as a catalyst to accelerate this

programme. Whilst the Board will always act prudently in assessing potential acquisitions against its rigorous criteria, the Placing will help to ensure that there is the scope to act decisively should attractive 'bolt-on' opportunities present themselves.

Placing result

On 19 June, 12,438,132 new ordinary shares of 5p each in the share capital of the Company were placed with investors at a price of 120.5p per placing share, raising gross proceeds c.£15m. On 23 June, the broker option was exercised in full, placing a total of 830,000 new ordinary shares of 5p each in the share capital of the Company, raising gross proceeds of c.£1m.

The shares became effective on 23 June 2020. The detailed announcements can be found on our website at www.trifast.com

The Company would like to thank shareholders, staff and the founders of TR who supported the Placing.

Following the Placing, material interests, representing 3% or more of the issued share capital of the Company are shown below:

Shareholder	Holding	% of TVR
Castlefield Investments (Sanford DeLand)	19,100,000	14.05%
AXA Framlington Investment Managers	13,410,375	9.87%
Schroder Investment Management	12,491,510	9.19%
Liontrust Asset Management	8,397,204	6.18%
Hargreave Hale Ltd	7,729,192	5.69%
Michael Timms (founder)	7,000,000	5.15%
Threadneedle Asset Management	4,906,547	3.61%
Franklin Templeton Investments	4,598,800	3.38%

Total voting rights (TVR): 135,929,041

The up-to-date investor profile can also be found on our website at www.trifast.com

