('Trifast', the 'Group' 'TR' or 'Company')

Publication of the 2021 Annual Results

"Our fastenings enable innovation today to build a better tomorrow"

LONDON: Tuesday, 22 June 2021: Trifast plc (LSE Premium listing: TRI), a leading international specialist in the design, engineering, manufacture, and distribution of high quality industrial fastenings and Category 'C' components principally to major global assembly industries publishes its FY2021 results for the twelve-month period ended 31 March 2021.

The following information contained within this announcement is a summary taken from the Group's audited Annual Report and Financial Statements for the year ended 31 March 2021 which can be viewed in full via this link:
http://www.rns-pdf.londonstockexchange.com/rns/6209C_1-2021-6-21.pdf

"The foundations are largely in place and Trifast stands on the cusp of an extended period of strong growth – both through continued organic growth and with an increasing focus on value-enhancing acquisitions. We aspire to be a much bigger company and are approaching matters with that in mind. In this pivotal year we will have to navigate a number of headwinds, even so, I can say, that this is the most dynamic time for Trifast in more than a decade."

Jonathan Shearman, Chair

Summary of our FY2021 Group performance

- We are thankful for the continued support of our employees and wider stakeholders during such a trying period
- Resilient performance with revenues of £188.1m down 6% year-on-year
- Underlying operating profit margin of 6.4% (FY2020: 7.9%), assisted by effective cost saving actions
- Underlying diluted EPS reduce to 6.24p at AER (FY2020: 8.64p)
- Very strong cash conversion at 147.9% of Underlying EBITDA reinforces the Group's financial position
- Balance sheet further strengthened by £16m equity raise in June 2020, providing capacity to support investments for growth including working capital
- Strong pipeline and high activity levels build well-placed confidence for the future
- Freight, raw material and lead time pressures impact on margins in the shorter term
- Project Atlas:
  -Total budget increased to c.£17.5m (from c.£15.0m) to prioritise speed of roll-out
  -Roll-out re-commences into Spain, next site Holland
- M&A opportunities increase

Our Group performance [1]

	FY2021 CER	**FY2021 AER**	FY2020	Movement at CER	Movement at AER
Revenue	£188.1m	£188.2m	£200.2m	(6.0)%	(6.0)%
Gross profit (GP)	£50.1m	£49.9m	£55.1m	(9.2)%	(9.4)%
GP%	26.6%	26.5%	27.5%	(90)bps	(100)bps
Underlying operating profit (UOP)	£12.1m	£12.0m	£15.8m	(23.4)%	(23.9)%
UOP %	6.4%	6.4%	7.9%	(150)bps	(150)bps
Underlying EBITDA	£17.7m	£17.6m	£21.2m	(16.5)%	(17.0)%
Underlying EBITDA %	9.4%	9.4%	10.6%	(120)bps	(120)bps
Underlying profit before tax	£11.1m	£11.0m	£14.7m	(24.6)%	(25.2)%
Underlying diluted EPS [1]	6.32p	6.24p	8.64p	(26.9)%	(27.8)%
Cash conversion as a% of UEBITDA		147.9%	105.1%		4,280bps
Underlying ROCE [1,2]		6.8%	8.8%		(200)bps
Adjusted net cash / (debt) [3]		£13.3m	£(15.2)m		£28.5m
Total dividend		1.60p	1.20p		33.3%
GAAP measures					
Operating profit (OP)	£8.9m	£8.8m	£4.1m	117.4%	114.8%
OP%	4.7%	4.7%	2.0%	270bps	270bps
Profit before tax	£7.9m	£7.8m	£3.0m	159.4%	155.9%
Diluted EPS		4.31p	(0.19)p		n/a

1.Presented after the reclassification of IFRS2 Share-based Payments, including related social security costs on exercise, into underlying results. For EPS, the impact has been a reduction of 0.73p from 6.97p (FY2020: 1.90p from 10.54p). For ROCE, a reduction of 90bps from 9.6% (FY2020: 150bps from 12.0%)
2. The calculation for ROCE has also been changed in FY2021 (and restated above for FY2020) to reflect an add back of gross, rather than net debt. The impact of this change is a 190bps reduction from 8.7% in FY2021 (FY2020: 170bps reduction from 10.5%)
3. Stated before IFRS16 Leases

Unless stated otherwise, amounts and comparisons with prior year are calculated at constant currency (Constant Exchange Rate (CER)) and, where we refer to 'underlying', this is defined as being before separately disclosed items (see note 2 in Annual report). FY2021 results are presented after the change in classification of IFRS 2 Share-based Payments from a separately disclosed item into underlying results. The FY2020 results have been restated for comparability. A reconciliation to previously reported numbers is provided in note 33 of the Annual Report (IFRS 2 charges, including related NI costs on exercise – FY2021: £1.2m; FY2020: £2.3m).

Presentation of results

1. The Group will be holding a presentation to financial analysts today at 8.45am. Further details can be obtained by contacting TooleyStreet Communications – details are shown below

2. The management team will also provide a live presentation via the Investor Meet Company platform on Thursday, 24 June 2021 at 8:45am (BST). Investors can sign up to Investor Meet Company without subscription and add to meet **Trifast** via: **https://www.investormeetcompany.com/trifast-plc/register-investor**

   The presentation is open to all existing and potential shareholders. Questions can also be submitted pre-event via your Investor Meet Company dashboard up until 9am the day before the meeting or at any time during the live presentation

3. Investor enquiries can also be made via the Company's stockbroker, Peel Hunt LLP and its corporate access team

Further enquiries please contact:

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Editors' note

LSE Premium Listing: Ticker: TRI
LEI number: 213800WFIVE6RUK3CR22

Trifast plc (TR) is a leading international specialist in the design, engineering, manufacture, and distribution of high quality industrial fastenings and Category 'C' components principally to major global assembly industries. TR employs *c*.1300 people across 32 business locations within the UK, Asia, Europe, and the USA including seven high-volume, high-quality, and cost-effective manufacturing sites across the world. TR supplies to c. 5,000 customers in c. 75 countries worldwide. As a full-service provider to multinational OEMs and Tier 1 companies spanning several sectors, TR delivers comprehensive support to its customers across every requirement, from concept design through to technical engineering consultancy, manufacturing, supply management and global logistics.

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Trifast plc
2021 Annual Results

Letter to Shareholders from the Chair, Jonathan Shearman

Dear shareholder

Introduction

Reflecting on my first year as Chair, and as a part of the team that has the privilege of bringing leadership to Trifast, I am proud of what we have achieved over the past 12 months. There would now appear to be 'light at the end of the tunnel' yet it is only appropriate for me to start by taking this opportunity to once again express my appreciation to our workforce and their families, including those new to Trifast in the past 12 months, for showing much resolve and resilience during what was an extraordinary year.

Whilst grateful, we also mourn with the many who had loved ones taken from them.

Alongside our workforce, I have to note the efforts of our CEO, Mark, and his executive team – my sincere gratitude goes to each of them for their tireless work ethic and bringing direction every day. Finally, my thanks go to the NED team who have made an impact by bringing great wisdom, focus and going the extra mile.

Highlights

It's always tricky to know what to highlight and I would encourage the reader to take in as much of this report as possible – never have I known Trifast be more collaborative, cohesive and systematic in its approach than we are today. This is reflected throughout the pages that follow.

In my letter last year, I referenced the 'opportunities aplenty' that were springing up from difficult circumstances. One year on, I believe we have leant into those opportunities, embracing much challenge, change and simplification – some visible, some behind the scenes.

I am delighted with the evolution, empowerment, and effectiveness of our new management structure. One which is embracing the combination of strategy alongside culture at its core. We have started this year far more agile, with better working practices and our approach as one team more firmly established. Mark will add more flavour to this overleaf.

With regard to our other stakeholders, I believe we have, and are emerging with, a reputation for 'Trusted Reliability'. We are thankful for the continued backing of our shareholders, most notably expressed through their support of the June 2020 equity raise and more generally to the remaining stakeholders during what has also been a trying period for them.

Outlook

The foundations are largely in place and Trifast stands on the cusp of an extended period of strong growth – both through continued organic growth and with an increasing focus on value-enhancing acquisitions. We aspire to be a much bigger company and are approaching matters with that in mind. In this pivotal year we will, as outlined in both the CEO and financial reviews, have to navigate a number of headwinds, even so, I can say, that this is the most dynamic time for Trifast in more than a decade.

22 June 2021

Review by the Chief Executive Officer

"Wow, what a year; one in which we have witnessed so many changes to our lives, our businesses, and the way we interact with each other. I am incredibly proud of how all my colleagues around the world have adapted and worked together, whether that's from home or at one of our 32 locations. That strong sense of collaboration, resilience, and flexibility enabled us to deliver the 'Trusted and Reliable' service we are recognised for around the world both to existing and new customers"

CEO, Mark Belton

Overview

Many industries have been less fortunate than ours, and although understandably our financial results may not have delivered as in previous years, we can safely say that we are in a much better position now than we could ever have thought possible at the start of April last year.

During lockdowns we all had to adapt to new ways of working very quickly and I was proud of the speed and determination of our workforce to make sure we were COVID-19 compliant. By the end of April 2020, all our operations were open and functioning in line with government guidelines and best practices around the world.

As you will read in the financial review, despite the year being disrupted in HY1, we returned to sustained growth over HY2 across all our regions and key markets. Further, with demand ramping up in Q3 and accelerating into Q4, we finished the year stronger than expected, delivering an underlying PBT of £11.0m.

Throughout FY2021 we remained highly cash generative and ended the year with a strong balance sheet, an adjusted net cash position of £13.3m; £0.5m post IFRS 16 Leases (FY2020: net debt of £15.2m) and with significant facility headroom of £62.6m. All of this will help to support the organic investments and the non-organic side of our growth journey, where we are already seeing both the number and quality of opportunities increasing.

Our team

Our team of c.1,300 skilled people has worked incredibly hard, and my words will not do justice as to how difficult it has been, both physically and mentally at times, for everyone. Looking after our workforce is paramount and key to the ongoing success of our business. Through regular, internal digital and written communications and 'open door' practices we are doing everything we can to safeguard the wellbeing of each one of them. In addition, through regular surveys, we have recognised that more recently training and development has not been where we would want it to be and, therefore, this will be an area we are investing in during FY2022.

I personally would like to thank all our workforce on behalf of myself, the Board and all stakeholders for their continued hard work and dedication.

To read more about our people and the OEB please go to pages 54-59 and 88-89 of the Annual Report

Strategy update

Whilst there was clearly an impact from the COVID-19 pandemic and Brexit was a distraction, it did not deflect us from delivering on our strategic objectives. Our core strategy remains supporting our OEM multinationals globally by providing the highest levels of customer service, to innovate, empower and sustain our customers' growth for the longer-term.

As we indicated in our April 2021 trading update, following a year of heightened change and technological development in our end markets, we have revisited our sector analysis for the year being reported, and into the future. This reclassification will better reflect how we serve these markets and target the opportunities within them.

To read more please go to pages 18-19 of the Annual Report

The new presentational split has several advantages:

- By providing better customer focus, led by dedicated, experienced Subject Matter Experts (SMEs) who are aligned to an equivalent supply chain sector SME for support
- By rebalancing certain sectors where market life cycles are subtly different
- By combining certain subsectors, we gain common synergies, and add value across product design and engineering expertise
- By enabling us to take advantage of new emerging disruptive technologies, early-stage developments, and engineering projects, e.g. electric vehicles (EVs), batteries and 5G infrastructure

Our strategic objectives

Investment for organic growth

We entered the pandemic with a focused, experienced and highly skilled workforce and, alongside many other businesses, we welcomed the support offered by governments globally to retain jobs through the period of extreme disruption. By the end of the financial year our workforce had returned to pre-COVID-19 levels, although there have been some changes in the component parts to streamline operations where possible.

As highlighted at our interims, we have continued to invest in the business to support the ongoing, organic growth opportunities. The Operational Executive Board (a cross-functional and regional team), see pages 88 and 89 of the Annual Report, was formed at the start of the year under review and is made up of both internally promoted employees as well as new external recruits from within the industry. This team, as well as other new, key supporting roles in the business, have been instrumental in developing the Group's sustainable growth and efficiency opportunities, pulling together and communicating as 'one voice' and driving the already strong culture and core values through the business.

To read more about our culture please go to pages 22-23 of the Annual Report

In addition, following high organic growth in the locations of Spain, Thailand and the USA, we have extended investment at each of these sites. Further, we have approved the expansion of our facilities in Hungary and within our UK operation PTS to facilitate anticipated future growth.

Although we were well prepared for Brexit, inevitably, as with many businesses, there continues to be delays in getting goods across the border. As a result, we will be utilising our operation based in Germany, TR Kuhlmann, as a base to hold stock, which will enable us to support and service our European-based distributors much more quickly. This will continue to provide a more seamless approach for them, whilst maintaining the strong customer relationships that have been developed over many years.

With respect to Project Atlas, following the successful pilot in October 2020, we are now going live with our distribution businesses; Spain in June 2021 and Holland due to complete training in July 2021

However, as mentioned in April's trading update, the ongoing COVID-19 travel restrictions are inevitably continuing to impact this project. This has been frustrating, as before this we were on target.

Our global talent management system is now operating in 16 of our locations, helping us to reinforce our care and support of our people and ensuring that we provide the tools to support personal development goals, ambition and personal development for everyone around the Trifast Group.

We recognise the importance of the Atlas project as it is a key part of our ongoing evolution; therefore, we have completed a review to reach a sensible compromise that prioritises speed of delivery over total expected costs.

To read more about Project Atlas please go to pages 28-29 in the Annual Report

Acquisitions

Although industry consolidation is constant, our market remains hugely fragmented, with no one player owning more than an estimated 5%. Acquisitions remain a key part of our growth journey and the current economic environment is creating greater momentum and opportunities. Our dedicated in-house resource is working hard to search for businesses that meet our strict acquisition criteria The combination of the renewed banking facilities secured in April 2019 and the equity Placing undertaken in June 2020 has provided the flexibility and confidence to allow us to continue to pursue our strategic aims.

To read more about acquisitions please go to page 30 in the Annual Report

Innovation

I often get asked, "Surely one fastener is the same as any other?" This is not a question you would want to ask one of our engineers, as "not all screws are created equally". More often than not, the fastener is the last thing on the customer's mind when they design a new application, but then it will be the first thing on their mind, if a large battery, for example, vibrates loose from the car due to its fastenings. Our specialist engineers work with the end customer to solve complex problems to find innovative fastening solutions.

To read more please go to pages 32-33 of the Annual Report

Sustainability

Our current corporate social responsibility (CSR) policy has, over the last ten years, provided stakeholders with a relatively good overall understanding of how we operate, and what is important to us as a business. Our most recent analysis scoring by MSCI with a rating of AA and EcoVadis silver award reflects that we are positively recognised for what we disclose.

Understandably, stakeholders today want to learn more about the impact we have on the environment and socioeconomically. These findings can have a bearing on how a company is viewed as an investment case.

As CEO I see this as an invaluable opportunity and have taken on the mantle to develop a new sustainability strategy and incorporate our future sustainability policies and reporting framework into the business. These will detail how the Board and OEB approach, plan and measure, embed and report on the material environmental, social and governance (ESG) drivers to the business.

Integrating sustainability into our business is about identifying and managing emerging risks effectively and seeking out opportunities. We look for ways to drive efficiency and create value within our own operations and across our value chain to deliver a noticeable positive impact for our customers, employees, the environment and communities in which we operate.

Fasteners play a large part in the drive towards a more circular economy, allowing applications to be opened up for repair rather than disposed of if there is a fault.

Likewise, as customers drive their own products to become more environmentally friendly, we are there to support them enabling 'innovation today to build a better tomorrow'. Later this year, we will be delivering a more detailed sustainability report which will provide stakeholders with a medium-term roadmap to include information on our policies, procedures and projects which illustrate our corporate purpose and values. From next year, more ESG metrics will be incorporated into our key performance indicators.

To read in more detail about

- our approach to Sustainability, please go to pages 49-75 of the attached Annual Report
- our solar energy project, please go to page 34 in the Annual Report

Looking forward

I am delighted and very encouraged by where we currently find ourselves – the business has exceeded pre-COVID-19 revenue levels of trading in HY2, demand is continuing to grow, and customer orders are being brought forward. We have already secured several additional global contracts from new and existing customers across each region, and our pipeline of new business has never been so exciting, including several new high-growth markets as mentioned above.

However, we are mindful of the ongoing logistical challenges and pricing pressures that have continued to impact the global industrial supply chain environment. These have included the well-publicised semi-conductor shortages affecting automotive customers, container freight issues, as well as a global shortage of steel, causing pricing and significant lead time pressures. We are working closely with affected customers and suppliers to appropriately manage this; however, we do expect to see some impact on buy/sell margins and a potential build back of inventory levels at least in the shorter term.

There will of course be challenges ahead and impacts in the short term on margins, including as we continue to invest for growth. However, we feel confident that we have the appetite, skills, and structure to meet any challenges head on and to react quickly to change as well as seizing opportunities. As we drive the benefits from our strategic initiatives, we look forward from FY2022 to margin improvement and realisation of our exciting medium-term aspiration.

Finally, with vaccines being rolled out and hope that for us all life will return to a near normal soon, on behalf of us all at Trifast, we wish you well. Thank you to all our stakeholders for trusting in us and we look forward to keeping you abreast of our plans throughout the coming year.

The strategic report can be read in full on pages 1-83 of the Annual Report
To read more about:

- our culture, please go to pages 22-23 of the Annual Report
- our strategic objectives, please go to pages 26-27 of the Annual Report
- our strategy in action please go to pages 28-34 of the Annual Report
- the OEB please go to pages 88-89 of the Annual Report

Trifast - the aspiration

Those who have been following our recent journey, know that the last five years have been a period of investment. Over that time, we have been working hard to establish the strong foundations that we need to achieve our growth aspirations, via additional resource and technical expertise, an improved operational structure with the formation of the Operational Executive Board, enhanced manufacturing capabilities, expanded distribution geographies and, of course, digitisation.

What does medium-term success look like for Trifast?

- Organic revenue growth to exceed global GDP, reflecting ongoing market share gains in our key sectors and geographies
- An accelerated M&A journey, with multiple transactions specifically and carefully focused to support and overlay our organic ambitions
- Targeted ongoing investment into our fastest-growing geographies and markets, as well as our manufacturing and digital capabilities
- Efficient balance sheet structure that focuses on ensuring optimal working capital and cash management to maximise returns on invested capital
- Project Atlas implemented across all key geographies and businesses around the Group
- Margin improvement as the current high levels of transport and raw material pricing pressures abate. Further supplemented by operational gearing gains and the successful achievement of the Atlas benefits case
- Continued focus on capital allocation includes dividends as part of TSR
- Supporting emerging and sustainable technologies, such as electric vehicles and charging infrastructure, renewable energy, UVC and 5G

The Trifast culture remains at the heart of our business, no matter how big we get, we are committed to remaining a truly people-focused organisation that supports all those who work with us, the customers, and suppliers that we contract with, and one that takes an active role in the communities and the wider environment in which we operate.

To read more about

- our culture please go to pages 22-23 of the Annual Report
- our business and investment case, see pages IFC to page 5 of the Annual Report
- what medium term success and market opportunities could look like for Trifast, see pages 14-19 of the Annual Report

Project Atlas

"A transformational investment to build an integrated global business"

Project Atlas is a significant multi-year investment into the integration and development of the Group's IT business platform and its underlying processes, policies and procedures.

The medium-term benefit case supporting this investment has always been very compelling, with an annualised ROI of >25% expected at the point of full realisation. In the short term we have already reaped rewards, as we have been better able to function in a COVID-19 restricted world over the last year, than would otherwise have been possible.

Creating the Trifast of tomorrow

Following a successful on-site pilot in Ireland in October 2020, and a COVID-19 deferred go live at our TR España site in June 2021, our wider implementation timetable is now underway. In the short term the ongoing roll out will create significant capacity as more businesses come online. This will allow us to drive continuous improvement and operational efficiencies. Increased integration will afford different parts of our business to be better able to support and collaborate with each other.

Improved access to real-time, Group-wide management information will also drive quicker and better strategic decision-making and a more proactive approach to opportunities and challenges.

Our global talent management system is now operating in 16 locations, helping us to better support ambition and personal development for our people around the world.

What a difference a global pandemic can make The challenges

The ongoing COVID-19 travel restrictions are inevitably continuing to impact the Project, whilst rapid returns in trading volumes are creating logistical and lead time challenges (compounded in the UK with Brexit), and putting additional operational pressure on our underlying businesses.

We are mindful that any timetable delays will push out the benefit case realisation, as well as incurring ongoing Project costs for a longer period; we have therefore revisited both the timetable and budget together, so we can reach a sensible compromise between speed of delivery versus total expected costs.

The solutions

The primary focus has been to prioritise roll out to all relevant distribution entities by the end of FY2023, thereby allowing full benefit realisation to still commence in the second half of FY2024. This will be followed by roll out to our manufacturing entities.

Our key mitigation strategies include remote and concurrent roll outs, an acceleration of the main UK implementation, and investment in additional pre-transition resource to support roll out during such challenging operational times.

The financial impact

As a result, we are currently expecting the total cost of Project Atlas to be in the region of £17.5m (original budget: £15.0m). Whilst additional costs are disappointing, the Board strongly believe protecting the timeline and future-proofing against further COVID-19 disruptions is the right thing to do in response to these exceptional circumstances.

This is especially true given the strength of the benefit case, as even against these higher costs, we still expect the Project to have a >25% ROI at the point of full realisation.

Group financial review

“In such a fragmented market, the combination of our customer and supplier relationships, our engineering know-how, our ongoing strategic investment journey and our balance sheet strength put us in a great position to make the most of the organic and M&A opportunities in front of us”

Clare Foster, CFO

Our Group performance

There can be no doubt that FY2021 has been a hugely challenging year for the Group.

COVID-19 had a significant impact on trading in the first quarter, with revenues in April approximately 50% lower year-on-year. However, by September the Group overall returned to year-on-year growth, a trend that we continued to see on a monthly basis throughout the second half of the year. So much so, that we recorded our highest sales for November, December, February and March on record.

Our health & home and distributor sectors were quickest to recover, with FY2021 growth already coming back into these markets at the end of Q2. By Q4, we were seeing a more universal return to growth across all of our key sectors and geographies.

Overall, this means that the Group has been able to deliver a resilient performance in FY2021, despite such turbulent market conditions, and we were able to contain the revenue decrease to 6.0% at £188.1m (2020: £200.2m).

Gross margins have decreased by 90bps to 26.6% (AER 100bps to 26.5%; FY2020: 27.5%) as fixed and semi-fixed costs are less easily absorbed by the reduction in sales, and the recent sharp increases in freight costs have further impacted on gross margins, most specifically in Q4. We have undertaken a number of measured cost-saving actions and have made use of government support schemes where appropriate (£2.1m). As a result of these actions and their timeliness, we achieved underlying operating profit margins of 6.4% (FY2020: 7.9%).

Our underlying PBT is down 24.6% to £11.1m at CER, £12.3m before IFRS 2 reclassification (AER: down 25.2%, to £11.0m, £12.2m before IFRS 2 reclassification, FY2020: £14.7m, £17.1m before IFRS 2 reclassification), representing a marked improvement on HY1 where reported underlying PBT reduced by 60.8%, to £4.1m (HY2020: £10.6m). Underlying diluted earnings per share (EPS) at CER is down 26.9% to 6.32p and at AER, down 27.8% to 6.24p (FY2020: 8.64p). 0.66p of this reduction reflects the impact of the £16.0m equity raise.

Our PBT at AER is £7.8m, up 155.9% on prior year (FY2020: £3.0m). This increase is due to no impairments recognised in the year (FY2020: £7.8m), partially offset by the lower trading levels from the impact of COVID-19. As a result of this, diluted earnings per share increased to 4.31p (FY2020: loss of 0.19p).

Our cash generation has been exceptionally strong over the year, with an underlying conversion rate of 147.9% (FY2020: 105.1%). We remain in a net cash position of £0.5m following on from the successful equity raise in June 2020. We continue to have good access to banking facilities, with unutilised facilities of £62.6m, providing us with the security and flexibility to continue to invest in our future growth.

CER continues to be the best way of understanding the positive progress of our underlying business.

To aid understanding, the impact of this on our key metrics is illustrated on the graph on page 40 of the Annual Report

Dividend policy

In order to allow us to appropriately manage our financial position and flexibility in the face of the extreme disruption and uncertainty present at the time, we did not propose an interim dividend for FY2021 (FY2020: interim 1.20p). However, reflective of the strong recovery demonstrated by the Group through the second half of the year, the Board is pleased to report that we are proposing, subject to shareholder approval, a final dividend of 1.60p (FY2020: nil).

This represents a dividend cover of 3.9x (FY2020: cover of 7.2x). The final dividend will be paid on 15 October 2021 to shareholders on the register at the close of business on 17 September 2021. The ordinary shares will become ex-dividend on 16 September 2021.

As explained in our capital allocation policy the Board recognises the role of dividends in forming part of our total shareholder return (TSR). As such, it is committed to a progressive policy with a target pay-out of between 3x to 4x adjusted earnings. For the medium term, the Board believes a pay-out ratio at the top end of this range is appropriate to allow ongoing organic growth, strategic investments and M&A to support the Group’s medium-term aspirations.

To read more about capital allocation please go to page 48 of the Annual Report

Revenue

Due to the challenging market conditions, most specifically in Q1 due to the impact of COVID-19, we have seen revenue declines across most of our regions (ranging from 8.7% to 9.2%). This is except in Europe where trading levels remained in line with FY2020. The year has been a game of two halves, with overall Group revenues reducing by 21.0% in the first half of the year, and then recovery driving an overall 9.8% year-on-year increase in HY2.

Our European region has shown the quickest bounce back, with FY2021 revenues of £72.7m remaining in line with the prior year at CER (FY2020: £72.7m) and 1.1% ahead at AER, £73.5m. The biggest drivers for this are firstly in Hungary, where we have seen double-digit growth in our energy, tech & infrastructure business. In Italy we have seen a rapid return to growth, as the health & home sector saw recovery in demand start as early as Q2. While our fast-growing site in Spain, despite challenging market conditions and some semi-conductor led reductions in the light vehicle sector, has continued to increase year-on-year trading by >50% due to market share wins. Our more established light vehicle focused sites, including Sweden and Holland, have seen a slower return to growth, but we are pleased to report that both recorded double-digit increases in the second half of the year. Weakened general industrial sector demand hampered trading levels at our German site until the latter part of the year, although even here, monthly year-on-year growth returned in Q4.

In Asia, we have seen a more mixed picture, with overall revenues down 8.8% to £49.7m at CER (AER: 9.6% to £49.3m, FY2020: £54.5m). Double-digit growth returned to our Singapore operations in HY2, buoyed by a quicker recovery in the health & home sector, especially at one of our key global OEMs. This was further assisted by a softer Q4 comparative in the prior year due to local lockdowns in Malaysia. Our Shanghai operations have maintained growth throughout FY2021, reflecting the rapid re-opening of the local economy even in Q1 of the year. In Taiwan, our indirect sales into light vehicles (via distributor customers) have been more significantly impacted by volume reductions in the key European market, and more latterly, by local labour and raw material shortages. Light vehicle manufacturing volumes at our key domestic OEMs in Malaysia have been slower to show a consistent recovery, hampering growth at our Malaysian site, but offset in part by double-digit market share gains in Thailand in HY2, where we continue to make a success of this fast-growing location.

Overall, our UK business has declined by 8.7% to £68.9m (FY2020: £75.5m), reflecting a challenging start to the year. Although we saw growth across the board in HY2, particularly in our Distributor sector, where high order levels have continued into Q4 beyond the pre-Brexit stock piling we reported in December 2020. Our two UK pure Distributor sites have both shown strong double-digit growth in HY2, whilst our main UK trading subsidiary, TR Fastenings Ltd, has also returned to growth as demand starts to recover across all end markets. We are pleased to report that our latest acquisition, PTS, continued to grow in both HY1 and HY2 despite the macro conditions. This perfectly illustrates their high level of expertise and ability to make market share wins, in the less crowded stainless steel market.

In our smallest region, the USA, we have seen an overall reduction in revenues of 9.2% to £10.0m at CER (AER: 11.8% to £9.7m, FY2020: £11.0m). We did return to growth in HY2, as markets started to recover. However, this was slower than in our other regions as a number of key light vehicle Tier 1 customers deferred start of production dates and reduced volumes due to shortages in semi-conductor supplies.

Underlying operating profit

Underlying operating margins have reduced by 150bps, to 6.4% (FY2020: 7.9%) to generate an operating profit of £12.1m at CER (AER: reduced 150bps to £12.0m, FY2020: £15.8m).

In Europe, where trading levels have remained high, the underlying operating margin has stayed consistent at 7.2% (FY2020: 7.3%). Gross margins in the region did reduce slightly, largely due to freight cost increases in Q4, partially offset by favourable movements in the average €:$ exchange rate. The remainder has been offset at underlying operating profit level by effective cost-saving actions including, pay rise deferrals, bonus reductions, recruitment freezes, reduced travel and discretionary spend and the use of job retention schemes.

In Asia, underlying operating margins have held up exceptionally well, with a reduction of only 120bps to 13.3% (FY2020: 14.5%). Reducing sales against a semi-fixed cost base has had a negative impact, however we have been able to more than offset this through cost savings (as detailed for Europe above). Notwithstanding this, a balance sheet translation loss of £0.9m (FY2020: gain of £0.2m), due to a weaker US$ in the period, has led to the overall reduction noted.

In the UK, underlying operating margins have decreased by 230bps to 5.4% (FY2020: 7.7%). Reduced sales over a semi-fixed cost base have driven the majority of the reduction. The impact of this has been mitigated in part by cost savings at both the cost of sales and overhead level (as detailed for Europe above), including by benefiting from the use of the government furlough scheme predominantly in the first half of the year.

In our smallest region, the USA, UOP margins have significantly reduced by 790bps to an operating loss of 5.7% (FY2020: profit of 2.2%). This reflects the reduction in sales against a semi-fixed cost base, further compounded by significant relative increases in freight costs in Q4 and higher stock provisioning levels. Some careful cost savings have been made, but this has been more difficult in a region where we are investing for a return to high organic growth in the short to medium term (FY2015 to FY2020 CAGR: c.20%).

Operating profit
Operating margins have increased to 4.7% (FY2020: 2.0%). No impairments were recognised in the year (FY2020: £7.8m) which has caused the increase, partially offset by the reduced trading levels explained above.

Europe has the biggest increase in operating margins to 5.6% (FY2020: (3.8)%) as £7.0m of the impairment was recognised in this region last year.

In Asia, operating margins have remained broadly in line at 13.2% (FY2020: 13.0%). The increase is through no impairment being recognised in the year (FY2020: £0.8m), further impacted by the factors explained in the underlying operating profit section above.

UK and USA operating margin reductions to 4.5% and (5.9)% respectively (FY2020: 6.8% and 1.8% respectively) are due to the trading level reductions explained above.

GAAP measures: operating profit by region (AER) [1]

	FY2021		FY2020	
	Profit / (loss) £m	**Margin**	Profit / (loss) £m	Margin
UK	**3.1**	**4.5%**	5.1	6.8%
Europe	**4.1**	**5.6%**	(2.8)	(3.8)%
Asia	**6.5**	**13.2%**	7.1	13.0%
USA	**(0.6)**	**(5.9)%**	0.2	1.8%
Central costs	**(4.3)**	**n/a**	(5.5)	n/a
Total	**8.8**	**4.7%**	4.1	2.0%

[1] After allocating separately disclosed items

Net financing costs (at AER)
Interest costs have remained level at £1.0m (FY2020: £1.0m) despite the reduction in gross bank debt as net marginal interest rates, net of commitment fees, remain low and the Group's main banking facilities are unchanged.

Taxation (at AER)
The underlying effective tax rate (ETR) has reduced 300bps to 23.9% (FY2020: 26.9%). The main reason for this decrease is due to a deferred tax charge on share options in the prior year.

Subject to future tax changes and excluding prior year adjustments, our normalised underlying ETR is expected to remain in the range of c.22-25% going forward.

The main reason for the difference between our FY2021 ETR of 25.6% and the FY2020 ETR of 107.8% is due to the impairment charges reported in FY2020.

Net cash (AER)
As at 31 March 2021 the Group was in an adjusted net cash position of £13.3m, £0.5m including right-of-use lease liabilities (FY2020: adjusted net debt of £15.2m). Some £15.4m of this increase relates to the net proceeds from the equity raise in June 2020.

Cash generation has been exceptionally strong with an increased conversion rate of underlying EBITDA to underlying cash of 147.9% (FY2020: 105.1%). Stock levels have reduced in part due to Q4 logistical challenges and creditors have increased to support higher forecast trading levels.

Excluding additional investments into Project Atlas of £2.3m, we have also incurred capital expenditure of £1.8m, largely on routine plant and machinery maintenance across our manufacturing sites.

Adjusted net cash bridge can be seen on page 44 of the Annual Report

Banking facilities

The Group successfully renegotiated its banking facilities in April 2019 and has access to an £80m revolving credit facility over a four-year term, with an option to extend for up to one year, and an additional £40m accordion facility to support acquisitions.

The Group's banking facilities include covenants to maintain an adjusted leverage ratio of below 3.0x and an interest cover ratio above 4.0x on a rolling 12-month basis. At 31 March 2021, the Group was in a net cash position and had an adjusted interest cover of 23x.

Looking ahead, the Board has set a preferred adjusted net debt to underlying EBITDA ratio range of 1.0x to 1.5x. This would only be breached via an acquisition, or more uncertain macroeconomic circumstances, and where a short-term reversal can be reasonably expected.

Equity raise

On 19 June 2020, the Company announced its intention to conduct a non-pre-emptive Placing of new ordinary shares of 5p each in the Company to raise gross proceeds of up to £15m and a broker option to raise gross proceeds of up to £1m.

The Placing was undertaken to ensure that the Group can continue to support its long-term strategic investments as well as being able to maximise its growth in the short term as markets recover, including:

- Confidence to maintain FY2021 investment in Project Atlas and other growth enablers
- Confidence to deploy up to £10m of incremental working capital investment to support sales
- To ensure the Group will emerge from the crisis with a stronger balance sheet, capable of providing a platform to support further organic and acquisition growth

As a result, a total of 12,448,132 new ordinary shares of 5p each in the share capital of the Company were placed at a price of 120.5p per Placing share, raising gross proceeds of approximately £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 approximately £1m.

The combination of the banking facilities and the equity raise provide us with the flexibility and confidence to follow our strategic aims, and an appropriate security of tenure and funding to support us in a less certain macroeconomic environment.

To read more about our strategic investments please go to pages 28-30 in the Annual Report

Return on capital employed (at AER)

As at 31 March 2021, the Group's shareholders' equity had increased to £131.8m (FY2020: £115.7m). This £16.1m movement is made up of a retained profit of £4.3m, £15.6m of share capital issued in the equity raise, other share movements of £1.1m (including the net utilisation of own shares held to honour equity reward schemes) and a foreign exchange loss of £4.9m.

Over this increased asset base, our underlying ROCE, as represented to include IFRS 2 in our underlying EBIT, has reduced to 6.8% (FY2020: 8.8%).

Cost control and restructuring programmes

As previously reported, over the course of FY2021 the business took a series of mitigating actions to manage our cost base and preserve cash, resulting in realised cash savings of c.£10.0m, including:

- Full use of all available government-backed job retention and wage subsidy schemes to protect jobs – total received £2.1m (HY1: £1.9m; HY2: £0.2m) see note 1w) in the Annual Report
- 20% fee and salary reduction for the Board during Q1, with no annual bonus and no salary/fee rises in FY2021
- Deferral of recruitment/pay rises and reduction in executive bonus levels
- Project Atlas re-aligned in the face of extensive travel restrictions
- No final dividend proposed for FY2020
- Discretionary cost savings

Whilst the above helped to reinforce the Group's financial position in a period of great uncertainty, the majority of these savings were only short term, especially now that demand and growth have returned so strongly to our key markets.

Over the course of the second half of the year, we also performed a more detailed review of our underlying cost base. As the Group is in a period of investment-driven growth, this was not expected to result in any substantial cost savings. However, the business has seen some small reductions in our global headcount, as well as property rightsizing at two of our locations because of the work undertaken. Total restructuring costs related to this were £0.4m, (see note 2 in the Annual Report).

Plans are also under development which could bring further efficiencies into our warehouse and manufacturing processes over the course of FY2022, although realisation of these is expected to be dependent on how long it takes for the current high level of operational and logistical challenges to settle.

Disposal of TR Formac (Malaysia) SDN Bhd

Following a strategic review of the Group's businesses around the world, the Board made the decision to dispose of our smallest manufacturing site in Penang, Malaysia. In contrast to the rest of our production facilities, this business was focused on more standard product manufacture and therefore was no longer considered a good fit with the Group's strategic direction. On 4 November 2020, the sale to the local Managing Director was completed for proceeds of £0.2m (FY2020 revenues: £0.9m). The loss on sale (including the recycling of the relevant foreign exchange reserve) was £0.3m (see note 38 in the Annual Report).

Project Atlas

The financial impact of the work undertaken to date on this project is as follows. We have incurred direct costs of £2.3m in FY2021 (cumulatively £12.3m), largely relating to project team, consultancy and training costs. We have excluded £1.1m of these costs from our underlying results (see note 2 in the Annual Report), to reflect the unusual scale and one-off nature of this project. In line with accounting standards, we have also recognised the remaining £1.2m (cumulatively £5.6m) as fixed assets on the balance sheet at 31 March 2021. These will start to be amortised as the new IT system begins to be rolled out across our global sites in FY2022.

The short-term outlook, paving the way to our medium-term aspirations

"The next couple of years for Trifast remain a very exciting and challenging time for the business as we build the momentum for our medium-term aspirations"

As the world recovers from and learns to live with COVID-19, there will be many opportunities and challenges. We are already seeing the positive impact of this, with a pipeline and activity levels that have never been stronger. Our global customers, existing and potential, are now operating in a world of increased consumer demand. New technologies are finding their way into many of our core sectors – from electric vehicles and charging technology, UV lighting and lamps to the roll-out of 5G and smart infrastructure. The products that Trifast sell, and the engineering, manufacturing, and logistical capabilities that we provide to our customers are putting us at the forefront of this evolution.

However, there can be no doubt of the shorter-term 'recovery pains' that all this opportunity is bringing. Raw material shortages and price increases are raising our input costs and impacting on margins in the shorter term until inflationary pressures can be passed on. Component shortages are impacting some customers, especially in the light vehicle sector. Labour shortages, most keenly felt in Asia as migrant workers are no longer able to travel freely, are increasing lead times and costs at our own and our third-party manufacturers. The increased risk of temporary lockdowns continues to exist in certain jurisdictions. Whilst the widely reported substantial increases in freight cost and high levels of transport disruption are again impacting margins and creating a significant amount of additional work.

Right now, and for the foreseeable future, operationally we are working ever closer with our suppliers and logistics providers so as to not let a customer down. At the same time, investment in and the ongoing evolution of our business continues, to allow us to achieve our exciting medium-term aspirations. Our cost base in FY2022 will need to normalise after the temporary savings that we were able to make in FY2021, and further investment will be needed into our fast-growing entities and also more generally to continue to build and develop our foundations for the future. Both FY2022 and FY2023 will be key roll-out years for Project Atlas, which will bring its own challenges, as some resource is inevitably refocused away from the day-to-day business, and at a time when the operational workload couldn't be higher.

There can be no doubt that operational and commercial macro-level challenges, and our ongoing strategic investments, will put pressure on short-term margin recovery. However, with these investments, the Board remains confident in its strategic journey and profitable growth aspirations. There has never been a more exciting and dynamic time for the Trifast Group. Our future is bright, and we are looking ahead with well-placed optimism.

To read more about our medium-term aspirations and Project Atlas, please go to pages 14-15 and 28-29 respectively of the Annual Report

To read about the impact that the presentational change of IFRS 2 Share-based Payments (including related NI costs on exercise) into underlying results has had on our key metrics, please go to page 46 of the Annual Report

Trifast plc
Consolidated income statement
for the year ended 31 March 2021

	Annual Report Note	2021 £000	2020 £000
Continuing operations			
Revenue	3,36	**188,161**	200,221
Cost of sales		**(138,247)**	(145,114)
Gross profit		**49,914**	55,107
Other operating income	4	**595**	424
Distribution expenses		**(3,773)**	(4,627)
Administrative expenses before separately disclosed items[1]		**(34,754)**	(35,152)
Acquired intangible amortisation	2,14	**(1,428)**	(1,409)
Project Atlas	2	**(1,082)**	(2,505)
Restructuring costs	2	**(377)**	-
Loss on disposal of TR Formac (Malaysia) SDN Bhd	2,38	**(280)**	-
Equity raise costs	2,37	**(59)**	-
Impairments in goodwill	2,14	**-**	(7,761)
Total administrative expenses		**(37,980)**	(46,827)
Operating profit	5,6,7	**8,756**	4,077
Financial income	8	**37**	82
Financial expenses	8	**(1,009)**	(1,117)
Net financing costs		**(972)**	(1,035)
Profit before taxation	3	**7,784**	3,042
Taxation	9	**(1,994)**	(3,280)
Profit / (loss) for the year			
(attributable to equity shareholders of the Parent Company)		**5,790**	(238)
Earnings / (loss) per share			
Basic	26	**4.33p**	(0.19)p
Diluted	26	**4.31p**	(0.19)p

1. Presented after the reclassification into underlying results of IFRS2 Share-based Payments, including related social security costs on exercise, see note 2 in the Annual Report.

Consolidated statement of comprehensive income
for the year ended 31 March 2021

	2021 £000	2020 £000
Profit / (loss) for the year	**5,790**	**(238)**
Other comprehensive (loss) / income for the year:		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	(4,916)	**1,342**
Gain / (loss) on a hedge of a net investment taken to equity	34	**(924)**
Other comprehensive (loss) / income recognised directly in equity	**(4,882)**	**418**
Total comprehensive income recognised for the year		
(attributable to the equity shareholders of the Parent Company)	**908**	**180**

Consolidated statement of changes in equity

for the year ended 31 March 2021

	Share capital £000	Share premium £000	Merger Reserve £000	Own shares held £000	Translation reserve £000	Retained earnings £000	Total equity £000
Balance at 31 March 2020	**6,132**	**22,340**	**-**	**(1,934)**	**14,406**	**74,716**	**115,660**
Total comprehensive income for the year:							
Profit for the year	**-**	**-**	**-**	**-**	**-**	**5,790**	**5,790**
Other comprehensive loss for the year	**-**	**-**	**-**	**-**	**(4,882)**	**-**	**(4,882)**
Total comprehensive income recognised for the year	**-**	**-**	**-**	**-**	**(4,882)**	**5,790**	**908**
Issue of share capital	**670**	**121**	**14,807**	**-**	**-**	**-**	**15,598**
Presentation transfer to merger reserve [1]	**-**	**-**	**1,521**	**-**	**-**	**(1,521)**	**-**
Share-based payment transactions (net of tax)	**-**	**-**	**-**	**-**	**-**	**1,154**	**1,154**
Movement in own shares held	**-**	**-**	**-**	**1,339**	**-**	**(1,398)**	**(59)**
Dividends	**-**	**-**	**-**	**-**	**-**	**(1,457)**	**(1,457)**
Total transactions with owners	**670**	**121**	**16,328**	**1,339**	**-**	**(3,222)**	**15,236**
Balance at 31 March 2021	**6,802**	**22,461**	**16,328**	**(595)**	**9,524**	**77,284**	**131,804**

1. Previously, the merger reserve was reported in retained earnings at a consolidated level. Due to the additional merger reserve created from the equity raise (see note 37 in the Annual Report) in the current period, management now consider it appropriate to separately disclose the merger reserve. Therefore, we have transferred the £1.5m previously reported in retained earnings to the merger reserve

Consolidated statement of changes in equity

for the year ended 31 March 2020

	Share capital £000	Share premium £000	Own shares held £000	Translation reserve £000	Retained earnings £000	Total equity £000
Balance at 31 March 2019	6,095	21,914	(3,019)	13,988	82,115	121,093
Effect of change in accounting policy (IFRS16)	-	-	-	-	(1,069)	(1,069)
Balance at 31 March 2019 (restated)	6,095	21,914	(3,019)	13,988	81,046	120,024
Total comprehensive income for the year:						
Loss for the year	-	-	-	-	(238)	(238)
Other comprehensive income for the year	-	-	-	418	-	418
Total comprehensive income recognised for the year	-	-	-	418	(238)	180
Issue of share capital	37	426	-	-	(16)	447
Share-based payment transactions (net of tax)	-	-	-	-	1,836	1,836
Movement in own shares held	-	-	1,085	-	(2,778)	(1,693)
Dividends	-	-	-	-	(5,134)	(5,134)
Total transactions with owners	37	426	1,085	-	(6,092)	(4,544)
Balance at 31 March 2020	6,132	22,340	(1,934)	14,406	74,716	115,660

Statements of financial position

at 31 March 2021

	Annual Report Note	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Non-current assets					
Property, plant, and equipment	10,11	**18,743**	20,427	**2,300**	2,384
Right-of-use assets	12,13	**11,958**	13,788	**60**	24
Intangible assets	14,15	**38,452**	39,155	**5,691**	4,088
Equity investments	16	**-**	-	**42,320**	42,006
Non-current trade and other receivables	20	**-**	-	**44,318**	-
Deferred tax assets	17,18	**2,539**	1,926	**721**	381
Total non-current assets		**71,692**	75,296	**95,410**	48,883
Current assets					
Inventories	19	**54,765**	59,187	**-**	-
Trade and other receivables	20	**53,194**	52,928	**2,375**	48,911
Cash and cash equivalents	27	**30,265**	28,727	**2,256**	265
Total current assets		**138,224**	140,842	**4,631**	49,176
Total assets	3	**209,916**	216,138	**100,041**	98,059
Current liabilities					
Other interest-bearing loans and borrowings	21,27	**-**	266	**-**	-
Trade and other payables	22	**41,133**	34,914	**5,506**	4,587
Right-of-use liabilities	12,13,21,27	**2,726**	3,113	**19**	11
Tax payable		**2,645**	1,817	**-**	-
Total current liabilities		**46,504**	40,110	**5,525**	4,598
Non-current liabilities					
Other interest-bearing loans and borrowings	21,27	**16,970**	43,622	**16,970**	43,622
Right-of-use liabilities	12,13,21,27	**10,060**	11,996	**42**	14
Provisions	24	**1,023**	959	**-**	-
Deferred tax liabilities	17,18	**3,555**	3,791	**-**	-
Total non-current liabilities		**31,608**	60,368	**17,012**	43,636
Total liabilities	3	**78,112**	100,478	**22,537**	48,234
Net assets		**131,804**	115,660	**77,504**	49,825
Equity					
Share capital		**6,802**	6,132	**6,802**	6,132
Share premium		**22,461**	22,340	**22,461**	22,340
Merger reserve		**16,328**	-	**16,328**	1,521
Own shares held		**(595)**	(1,934)	**(595)**	(1,934)
Reserves		**9,524**	14,406	**-**	-
Retained earnings		**77,284**	74,716	**32,508**	21,766
Total equity		**131,804**	115,660	**77,504**	49,825

The profit after tax for the Company is £12.5m (FY2020: £4.2m).

Statements of cash flows

for the year ended 31 March 2021

	Annual Report Note	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Cash flows from operating activities					
Profit / (loss) for the year		**5,790**	(238)	**12,472**	4,166
Adjustments for:					
Depreciation, amortisation, and impairment	10,11,14	**3,813**	11,541	**84**	85
Right-of-use asset depreciation	12,13	**3,229**	3,118	**19**	19
Unrealised foreign currency (gain) / loss		**(17)**	89	**(23)**	82
Financial income	8	**(37)**	(82)	**(83)**	(115)
Financial expense (excluding right-of-use liabilities)	8	**696**	752	**708**	742
Right-of-use liabilities' financial expense	12,13	**313**	365	**-**	-
Gain on sale of property, plant and equipment and investments		**(7)**	(3)	**-**	-
Dividends received		**-**	-	**(16,628)**	(10,072)
Equity settled share-based payment charge		**1,052**	1,981	**133**	441
Loss from sale of TR Formac (Malaysia) SDN Bhd		**280**	-	**108**	-
Taxation charge	9	**1,994**	3,280	**(268)**	41
Costs incurred on issue of share capital		**59**	-	**59**	-
Operating cash inflow / (outflow) before changes in working capital and provisions		**17,165**	20,803	**(3,419)**	(4,611)
Change in trade and other receivables		**(3,080)**	2,060	**2,239**	(2,310)
Change in inventories		**2,571**	(1,217)	**-**	-
Change in trade and other payables		**7,861**	(2,242)	**1,034**	(538)
Change in provisions		**64**	-	**-**	-
Cash generated from / (used in) operations		**24,581**	19,404	**(146)**	(7,459)
Tax paid		**(1,283)**	(3,889)	**-**	-
Net cash from / (used in) operating activities		**23,298**	15,515	**(146)**	(7,459)
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment		**8**	7	**-**	-
Interest received		**38**	82	**82**	108
Acquisition of subsidiary, net of cash acquired		**-**	(503)	**-**	-
Acquisition of property, plant and equipment and intangibles	10,11,14,15	**(3,060)**	(4,594)	**(1,603)**	(3,145)
Proceeds from sale of TR Formac (Malaysia) SDN Bhd, net of cash held		**33**	-	**-**	-
Dividends received		**-**	-	**16,628**	10,072
Net cash (used in) / from investing activities		**(2,981)**	(5,008)	**15,107**	7,035
Cash flows from financing activities					
Proceeds from the issue of share capital	25,37	**15,540**	447	**15,540**	447
Purchase of own shares	25	**(59)**	(1,693)	**(59)**	(1,693)
Proceeds from new loan		**-**	45,026	**-**	44,225
Repayment of borrowings		**(25,656)**	(41,620)	**(26,390)**	(37,318)
(Payment) / proceeds from finance leases		**-**	(74)	**-**	-
Repayment of right-of-use liabilities	12,13	**(3,658)**	(3,487)	**(18)**	(18)
Dividends paid	25	**(1,457)**	(5,134)	**(1,457)**	(5,134)
Interest paid		**(763)**	(752)	**(586)**	(719)
Net cash used in financing activities		**(17,053)**	(7,287)	**(12,970)**	(210)
Net change in cash and cash equivalents		**3,264**	3,220	**1,991**	(634)
Cash and cash equivalents at 1 April		**28,727**	25,199	**265**	899
Effect of exchange rate fluctuations on cash held		**(1,726)**	308	**-**	-
Cash and cash equivalents at 31 March		**30,265**	28,727	**2,256**	265

Geographical operating segments

The Group is comprised of the following main geographical operating segments:

- UK
- Europe: includes Norway, Sweden, Hungary, Ireland, Holland, Italy, Germany, Spain, and Poland
- USA: includes USA and Mexico
- Asia: includes Malaysia, China, Singapore, Taiwan, Thailand, India, and Philippines

In presenting information on the basis of geographical operating segments, segment revenue and segment assets are based on the geographical location of our entities across the world and are consolidated into the four distinct geographical regions, which the Operational Executive Board uses to monitor and assess the Group. Interest is reported on a net basis rather than gross as this is how it is presented to the Chief Operating Decision Maker. All material non-current assets are located in the country the relevant Group entity is incorporated in.

March 2021	**UK £000**	**Europe £000**	**USA £000**	**Asia £000**	**Common costs £000**	**Total £000**
Revenue						
Revenue from external customers	**64,116**	**72,151**	**9,596**	**42,298**	**-**	**188,161**
Inter-segment revenue	**4,776**	**1,359**	**143**	**6,987**	**-**	**13,265**
Total revenue	**68,892**	**73,510**	**9,739**	**49,285**	**-**	**201,426**
Underlying operating result	**3,744**	**5,221**	**(574)**	**6,522**	**(2,931)**	**11,982**
Net financing costs	**(129)**	**(105)**	**(64)**	**(48)**	**(626)**	**(972)**
Underlying segment result	**3,615**	**5,116**	**(638)**	**6,474**	**(3,557)**	**11,010**
Separately disclosed items						**(3,226)**
Profit before tax						**7,784**
Specific disclosure items						
Depreciation and amortisation	**(2,000)**	**(2,787)**	**(237)**	**(1,915)**	**(103)**	**(7,042)**
Government support income	**679**	**373**	**-**	**976**	**35**	**2,063**
Assets and liabilities						
Non-current asset additions	**818**	**1,161**	**19**	**1,041**	**1,658**	**4,697**
Segment assets	**63,441**	**67,309**	**8,002**	**59,300**	**11,864**	**209,916**
Segment liabilities	**(26,559)**	**(17,935)**	**(1,860)**	**(13,344)**	**(18,414)**	**(78,112)**

March 2020	UK £000	Europe £000	USA £000	Asia £000	Common costs £000	Total £000
Revenue						
Revenue from external customers	71,979	71,217	10,864	46,161	-	200,221
Inter-segment revenue	3,521	1,521	177	8,363	-	13,582
Total revenue	75,500	72,738	11,041	54,524	-	213,803
Underlying operating result	5,848	5,284	245	7,917	(3,542)	15,752
Net financing costs	(161)	(102)	(114)	(33)	(625)	(1,035)
Underlying segment result	5,687	5,182	131	7,884	(4,167)	14,717
Separately disclosed items						(11,675)
Profit before tax						3,042
Specific disclosure items						
Depreciation and amortisation	(1,841)	(2,717)	(235)	(1,949)	(103)	(6,845)
Government support income	-	(6,966)	-	(795)	-	(7,761)
Assets and liabilities						
Non-current asset additions	3,021	777	136	1,463	3,167	8,564
Segment assets	65,679	69,836	8,897	64,534	7,192	216,138
Segment liabilities	(24,127)	(16,150)	(1,855)	(13,582)	(44,764)	(100,478)

Underlying profit before tax and separately disclosed items	Annual Report Note	2021 £000	2020 £000
Underlying profit before tax		**11,010**	14,717
Separately disclosed items within administrative expenses			
Acquired intangible amortisation	14	**(1,428)**	(1,409)
Project Atlas		**(1,082)**	(2,505)
Restructuring costs		**(377)**	-
Loss on disposal of TR Formac (Malaysia) SDN Bhd	38	**(280)**	-
Equity raise costs	37	**(59)**	-
Impairment in goodwill	14	**-**	(7,761)
Profit before tax		**7,784**	3,042

	Annual Report Note	2021 £000	2020 £000
Underlying EBITDA		**17,596**	21,188
Separately disclosed items within administrative expenses			
Project Atlas		**(1,082)**	(2,505)
Restructuring costs		**(377)**	-
Loss on disposal of TR Formac (Malaysia) SDN Bhd	38	**(280)**	-
Equity raise costs	37	**(59)**	-
Impairment in goodwill	14	**-**	(7,761)
EBITDA		**15,798**	10,922
Acquired intangible amortisation		**(1,428)**	(1,409)
Depreciation and non-acquired amortisation		**(5,614)**	(5,436)
Operating profit		**8,756**	4,077

For further information please see page 145-147 of the Annual Report

2021 Annual Report and Annual General Meeting (AGM)

In addition to the link on the front of this announcement to a pdf the Annual Report, it will be available in due course to view and download from the Company website at www.trifast.com, and it will also be uploaded to the National Storage Mechanism in due course. https://www.fca.org.uk/markets/primary-markets/regulatory-disclosures/national-storage-mechanism

The 2021 Annual Report and financial statements will also be available on request by writing to: The Company Secretary, Trifast plc, Trifast House, Bellbrook Park, Uckfield, East Sussex TN22 1QW, alternatively email: Companysecretariat@trifast.com.

Details of the AGM, which is to be held as a hybrid meeting at 12noon on 28 July 2021, will be sent to Shareholders in due course together with the Annual Report, Notice of Meeting and Form of Proxy.

The financial information set out in this release does not constitute the Group's statutory Report and Accounts for the years ended 31 March 2021 or 2020 but is derived from the 2021 Report and Accounts (pdf attached to this announcement on page 1).

The Report and Accounts for 2020 have been delivered to the Registrar of Companies and those for 2021 will be delivered in due course. The external auditor has reported on the 2021 Report and Accounts; the report was (i) unqualified, (ii) did not include references to any matters to which the external auditor drew attention by way of emphasis without qualifying the reports and (iii) did not contain statements under section 498(2) or (3) of the Companies Act 2006. The Auditors Report can be read on pages 124-131 of the Annual Report

The 2021 Annual Report and financial statements were approved by the Board of Directors on 21 June 2021.

Forward Looking Statement

This document may contain certain forward-looking statements. The forward-looking statements reflect the knowledge and information available to the Company during the preparation and up to the publication of this document. By their very nature, these statements depend upon circumstances and relate to events that may occur in the future thereby involve a degree of uncertainty. Therefore, nothing in this document should be construed as a profit forecast by the Company.

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the Company's obligations under Article 17 of MAR. Upon the publication of this announcement via the Regulatory Information Service, this inside information is now considered to be in the public domain.