



The information contained within this announcement is deemed by the Company to constitute inside information stipulated under the Market Abuse Regulation (EU) No. 596/2014. Upon the publication of this announcement via the Regulatory Information Service, this inside information is now considered to be in the public domain.

Trifast plc
(Trifast, Group or TR)

"Holding the world together"

International specialist in the design, engineering, manufacture and distribution of high quality industrial and Category 'C' fastenings principally to major global assembly industries

Trading Update

London, Friday, 14 February 2020: The Board of *Trifast* provides the following unaudited trading update covering the Q3 financial period and up to the date of this announcement.

TRADING

In our Half-year results for the six months ended 30 September 2019, we commented that in the current financial year we expected trading to be weighted towards the second half in line with our normal trading pattern. However, since our announcement in November 2019 market conditions have become more challenging than had been anticipated, reflecting greater volatility of results in Q3, and a slower than forecast start to Q4 (the latter being historically our strongest quarter in the financial year).

The impact of this weakness has continued to constrain revenue growth across a number of our sectors. With a corresponding reduction in gross and operating margins against a semi-fixed cost base being further impacted by deferred start of production dates. As a result, following a review of our year-to-date results and an update to our Q4 forecasts, the Board has concluded that the Group's underlying profit before tax in FY2020 is now expected to be at the lower end of analysts' forecasts.

Coronavirus

To date the impact of the Coronavirus epidemic has been restricted to the extended closure of our Chinese sites and a corresponding reduction in locally generated revenues. It is not possible at this time to assess how extensive any longer term impacts will be, but we are already working closely with our customers and supplier base, only c.10% of which originates in mainland China, to minimise these risks as far as possible.

Looking ahead

Both FY2021 and FY2022 are key investment years for the *Trifast* business. Not least as it is over this time period that we will see the majority of the global roll-out of Project Atlas take place.

We remain confident that this transformational investment in our systems, processes and procedures will drive at least a 25% return on investment. With benefits expected across all parts of our business from sales generation, supplier management, warehouse efficiencies and improved data and management information. Whilst the project timetable continues to be on track and on budget, in the current volatile macro-economic environment, the shorter-term phasing of that benefit realisation is likely to be slower than was originally anticipated.

Notwithstanding the current high levels of uncertainty, we are pleased to report that our pipeline of new wins is strong and activity levels around the Group continue to be encouraging. This means despite a challenging FY2020 the business remains well positioned in its markets and we are optimistic regarding prospects for revenue growth in FY2021 and beyond. We are encouraged and supported by the fact that we have lost neither business nor customers over this difficult period and continue to hold preferred supplier status at a wide range of large manufacturers across the globe.

The strong long-term fundamentals of our business model and strategy are unchanged and the Board continues to be optimistic for the medium-term future.

The Company will provide a further Trading update in April ahead of annual results scheduled to take place on 23 June 2020.

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About us:

Trifast plc (TR) is an international specialist in the design, engineering, manufacture and distribution of high quality industrial and Category 'C' fastenings principally to major global assembly industries.

TR employs c.1300 people across 32 business locations within the UK, Asia, Europe and the USA including eight high volume, high-quality and cost-effective manufacturing sites across the world. *TR* supplies over 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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