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If you have sold or otherwise transferred all of your Ordinary Shares please forward this document and the accompanying documents as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. If you have sold or otherwise transferred part of your holding of Ordinary Shares, you should retain these documents and consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

This document, which comprises a circular relating to the Acquisition prepared in accordance with Listing Rule 13.3, has been approved as such by the Financial Conduct Authority. This document should be read as a whole. Your attention is drawn to the letter from the Chairman of the Company set out on pages 4 to 5 (inclusive) of this document which recommends that you vote in favour of the Resolution to be proposed at the General Meeting. Your attention is also drawn to the risk factors which are set out at pages 6 to 9 (inclusive) of this document.

TRIFAST PLC

(Incorporated and registered in England and Wales under number 01919797)

Proposed acquisition of Viterie Italia Centrale Srl

Circular to Shareholders

and

Notice of General Meeting

Arden Partners plc

Financial adviser and sponsor

Arden Partners plc, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as financial adviser and sponsor to the Company in relation to the Acquisition and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Arden Partners plc nor for providing advice in relation to the Acquisition or any other transaction or arrangement referred to in this document and, apart from the responsibilities and liabilities which may be imposed on Arden Partners plc under FSMA, Arden Partners plc accepts no responsibility whatsoever and makes no representation or warranty, express or implied, for or in respect of the contents of this document, including its accuracy, completeness or verification, nor for any other statement made or purported to be made by it, or on its behalf, in connection with the Company or the Acquisition. Arden Partners plc accordingly disclaims to the fullest extent permitted by law all and any liability, whether arising in tort, contract or otherwise, which it might otherwise be found to have in respect of this document or any such statement.

Notice of the General Meeting of Trifast plc, to be held at 10 a.m. on 30 May 2014 at Trifast House, Bellbrook Park, Uckfield, TN22 1QW is set out at the end of this document. A Form of Proxy is enclosed for use by Shareholders in connection with the meeting. To be valid, Forms of Proxy, completed, or submitted electronically, in accordance with the instructions printed thereon, must be received at Trifast plc's registrars, Computershare Investor Services PLC, in accordance with the instructions printed on it as soon as possible and, in any event, so as to be received no later than 10 a.m. on 28 May 2014. Completion and return of the Form of Proxy will not preclude Shareholders from attending and voting at the General Meeting should they so wish.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

2014

Latest time and date for receipt of Forms of Proxy for the General Meeting	10 a.m. on 28 May
General Meeting	10 a.m. on 30 May
Expected date for completion of the Acquisition	30 May
Admission of Consideration Shares to the Official List and to trading on the premium listing segment of the Main Market of the London Stock Exchange	2 June

Notes:

- (1) References to times in this timetable are to London (BST) times unless otherwise stated.
- (2) The timing and occurrence of events following the General Meeting are dependent upon, and subject to, the approval of the Resolution at the General Meeting.

Each of the times and dates in the above timetable is indicative only and subject to change, in which event details of the new times and/or dates will be notified to the UK Listing Authority and the London Stock Exchange and, where appropriate, Shareholders by means of an announcement made through a Regulatory Information Service.

PART I
LETTER FROM THE CHAIRMAN
TRIFAST PLC

(Incorporated under the Companies Acts 1948-81 and registered in England and Wales under number 01919797)

Directors

Malcolm Diamond MBE (Executive Chairman)

Jim Barker (Chief Executive Officer)

Mark Belton (Group Finance Director)

Geoff Budd (Managing Director TR Europe)

Glenda Roberts (Group Sales Director)

*Neil Chapman**

*Jonathan Shearman**

*Scott Mac Meekin**

** Independent Non-Executive Director*

Trifast House

Bellbrook Park

Uckfield

TN22 1QW

7 May 2014

To Shareholders and, for information only, to the holders of options under the Share Option Schemes

Dear Shareholder,

**Proposed acquisition of VIC,
and notice of General Meeting**

1. Introduction

The Board of Trifast has conditionally agreed to acquire the entire issued quotaholding of Viterie Italia Centrale Srl ("VIC") for an aggregate consideration of €27 million, comprising €24.15 million payable in cash on completion of the Acquisition and €2.85 million to be represented by the Consideration Shares, subject to adjustment in the event that the agreed level of working capital is not left in VIC at completion. Under Italian law, the capital stock of VIC is represented solely by 'quotas' rather than shares, and Trifast will be purchasing the entire issued capital stock of VIC (the quotaholding) under the Acquisition Agreement.

In addition, it has been agreed that a further payment may be due to the Vendors depending upon the performance of VIC over the twelve month period ending on 31 December 2014. If VIC generates a post-tax profit (as defined in the Acquisition Agreement) for the year ended 31 December 2014 which exceeds €3,000,000, then for each €1 above this sum an additional €5 is payable to the Vendors, subject to a maximum payment amount of €5,000,000. This sum is to be paid once the post-tax profits have been calculated in accordance with the Acquisition Agreement. Until such time as these additional monies have been paid in accordance with the Acquisition Agreement, any warranty or indemnity claims can be off-set (if proved or settled) against monies due to be paid, and if any claim is not settled or resolved an amount can be withheld from the monies paid until this matter is resolved.

The cash consideration is to be funded from the Current Bank Facility. The Acquisition constitutes a Class 1 transaction for the purposes of the Listing Rules and, as such, requires the prior approval of Shareholders.

The Acquisition is conditional, *inter alia*, on the passing by Shareholders of the Resolution at a General Meeting of the Company being convened for 10 a.m. on 30 May 2014. The purpose of this document is to provide you with details of the Acquisition and the Resolution, and to explain why your Board considers that these proposals are in the best interests of the Company and its Shareholders as a whole and why the Directors recommend that you vote in favour of the Resolution at the General Meeting. In the event that the Resolution is not passed, the Acquisition will not proceed. You are recommended to read the whole of this document and not solely rely on any part of it.

A summary of the background to and reasons for the Acquisition can be found at paragraphs 1 and 2 of Part IV of this document. Your attention is also directed to the risks in connection with the Acquisition at Part II of this document.

2. General Meeting

You will find set out at the end of this document a notice convening a General Meeting of the Company to be held at 10 a.m. on 30 May 2014 to consider and, if thought fit, pass an ordinary resolution to approve the Acquisition.

The Listing Rules require that the Acquisition (being a Class 1 transaction for the purposes of the Listing Rules) be approved by the members of the Company in general meeting and this is the reason for the Resolution.

The Company intends to allot the Consideration Shares using the authority given to them by the Shareholders pursuant to resolution 10 of the business passed by the Company at its annual general meeting on 17 September 2013, whereby the Company was authorised to allot shares with a par value of up to £1,807,647 pursuant to section 551 of the Companies Act 2006.

3. Action to be taken

Shareholders will find enclosed a Form of Proxy for use at the General Meeting. **Whether or not you intend to be present at the meeting, you are asked to complete the Form of Proxy in accordance with the instructions thereon and return it by post to the Company's registrars, Computershare Investor Services PLC, so as to be received as soon as possible and, in any event, not later than 10 a.m. on 28 May 2014.** Completion and return of the Form of Proxy will not preclude you from attending the General Meeting and voting in person should you so wish.

You may also submit your proxies electronically using your investor code detailed on the Form of Proxy. If you hold shares in CREST you may appoint a proxy by completing and transmitting a CREST Proxy Instruction to CREST ID 3RA50 so that it is received by no later than 10 a.m. on 28 May 2014.

4. Recommendation

The Board believes that the Acquisition and the Resolution are in the best interests of the Company and its Shareholders as a whole.

Accordingly, the Board unanimously recommends Shareholders to vote in favour of the Resolution to be proposed at the General Meeting, as those Directors, who are also Shareholders, intend to do in respect of their own beneficial holdings of Ordinary Shares which amount, in aggregate, to 3,019,665 Ordinary Shares, representing approximately 2.8 per cent. of the issued Ordinary Shares.

Yours sincerely,

Malcolm Diamond MBE
Chairman

PART II

RISK FACTORS

Shareholders should be aware that the Acquisition by the Company involves a degree of risk (which could materially and adversely affect the Company's business, financial condition or results of operations). In addition to the other information contained in this document, the following risk factors should be considered carefully. The Directors consider the following risks to be all the known material risks regarding the Acquisition. The risks and uncertainties described below should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties. Additional risks and uncertainties arising from the Acquisition not presently known to the Directors, or that the Directors currently deem immaterial, may also have an adverse effect on the Company and the Enlarged Group.

A. RISKS RELATING TO TRIFAST, VIC AND THE ENLARGED GROUP

The following risks contained in this Part II of the document apply to each of the Company, VIC and the members of Enlarged Group (together the "Companies").

1. Risks associated with the Acquisition

Completion of the Acquisition is conditional upon the satisfaction of certain conditions, including, amongst other things, the Acquisition being approved by the Shareholders at the General Meeting. Further details in relation to the Acquisition Agreement are set out in Part VII of this document. There can be no assurance that the conditions will be satisfied or waived (if applicable). If the conditions are not satisfied or waived, the Acquisition will not take effect.

The Company is receiving the benefit of certain warranties and indemnities from the Vendors under the Acquisition Agreement, which are underwritten by an insurance policy specifically intended to offer both the Vendors and the Company capped protection against any claims made against either following the Acquisition. In the event of the insolvency of the Vendors, or a matter falling outside the insurance coverage, the Company would have to bear any irrecoverable losses thereunder itself. The Directors have sought to mitigate this risk by structuring the Acquisition so that certain additional monies which would be payable to the Vendors in the event of VIC generating a post-tax profit (as defined in the Acquisition Agreement) for the year ended 31 December 2014 in excess of €3,000,000 (subject to a maximum payment amount of €5,000,000) shall serve as a sum against which warranty and indemnity claims can be offset (if proven or settled). Further, by having a third party insurer underwrite the warranties and indemnities, this mitigates against the risk that the Vendors may be unable to meet any warranty or indemnity claim.

There are risks which may have a material adverse impact on the financial performance of the Enlarged Group that relate to difficulties in the integration of VIC into the Group. These risks include loss of key management following the Acquisition, loss of key customers, loss of supplier relationships, difficulties in the integration of information technology systems and other infrastructure systems and any cultural differences. As a result of these risks, the Company may not realise all of the anticipated benefits of the Acquisition, either in a timely manner, or at all. One factor against the risk of loss of key management is that the Acquisition Agreement provides that the sum of €2.85 million of the consideration (to be represented by the allotment of Consideration Shares) is payable to Carlo Perini (whom the Directors consider to be the key management employee of VIC). This provides a significant link for this key individual with the Company so that his interests and the interests of the Company will to some extent align.

2. Borrowings and interest rate risk

The Acquisition will result in the raising of additional debt finance, which will increase the overall levels of borrowing in the Enlarged Group. The Enlarged Group's borrowing costs are likely to increase as a result of this additional debt and may also increase further due to increases in interest rates as set by the lending institutions.

3. Taxation

Any change in any of the Companies' tax status, the tax consequences of the Acquisition, or in taxation legislation in the UK or in the jurisdictions in which they operate as a consequence of the Acquisition could affect the Companies' profitability and ability to maintain returns to Shareholders.

B. RISKS RELATING SPECIFICALLY TO VIC

1. Significant key customers

Indesit, Electrolux and Whirlpool have historically been significant customers of VIC. There is no guarantee (contractual or otherwise) that these sales will continue in the future. The loss of these customers (or any of them) would have a material adverse effect on VIC's future financial performance.

2. Governmental changes

Should there be a change in Italian government policy which had a detrimental effect on foreign owned businesses (notwithstanding that the Company is resident within the European Union), this could have an adverse impact on the financial position of VIC.

3. Unionisation

As with many other companies in Italy, the employees of VIC have union representation. Trifast (and its Group) has little experience of working with a unionised workforce, and there are risks that this may result in increased employee costs being incurred in VIC (compared with other members of the Enlarged Group) and increased management time being spent on union matters. The Company will try to mitigate these risks by ensuring that the existing VIC management team (who have experience in union matters) remain involved with VIC following the Acquisition.

4. Change to VIC business before completion

The business of VIC will continue on a day-to-day basis until completion of the Acquisition Agreement. There is a risk that until the time of completion there may be an adverse change to VIC's business which affects the profitability of VIC. To protect against this risk, Trifast has included terms in the Acquisition Agreement which govern how VIC is to be run in the period until completion, and the additional consideration is payable based upon the post-tax profits for the year ended 31 December 2014.

5. Exposure to markets

VIC primarily operates within the white goods sector, so that if there was a downturn in this sector it could have a material adverse effect on VIC's business.

6. Change of control

Contracts with certain customers contain provisions (such as requiring the consent of the counterparty) which would apply in the event of a change of control of VIC, as will occur at such time as the Acquisition is completed. The Company intends to take appropriate steps to ensure that these customers are comfortable with the change of control.

7. Supply chains

VIC's supply chains are global and they have many key suppliers in Asia and Europe. These supply chains could be interrupted by factors beyond VIC's control including, for example, the insolvency or failure of key suppliers, internal or external political, economic or social issues or natural disasters, any of which could have a material adverse effect on VIC's business.

8. Product risk

VIC are manufacturers and distributors of small components and as such sell many millions of parts each year. There is a risk of their parts failing either during a subsequent assembly process or after installation. This could result in litigation and/or a product recall, which could have a material adverse effect on the Enlarged Group's reputation, business and financial condition.

VIC has been notified of certain product claims which they have disputed, and Trifast has sought indemnities from the Vendors against such claims in the Acquisition Agreement.

9. Pricing pressures and competition within the domestic appliance sector

The domestic appliance sector is subject to pricing pressures, both from competitors and customers, which could adversely impact the financial performance of VIC and the Enlarged Group.

Appearances of new competitors could weaken the Enlarged Group's competitive position. Other companies which are larger and have significantly more capital to invest in development than the Companies may emerge as new competitors.

10. Lack of long-term customer contracts

Long-term customer contracts are not generally a feature of the fastener industry. Consistent with that, a material part of VIC's revenues, whilst generated from long-term customer relationships, are not subject to long-term contractual commitments. As a result VIC do not have guaranteed contractual revenues and makes sales based on customer orders which could reduce.

11. Technology changes

Should there be any significant changes in technology whereby a customer reduces the numbers or type of parts required or they are completely engineered out of a product then this could have a material adverse effect on VIC's business. This would be particularly felt by VIC due to its focus on product innovation.

To address this risk the Companies work with their customers to keep developing and updating their product bases.

12. Loss of key personnel

The future success of VIC is substantially dependent on the continued services and continuing contributions of VIC's directors, senior management and other key personnel. The loss of the service of any of VIC's directors, senior management or other key personnel could have a material adverse effect on VIC's business.

The key individual in VIC (Carlo Perini) has agreed that part of his consideration as vendor is to be in the form of Consideration Shares, which it is hoped will align his interests and those of the Enlarged Group.

13. Bad debts

VIC has an active policy to monitor aged debts and provides against potential bad debts and in addition the Company carries credit insurance through factoring (without recourse) on certain significant customers. VIC has had to write off only one material bad debt in the past five years – a debt of €245,646 from Antonio Merloni S.p.A. on 31 December 2009.

C. GENERAL RISKS

1. Dilution of shareholdings

The effect of the Consideration Shares being issued will be to reduce the proportionate ownership and voting interests in the Ordinary Shares of holders of Existing Ordinary Shares on a *pro rata* basis. The Consideration Shares represent approximately 2.7 per cent. as a percentage of the Enlarged Issued Share Capital.

2. Growth management

If the Directors do not effectively manage the Companies' growth, the quality of their products and services may suffer. This could negatively affect the Companies' brand and operating results. Growth has placed, and is expected to continue to place, a strain on managerial, administrative, operational and financial resources and infrastructure. Future success will depend, in part, upon the ability of senior management to manage growth effectively. This may require the Companies to:

- implement additional management information systems;
- further develop operating, administrative, financial and accounting systems and controls;
- hire additional personnel;
- develop additional levels of management within the Companies;
- locate additional office space in various countries; and
- maintain close co-ordination among manufacturing, operations, legal, finance, sales and marketing and customer service and support organisations.

3. International risk

The Companies are also subject to the following risks in managing an organisation operating in part outside the UK:

- challenges caused by distance, language and cultural differences;
- general economic conditions in each country or region;
- fluctuations in currency exchange rates;
- frequent regulatory changes in less established legal systems;
- political unrest, terrorism and the potential for other hostilities;
- public health risks, particularly in areas in which the Companies have significant operations;
- longer payment cycles and difficulties in collecting accounts receivable;
- overlapping tax regimes;
- the Companies' ability to repatriate funds held by their international subsidiaries at favourable tax rates or at all;
- difficulties in transferring funds to or from certain countries; and
- reduced protection for intellectual property rights in some countries.

If the Directors are unable to manage the international aspects of the Companies' business outlined above, their operating results and overall business may be significantly and adversely affected.

The Companies are subject to international laws and regulations which may be uncommon or different from those applicable in the United Kingdom and which may increase the cost of doing business in these countries. Possible violations of such laws and regulations could result in fines and/or criminal sanctions against the Companies' officers or their employees.

4. Currency risk

Due to the global nature of their business, the Companies trade in many currencies. The Acquisition will increase the Enlarged Group's trading in non-sterling currencies, particularly in Euros. Movement in currency exchange rates can therefore affect the Companies' financial performance.

5. Bribery Act 2010

On 1 July 2011 the Bribery Act 2010 came into force in the UK. This legislation affects the Company as a company registered in England and Wales. In addition to providing penalties against bribing another person, being bribed, and bribing foreign public officials, the Bribery Act 2010 also includes a new obligation on UK commercial organisations to prevent bribery. This latter offence has caused considerable concerns in commercial circles as the offence can be committed where a third party associated with the company (including employees) bribes a third party for the purposes of obtaining or retaining a benefit for the company. A defence to this offence exists where the company in question has adequate procedures in place to prevent associated persons undertaking such conduct. The Company's response has been to develop an 'anti-bribery' policy which is communicated to employees and provides clear and direct communication channels to the Board for employees if they suspect that bribery is occurring (or is at risk of occurring) within the Group.

6. Anti-dumping risk

Anti-dumping duties have been imposed within the EU in relation to imports from certain nations and this could have a large effect on the industry of the Companies (eg. up to 74 per cent. duty is levied on male threaded metal fasteners exported from China into the EU). There is a risk that the EU could extend these duties to other countries outside the EU where the Companies produce or manufacture products, resulting in decreased profits and international competitiveness for the Companies.

PART III

PERSONS RESPONSIBLE AND ADVISERS

1. Persons responsible

Trifast and the Directors, whose names appear below, accept responsibility for all the information contained in this document. To the best of the knowledge and belief of Trifast and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Directors, company secretary and advisers of the Company

Directors

Malcolm Diamond MBE (Executive Chairman)
Jim Barker (Chief Executive Officer)
Mark Belton (Group Finance Director)
Geoff Budd (Managing Director TR Europe)
Glenda Roberts (Group Sales Director)
*Neil Chapman**
*Jonathan Shearman**
*Scott Mac Meekin**
**Independent Non-Executive Director*

Company secretary

Mark Belton

Registered office

Trifast House
Bellbrook Park
Uckfield TN22 1QW

Sponsor

Arden Partners plc
125 Old Broad Street
London EC2N 1AR

Reporting accountant

KPMG LLP
15 Canada Square
London E14 5GL
Chartered Accountants regulated by ICAEW

Solicitors to the Company

Charles Russell LLP
Compass House
Lypiatt Road
Cheltenham
Gloucestershire GL50 2QJ

Registrar

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS13 8AE

PART IV

INFORMATION ON TRIFAST AND THE ACQUISITION

1. Introduction to and details of the Acquisition

The Board has conditionally agreed to acquire the entire issued quotaholding of VIC pursuant to the Acquisition Agreement.

The Acquisition Agreement provides that the aggregate consideration payable is €27 million, comprising €24.15 million payable in cash on completion of the Acquisition and €2.85 million to be represented by the issue of the Consideration Shares, and subject to adjustment in the event that the agreed level of working capital is not left in VIC at completion.

In addition, it has been agreed that a further payment may be due to the Vendors depending upon the performance of VIC over the twelve month period ending on 31 December 2014. If VIC generates a post-tax profit (as defined in the Acquisition Agreement) for the year ended 31 December 2014 which exceeds €3,000,000, then for each €1 above this sum an additional €5 is payable to the Vendors, subject to a maximum payment amount of €5,000,000. This sum is to be paid once the post-tax profits have been calculated in accordance with the Acquisition Agreement. Until such time as these additional monies have been paid in accordance with the Acquisition Agreement, any warranty or indemnity claims can be off-set (if proved or settled) against monies due to be paid, and if any claim is not settled or resolved an amount can be withheld from the monies paid until this matter is resolved.

The cash consideration is to be funded from the Current Bank Facility. The Acquisition constitutes a Class 1 transaction for the purposes of the Listing Rules and, as such, requires the prior approval of Shareholders in general meeting and a resolution to approve the same is set out in the notice of General Meeting which appears at the end of this document.

The Acquisition Agreement is conditional, *inter alia*, on the passing of the Resolution.

Pursuant to the terms of the Acquisition Agreement, the Vendors have agreed to provide certain warranties customary for a transaction of this nature in relation to VIC. In addition, the Vendors and Company have agreed that the Company will take out an insurance policy against the risk that a claim is made under certain of the warranty provisions of the Acquisition Agreement. The liability of the Vendors under the warranties is capped at €1,000,000 plus the amount of the further payment (if any) due in respect of the post-tax profits in the twelve month period to 31 December 2014 as set out above. The liability of the insurer is capped at €12,000,000. Carlo Perini has also entered into non-compete and non-solicitation covenants to protect the goodwill of VIC for a period of three years.

2. Background to and reasons for the Acquisition

Over the past five years, Trifast's management team, led by Jim Barker, has successfully restructured Trifast's operations across its European, Asian and United States businesses.

The number of Trifast sites in Europe and the United States have been rationalised and the management organisation has been streamlined. The Board believes that Trifast is now well positioned to operate with a more appropriate cost structure and with better operating margins. In addition the Directors reinstated the global sales team in 2009 and reinvigorated a growth strategy with the existing sales force, which has had a positive effect on 'new business wins' on an ongoing basis.

Following this restructuring, the Group continues to focus on expanding the business both organically and by acquisition. In addition to the successful acquisition of PowerSteel & Electro-Plating Works SDN Bhd in Malaysia in late 2011, the Board has continued to look at further acquisition opportunities as well as investing in new facilities and operations.

Trifast's core competencies are the design, manufacture and distribution of industrial fastenings to the electronics and telecommunications, general industrial, automotive, domestic appliances and other distributors industries in Europe, Asia and the United States.

The Directors believe that the Acquisition will form a key additional part of Trifast's future expansion by providing an additional competitive manufacturing facility in Europe to complement the Group's existing resources in Asia.

The Directors believe that the Acquisition represents an excellent strategic fit for Trifast as VIC operates as a manufacturer of highly engineered parts mainly to the domestic appliance industry

(white goods) plus early development into automotive lighting components. This capability will enable Trifast to offer a wider range of threaded fasteners manufactured within the Enlarged Group's facilities to these industry sectors, which the Directors consider to be strategic for its global aspirations.

In addition, the Directors believe that VIC's operational management team will benefit from Trifast's global sales and marketing resources and will present opportunities beyond their current European customer base, whilst simultaneously allowing Trifast access to VIC's clients.

The acquisition of VIC will enable the Group to increase the size of its overall business with limited overlap with Trifast's existing business and is consistent with Trifast's strategy to grow by acquisition whilst capitalising on investment and organic growth opportunities. There is also a significant opportunity to grow the combined businesses by selectively investing in new facilities, plant and machinery.

The Directors expect the Acquisition to be earnings enhancing for the Group on a self managing and standalone basis without the need for any synergies. This statement does not constitute a profit forecast nor should it be interpreted to mean that the future earnings per Ordinary Share of the Group following completion of the Acquisition will necessarily match or exceed historical earnings per Ordinary Share.

The Directors believe that VIC offers an opportunity for growth not only within the European market, but also utilising the Group's sales and marketing resources, to offer technical expertise in white goods components to manufacturers in Asia and the United States thus providing a strong strategic rationale matched by a compelling financial case.

3. Information on VIC

3.1 Overview of VIC's principal activities, products and markets

History of VIC

VIC was established in 1964 by the Perini family in Fabriano, central Italy and initially specialised in the design, production and distribution of customised self-tapping and thread-forming screws. Since then the company has grown rapidly through integration and diversification of its product range.

The original founder of the business wanted to retire in 2007 (being in his seventies), and to liquidate his quotas. In 2008 DGPA, an Italian private equity firm, acquired a 70 per cent. stake in the company from the founder, leaving 30 per cent. with the son of the founder (Carlo Perini) who is the current and ongoing Managing Director.

In accordance with its exit strategy, DGPA has decided to sell its entire interest in VIC, as has Carlo Perini. The Vendors believe that by joining part of a larger group in the same sector, VIC's successful business model could be rolled out further in Europe and into Asia and the United States. Trifast fulfils not only this strategic ambition, but have been known to Carlo Perini as offering a strong cultural fit – a key requirement for his future career aspirations within an enlarged group. For these reasons Trifast was specifically selected as a potential purchaser for VIC by Ernst & Young Financial – Business Advisors S.p.A., the selling agents.

VIC predominantly manufactures and distributes fastening systems for the white goods industry. This market presents high entry barriers due to the strong loyalty of customers who require tailor-made solutions and a highly efficient logistics service.

With almost 50 years of activity, VIC has established long-standing relationships with its customers. VIC's key customers are the European leading manufacturers of white goods, including Indesit, Whirlpool, Electrolux, Elica and BSH Bosch and Siemens.

VIC's focus and continued efforts on customisation have allowed VIC not only to keep up with output markets' technological development, but also to often act as an innovator, reinforcing its competitive positioning.

Fastening solutions are specifically designed and engineered where applicable for each client to meet specific needs. VIC is currently able to use its know-how and customised approach in fastening applications among different sectors (automotive, electronics, etc.) reducing the dependence from the white goods industry and the risk profile of its business model.

VIC has a young, experienced and motivated management team, led by Carlo Perini who is known to and has been respected by Trifast's management team for several years.

Key factors for proposed purchase by Trifast

VIC is a specialist in fastener solutions for the white goods industry (with a strength in designing and manufacturing integrated “one component” shipping screws that reduce in-place cost for the washing machine market), and recently it has expanded into automotive lighting fastening components. This would add considerable impetus to Trifast’s existing domestic appliance sector, adding design/manufacturing/application as a major new Group resource, with Carlo Perini expected to play a key role in expanding the customer base into other European based assemblers, and into the United States and Asia.

There is an opportunity to expand VIC’s business geographically via Trifast’s existing facilities. The strategy of pursuing unique fastener applications with custom price levels match the Company’s current business model objectives – particularly in the automotive sector.

VIC manufactures products in-house and imports the balance from local and overseas suppliers. This “make or buy” policy improves commerciality and reflects the Company’s policy on sourcing.

The Directors believe that the Acquisition would spread the Enlarged Group’s industry sector perceived risk exposure by substantially enlarging the domestic appliance percentage revenue (and so proportionately reducing automotive revenue).

The Directors consider that the fact that washing machines, dishwashers, fridges, freezers and dryers by their very function cannot be made dimensionally smaller, this reduces the risk impact of future drastic design changes – such as happened a few years ago with flat screen TVs and now with tablets proving to be viable replacements for laptops.

Anti-dumping duties imposed by Brussels on certain imports outside the EU are an important aspect of risk management within Trifast’s industry sector. Italy remains a relatively low cost producer in Europe of metal fasteners. The Directors expect that bringing a substantial Italian factory into the Group should provide a competitive alternative resource, and cut lead times and transport costs.

VIC’s Italian factory is well integrated with a computer monitored modern production plant, in parallel with in-house heat treatment and zinc electroplating surface finish lines, thus enhancing the scope of lean manufacturing and sophisticated cost monitoring.

3.2 Financial information on VIC

The audited results of VIC for the three years ended 31 December 2013 are set out in the VIC historical financial information in Part V of this document.

The VIC historical financial information in Part V of this document shows that VIC had net assets and gross assets as at 31 December 2013 of €17.89 million and €31.88 million respectively. A summary of the trading results for VIC as extracted, without material adjustment, from the VIC historical financial information in Part V of this document is set out below. Investors should read the whole of this document and should not just rely on the summary below:

	Year ended 31 December		
	2011	2012	2013
	EUR’000	EUR’000	EUR’000
Revenue	21,693	23,186	27,069
Gross profit	5,336	5,866	7,904
Profit before tax	3,164	3,234	5,419
Total assets	29,259	31,866	31,876
Net cash/(net debt)	(3,956)	(1,271)	2,299
Total equity	15,221	14,379	17,888

4. Current trading and prospects of the Enlarged Group

The Directors maintain their belief stated in the Company’s announcement of 15 April 2014 that the Company’s audited financial results for the year ended 31 March 2014 will exceed market expectations as they were at the time, namely that underlying profit before tax for the Company’s financial year to 31 March 2014 will be at least £8.6 million. The Directors confirm that these figures have been extracted from the Company’s unaudited internal management accounts and are properly prepared on a basis of accounting consistent with the accounting policies adopted by the Company in the preparation of its audited financial statements for the financial year ended 31 March 2013. There have been no material changes or amendments to the accounting policies since 31 March 2013 and the same policies are expected to be adopted in the financial statements for the year ended 31 March 2014.

The Acquisition is complementary to the Group's business model and significantly strengthens its presence in the domestic appliance market. It also offers opportunities to the Group in existing electronic and automotive tier 1 markets. VIC continues to experience satisfactory trading conditions and the Board is excited about the prospects for the Enlarged Group.

The Board believes that the combination of VIC and the Company, with the cross-selling opportunities available, will enhance the prospects of the Enlarged Group.

This statement does not constitute a profit forecast nor should it be interpreted to mean that the future earnings per Ordinary Share of the Group following completion of the Acquisition will necessarily match or exceed historical earnings per Ordinary Share.

5. Issue, Allotment and Admission of Consideration Shares

Subject to approval at the General Meeting, it is expected that the Acquisition will complete and the Consideration Shares will be issued and allotted to the Vendors on 30 May 2014. The Consideration Shares will be admitted to the Official List and trading will commence on the premium listing segment of the Main Market of the London Stock Exchange at 8 a.m. on 2 June 2014.

The Consideration Shares will, when issued, rank *pari passu* in all respects with the other Ordinary Shares then in issue

6. Dilution of Ordinary Share capital

Upon allotment of the Consideration Shares, the Enlarged Issued Share Capital is expected to be 111,704,406 Ordinary Shares (assuming no further exercise of options to acquire new Ordinary Shares under the Share Option Schemes). On this basis the Consideration Shares will represent approximately 2.7 per cent. of the Enlarged Issued Share Capital, and the Existing Ordinary Shares will represent approximately 97.3 per cent. of the Enlarged Issued Share Capital.

PART V
VIC HISTORICAL FINANCIAL INFORMATION

KPMG LLP
15 Canada Square
London
E14 5GL

The Directors
Trifast plc
Trifast House
Bellbrook Park
Uckfield
East Sussex
TN22 1QW

7 May 2014

Dear Sirs

VIC and its subsidiaries (cumulatively referred to as ‘Target’ hereafter)

We report on the financial information set out on pages 17 to 32 of the Class 1 circular dated 7 May 2014 for the three years ended 31 December 2013. This financial information has been prepared for inclusion in the Class 1 circular relating to the acquisition of the Target dated 7 May 2014 of Trifast plc on the basis of the accounting policies set out in note 1. This report is required by paragraph 13.5.21R of the Listing Rules and is given for the purpose of complying with that paragraph and for no other purpose.

Responsibilities

The directors of Trifast plc are responsible for preparing the financial information on the basis of preparation set out in note 1 and in accordance with International Financial Reporting Standards as adopted by the EU.

It is our responsibility to form an opinion on the financial information and to report our opinion to you.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and which we may have to Ordinary Shareholders as a result of the inclusion of this report in the Class 1 circular, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Listing Rule 13.4.1R(6), consenting to its inclusion in the Class 1 circular.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of the significant estimates and judgments made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity’s circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Opinion

In our opinion, the financial information gives, for the purposes of the Class 1 circular dated 7 May 2014, a true and fair view of the state of affairs of the Target as at 31 December 2011, 31 December 2012 and 31 December 2013 and of its profits, cash flows and changes in equity for the periods then ended in accordance with the basis of preparation set out in note 1 and has been prepared in accordance with International Financial Reporting Standards as adopted by the EU.

Yours faithfully

KPMG LLP
London

Income statement*for the years ended 31 December 2011, 2012 and 2013*

	<i>Note</i>	2011 EUR'000	2012 EUR'000	2013 EUR'000
Continuing operations				
Revenue		21,693	23,186	27,069
Cost of sales		(16,357)	(17,320)	(19,165)
Gross profit		5,336	5,866	7,904
Other operating income		167	162	142
Administrative expenses		(1,768)	(2,397)	(1,903)
Operating profit	2, 3, 4	3,735	3,631	6,143
Financial income	5	57	178	71
Financial expenses	5	(628)	(575)	(795)
Net financing costs		(571)	(397)	(724)
Profit before tax		3,164	3,234	5,419
Taxation	6	(1,091)	(1,076)	(1,910)
Profit for the period		2,073	2,158	3,509

Statement of other comprehensive income*for the years ended 31 December 2011, 2012 and 2013*

	2011 EUR'000	2012 EUR'000	2013 EUR'000
Profit/(loss) for the year	2,073	2,158	3,509
Other comprehensive income:			
None	—	—	—
Other comprehensive income recognised directly in equity net of income tax	—	—	—
Total comprehensive income recognised for the year	2,073	2,158	3,509

Statement of changes in equity
for the years ended 31 December 2011, 2012 and 2013

	Stock Capital EUR'000	Other Reserves EUR'000	Retained Earnings EUR'000	Total Equity EUR'000
Balance at 1 January 2011	187	958	12,003	13,148
<i>Total comprehensive income for the year:</i>				
Profit for the year	—	—	2,073	2,073
Total comprehensive income recognised for the year	—	—	2,073	2,073
Transactions with owners, recorded directly in equity				
Dividends	—	—	—	—
Total transactions with owners	—	—	—	—
Balance at 31 December 2011	187	958	14,076	15,221
Balance at 1 January 2012	187	958	14,076	15,221
<i>Total comprehensive income for the year:</i>				
Profit for the year	—	—	2,158	2,158
Total comprehensive income recognised for the year	—	—	2,158	2,158
Transactions with owners, recorded directly in equity				
Dividends	—	—	(3,000)	(3,000)
Total transactions with owners	—	—	(3,000)	(3,000)
Balance at 31 December 2012	187	958	13,234	14,379
Balance at 1 January 2013	187	958	13,234	14,379
<i>Total comprehensive income for the year:</i>				
Profit for the year	—	—	3,509	3,509
Total comprehensive income recognised for the year	—	—	3,509	3,509
Transactions with owners, recorded directly in equity				
Dividends	—	—	—	—
Total transactions with owners	—	—	—	—
Balance at 31 December 2013	187	958	16,743	17,888

Statements of financial position
at 31 December 2011, 2012 and 2013

	<i>Note</i>	2011 EUR'000	2012 EUR'000	2013 EUR'000
Non-current assets				
Goodwill	8	7,933	7,933	7,933
Property, plant and equipment	7	2,279	2,049	2,098
Other intangible assets	8	59	52	40
Investments	9	130	81	96
Deferred tax assets	10	520	506	513
Total non-current assets		10,921	10,621	10,680
Current assets				
Stocks	11	4,866	5,027	5,619
Trade and other receivables	12	8,186	9,754	7,001
Cash and cash equivalents	13	5,286	6,464	8,576
Total current assets		18,338	21,245	21,196
Total assets		29,259	31,866	31,876
Current liabilities				
Other interest-bearing loans and borrowings	14, 17	1,548	1,500	1,500
Trade and other payables	15	4,654	6,550	6,360
Fair value of derivatives	17	—	42	338
Dividend payable		—	3,000	—
Tax payable		142	160	1,013
Total current liabilities		6,344	11,252	9,211
Non-current liabilities				
Other interest-bearing loans and borrowings	14, 17	7,694	6,235	4,777
Total non-current liabilities		7,694	6,235	4,777
Total liabilities		14,038	17,487	13,988
Net assets		15,221	14,379	17,888
Equity				
Stock capital		187	187	187
Other reserves		958	958	958
Retained earnings		14,076	13,234	16,743
Total equity		15,221	14,379	17,888

Statements of cash flows

for the years ended 31 December 2011, 2012 and 2013

	Note	2011 EUR'000	2012 EUR'000	2013 EUR'000
Cash flows from operating activities				
Profit/loss for the year		2,073	2,158	3,509
Adjustments for:				
Depreciation, amortisation and impairment	2	366	550	247
Financial income	5	(57)	(178)	(71)
Financial expenses	5	628	575	795
Taxation	6	1,091	1,076	1,910
Operating cash inflow before changes in working capital and provisions		4,101	4,181	6,390
Change in trade and other receivables	12	1,450	(1,568)	2,753
Change in stocks	11	(254)	(161)	(592)
Change in trade and other payables	15	(270)	1,896	(190)
Cash (used)/generated from operations		5,027	4,348	8,361
Tax (paid)/recovered		(1,085)	(1,044)	(1,064)
Net cash (used)/from operating activities		3,942	3,304	7,297
Cash flows from investing activities				
Interest received		57	171	56
Sale of investments		—	56	—
Acquisition of tangible and intangible fixed assets		(109)	(313)	(284)
Net cash (used)/from investing activities		(52)	(86)	(228)
Cash flows from financing activities				
Repayment of long term borrowings		(1,557)	(1,550)	(1,500)
Dividend paid		—	—	(3,000)
Interest paid		(587)	(490)	(457)
Net cash from financing activities		(2,144)	(2,040)	(4,957)
Net change in cash and cash equivalents		1,746	1,178	2,112
Cash and cash equivalents at 1 January	13	3,540	5,286	6,464
Cash and cash equivalents at 31 December	13	5,286	6,464	8,576

1. Accounting policies

a) Significant accounting policies

VIC is a company incorporated in Italy.

Statement of Compliance

The financial information of VIC has been prepared in accordance with International Financial Reporting Standards as adopted by the EU (“Adopted IFRSs”) for the first time in the period from 1 January 2011 and consistent with Trifast’s own accounting policies.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in this historical financial information.

IFRS not yet applied

The IASB and IFRIC have issued a number of standards and interpretations with an effective date after the date of these financial statements. The following are those standards and interpretations that it is expected may have an impact on the Group’s financial statements.

Presentation of Items of Other Comprehensive Income – Amendments to IAS 1

- The amendments require that an entity present separately the items of OCI that may be reclassified to profit or loss in the future from those that would never be reclassified to profit or loss. They also preserve the existing option to present the profit or loss and other comprehensive income in two statements. The standard was endorsed on 5 June 2012 and the impact is not expected to be material.

Annual Improvements to IFRSs – 2009-2011 Cycle – This cycle of improvements contains amendments to:

- IFRS 1 First-time adoption of IFRSs – repeated application of IFRS 1 and borrowing cost exemption;
- IAS 1 Presentation of financial statements – comparative information beyond minimum requirements and presentation of the opening statement of financial position and related notes;
- IAS 16 Property, plant and equipment – classification of servicing equipment;
- IAS 32 Financial Instruments: presentation – income tax consequences of distributions;
- IAS 34 Interim financial reporting – segment assets and liabilities;

This was endorsed on 27 March 2013 and the impact is not expected to be material.

b) Basis of preparation

The financial statements are prepared in Euros, rounded to the nearest thousand. They are prepared on the historical cost basis with the exception of certain items which are measured at fair value as disclosed in the accounting policies below.

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects current and future periods.

Management consider that there are no judgements made by them in the application of IFRS that have significant effect on the financial statements nor are there estimates with a significant risk of material adjustment in the next year.

c) Foreign currency

i) Foreign currency transactions

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Euros at the foreign exchange rate ruling at that date.

d) Property, plant and equipment

i) Owned assets

Property, plant and equipment are stated at cost or deemed cost less accumulated depreciation (see below) and impairment losses (see accounting policy h).

ii) Depreciation

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. The depreciation rates are as follows:

Freehold and long leasehold buildings	– 2% per annum on a straight-line basis or the period of the lease
Short leasehold properties	– period of the lease
Motor vehicles	– 20-25% on a straight-line basis
Plant and machinery	– 10-20% per annum on a straight-line basis
Fixtures, fittings and office equipment	– 10-25% per annum on a straight-line basis

When parts of an item of property, plant and equipment have different useful lives, those components are accounted for as separate items of property, plant and equipment. Where relevant, residual values are reassessed annually.

iii) **Assets under hire purchase**

Plant and equipment held under hire purchase arrangements are capitalised in the financial statements and are depreciated on the same basis as owned property, plant and equipment. The corresponding obligation relating to remaining capital payments are treated as a liability. The interest element of the hire purchase instalment is charged to the income statement over the period of the hire purchase and accounted for on the sum-of-digits method.

iv) **Subsequent costs**

VIC recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred, if it is probable that the future economic benefits embodied within the item will flow to VIC and the cost of the item can be measured reliably. All other costs are recognised in the income statement as an expense as incurred.

e) **Trade and other receivables**

Trade and other receivables are initially stated at their fair value, and subsequently at cost less impairment losses (see accounting policy h).

f) **Stocks**

Stocks are stated at the lower of cost and net realisable value with provision being made for obsolete and slow-moving items. In determining the cost of raw materials, consumable and goods purchased for resale, a first-in first-out purchase price is used and includes expenditure incurred in acquiring the stocks and bringing them to their existing location and condition. For work in progress and finished goods manufactured by VIC, cost is taken as production cost, which includes an appropriate proportion of attributable overheads based on normal operating capacity.

g) **Cash and cash equivalents**

Cash and cash equivalents comprise cash balances and call deposits with an original maturity of three months or less. Bank overdrafts that are repayable on demand and which form an integral part of VIC's cash management are included as a component of cash and cash equivalents only for the purpose of the statement of cash flows.

h) **Impairment**

The carrying amounts of VIC's assets, other than stocks (see accounting policy f), and deferred tax assets (see accounting policy p), are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated (see accounting policy h(i)).

Financial assets are considered to be impaired if objective evidence indicates that one or more events has had a negative effect on the estimated future cashflows of that asset.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

i) **Calculation of recoverable amount**

The recoverable amount is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

ii) **Reversals of impairment**

An impairment loss on any other asset is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

i) **Stock capital – Dividends**

Dividends to VIC's shareholders are recognised as a liability and deducted from shareholders' equity in the period in which the shareholders' right to receive payment is established.

j) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost.

k) Employee benefits

Defined contribution plans

Obligations for contributions to statutory pension funds which are defined contribution plans are recognised as an expense in the Income Statement as incurred.

l) Provisions

A provision is recognised in the balance sheet when VIC has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability.

m) Trade and other payables

Trade and other payables are stated at cost.

n) Revenue

Revenue from the sale of goods rendered is recognised in the Income Statement when the significant risks and rewards of ownership have been transferred to the buyer. In accordance with normal practice, this will be on invoicing of goods, generally at the time of despatch.

o) Expenses

Net financing costs comprise interest payable on borrowings calculated using the effective interest rate method and interest receivable on funds invested. Interest income is recognised in the income statement as it accrues, using the effective interest method. Net finance costs also include arrangement fees and related costs recognised in line with accounting policy (j).

p) Taxation

Tax on the profit or loss for the periods presented comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences in relation to the initial recognition of assets or liabilities that affect neither accounting nor taxable profit are not provided for. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend. Information as to the calculation of income tax on the profit or loss for the period presented is included in note 6.

q) Intangible assets

i) Goodwill

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is not amortised but is tested annually for impairment.

ii) Other intangible assets

Intangible assets other than goodwill that are acquired by VIC are stated at cost less accumulated amortisation and impairment losses.

r) Financial instruments

Derivative financial instruments

Derivative financial instruments are recognised at fair value. The gain or loss on re-measurement to fair value is recognised immediately in profit or loss.

2. Expenses and auditors' remuneration

Included in profit for the year are the following:

	2011 EUR'000	2012 EUR'000	2013 EUR'000
Hire of plant & machinery	124	103	103
Depreciation, amortisation & impairment	366	550	247
Net foreign exchange (gain)/loss	(42)	(121)	60

Auditors' remuneration:

	2011 EUR'000	2012 EUR'000	2013 EUR'000
Audit of the statutory financial statements	25	32	34

3. Staff numbers and costs

The average number of persons employed by VIC (including its directors) during the year was as follows:

	Number of employees		
	2011	2012	2013
Directors	5	5	5
Sales/office	16	15	15
Factory/warehouse	54	55	55
	75	75	75

The aggregate payroll costs of these persons were as follows:

	2011 EUR'000	2012 EUR'000	2013 EUR'000
Wages and salaries (including bonus)	2,062	2,149	2,267
Social security costs	616	649	695
Other pension costs	—	36	38
	2,678	2,834	3,000

4. Directors' emoluments

	2011 EUR'000	2012 EUR'000	2013 EUR'000
Directors' emoluments	275	275	281

5. Financial income and expense

	2011 EUR'000	2012 EUR'000	2013 EUR'000
Financial income			
Interest receivable	57	171	56
Change in fair value of investments	—	7	15
Total Financial income	57	178	71
Financial expenses			
Interest payable on bank loans	574	490	457
Other bank charges	41	43	42
Change in fair value of financial instruments	—	42	296
Change in fair value of investments	13	—	—
Total financial expenses	628	575	795

6. Taxation

	2011 EUR'000	2012 EUR'000	2013 EUR'000
Current Italian tax expense:			
Current year	1,090	1,062	1,917
Total current tax	1,090	1,062	1,917
Deferred tax expense/(credit)	1	14	(7)
	1	14	(7)
Total income tax charge in income statement	1,091	1,076	1,910
Reconciliation of effective tax rate ("ETR") and tax expense			
Profit for the period	2,073	2,158	3,509
Tax from continuing operations	1,091	1,076	1,910
Profit before tax	3,164	3,234	5,419
Italian corporation tax rate	27.5%	27.5%	27.5%
Tax using the Italian corporation tax rate	870	890	1,490
Non-deductable expenses	35	11	82
Deferred tax assets not recognised	6	(4)	(4)
Adjustments in respect of prior years	(1)	(6)	(6)
Other reconciling items IRAP (Italian region production tax)	217	208	383
Other reconciling items	(36)	(23)	(35)
Total income tax charge in income statement	1,091	1,076	1,910
Effective tax rate	34.5%	33.3%	35.2%

7. Property, plant and equipment

	Land and buildings EUR'000	Plant and equipment EUR'000	Fixtures and fittings EUR'000	Motor vehicles EUR'000	Computer equipment EUR'000	Total EUR'000
Cost						
Balance at 1 January 2011	2,525	8,885	226	302	468	12,406
Additions	—	15	23	42	7	87
Disposals	—	—	—	—	—	—
Balance at 31 December 2011	2,525	8,900	249	344	475	12,493
Balance at 1 January 2012	2,525	8,900	249	344	475	12,493
Additions	—	227	36	—	9	272
Disposals	—	—	—	—	—	—
Balance at 31 December 2012	2,525	9,127	285	344	484	12,765
Balance at 1 January 2013	2,525	9,127	285	344	484	12,765
Additions	—	194	59	—	14	267
Disposals	—	—	—	—	—	—
Balance at 31 December 2013	2,525	9,321	344	344	498	13,032
Depreciation and impairment						
Balance at 1 January 2011	681	8,410	89	275	436	9,891
Depreciation charge for the year	49	178	55	24	17	323
Disposals	—	—	—	—	—	—
Balance at 31 December 2011	730	8,588	144	299	453	10,214
Balance at 1 January 2012	730	8,588	144	299	453	10,214
Depreciation charge for the year	49	377	50	14	12	502
Disposals	—	—	—	—	—	—
Balance at 31 December 2012	779	8,965	194	313	465	10,716
Balance at 1 January 2013	779	8,965	194	313	465	10,716
Depreciation charge for the year	48	106	42	12	10	218
Disposals	—	—	—	—	—	—
Balance at 31 December 2013	827	9,071	236	325	475	10,934
Net book value						
At 1 January 2011	1,844	475	137	27	32	2,515
At 31 December 2011	1,795	312	105	45	22	2,279
At 31 December 2012	1,746	162	91	31	19	2,049
At 31 December 2013	1,698	250	108	19	23	2,098

8. Goodwill & other intangible assets

	Goodwill EUR'000	Other EUR'000
Cost		
Balance at 1 January 2011	7,933	205
Additions	—	22
Balance at 31 December 2011	7,933	227
Balance at 1 January 2012	7,933	227
Additions	—	41
Balance at 31 December 2012	7,933	268
Balance at 1 January 2013	7,933	268
Additions	—	17
Balance at 31 December 2013	7,933	285
Depreciation and impairment		
Balance at 1 January 2011	—	125
Depreciation charge for the year	—	43
Balance at 31 December 2011	—	168
Balance at 1 January 2012	—	168
Depreciation charge for the year	—	48
Balance at 31 December 2012	—	216
Balance at 1 January 2013	—	216
Depreciation charge for the year	—	29
Balance at 31 December 2013	—	245

Goodwill is shown at its deemed cost on first time adoption of IFRS, being its carrying value at 1 January 2011, the date of transition to IFRS applied in this historical financial information

The directors of Trifast have considered impairment risk for the goodwill under the first time adoption requirements of IFRS 1. Having calculated an indicative fair value less costs to sell as at the transition date of 1 January 2011, based on earnings, they are satisfied that no impairment of goodwill was required on transition. They also considered the same calculation for the subsequent balance sheet dates presented in this historical financial information and were satisfied that no subsequent impairment arose.

Other intangible assets include patents and software.

Net book value

At 1 January 2011	7,933	80
At 31 December 2011	7,933	59
At 31 December 2012	7,933	52
At 31 December 2013	7,933	40

9. Fixed Asset Investments

Balance, cost & net book value

At 1 January 2011	144
Change in fair value	(14)
Disposals	—
At 31 December 2011	130
At 1 January 2012	130
Change in fair value	7
Disposals	(56)
At 31 December 2012	81
At 1 January 2013	81
Change in fair value	15
Disposals	—
At 31 December 2013	96

10. Deferred tax assets

Recognised deferred tax assets

Deferred tax assets are attributable to the following:

	2011 EUR'000	2012 EUR'000	2013 EUR'000
Stock provision	471	471	471
Other timing differences	49	35	42
Net tax assets	520	506	513

Movement during the year – 2013

	1 Jan 2013 EUR'000	Recognised in income EUR'000	31 Dec 2013 EUR'000
Stock provision	471	—	471
Other timing differences	35	7	42
	506	7	513

Movement during the year – 2012

	1 Jan 2012 EUR'000	Recognised in income EUR'000	31 Dec 2012 EUR'000
Stock provision	471	—	471
Other timing differences	49	(14)	35
	520	(14)	506

Movement during the year – 2011

	1 Jan 2011 EUR'000	Recognised in income EUR'000	31 Dec 2011 EUR'000
Stock provision	471	—	471
Other timing differences	50	(1)	49
	521	(1)	520

11. Stocks

	2011 EUR'000	2012 EUR'000	2013 EUR'000
Raw materials and consumables	1,015	997	1,366
Work in progress	271	405	240
Finished goods and goods resale	3,580	3,625	4,013
	4,866	5,027	5,619

12. Trade and other receivables

	2011 EUR'000	2012 EUR'000	2013 EUR'000
Trade receivables	7,425	9,325	6,061
Non trade receivables and prepayments	761	429	940
	8,186	9,754	7,001

13. Cash and cash equivalents

	2011 EUR'000	2012 EUR'000	2013 EUR'000
Cash and cash equivalents per balance sheet	5,286	6,464	8,576
Cash and cash equivalents per cash flow statements	5,286	6,464	8,576

14. Other interest-bearing loans and borrowings

Initial Loan Value	Rate	Maturity	2011 EUR'000	2012 EUR'000	2013 EUR'000
Current					
Term loans – secured	3.2%	2016	1,548	1,500	1,500
Non-current					
Term loans – secured	3.2%	2016	7,694	6,235	4,777

15. Trade and other payables

	2011 EUR'000	2012 EUR'000	2013 EUR'000
Trade payables	3,752	5,568	5,296
Non-trade payables and accrued expenses	150	150	180
Other taxes and social security	752	832	884
	4,654	6,550	6,360

16. Capital and reserves

Capital and reserves – VIC

See statement of changes in equity on page 18.

Stock Capital

	Number of quotas		
	2011	2012	2013
In issue at 1 January	187,200	187,200	187,200
Quotas issued	—	—	—
In issue at 31 December – fully paid	187,200	187,200	187,200
	2011	2012	2013
	EUR'000	EUR'000	EUR'000
<i>Allotted, called up and fully paid</i>			
Quotas of EUR 1 each	187	187	187

The holders of quotas are entitled to receive dividends as declared from time to time and are entitled to one vote at meetings of the company, which is proportional to its quota in the company's corporate capital.

Dividends

During the year the following dividends were declared and became payable by VIC:

	2011	2012	2013
	EUR'000	EUR'000	EUR'000
	—	3,000	—

17. Financial instruments

(a) Fair values of financial instruments

There is no difference between the fair values and the carrying values shown in the statements of financial position.

VIC holds derivative financial instruments in the form of forward currency contracts. These are classified as level 2 for valuation purposes, as the fair values shown in the statements of financial position have been derived from unquoted prices that are directly or indirectly observable.

(b) Financial instruments risks

Exposure to credit, interest rate and currency risks arises in the normal course of VIC's business, and VIC continues to monitor and reduce exposure accordingly.

(i) Credit risk

Credit risk is the risk of financial loss to VIC if a customer fails to meet its contractual obligations and arises principally from VIC's receivables from customers.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

Credit evaluations are performed on any new customers. All overdue debts are monitored regularly.

The carrying amount of trade receivables represents the maximum credit exposure for VIC. Therefore, the maximum exposure to credit risk at the balance sheet date was €6.06 million (2012: €9.33 million) being the total carrying amount of trade receivables net of an allowance. Management do not consider there to be any significant unimpaired credit risk in the year end balance sheet (2012: € nil).

The amount of trade receivables at 31 December 2013 which were beyond 90 days from their due date was €0.07 million, being 1.1 per cent. of the trade receivables balance at that date.

(ii) Liquidity and interest risk

VIC holds loans and cash balances as shown below, which are subject to interest rate changes. The facilities are secured by a mortgage granted by VIC on its property and by a pledge granted by the quotaholders over their quotas (see note 14).

Liquidity headroom

Trading forecasts show that the current facilities provide sufficient liquidity headroom.

Interest risk

VIC monitors closely all loans outstanding, which currently incur interest at fixed and floating rates.

In respect of income-earning financial assets and interest-bearing financial liabilities, the following table indicates their effective interest rates at the balance sheet date and the periods in which they mature.

	Effective interest rate %	Total	0 to < 1 years	1 to 2 years	2 to 5 years
2011					
Cash and cash equivalents	—	5,286	5,286	—	—
Secured term loans	3.2	(9,242)	(1,548)	(1,694)	(6,000)
		<u>(3,956)</u>	<u>3,738</u>	<u>(1,694)</u>	<u>(6,000)</u>

	Effective interest rate %	Total	0 to < 1 years	1 to 2 years	2 to 5 years
2012					
Cash and cash equivalents	—	6,464	6,464	—	—
Secured term loans	3.2	(7,735)	(1,500)	(1,735)	(4,500)
		<u>(1,271)</u>	<u>4,964</u>	<u>(1,735)</u>	<u>(4,500)</u>

	Effective interest rate %	Total	0 to < 1 years	1 to 2 years	2 to 5 years
2013					
Cash and cash equivalents	—	8,576	8,576	—	—
Secured term loans	3.2	(6,277)	(1,500)	(1,777)	(3,000)
		<u>2,299</u>	<u>7,076</u>	<u>(1,777)</u>	<u>(3,000)</u>

All assets and liabilities bear interest at a floating rate and are therefore due to change within one year. VIC hedges its interest rate exposure.

(iii) Foreign currency risk

VIC is exposed to foreign currency risk on sales, purchases and cash borrowings that are denominated in a currency other than local functional currency.

Operational foreign exchange exposure

Where possible VIC tries to invoice to customers and buy from Suppliers in Euros.

Monetary assets/liabilities

VIC continues to monitor exchange rates and will use forward currency contracts to minimize its exposure to foreign exchange risk.

Cash and cash equivalents

	GBP EUR'000	US Dollar EUR'000	Total EUR'000
31 December 2011	8	115	123
31 December 2012	4	222	226
31 December 2013	4	209	213

(iv) Capital Management

Identification of the total funding requirement is achieved via a detailed cash flow forecast which is renewed and updated on a monthly basis.

The capital structure of the company is presented below

	2011 EUR'000	2012 EUR'000	2013 EUR'000
Cash and cash equivalents (note 13)	5,286	6,464	8,576
Borrowings (note 14)	(9,242)	(7,735)	(6,277)
Net Debt	(3,956)	(1,271)	2,299
Equity	(15,221)	(14,379)	(17,888)
Capital	(19,177)	(15,650)	(15,589)

18. Operating leases

Non-cancellable operating lease rentals payable as follows:

	2011 EUR'000	2012 EUR'000	2013 EUR'000
Less than one year	102	102	102
Between two and five years	—	—	—
More than five years	—	—	—
	102	102	102

19. Related party transactions

During the three years ended 31 December 2013, the company has leased property at arms length from a company which is wholly owned by Carlo Perini and his family. The amounts paid in each period are as follows:

	2011 EUR'000	2012 EUR'000	2013 EUR'000
Total amount of rental payments each year	96	96	96

20. Accounting estimates and judgements

The preparation of financial statements in conformity with Adopted IFRS's requires management to make judgements, estimates and assumptions that affect the application of policies and reported annual amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

PART VI

PRO FORMA FINANCIAL INFORMATION

PART A: ACCOUNTANT'S REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

KPMG LLP
15 Canada Square
London
E14 5GL

The Directors
Trifast plc
Trifast House
Bellbrook Park
Uckfield
East Sussex
TN22 1QW

7 May 2014

Dear Sirs

Trifast plc

We report on the *pro forma* financial information (the 'Pro forma financial information') set out in Part VI of the Class 1 circular dated 7 May 2014, which has been prepared on the basis described in notes 1-5, for illustrative purposes only, to provide information about how the transaction might have affected the financial information presented on the basis of the accounting policies adopted by Trifast plc in preparing the financial statements for the period ended 30 September 2013. This report is required by paragraph 13.3.3R of the Listing Rules of the Financial Conduct Authority and is given for the purpose of complying with that paragraph and for no other purpose.

Responsibilities

It is the responsibility of the directors of Trifast plc to prepare the Pro forma financial information in accordance with paragraph 13.3.3R of the Listing Rules of the Financial Conduct Authority.

It is our responsibility to form an opinion, as required by paragraph 7 of Annex II of the Prospectus Directive Regulation, as to the proper compilation of the Pro forma financial information and to report that opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro forma financial information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and which we may have as a result of the inclusion of this report in the Class 1 circular, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Listing Rule 13.4.1R(6), consenting to its inclusion in the Class 1 circular.

Basis of opinion

We conducted our work in accordance with the Statements of Investment Reporting issued by the Auditing Practices Board in the United Kingdom. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro forma financial information with the directors of Trifast plc.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro forma financial information

has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of Trifast plc.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America or other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion:

- the Pro forma financial information has been properly compiled on the basis stated; and
- such basis is consistent with the accounting policies of Trifast plc.

Yours faithfully

KPMG LLP
London

PART B: UNAUDITED PRO FORMA FINANCIAL INFORMATION

The unaudited *pro forma* statement of net assets (the ‘unaudited *pro forma* financial information’) has been prepared in accordance with paragraph 13.3.3R of the Listing Rules.

The unaudited *pro forma* financial information has been prepared to illustrate the effect of the acquisition of VIC on the net assets of Trifast plc as if it had taken place at 30 September 2013. This unaudited *pro forma* financial information has been prepared for illustrative purposes and, because of its nature, addresses a hypothetical situation and, therefore, does not represent the Enlarged Group’s actual financial position or results.

The financial information on which the *pro forma* financial information is based has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and on the basis of the accounting policies of Trifast plc.

Unaudited Pro forma statement of net assets of the Enlarged Group

	Trifast plc as at 30 September 2013 £’000 (Note 1)	VIC as at 31 December 2013 £’000 (Note 2)	New Debt Funding £’000 (Note 3)	Acquisition £’000 (Note 4)	Enlarged Group £’000 (Note 5)
<i>All figures in £’000</i>					
Non-current assets					
Goodwill	17,347	6,611	—	11,764	35,722
Property, plant and equipment	12,170	1,748	—	—	13,918
Other intangible assets	—	33	—	—	33
Investments	—	80	—	—	80
Deferred tax assets	966	428	—	—	1,394
Total non-current assets	30,483	8,900	—	11,764	51,147
Current assets					
Stocks	30,940	4,683	—	—	35,623
Trade and other receivables	29,073	5,834	—	—	34,907
Cash and cash equivalents	13,680	7,147	20,500	(26,656)	14,671
Total current assets	73,693	17,664	20,500	(26,656)	85,201
Total assets	104,176	26,564	20,500	(14,892)	136,348
Current liabilities					
Bank overdraft	171	—	—	—	171
Other interest-bearing loans and borrowings	13,711	1,250	2,050	(1,250)	15,761
Trade and other payables	22,912	5,300	—	4,170	32,382
Fair value of derivatives	—	282	282	—	—
Tax payable	2,012	844	—	(273)	2,583
Dividend payable	868	—	—	—	868
Provisions	410	—	—	—	410
Total current liabilities	40,084	7,676	2,050	2,647	52,457
Non-current liabilities					
Other interest-bearing loans and borrowings	3,350	3,981	18,450	(3,981)	21,800
Provisions	793	—	—	—	793
Deferred tax liabilities	500	—	—	—	500
Total non-current liabilities	4,643	3,981	18,450	(3,981)	23,093
Total liabilities	44,727	11,657	20,500	(1,334)	75,550
Net assets	59,449	14,907	—	(13,558)	60,798

Notes to unaudited pro forma statement of net assets

- (1) *Figures shown as at 30 September 2013 of Trifast plc have been extracted, without material adjustment, from Trifast's 2013 unaudited half-yearly report and are incorporated by reference herein. This information has been made public and can be accessed by visiting Trifast's website at www.trifast.com.*
- (2) *Figures shown as at 31 December 2013 of VIC have been extracted, without material adjustment and converted on the basis of the following conversion rate GBP:EUR 1.2, from the historical financial information in Part V of this document*
- (3) *Figures reflect the full draw down of the Term Loan Facility of €25,000,000 (£20,500,000) to part fund the Acquisition.*
- (4) *Figures reflect Acquisition adjustments. The combination has been accounted for as an acquisition in accordance with IFRS 3. The pro forma net assets statement does not give effect to fair value adjustments to net assets arising from the purchase price being greater than the book value of the net assets acquired. The pro forma purchase price premium has been attributed to goodwill, being the difference between the maximum consideration payable €32,000,000 (£26,670,000) less VIC's net assets at 31 December 2013 €17,888,000 (£14,907,000), and no pro forma amortisation nor impairment charge has been applied to the resulting goodwill balance €14,112,000 (£11,764,000) in the period presented. The fair value adjustments, when finalised post-acquisition, may be material. £26,656,000 net cash outflow consists of:*
- *the initial cash consideration of €24,150,000 (£20,125,000) (being maximum consideration of €32,000,000 less Consideration Shares to be issued to Carlo Perini of €2,850,000 and deferred consideration of €5,000,000);*
 - *£5,231,000 of VIC cash utilised to repay VIC loans on completion of the Acquisition (£1,250,000 in current liabilities and £3,981,000 in non-current liabilities); and*
 - *£1,300,000 of transaction costs associated with the Acquisition.*
- £4,170,000 trade and other payables being deferred consideration of €5,000,000 assuming no claims under the warranty and indemnity terms in the Acquisition Agreement.*
- (5) *No account has been taken of trading or other transactions of Trifast plc or its subsidiaries since 30 September 2013 and of VIC since 31 December 2013.*

PART VII

ADDITIONAL INFORMATION

1. Directors

The directors of the Company and their respective functions are as follows:

Malcolm Diamond MBE (Executive Chairman)^N

Jim Barker (Chief Executive Officer)^N

Mark Belton (Group Finance Director)

Geoff Budd (Managing Director TR Europe)

Glenda Roberts (Group Sales Director)

*Neil Chapman^{*N#A}*

*Jonathan Shearman^{*N#A}*

Scott Mac Meekin^{#A}*

** Independent Non-Executive Director*

A Member of the Audit Committee

Member of the Remuneration Committee

N Member of the Nominations Committee

The business address of each of the Directors is Trifast House, Bellbrook Park, Uckfield, TN22 1QW.

2. Key individuals important to VIC's business

Carlo Perini – Managing Director of VIC – 45 years old

Graduated in Business Administration, fluent in English, at VIC since September 1993, member of the board of directors and quotaholder. Carlo built up a significant experience in the fasteners industry, especially in those applications related to white goods products. He enjoys both product and process innovation and has successfully managed his family company growth and succession process, by building a young and motivated team.

Francesco Cricco – CFO – 36 years old

Graduated in Mathematics, MBA, fluent in English, at VIC since June 2012. Francesco previously held management positions in an Italian multinational focused on the manufacturing of high tech components, where he built up a significant experience as Treasury Financial Analyst and he guided the organization through mergers and acquisitions operations.

Elisabetta Perini – HR and Legal – 43 years old

Graduated in Law, fluent in English, at VIC since 1996, member of VIC board. Elisabetta was formerly head of purchasing, she focuses now in HR, relationships with unions and legal topics (such as contracts with large industrial customers). She also has experience in managing relationships with local administration and control entities.

3. Directors' service agreements and remuneration

3.1 Executive Directors

Each of the executive Directors is employed under a service contract which provides for six months notice of termination to be given by either party (twelve months in the case of Malcolm Diamond and Jim Barker), extended to twelve months to the Director in the event of a change in control. Details of when each Director started his employment with the Company can be found below, and in paragraph 3.2 in this Part VII.

The following are the details of the benefits and emoluments made available to the executive Directors:

Name of Director	Date of Contract	Benefits in		Bonus £'000 ⁽¹⁾	Pension £'000 ⁽¹⁾	Total £'000 ⁽¹⁾
		Salary £'000 ⁽¹⁾	kind £'000 ⁽¹⁾			
M Diamond	26-Jul-12	190	13	57	—	260
J Barker	26-Jul-12	220	13	66	—	299
M Belton	26-Jul-12	150	13	45	30	238
G Budd	26-Jul-12	150	13	45	30	238
G Roberts	26-Jul-12	125	12	38	25	200

(1) Source: Trifast Annual Report for year ended 31 March 2013

In addition, all executive Directors are entitled to the following benefits:

- (a) Private medical insurance;
- (b) Company car (fully expensed) or an equivalent car allowance;
- (c) Life insurance;
- (d) Critical illness cover; and
- (e) Income protection insurance.

With respect to pensions, Mark Belton, Geoff Budd and Glenda Roberts are members of the Company's non-contributory pension plan. This is a HMRC approved defined contribution scheme. The rate of Company contribution to this scheme is 20 per cent. of basic salary. Malcolm Diamond and Jim Barker do not participate in the Company's pension plan.

As at 6 May 2014, being the latest practicable date prior to the publication of this document, the Directors have been granted outstanding options over Ordinary Shares (such options being granted for nil consideration) under the Share Option Schemes as follows:

Name of Director	Number of outstanding Options	Scheme	Option Price	Date granted
			(pence)	
M Diamond	2,000,000	2009 Plan	8.5	30-Sep-09
J Barker	2,000,000	2009 Plan	8.5	30-Sep-09
M Belton	500,000	2009 Plan	8.5	30-Sep-09
G Budd	500,000	2009 Plan	8.5	30-Sep-09
G Roberts	250,000	2009 Plan	8.5	30-Sep-09

The executive options (referred to in the table above as the "2009 Plan") were granted on 30 September 2009. They are exercisable between September 2012 and September 2019 at an exercise price of £0.085 per share.

3.2 Non-executive Directors

The fees paid to the non-executive Directors are set out below. The fees are determined by the Board as a whole and reviewed against market levels on an annual basis. Each independent non-executive Director is on an annual 12 month contract which is reviewed each year. The original signing dates are set out below. All non-executive Directors have three month notice periods extending to twelve months in the event of a change in control. The remuneration of non-executive Directors is not performance related and is not pensionable. The only other payments made to the non-executive Directors are mileage allowances at HMRC approved rates and expenses for items incurred during the fulfilment of their roles.

Name of Director	Date of Contract	Annual Fees
		£'000 ⁽¹⁾
N Chapman	26-Jul-12	48
J Shearman	26-Jul-12	42

(1) Source: Trifast Annual Report for year ended 31 March 2013

Scott Mac Meekin was appointed to the Board on 25 April 2013 at an agreed annual fee of £42,000.

In addition Neil Chapman was also granted outstanding options over 150,000 Ordinary Shares pursuant to the Company's executive Share Option Scheme (the 2009 Plan) on 30 September 2009. They are exercisable between September 2012 and September 2019 at an exercise price of £0.085 per share. As at 6 May 2014, being the latest practicable date prior to the publication of this document, these were the only outstanding options granted to the non-executive Directors over Ordinary Shares.

4. Directors' shareholdings and other interests

As at 6 May 2014, being the latest practicable date prior to the publication of this document, the interests of the Directors and persons connected with the Directors in the share capital of the Company, such interests being those which could with reasonable diligence be ascertained by the Directors, whether or not held through another party, were, and are expected to be, as set out in the following table. The numbers of shares held under options by each of the Directors under the Share Option Schemes are set out below.

Director	Existing issued share capital (including interests of connected persons)	
	Number of Ordinary Shares ⁽¹⁾	Percentage
M Diamond	533,800	0.5%
J Barker	573,229	0.5%
M Belton	68,565	0.1%
G Budd	307,264	0.3%
G Roberts	29,307	0.0%
N Chapman	1,507,500	1.4%
J Shearman	—	—%
S Mac Meekin	—	—%

(1) Assuming there are no further exercise of options under the Share Option Schemes.

5. The Company

- The Company was incorporated under the Companies Act 1948-81 on 6 June 1985 as a private company limited by shares and on 14 January 1994 was re-registered as a public company under the name of Trifast plc.
- The Company's registered office is at Trifast House, Bellbrook Park, Uckfield TN22 1QW, United Kingdom.
- The head office and principal place of business of the Company is Trifast House, Bellbrook Park, Uckfield TN22 1QW, United Kingdom. The telephone number for the registered office of the Company is 01825 747 366.
- The principal legislation under which the Company operates is the Act and the regulations made thereunder.

6. Share Capital

- The following table shows the issued and fully paid share capital of the Company as at the latest practicable date before the publication date of this document and as it will be following allotment of the Consideration Shares pursuant to the Acquisition. The nominal value of the Ordinary Shares is 5 pence:

	Present Ordinary Shares		Ordinary Shares immediately following allotment of Consideration Shares ⁽¹⁾	
	Number	£'000	Number	£'000
Issued and fully paid	108,704,406	5,435	111,704,406	5,585

(1) Assuming allotment of the Consideration Shares and no further exercise of options under the Share Option Schemes.

- During the three years preceding the date of this document the amount of the issued share capital of the Company has increased from 85,246,086 Ordinary Shares to 108,704,406 Ordinary Shares.

- (c) As at 25 April 2014, other than the persons listed below, the Directors are not aware of any person who (directly or indirectly) is interested in three per cent. or more of the issued ordinary share capital of the Company:

	Existing issued share capital		Issued share capital immediately following allotment of Consideration Shares	
	Number of Ordinary Shares	Percentage	Number of Ordinary Shares	Percentage ⁽¹⁾
Hargreave Hale Limited	11,645,922	10.71%	11,645,922	10.43%
Schroder Investment Management Limited	11,614,078	10.68%	11,614,078	10.40%
Michael Clifford Timms	11,000,000	10.12%	11,000,000	9.85%
AXA Framlington Investment Management Ltd	10,016,034	9.21%	10,016,034	8.97%
Michael J Roberts	5,423,480	4.99%	5,423,480	4.86%
Unicorn Asset Management	4,891,800	4.50%	4,891,800	4.38%
Hargreaves Lansdown Asset Management	4,288,175	3.94%	4,288,175	3.84%
Barclays Personal Investment Management	3,739,486	3.44%	3,739,486	3.35%

(1) On the assumption of no further exercise of options under the Share Option Schemes, on the basis of the allotment of the Consideration Shares

- (d) Subject to approval at the General Meeting, it is expected that the Consideration Shares will be issued and allotted to the Vendors on 30 May 2014. The Consideration Shares will be admitted to the Official List and trading will commence on the premium listing segment of the Main Market of the London Stock Exchange at 8 a.m. on 2 June 2014. The Consideration Shares will, when issued, rank *pari passu* in all respects with the other Ordinary Shares then in issue.

7. Material contracts

Group

The following contracts, not being entered into in the ordinary course of business and which are, or may be, material, have been contracts entered into by any member of the Group within the period of two years immediately preceding the date of this document or otherwise have been entered into by members of the Group and contain any provision under which any member of the Group has any obligation or entitlement which is material to the Group as at the date of this document:

(a) Bank Facilities

- (i) Under the terms of the Current Bank Facility between HSBC and the Company to be dated on or about 6 May 2014 HSBC has agreed to make available to the Company the banking facilities described below.

The Current Bank Facility comprises the following facilities:-

- a term loan facility of up to €25,000,000 ("Facility A"). This is to be used by the Company for funding the Acquisition; and
- a revolving credit facility of up to £10,000,000 ("Facility B").

The obligations of Trifast under Facility A and Facility B (the "Facilities") are guaranteed by the UK non-dormant subsidiaries of the Company.

Facility A is repayable in semi-annual instalments of €1,250,000 on 31 October 2014, 30 April 2015, 31 October 2015, 30 April 2016 and 31 October 2016; then at the rate of €2,500,000 payable on 30 April 2017, 31 October 2017 30 April 2018 and 31 October 2018, with the final balance being payable on the date 5 years after date of the facility.

Interest on the Facilities is charged at the aggregate rate of LIBOR/EURIBOR plus a margin (initially 2.40 per cent.), ratcheted from six months after drawdown in accordance with a formula incorporating the ratio of consolidated net debt of the Enlarged Group against the consolidated EBITDA of the Enlarged Group.

The Facilities are to be secured by way of a charge over Trifast's premises, Trifast House, Bellbrook Park, Uckfield, East Sussex TN22 1QW registered at the Land Registry with title numbers ESX175422 and ESX117521 and such right, title and interest in the property

tinted green on the plan in Part 2 of Schedule 5 of the Term Loan Facility and any adjoining land as Trifast may have to the extent that such property is not registered under title number ESX175422 and any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such property; a first fixed and floating charge over all other UK assets of the Enlarged Group; a share charge over TR Asia Inv Holdings Pte Ltd (Singapore); and a quota charge over VIC.

- (ii) An asset based lending agreement relating to £18,130,229 of multi-currency facilities (the “ABLA”) between (1) HSBC Invoice Finance (UK) Limited and (2) Trifast, TR Fastenings Limited and Lancaster Fastener Company Limited dated 24 February 2010 as amended.

The ABLA facilities are made available to the following members of the Group:

- TR Fastenings Limited (up to a sub-limit of £16,400,000);
- TR Fastenings Limited – separately secured over assets of Trifast (up to a sub limit of £1,130,229); and
- Lancaster Fastener Company Limited (up to a sub-limit of £600,000).

The ABLA comprises the following facilities:

- an inventory facility up to a limit of £5,000,000 (“Inventory Facility”);
- a real estate facility up to a limit of £1,130,229 (“Real Estate Facility”); and
- a receivables facility up to a limit of £12,000,000 (“Receivables Facility”).

Interest on the Real Estate Facility is charged at the rate of 1.89 per cent. per annum over Sterling base rate, interest on the Inventory Facility is charged at the rate of 2.25 per cent. per annum over Sterling base rate and interest on the Receivables Facility is charged at the rate of 1.89 per cent. per annum over Sterling base rate. The ABLA facilities are currently secured by a legal mortgage over Trifast’s premises, Trifast House, Bellbrook Park, Uckfield, East Sussex TN22 1QW registered at the Land Registry with title numbers ESX175422 and ESX117521 and such right, title and interest in the property tinted green on the plan in Part 2 of Schedule 5 of the Term Loan Facility and any adjoining land as Trifast may have to the extent that such property is not registered under title number ESX175422 as well as assignments of security over receivables, inventory and other assets (including shares in certain subsidiaries). In addition, the ABLA facilities are secured by a composite company guarantee given by Trifast, TR Fastenings Limited, Lancaster Fastener Company Limited and Trifast Overseas Holdings Limited to secure the liabilities of each other under the ABLA.

As at 31 March 2014 the total amount outstanding under the ABLA facilities was £9.50 million.

- (iii) The DBS Facility comprises the following facilities from DBS in favour of TR Asia Investment Holdings PTE Ltd:

- a five year term loan of S\$15,072,705 (the “TL Facility”);
- a short-term loan facility of up to S\$3,000,000 (the “STL Facility”); and
- standby letters of credit of up to S\$1,000,000 (the “SBLC”),

the details of which are set out in a facility letter dated 3 November 2011.

The terms upon which DBS has made the DBS Facility available to TR Asia Investment Holdings PTE Ltd are summarised below.

The TL Facility was drawn down on 14 December 2011. The interest period for the drawing of the TL Facility is three months. Interest is payable at a fixed rate of 3.14 per cent. per annum. The TL Facility is repayable in 20 equal quarterly installments beginning 14 March 2012, with the final instalment being made on 14 December 2016.

The interest period for the drawing of the STL Facility shall be of one, two, three or 12 months at TR Asia Investment Holdings PTE Ltd’s option and the interest payable on the STL Facility is fixed at rates to be mutually agreed between TR Asia Investment Holdings PTE Ltd and DBS. The STL Facility is repayable on the last day of the interest period for drawing (as chosen by TR Asia Investment Holdings PTE Ltd).

Each SBLC shall be for such amount and on such terms and conditions and for such period as approved by DBS (such approval not to be unreasonably withheld or delayed). Each SBLC shall not exceed 12 months in duration and shall be renewable on a yearly basis. Commission shall be payable to DBS at either 2 per cent. per annum (or such lower commission as determined by DBS) or DBS's prevailing minimum commission notified to TR Asia Investment Holdings PTE Ltd prior to the signing of the facility letter, whichever is higher.

The DBS Facility is secured by unlimited company guarantees given by the Company and TR Formac PTE Ltd and by a deed of subordination executed by the Company in respect of the subordination of all existing and future loans made by the Company to TR Asia Investment Holdings PTE Ltd to TR Asia Investment Holdings PTE Ltd's obligations to DBS under the TL Facility. The DBS Facility includes additional conditions and financial covenants calculated on an annual basis and tested on TR Asia Investment Holdings PTE's annual audited accounts and six monthly interim accounts by reference to the six months to which those audited or interim accounts relate.

(b) Acquisition Agreement

An agreement (the "Acquisition Agreement") dated on or about 6 May 2014 between the Company and the Vendors pursuant to which the Vendors have agreed to sell the entire issued quotaholding of VIC to the Company.

The Acquisition Agreement provides that the aggregate consideration payable is €27 million comprising €24.15 million payable in cash on completion of the Acquisition and €2.85 million to be satisfied by the issue of the Consideration Shares, and subject to adjustment in the event that the agreed level of working capital is not left in VIC at completion.

In addition, it has been agreed that a further payment may be due to the Vendors depending upon the performance of VIC over the twelve month period ending on 31 December 2014. If VIC generates a post-tax profit (as defined in the Acquisition Agreement) for the year ended 31 December 2014 which exceeds €3,000,000, then for each €1 above this sum an additional €5 is payable to the Vendors, subject to a maximum payment amount of €5,000,000. This sum is to be paid once the post-tax profits have been calculated in accordance with the Acquisition Agreement. Until such time as these additional monies have been paid in accordance with the Acquisition Agreement, any warranty or indemnity claims can be off-set (if proved or settled) against monies due to be paid, and if any claim is not settled or resolved an amount can be withheld from the monies paid until this matter is resolved.

The cash consideration is to be funded from the Current Bank Facility. The Acquisition constitutes a Class 1 transaction for the purposes of the Listing Rules and, as such, requires the prior approval of Shareholders in general meeting and a resolution to approve the same is set out in the notice of General Meeting which appears at the end of this document.

The other principal terms of the Acquisition are as follows:

The Acquisition Agreement is conditional, *inter alia*, on the passing of the Resolution.

Pursuant to the terms of the Acquisition Agreement, the Vendors have agreed to provide certain warranties customary for a transaction of this nature in relation to VIC. In addition, the Vendors and Company have agreed that the Company will take out an insurance policy against the risk that a claim is made under certain of the warranty provisions of the Acquisition Agreement. The liability of the Vendors under the warranties is capped at €1,000,000 plus the amount of the further payment (if any) due in respect of the post-tax profits in the twelve month period to 31 December 2014 as set out above. The liability of the insurer is capped at €12,000,000. Carlo Perini has also entered into non-compete and non-solicitation covenants to protect the goodwill of VIC for a period of three years.

VIC

There are no material contracts which have been entered into by VIC within the period of two years immediately preceding the date of this document other than in the ordinary course of business.

8. Litigation

- (a) There are no, nor have there been any governmental, legal or arbitration proceedings nor, so far as the Company is aware, are any such proceedings pending or threatened during the previous 12 months which may have, or have had in the recent past significant effects on the Company's and/or Group's financial position or profitability.
- (b) There are no, nor have there been any governmental, legal or arbitration proceedings nor, so far as the Company is aware, are any such proceedings pending or threatened by or against VIC during the previous 12 months which may have, or have had in the recent past significant effects on VIC's financial position or profitability.

9. Significant change

- (a) Details of the expected change in financial position of the Company as a result of the Current Bank Facility arrangements can be found in section 7 (a) of this Part VII, namely that as a consequence of the additional borrowing required for the Acquisition, the Company's indebtedness will correspondingly increase.
- (b) Details of the expected change in financial position of the Company as a result of the Acquisition Agreement can be found in section 7 (b) of this Part VII, namely the payment of the purchase price for VIC (together with any further monies payable).
- (c) Save for entry into the Acquisition Agreement and the Current Bank Facility, there has been no significant change in the trading or financial position of the Group since 30 September 2013, the date to which the last unaudited half-yearly accounts for the Group have been prepared.
- (d) There has been no significant change in the trading or financial position of VIC since 31 December 2013, the date to which the historical financial information on VIC has been prepared.

10. Related party transactions

Save as disclosed in the financial information relating to related party transactions as set out:

- (a) at note 29 in the notes to the consolidated financial statements for the year ended 31 March 2013 on pages 111-112 of the 2013 Annual Report and Accounts;
- (b) at note 30 in the notes to the consolidated financial statements for the year ended 31 March 2012 on pages 107-108 of the 2012 Annual Report and Accounts;
- (c) at note 29 in the notes to the consolidated financial statements for the year ended 31 March 2011 on pages 103-104 of the 2011 Annual Report and Accounts;

there are no related party transactions between the Company or members of the Group that were entered into during the financial years ending 31 March 2011, 31 March 2012 and 31 March 2013 and no such transactions from 31 March 2013 to 6 May 2014 (the latest practicable date prior to the publication of this document).

11. Working Capital

The Company is of the opinion that the Enlarged Group has sufficient working capital for its present requirements, that is for at least the next 12 months from the date of this document.

12. General

- (a) The financial information relating to the Company and VIC contained in this document does not constitute statutory accounts within the meaning of section 441 of the Act. The auditors of the Company for the financial years ended 31 March 2011, 31 March 2012 and 31 March 2013 were KPMG Audit plc, chartered accountants and registered auditor, of 15 Canada Square London E14 5GL. KPMG Audit plc has made reports under section 434 of the Act on the statutory accounts of the Company for each such period. Each report was unqualified and did not contain a statement under section 489(2) of the Act.
- (b) KPMG LLP has given and not withdrawn its written consent to the inclusion in this document of its reports in Parts V and VI of this document and to the references to those reports and to its name in the form and context in which they are included and it has authorised the contents of its letter for the purposes of paragraph 5.5.3R (2)(f) of the Prospectus Rules.

- (c) Arden Partners has given and not withdrawn its written consent to the inclusion in this document of its name in the form and context in which they are included.
- (d) The Company's articles of association permit the holding and transfer of Ordinary Shares under CREST. CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by certificate and transferred otherwise than by written instrument. The Ordinary Shares are admitted to CREST. It is expected that the Consideration Shares will be enabled for settlement through CREST as soon as practicable following allotment. CREST is a voluntary system and holders of Ordinary Shares who wish to receive and retain share certificates will be able to do so.

13. Documents available for inspection

Copies of the following documents will be available for inspection at the offices of Charles Russell LLP, 5 Fleet Place, London EC4M 7RD during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) prior to the date of completion of the Acquisition Agreement and will also be available for inspection at the General Meeting for at least 15 minutes prior to and during the meeting:

- (a) the memorandum and articles of association of the Company;
- (b) the audited and consolidated accounts of the Company and its subsidiary undertakings for the three years ended 31 March 2011, 31 March 2012 and 31 March 2013 including the auditors' reports thereon;
- (c) the unaudited half-yearly report for the six months ended 30 September 2013;
- (d) the material contracts referred to in paragraph 7 of this Part VII (including the Acquisition Agreement);
- (e) the Directors' service contracts referred to in paragraph 3 of Part VII of this document;
- (f) the written consents referred to in paragraph 12 of this Part VII;
- (g) KPMG LLP's report on VIC set out in Part V of this document;
- (h) the *pro forma* financial information of the Enlarged Group together with the report of KPMG LLP thereon, set out in this Part VII; and
- (i) this document and the Form of Proxy.

Dated 7 May 2014

FORWARD-LOOKING STATEMENTS

This document includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “anticipates”, “targets”, “aims”, “continues”, “expects”, “intends”, “may”, “could”, “will”, “would” or “should”, or in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the Group’s intentions, beliefs or current expectations concerning, among other things, the Group’s results of operations, financial condition, liquidity, prospects, growth, strategies and the industries in which the Group operates.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. A number of factors could cause actual results and developments to differ materially from those expressed or implied by the forward-looking statements including, without limitation: conditions in the markets, market position of the Company, earnings, financial position, cash flows, return on capital and operating margins, anticipated investments and capital expenditures, changing business or other market conditions and general economic conditions. These and other factors could adversely affect the outcome and financial effects of the plans and events described in this document.

Forward-looking statements contained in this document based on past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Subject to any requirement of the UK Listing Authority (including the Prospectus Rules, Listing Rules and the Disclosure and Transparency Rules as appropriate) or London Stock Exchange or as a matter of law, neither Trifast nor Arden Partners undertakes any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Undue reliance should not be placed on forward-looking statements, which speak only as of the date of this document. Shareholders should note that this paragraph is not intended to qualify the statement as to working capital set out in paragraph 11 of Part VII of this document.

IMPORTANT INFORMATION RELATING TO THE PRESENTATION OF INFORMATION AND CERTAIN OTHER MATTERS

The Company publishes its financial statements in pounds sterling, and VIC publishes its financial statements in Euros.

Unless otherwise indicated in this document and/or the information incorporated by reference into this document, the financial information contained in this document and the financial information incorporated by reference into this document has been presented in pounds sterling. In addition, solely for the convenience of the reader, this document contains pounds sterling translations of certain amounts as at 6 May 2014, the latest practicable date prior to the publication of this document. Unless otherwise stated, the translation rate for Euros amounts that have been translated is EUR 1.2 per £1.00. Such translations should not be construed as representations that Euros could be converted into pounds sterling at the rate used or any other rate, and may not correspond to the pounds sterling amounts shown in the historic or future financial statements of Trifast in respect of which different exchange rates may have been, or may be, used.

The financial information presented in a number of tables in this document has been rounded to the nearest whole number or the nearest decimal. Therefore, the sum of the numbers in a column may not conform exactly to the total figure given for that column. In addition, certain percentages presented in the tables in this document reflect calculations based upon the underlying information prior to rounding, and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

Unless otherwise indicated, all financial information presented in this document has been extracted from Trifast's audited consolidated financial statements.

No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been authorised by the Company or by Arden Partners. Neither the delivery of this document nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this document or that the information in this document is correct as at any time subsequent to its date.

Without limitation, the contents of the websites of the Group do not form part of this document.

Capitalised terms have the meanings ascribed to them in the Definitions section of this document.

DEFINITIONS

The following definitions apply throughout the document, unless the context requires otherwise:

“Act”	the Companies Act 2006 (as amended)
“Acquisition”	the proposed acquisition of the entire issued quotaholding of VIC
“Acquisition Agreement”	the conditional agreement dated on or about 6 May 2014 between the Company and the Vendors setting out the terms for the Acquisition, further details of which are set out in paragraph 1 of Part VII of this document
“Arden Partners”	Arden Partners plc
“Board” or “Directors”	the board of directors of the Company, whose names appear in paragraph 1 of Part VII of this document
“certificated” or “in certificated form”	in relation to an Ordinary Share, one which is not in uncertificated form
“Closing Price”	the closing middle market quotation of an Ordinary Share as derived from the daily official list published by the London Stock Exchange
“Company” or “Trifast”	Trifast plc
“Companies”	together the Company, VIC and members of the Enlarged Group
“Consideration Shares”	the 3,000,000 new Ordinary Shares to be allotted to the Vendors in part consideration for the Acquisition as specified in the Acquisition Agreement
“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations)
“CREST member”	a person who has been admitted by Euroclear as a system member (as defined in the CREST Regulations)
“CREST participant”	a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations)
“CREST Regulations” or “Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 01/3755), as amended
“CREST sponsor”	a CREST participant admitted to CREST as a CREST sponsor
“Current Bank Facility”	the bank facility made available by HSBC, described in paragraph 7(a)(i) of Part VII of this document
“DBS”	DBS Bank Limited
“DBS Facility”	the bank facility made available by DBS described in paragraph 7(a)(iii) of Part VII of this document
“DGPA”	DGPA SGR S.p.A.
“Disclosure and Transparency Rules”	the rules relating to the disclosure of information made in accordance with Section 73A(3) of FSMA
“Enlarged Group”	the Group, as enlarged by the Acquisition
“Enlarged Issued Share Capital”	the enlarged issued share capital of the Company following the allotment of the Consideration Shares (assuming no other allotments from the date of this document)
“EU”	European Union
“EURIBOR”	Euro Interbank Offered Rate
“Euro” or “€”	the official currency of the EU, introduced at the start of the third stage of European Economic and Monetary Union pursuant to the treaty establishing the European Community
“Euroclear”	Euroclear UK & Ireland Limited (formerly CRESTCo Limited), the operator of CREST

“Existing Ordinary Shares”	the existing Ordinary Shares in issue at the Record Date all of which are admitted to trading on the premium listing segment of the Official List
“Form of Proxy”	the form of proxy accompanying this document for use by the Shareholders at the General Meeting
“FSMA”	the Financial Services and Markets Act 2000
“General Meeting”	the general meeting of the Company (or any adjournment thereof) at which the Resolution will be considered, convened for 10 a.m. on 30 May 2014, notice of which is set out at the end of this document
“Group”	Trifast and each of its subsidiaries (within the meaning of the Act)
“HMRC”	Her Majesty’s Revenue & Customs
“HSBC”	HSBC Bank plc
“LIBOR”	London Interbank Offered Rate
“Listing Rules”	the listing rules made by the UK Listing Authority pursuant to Part VI of FSMA
“London Stock Exchange”	London Stock Exchange plc
“Official List”	the official list of the UK Listing Authority pursuant to Part VI of FSMA
“Ordinary Shares”	ordinary shares of 5 pence each in the capital of Trifast
“Prospectus Rules”	the prospectus rules pursuant to Part VI of FSMA
“quota”	the basic unit of capital stock of VIC (there being no other form of capital stock), and “quotaholder” and “quotaholding” carry corresponding meanings
“Record Date”	the close of business on 1 May 2014
“Regulatory Information Service”	one of the regulatory information services authorised by the UK Listing Authority to receive, process and disseminate regulatory information in respect of listed companies
“Resolution”	the resolution to be proposed at the General Meeting of the Company, as set out in the notice of General Meeting at the end of this document
“Shareholders”	holders of Ordinary Shares
“Share Option Schemes”	the Company’s existing share option schemes
“Singapore dollar” or “S\$”	the lawful currency for the time being of Singapore
“Sterling” or “£”	the lawful currency for the time being of England and Wales and Scotland
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“UK Listing Authority”	the Financial Conduct Authority, acting in its capacity as the competent authority under Part VI of FSMA
“uncertificated” or “in uncertificated form”	recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST, and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
“US” or “USA” or “United States”	the United States of America, each State thereof, its territories, possessions and all areas subject to its jurisdiction
“US dollar” or “\$”	the lawful currency for the time being of the US
“Vendors”	those individuals and corporations named as the quotaholders of VIC in the Acquisition Agreement
“VIC”	Viterie Italia Centrale Srl

Expressions defined in the manual published by Euroclear from time to time in connection with the operation of CREST bear the same meaning when used in this document.

APPENDIX I

CHECKLIST OF DOCUMENTATION INCORPORATED BY REFERENCE

Information incorporated by reference	Document reference	Page number in this document
The contents of the Articles of Association of Trifast	Articles of Association of Trifast	43
Annual accounts of Trifast for the year ended 31 March 2011, including consolidated profit and loss account, consolidated balance sheet and consolidated cash flow statement	Annual report and accounts 2011 (paragraph 29, pages 103 and 104)	43
Annual accounts of Trifast for the year ended 31 March 2012, including consolidated profit and loss account, consolidated balance sheet and consolidated cash flow statement	Annual report and accounts 2012 (paragraph 30, pages 107 and 108)	43
Annual accounts of Trifast for the year ended 31 March 2013, including consolidated profit and loss account, consolidated balance sheet and consolidated cash flow statement	Annual report and accounts 2013 (paragraph 29, pages 111 and 112)	43
Half-yearly report of Trifast for the six months ended 30 September 2013	Half-yearly report 2013 (page 6)	35 and 36

Copies of all the documents incorporated by reference in this circular can be obtained free of charge from the National Storage Mechanism.

The information set out above is incorporated by reference in this circular and forms part of this circular, and is available as indicated.

Information that is itself incorporated by reference into the above documents is not incorporated by reference into this circular. It should be noted that, except as set out above, no other part of the above documents is incorporated by reference into this circular.

TRIFAST PLC

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that an **GENERAL MEETING** of Trifast plc (the “Company”) will be held at Trifast House, Bellbrook Park, Uckfield, East Sussex TN22 1QW on 30 May 2014 at 10 a.m. to consider and, if thought fit, to pass the following resolution:

ORDINARY RESOLUTION

“THAT the acquisition by the Company of the entire issued quotaholding of Viterie Italia Centrale Srl on the terms and subject to the conditions contained in the acquisition agreement dated on or about 6 May 2014 described in the circular to the shareholders of the Company dated 7 May 2014 to which the Notice convening this meeting is attached be and is hereby approved and that the directors of the Company be and they are hereby authorised to do all such things and enter into such documents as may be necessary to give effect thereto including the making of such non-material variations to the terms and conditions of such agreement and related other documents as the directors of the Company (or any duly constituted committee thereof) shall, in their discretion, think necessary or desirable”.

A member entitled to attend and vote at the meeting convened by the above Notice is entitled to appoint a proxy or proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company. The appointment of a proxy will not preclude a member from attending and voting in person.

By order of the Board,

Mark Belton

Company Secretary

7 May 2014

Trifast House Bellbrook Park Uckfield TN22 1QW

Registered Office: Trifast House Bellbrook Park, Uckfield East Sussex TN22 1QW

Registered in England and Wales under number 01919797.

Notes

- a) A form of proxy is enclosed. The appointment of a proxy will not prevent a shareholder from subsequently attending and voting at the meeting in person, in which case any votes cast by the proxy will be excluded.
- b) To be effective the instrument appointing a proxy, and (failing prior registration) any letter or power of attorney under which it is executed (or a duly certified copy thereof) must be deposited at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY.
As an alternative to completing the hard copy proxy form, shareholders can vote and appoint a proxy electronically by going to the following website: www.investorcentre.co.uk/eproxy. You will be asked to enter the Control Number, the Shareholder Reference Number (SRN) and PIN as provided on your proxy card and agree to certain terms and conditions.
For either format of proxy to be valid it must be received no later than 10 a.m. on the day that is two working days prior to the meeting. Further details relating to the appointment of proxies are included in the proxy form.
- c) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting and any adjournment by using the procedures described in the CREST Manual (www.euroclear.com/CREST). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.
In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. All messages relating to the appointment of a proxy or an instruction to a previously appointed proxy must be transmitted so as to be received by the Company's agent (ID. 3RA50) no later than 10 a.m. on the day that is two working days prior to the meeting. It is the responsibility of the CREST member concerned to take such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat a CREST Proxy Instruction as invalid in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
- d) Information regarding the meeting is also available from www.trifast.com.
- e) Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided they do not do so in relation to the same shares.
- f) Any person to whom this Notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a “Nominated Person”) may, under an agreement between him/her and the shareholder by whom he/she was

nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the general meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs (a), (b) and (c) above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.

- g) Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those shareholders registered in the register of members of the Company as at 10 a.m. on 28 May 2014 (or, if the meeting is adjourned, by 10 a.m. on the day that is two working days prior to the adjourned meeting) shall be entitled to attend or vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries on the relevant register of securities after 10 a.m. on the relevant day shall be disregarded in determining the rights of any person to attend or vote at the meeting. The total number of issued ordinary shares of the Company on 6 May 2014, which is the latest practicable date before the publication of this document is 108,704,406.
- h) Members attending the meeting will, subject as provided in the Company's Articles of Association, be entitled to ask questions relating to the business of the Meeting.

