7 December 2016

Tricorn Group plc
("Tricorn" or the "Group")

Interim Results
For the six months ended 30 September 2016

Tricorn Group plc (AIM: TCN.L) the AIM listed tube manipulation specialist, announces its unaudited interim results for the six months ended 30 September 2016.

Highlights

- Revenue up 12.3% on previous period, being 6 months to 31 March 2016
- China restructuring completed, providing a solid platform for future profitable growth
- Positive cash flow from operating activities
- Significant new contract win and long term supply agreement announced post-period end

Financial Summary

	Unaudited six months to 30 September 2016 £'000	Unaudited six months to 30 September 2015 £'000	Six months to 31 March 2016 £'000	Year ended 31 March 2016 £'000
Revenue	**8,900**	10,096	7,920	18,016
Adjusted Operating Profit*	**187**	183	(150)	33
Adjusted Profit/(Loss) before tax*	**4**	38	(311)	(273)
Cashflow from operating activities	**202**	370	852	1,222
Cash & cash equivalents	**643**	730	855	855
Net (Debt)	**(3,386)**	(3,167)	(2,920)	(2,920)
Adj EPS/(LPS) – basic	**0.01p**	0.11p	(0.30)p	(0.19)p

*All references to operating profit, operating margin, profit/loss before tax and EPS are before restructuring costs, intangible asset amortisation, share based payment charges and foreign exchange derivative valuation.

Andrew Moss, Chairman of Tricorn, commented:

"The Group has made good progress through the first half of the year when compared to the previous period and the Board is encouraged by the new business won. Our USA and UK businesses have generated increased revenue through increased market share, enabling both of our divisions to improve profitability.

In line with our previously announced plans, we consolidated our activities in China providing a solid platform for future profitable growth.

Adjusted PBT for the period was in line with the Board's expectations and we anticipate that full year results will be in line with market expectations."

Enquires:

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Notes to Editors:
Tricorn is a value added manufacturer and specialist manipulator of pipe and tubing assemblies to niche markets worldwide in the Energy and Transportation sectors.

Headquartered in Malvern, UK, Tricorn employs around 300 employees and operates through four brands: MTC, Maxpower, Franklin Tubular Products and Minguang-Tricorn Tubular Products.

Chairman's and Chief Executive's statement

Performance in the six months ended 30 September 2016
The Group made encouraging progress through the period despite its markets remaining weak. The USA and UK businesses benefitted from the impact of new business wins and, as a result, first half revenue for the Group was 12.3 % higher than in the six months ended 31 March 2016 (the "Previous Period").

Adjusted PBT at £0.004m was in line with the Board's expectations and substantially ahead of the Previous Period (loss :£0.311m).

Operational Review
The Group operates two main business divisions focused on the Transportation and Energy sectors and has four manufacturing facilities in the UK, USA and China. These locations make it ideally positioned to support its blue chip OEM customer base, many of whom are seeking to localise supply and technical support for their facilities in these key regions.

Transportation
The Transportation division is focused on rigid, nylon and hybrid tubular products for engines, hydraulic actuation, transmission lubrication and fuel sender sub-systems. Its customer base serves both the on and off road markets, including construction, truck and agriculture.

The USA business, Franklin Tubular Products, continued to make good progress with revenue and profitability up on the Previous Period. On 10 November 2016, post-period end the Group announced that it had been awarded business from Volvo Truck Group that is expected to generate $3.5m (£2.8m) of additional revenue over a 4-year period. In addition, on 30 November 2016, the Group announced a 5 year supply agreement with one of its key strategic customers which is expected to generate approximately $9.6m (£7.74m) of revenue from current products.

In the UK, Maxpower Automotive also increased revenue compared to the Previous Period again as a result of new business wins.

In China, the previously announced project to combine the activities of the Group's wholly owned facility and joint venture into a single operation was completed to plan at the end of June 2016. All trading in China is now through the enlarged joint venture, Minguang-Tricorn Tubular

Products. This provides a solid platform for future growth. In line with Group policy, only the share of the profit or loss is reported in the consolidated accounts.

Overall externally reported segmental revenue was £6.844m, which was an increase of 13% on the Previous Period (£6.054m). Segmental adjusted profit before tax was £0.061m, up £0.039m on the Previous Period (£0.022m).

Energy
The Energy division specialises in the design and manufacture of larger tubular assemblies and fabrications for engine, cooling and generator set applications. Its customer base serves the power generation, oil and gas, mining and marine applications markets.

Malvern Tubular Components continued to benefit from its on-going improvement activities and won additional business from new customers particularly in the power generation market.

Revenue at £2.056m was up 10.2% from the Previous Period (£1.866m). Segmental adjusted profit before tax at £0.018m improved £0.210m from the Previous Period (loss: £0.192m).

Financial Review
Through the first half, the Group benefitted from the cost reduction activities that were initiated during the corresponding period last year. This has enabled the Group to operate through the period with a lower cost base and report a broadly similar adjusted operating profit of £0.187m (2015: £0.183m), on revenues that were £1.196m lower. In addition, during the period the Group merged its activities in China. As a result, its subsidiary businesses were profitable and a small adjusted profit before tax was delivered at the Group level.

The Group's functional currency is Sterling. Beyond this, the Group does have a transactional exposure to the U.S. Dollar (USD), predominantly for the purchase of machined components. Where possible the Group hedges against this transactional currency exposure and currently has financial instruments in place until 31 March 2017. The Group's overseas assets, liabilities and borrowings are translated at the month end exchange rate, with any foreign exchange variances taken to reserves. The Group's exposure to the Euro is not material.

Income Statement
Revenue for the first half of the year at £8.900m was up 12.3% on the six months to 31 March 2016 and down 11.8% on the corresponding period in the prior year (2015: £10.096m). The impact of the strengthening USD added £0.246m to the first half revenue when compared to the Previous Period. However, this is more than offset by the completion of the merger of the Group's China activities at the end of June 2016. Please note that from this date, the Group reports only its share of the profit or loss before tax and the revenue figure from the joint venture is not shown in the Group consolidated accounts.

After reacting to the reduced revenue levels seen through the second half of the last financial year, the Group benefitted from a lower cost base through the first half of this financial year. This resulted in an adjusted operating profit £0.187m (2015: £0.183m) and an operating loss of £0.150m for the six months to 31 March 2016.

In the first half, the Group incurred restructuring charges of £0.198m. The majority of these related to the merger of the Group's activities in China, with £0.114m specifically relating to asset impairments associated with the closure of activities in Wuxi.

After restructuring costs, intangible asset amortisation, share based payment charges and credits relating to foreign exchange derivative contracts the Group made an operating loss of £0.066m (2015: operating profit of £0.098m).

Loss from joint ventures was £0.076m (2015: £0.039m). Finance charges for the half year were £0.107m (2015: £0.106m). This charge relates to interest costs on both short term borrowing and lease finance arrangements. The resultant adjusted profit before tax was £0.004m (2015: £0.038m).

The adjusted earnings per share was 0.01p (2015: 0.11p) and after deducting non-underlying items the basic loss per share was 0.74p (2015: 0.14p).

Cash Flow
The Group's net cash flow from operating activities for the first half was £0.202m (2015: £0.370m).

The Group's investment in capital expenditure in the first half was £0.307m (2015: £0.297m). The majority of this expenditure was associated with new business and facility improvements in the UK and US. Funding of capital expenditure projects is through a combination of short term borrowings and lease finance arrangements.

Net debt at the half year end was £3.386m compared to £3.167m at 30 September 2015 and £2.920m at 31 March 2016. Translation of the Group's USD borrowings at the half year has had the impact of increasing the Group's net debt by £0.224m when compared to 31 March 2016 and £0.311m when compared to 30 September 2015. As a result of the higher net debt, gearing at the half year was 57.4% (2015: 49.5%).

Balance Sheet
At 30 June 2016 the Group completed the transfer activities associated with its facilities in China. This involved closing its wholly owned subsidiary in Wuxi and investing the resultant assets into its joint venture in Nanjing. On completion of the transaction, the Group had invested a further £0.518m of assets, comprising tangible assets and inventories, into the joint venture. After taking into account further investment from the joint venture partner, the Group now holds 63% of the equity. The Group will continue to report the business as a joint venture and believes that this is the most appropriate treatment in its consolidated accounts.

Total assets at 30 September 2016 were £12.538m, down £0.371m on 30 September 2015, largely on the back of lower trade receivables, inventories and cash and equivalents.

Net working capital at 30 September 2016 was £3.834m, which was £0.868m lower than at 30 September 2015 and £0.460m higher than at 31 March 2016.

Outlook
The Group has made good progress through the first half of the year when compared to the Previous Period and the Board is encouraged by the new business won. Our USA and UK businesses have generated increased revenue through increased market share, enabling both of our divisions to improve profitability.

In line with our previously announced plans, we consolidated our activities in China providing a solid platform for future profitable growth.

Adjusted PBT for the period was in line with the Board's expectations and we anticipate that full year results will be in line with market expectations.

Andrew Moss
Chairman

Mike Welburn
Chief Executive

Group statement of comprehensive income
For period ended 30 September 2016

	Note	Unaudited six months to 30 September 2016 £'000 Underlying	Unaudited six months to 30 September 2016 £'000 Non-Underlying	**Unaudited six months to 30 September 2016 £'000 Group**	Unaudited six months to 30 September 2015 £'000	Audited Year Ended 31 March 2016 £'000
Revenue	3	8,900	-	**8,900**	10,096	18,016
Cost of sales		(5,169)	-	**(5,169)**	(5,962)	(10,752)
Gross profit		3,731	-	**3,731**	4,134	7,264
Distribution costs		(394)	-	**(394)**	(538)	(969)
Administration costs						
- General administration costs		(3,150)	-	**(3,150)**	(3,413)	(6,262)
- Restructuring costs		-	(198)	**(198)**	(16)	(270)
- Intangible asset amortisation		-	(95)	**(95)**	(63)	(158)
- Share based payment charge		-	(4)	**(4)**	(29)	(59)
- Fair value change relating to forward exchange contracts		-	44	**44**	23	-
Total administration costs		(3,150)	(253)	**(3,403)**	(3,498)	(6,749)
Operating profit/(loss)		187	(253)	**(66)**	98	(454)
Share of loss from joint venture		(76)	-	**(76)**	(39)	(99)
Finance costs		(107)	-	**(107)**	(106)	(207)
Profit/(loss) before tax	3	4	(253)	**(249)**	(47)	(760)
Income tax expense		-	-	**-**	-	208
Loss for the year and total comprehensive expense		4	(253)	**(249)**	(47)	(552)
Attributable to:						
Equity holders of the parent company		4	(253)	**(249)**	(47)	(552)
Continuing Operations						
Earnings per share:						
Basic loss per share	4			**(0.74)p**	(0.14)p	(1.64)p
Diluted loss per share	4			**(0.74)p**	(0.14)p	(1.64)p

Group statement of changes in equity
For period ended 30 September 2016

	Share capital £'000	Share premium £'000	Merger reserve £'000	Translation Reserve £'000	Share based payment Reserve £'000	Retained earnings £'000	Total £'000
Balance at 1 April 2015 (audited)	**3,349**	**1,692**	**1,388**	**55**	**401**	**(455)**	**6,430**
Issue of new shares	30	-	-	-	-	-	30
Share based payment charge	-	-	-	-	29	-	29
Total transactions with owners	30	-	-	-	29	-	59
Foreign exchange loss on translation of Reserves	-	-	-	(47)	-	-	(47)
Comprehensive income	-	-	-	-	-	(47)	(47)
Balance at 30 September 2015 (unaudited)	**3,379**	**1,692**	**1,388**	**8**	**430**	**(502)**	**6,395**
Share based payment charge	-	-	-	-	30	-	30
Write back of share based reserve	-	-	-	-	(160)	160	-
Total transactions with owners	-	-	-	-	(130)	160	30
Foreign exchange gain on translation of Reserves	-	-	-	99	-	-	99
Comprehensive income	-	-	-	-	-	(505)	(505)
Balance at 31 March 2016 (audited)	**3,379**	**1,692**	**1,388**	**107**	**300**	**(847)**	**6,019**
Share based payment charge	-	-	-	-	4	-	4
Total transactions with owners	-	-	-	-	4	-	4
Foreign exchange gain on translation of Reserves	-	-	-	116	-	-	116
Comprehensive income	-	-	-	-	-	(249)	(249)
Balance at 30 September 2016 (unaudited)	**3,379**	**1,692**	**1,388**	**223**	**304**	**(1,096)**	**5,890**

Group statement of financial position

At 30 September 2016

	Unaudited 30 September 2016 £'000	Unaudited 30 September 2015 £'000	Audited 31 March 2016 £'000
Assets			
Non current			
Goodwill	**391**	391	391
Intangible assets	**407**	404	500
Investment in Joint Venture	**660**	276	216
Property, plant and equipment	**4,113**	4,147	3,796
	5,571	5,218	4,903
Current			
Inventories	**2,467**	2,888	2,258
Trade and other receivables	**3,825**	4,057	3,550
Cash and cash equivalents	**643**	730	855
Corporation tax	**32**	16	32
	6,967	7,691	6,695
Assets held in disposal group classified as held for sale	**-**	-	765
Total assets	**12,538**	12,909	12,363
Liabilities			
Current			
Trade and other payables	**(2,458)**	(2,243)	(2,434)
Borrowings	**(3,924)**	(3,773)	(3,677)
Corporation tax	**(26)**	(215)	-
	(6,408)	(6,231)	(6,111)
Non-current			
Borrowings	**(105)**	(124)	(98)
Deferred tax	**(135)**	(159)	(135)
	(240)	(283)	(233)
Total liabilities	**(6,648)**	(6,514)	(6,344)
Net assets	**5,890**	6,395	6,019
Equity			
Share capital	**3,379**	3,379	3,379
Share premium account	**1,692**	1,692	1,692
Merger reserve	**1,388**	1,388	1,388
Translation reserve	**223**	8	107
Share based payment reserve	**304**	430	300
Retained earnings	**(1,096)**	(502)	(847)
Total equity	**5,890**	6,395	6,019

Group statement of cash flows
For period ended 30 September 2016

	Unaudited Six months to 30 September 2016 £'000	Unaudited Six months to 30 September 2015 £'000	Audited Year Ended 31 March 2016 £'000
Cash flows from operating activities			
(Loss) after taxation	**(249)**	(47)	(552)
Adjustment for:			
Depreciation	**345**	334	704
Net finance costs in statement of comprehensive income	**107**	106	207
Restructuring charges	**114**	-	-
Amortisation charge	**95**	63	158
Share based payment charge	**4**	29	59
Share of joint venture operating losses	**76**	39	99
Credit relating to foreign exchange derivative contracts	**(44)**	(23)	-
Taxation expense recognised in statement of comprehensive income	**-**	-	(208)
(Increase)/Decrease in trade and other receivables	**(274)**	838	1,329
Increase/(Decrease) in trade payables and other payables	**52**	(578)	(414)
Decrease/(Increase) in inventories	**66**	(374)	(19)
Cash generated	**292**	387	1,363
Interest paid	**(132)**	(132)	(207)
Income taxes paid	**42**	115	66
Net cash generated by operating activities	**202**	370	1,222
Cash flows from investing activities			
Investment in overseas joint venture	**(518)**	-	-
NBV of asset sold on disposal of business	**415**	-	-
Purchase of plant and equipment	**(307)**	(297)	(629)
Purchase of intangible assets	**-**	-	(192)
Net cash used by investing activities	**(410)**	(297)	(821)
Cash flows from financing activities			
Issue of ordinary share capital	**-**	30	30
Movement in short term borrowings	**41**	(35)	(201)
Payment of finance lease liabilities	**(45)**	(32)	(69)
Net cash absorbed by financing activities	**(4)**	(37)	(240)
Net (decrease)/increase in cash and cash equivalents	**(212)**	36	161
Cash and cash equivalents at beginning of period	**855**	694	694
Cash and cash equivalents at end of period	**643**	730	855

1 General information

Tricorn Group plc and subsidiaries' (the 'Group') principal activities comprise high precision tube manipulation, systems engineering and specialist fittings.

The Group's customer base includes major blue chip companies with world-wide activities in key market sectors, including Power Generation, Oil & Gas, Off Highway, Commercial Vehicles, Agriculture and Automotive.

Tricorn Group plc is the Group's ultimate parent company. It is incorporated and domiciled in the United Kingdom. The address of Tricorn Group plc's registered office, which is also its principal place of business, is Spring Lane, Malvern, Worcestershire, WR14 1DA. The Group's shares are admitted to trading on the Alternative Investment Market of the London Stock Exchange.

These consolidated interim financial statements have been approved for issue on 7 December 2016 by the Board of Directors. Amendments to the financial statements are not permitted after they have been approved. Copies of this announcement are available on the Company's website, www.tricorn.uk.com.

The financial information set out in this interim report does not constitute statutory accounts as defined in the Companies Act 2006. The Group's statutory financial statements for the year ended 31 March 2016 have been filed with the Registrar of Companies. The auditor's report on those financial statements was unqualified and did not contain a statement under Section 498(2) or (3) of the Companies Act 2006.

2 Accounting policies

Basis of preparation

These unaudited interim consolidated financial statements are for the six months ended 30 September 2016. They have been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 March 2016, which have been prepared in accordance with International Financial Reporting Standards.

The same accounting policies and methods of computation are followed in the interim financial statements as compared with the most recent annual financial statements.

3 Segmental reporting

The Group operates two main business segments:

- Energy: manipulated tubular assemblies for use in power generation, oil and gas and marine sectors.
- Transportation: ferrous, non-ferrous and nylon material tubular assemblies for use in on and off-highway applications.

3 Segmental reporting (continued)

The financial information detailed below is frequently reviewed by the Chief Operating Decision maker.

6 months to 30 September 2016 (unaudited)

	Energy £'000	**Transportatio n £'000**	**Unallocated £'000**	**Total £'000**
Revenue	**2,056**	**6,844**	**-**	**8,900**
Segmental profit/(loss) before tax	**18**	**61**	**-**	**79**
Restructuring costs				**(198)**
Intangible asset amortisation				**(95)**
Fair value credit relating to foreign exchange contracts				**44**
Share based payment charge				**(4)**
Corporate recharges				**1**
Share of losses of joint venture				**(76)**
Loss before tax				**(249)**
Segmental total assets	**2,700**	**8,997**	**841**	**12,538**

6 months to 30 September 2015 (unaudited) - Restated

	Energy £'000	Transportation £'000	Unallocated £'000	Total £'000
Revenue	3,612	6,484	-	10,096
Segmental profit/(loss) before tax	255	(104)	-	151
Restructuring costs				(16)
Intangible asset amortisation				(63)
Fair value credit relating to foreign exchange contracts				23
Share based payment charge				(29)
Corporate recharges				(74)
Share of losses of joint venture				(39)
Loss before tax				(47)
Segmental total assets	3,015	8,731	1,163	12,909

3 Segmental reporting (continued)

Year ended 31 March 2016

	Energy £'000	Transportation £'000	Unallocated £'000	Total £'000
Revenue	5,478	12,538	-	18,016
Segmental profit/(loss) before tax	63	(82)	-	(19)
Restructuring costs				(270)
Intangibles amortisation				(158)
Share based payment charge				(59)
Corporate recharges				(155)
Share of loss from joint venture				(99)
Profit before tax				(760)
Segmental total assets	2,573	9,137	653	12,363

4 (Loss)/Earnings per share

The calculation of the basic earnings per share is based on the earnings attributable to ordinary shareholders divided by the weighted average number of shares in issue during the year.

The calculation of diluted earnings per share is based on the basic earnings per share, adjusted to allow for the issue of shares and the post tax effect of dividends and/or interest, on the assumed conversion of all dilutive options and other dilutive potential ordinary shares.

Reconciliations of the earnings and weighted average number of shares used in the calculations are set out below.

	Six months ended 30 September 2016		
	Loss £'000	**Weighted average number of shares Number '000**	**Loss per share Pence**
Basic loss per share	**(249)**	**33,795**	**(0.74)p**
Dilutive shares		**-**	
Diluted loss per share	**(249)**	**33,795**	**(0.74)p**

	Six months ended 30 September 2015		
	Loss £'000	Weighted average number of shares Number '000	Loss per share Pence
Basic earnings per share – continuing operations	(47)	33,495	(0.14)p
Dilutive shares		-	
Diluted earnings per share – continuing operations	(47)	33,495	(0.14)p

4 (Loss)/Earnings per share (continued)

	Loss £'000	31 March 2016 Weighted average number of shares Number '000	Loss per share Pence
Basic earnings per share – continuing operations	(552)	33,646	(1.64)p
Dilutive shares		-	
Diluted earnings per share – continuing operations	(552)	33,646	(1.64)p

The directors consider that the following adjusted earnings per share calculation is a more appropriate reflection of the Group performance.

	Six months ended 30 September 2016		
	Profit £'000	**Weighted average number of shares Number '000**	**Earnings per share Pence**
Basic earnings per share	**(249)**	**33,795**	**(0.74)p**
Restructuring costs	**198**		
Intangible asset amortisation	**95**		
Fair value credit relating to foreign exchange contracts	**(44)**		
Share based payment charge	**4**		
Adjusted earnings per share	**4**	**33,795**	**0.01p**
Dilutive shares	**-**	**-**	**-**
Diluted adjusted earnings per share	**4**	**33,795**	**0.01p**

	Six months ended 30 September 2015		
	Profit £'000	Weighted average number of shares Number '000	Earnings per share Pence
Basic earnings per share – continuing operations	(47)	33,495	(0.14)p
Restructuring costs	16		
Intangible asset amortisation	63		
Fair value credit relating to foreign exchange contracts	(23)		
Share based payment charge	29		
Adjusted earnings per share	38	33,495	0.11p
Dilutive shares	-	-	-
Diluted adjusted earnings per share	38	33,495	0.11p

	Loss £'000	31 March 2016 Weighted average number of shares Number '000	Loss per share Pence
Basic earnings per share – continuing operations	(552)	33,646	(1.64)p
Restructuring costs	270		
Intangible asset amortisation	158		-
Share based payment charge	59		
Adjusted earnings per share	(65)	33,646	(0.19)p
Dilutive shares	-	-	
Diluted adjusted earnings per share	(65)	33,646	(0.19)p