COMPANY ANNOUNCEMENT

*The following is a Company Announcement issued by Trident Estates p.l.c. (the **"Company"**) pursuant to Chapter 5 of the Capital Markets Rules as issued by the Malta Financial Services Authority in accordance with the provisions of the Financial Markets Act (Chapter 345 of the Laws of Malta) as they may be amended from time to time.*

Quote

Approval of interim results

The Board of Directors of Trident Estates p.l.c has on Thursday, 22nd September 2022 approved for publication the unaudited financial statements of the Company for the six months ended 31st July 2022.

A copy of these financial statements, inclusive of the Interim Directors' Report as approved is attached herewith and is available to the public on http://tridentestatesplc.com/financial-information/

Unquote

By Order of the Board

Nadine Magro
Company Secretary

22 September 2022

Trident Estates Plc
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Mdina Road, Zone 2,
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Company Registration Number: C27157

Trident Estates p.l.c.

Condensed Consolidated Interim Financial Statements

for the period ended 31 July 2022

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Interim Directors' Report

Principal activities

The Group owns and manages property for rental and investment purposes. The primary focus of the Group at this time is the marketing, leasing and operation of the Trident Park project, whilst also managing the final stages of the project and the sub-projects that have arisen within it.

Trading performance

The Group recorded revenue of €885,000 for the first 6 months ended 31 July 2022, as compared to €544,000 recorded during the same prior period. The increase in revenue is primarily due to new rental contracts of Trident Park which commenced during the period, amounting to €285,000.

The Group's direct costs increased to €187,000 (2021: €38,000) due to the partial commencement of the Trident Park property operation. Administrative costs remained stable at €360,000 (2021: €389,000).

The operation of the Trident Park property and the income it has generated to date has resulted in an increased pre-tax profit of €265,000 (2021: €26,000). After the income tax expense of €114,000, the Group reported a net profit of €151,000 as compared to a net loss of €28,000 in the same prior period.

Trident Park project

Shortly after the financial year ending 31 January 2022, management gradually began commissioning the different aspects of the Trident Park operations. The civil work elements have been completed and the contractor has demobilised from the site during the period, while the mechanical, electrical and plumbing (MEP) works, finishing works, raised floor, and landscaping continue to progress towards completion. The remaining works are now largely sectioned off into sub-projects, mainly limited to areas which will be occupied by tenants and the works related to the renovation of the conference facility, reception and old boardroom. Some snagging and remedial works also remain pending, along with other ongoing works which are being carried out to improve the efficacy of the operation.

The COVID-19 pandemic, the FATF grey listing, and the war in Ukraine all happened during the construction phase of the Trident Park project. These events all had far-reaching consequences on both the country's economic environment, as well as the project's rate of progression. Inevitably, the Trident Park project suffered delays in the progress of its works as a result of labour shortages and long lead-times, which resulted in delayed receipt of rent. Notwithstanding these delays, Trident Park is now operational and the level of interest being shown in the property continues to increase at an encouraging rate.

As the works continued to progress, the Group drew down on available bank facilities during the period to fund the capital works. As at the period end, total loan facilities amounted to €28.5 million, from which the amount of €23.3 million had been availed of as at that date.

Trident Park Tenants and Visitors

The business landscape has been impacted by the various events that have occurred over the past two years, with the global pandemic and the war in Ukraine both having negative impacts of varying degrees on most businesses worldwide. These worldwide events, coupled with the localised effects of the grey listing of Malta, have dampened businesses' willingness to sign up on new leases and take on the significant expenditure required to relocate their premises. Furthermore, the local market is now experiencing an increased supply of leasable office spaces. The pandemic has also influenced certain companies and sectors to consider adopting work-from-home arrangements with their employees, further reducing the demand for office space.

The Trident Park property is of the highest standard, boasting open green spaces abounding with natural air and light with tenants enjoying the prestige that the property brings to their brand as well as the amenities that are available for their employees on site. First-time visitors are also being attracted to the property and admiring the architectural features that are present throughout, whilst making use of the parking and visiting the food and beverage outlets on the property and of the adjacent Brewhouse. This increased activity as well as the greenery added by the landscaped areas contribute towards the realization of the green office campus concept.

Over the past six months Trident Park has generated a lot of interest, even more so now that the property is nearly finished and has moved to operational mode. Multiple new leads have been generated especially after the lessening of the COVID impact and Malta’s removal from the FATF grey list. However, lead times between enquiry and completion still remain stretched, and the management team is now working hard on turning existing leads into signed tenancies. A series of negotiations with interested tenants are currently under way.

Other Properties

In January 2022, the lessee of Trident House gave notice of their intention to vacate the premises after 3 years in accordance with the terms of the lease. The lessee of KFC Gzira will also be vacating the premises in the third quarter of this financial year. The Board and management are currently evaluating options of how to best utilise these assets once they have been repossessed by the Group.

Dividends

The Board does not propose the payment of an interim dividend at this time. The extent of a final dividend distribution, if any, shall be determined on the basis of the full year results.

By order of the Board

Louis A. Farrugia
Chairman

Vincent Curmi
Vice Chairman

Registered office:
Trident Park
Mdina Road, Zone 2
Central Business District
Birkirkara CBD 2010
Malta

22 September 2022

Statement pursuant to Listing Rule 5.75.3 issued by the Listing Authority

We hereby confirm that to the best of our knowledge:

- The condensed consolidated interim financial information gives a true and fair view of the financial position of the Group as at 31 July 2022, and of its financial performance and cash flows for the period then ended, in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim Financial reporting (IAS 34); and

- The Interim Directors' Report includes a fair review of the information required in terms of Listing Rules 5.81 to 5.85.

Louis A. Farrugia
Chairman

Vincent Curmi
Vice Chairman

Condensed Consolidated Statement of Financial Position

	As at 31 July 2022 (unaudited) €'000	As at 31 January 2022 (audited) €'000
ASSETS		
Non-current assets	**86,832**	82,479
Current assets	**2,930**	1,785
Total assets	**89,762**	84,282
EQUITY AND LIABILITIES		
Equity	**53,300**	53,149
Non-current liabilities	**30,070**	25,414
Current liabilities	**6,392**	5,719
Total equity and liabilities	**89,762**	84,282

Condensed Consolidated Income Statement

	Six months ended 31 July	
	2022 (unaudited) €'000	2021 (unaudited) €'000
Revenue	**885**	544
Direct costs	**(187)**	(38)
Gross profit	**698**	506
Administrative expenses	**(360)**	(389)
Finance costs	**(94)**	(91)
Other income	**21**	-
Profit before tax	**265**	26
Tax expense	**(114)**	(54)
Profit / (Loss) for the period	**151**	(28)
Profit / (Loss) per share (Note 4)	**0.0036**	(0.0007)

Condensed Consolidated Statement of Changes in Equity

	Share capital	Share premium	Fair value gains reserve	Retained earnings	Total equity
	€'000	€'000	€'000	€'000	€'000
Balance at 31 January 2021	**42,000**	**2,833**	**3,442**	**4,811**	**53,086**
Comprehensive income					
Loss for six months ended 31 July 2021	-	-	-	(28)	(28)
Balance at 31 July 2021	**42,000**	**2,833**	**3,442**	**4,783**	**53,058**
Balance at 31 January 2022	**42,000**	**2,833**	**3,442**	**4,874**	**53,149**
Comprehensive income					
Profit for six months ended 31 July 2022	-	-	-	151	151
Balance at 31 July 2022	**42,000**	**2,833**	**3,442**	**5,025**	**53,300**

Condensed Consolidated Statement of Cash Flows

	Six months ended 31 July	
	2022 (unaudited) €'000	2021 (unaudited) €'000
Net cash (used in) / generated from operating activities	**1,310**	(422)
Net cash used in investing activities	**(6,655)**	(7,138)
Net cash generated from / (used in) financing activities	**6,439**	6,821
Net movement in cash and cash equivalents	**1,094**	(739)
Cash and cash equivalents at beginning of period	**785**	1,723
Cash and cash equivalents at end of period	**1,879**	984

Notes to the Condensed Consolidated Interim Financial Statements

1. This statement is being published pursuant to the terms of Chapter 5 of the Listing Rules and the Prevention of Financial Markets Abuse Act 2005.

2. The financial information contained herein has been extracted from unaudited interim consolidated financial statements for the six months ended 31 July 2022 of Trident Estates plc, prepared in accordance with accounting standards adopted for use in the European Union for reported interim financial information (IAS 34 – Interim Financial Reporting) and as approved by the Board on 22 September 2022. In terms of Listing Rule 5.75.5, this interim report has not been audited by the Group's independent auditors.

3. The interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 January 2022, which have been prepared in accordance with International Financial Reporting Standards as adopted by the EU.

   Assessment of going concern assumption

   The directors have a reasonable expectation, at the time of approving the condensed consolidated interim financial statements, that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group has sufficient liquidity and retains access to bank loan facilities in order to continue funding the project. The majority of works at Trident Park are nearly complete and the requirement of additional financing should be minimal. For this reason, the directors continue to adopt the going concern basis in the preparation of the condensed consolidated interim financial statements.

4. Earnings per share is based on the profit after tax attributable to the ordinary shareholders of Trident Estates plc divided by the adjusted weighted average number of ordinary shares in issue during the period and ranking for dividend.

	Six months ended 31 July	
	2022	2021
Profit/(Loss) for the period (€'000)	**151**	(28)
Weighted average number of ordinary shares in issue (thousands)	**42,000**	42,000
Loss per share for the period attributable to shareholders	**€0.0036**	(€0.0007)

   Basic and diluted EPS equates to the same amount as there are no potentially diluted shares in issue.

5.

	As at 31 July 2022 €'000	As at 31 January 2022 €'000
Authorised:		
50,000,000 ordinary shares of €1 each	**50,000**	50,000
Issued and fully paid:		
42,000,003 ordinary shares of €1 each	**42,000**	42,000
Share premium	**2,833**	2,833

Notes to the Condensed Consolidated Interim Financial Statements - continued

6. Property that is held for long-term rental yields or for capital appreciation or both, and is not occupied by the Group, is classified as investment property. Valuations of investment property are reviewed annually. The fair values of the Group's investment property are largely dependent on the income streams generated from said properties, and the rate at which those income streams are discounted.

   Management has reviewed the projections and related stress tests backing up the valuation of the Trident Park project. The property's value upon completion is primarily determined by the rate of occupancy and the rental rates achieved from tenants. As reported in Note 6 of the Annual Financial Report 2021/22, a reduction of 10-15% in the projected overall rental rates may result in an impairment of €2-3.8 million, whereas a prolonged reduction in average occupancy of 5-20% may result in an impairment of €1.2-1.4 million. The rental rates achieved to date are in line with board targets and projections. The contracted tenants began occupying the office spaces during the reporting period, with others carrying out the necessary works to the premises to be able to occupy the spaces. It is expected that all the presently contracted tenants will occupy their respective spaces by the end of the year. Management is also working on converting the existing leads into leased tenancies.

7. The Board has approved capital expenditure amounting to €54 million, of which €53 million have been contracted, and €48.5 million have been incurred as at the end of the period. These capital commitments relate to the approved investment plan that comprises the construction of the Trident Park project.

8. The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 January 2022.

   Standards, interpretations and amendments to published standards effective during the reporting period

   During the financial year under review, the Group adopted new standards, amendments and interpretations to existing standards that are mandatory for the Group's accounting period beginning on 1 February 2022.

   Standards, interpretations and amendments to published standards that are not yet effective

   Certain new standards, amendments and interpretations to existing standards have been published by the date of authorisation for issue of these condensed consolidated interim financial statements, that are mandatory for the Group's accounting periods beginning after 1 February 2022. The Group has not early adopted these revisions to the requirements of IFRSs as adopted by the EU and the Group's directors are of the opinion that there are no requirements that will have a possible significant impact on the Group's financial statements in the period of initial application.