TRIDENT
ESTATES PLC

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 plc (the "Company") has on Wednesday, 22nd September 2021 approved for publication the unaudited financial statements of the Company for the six months ended 31st July 2021.

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

Kenneth C. Pullicino
Company Secretary

22nd September 2021

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Trident Estates p.l.c.

Condensed Consolidated Interim Financial Statements

for the period ended 31 July 2021

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Interim Directors' Report

Principal activities

The Group owns and manages property for rental and investment purposes. The current primary focus of the Group is the completion of the Trident Park project as well as the marketing and renting out of the property as it nears completion.

Trading performance

For the first six months ended 31 July 2021, the Group recorded revenue of €544,000 as compared to €562,000 in the same period of the prior year. The decrease in revenue resulted due to the early termination of a lease in January 2021, on which discussions with potential tenants are under way. As a result of the reduction in revenue, gross profit decreased to €506,000 (2020: €525,000).

The Group registered an increase in its administrative costs, which totalled €389,000 (2020: €317,000) for the period. Whilst the day-to-day operational costs have remained stable, the increase in expenses emanates from marketing costs being incurred for the Trident Park project, together with costs which were previously being capitalised during the early construction period and which are now being recognised in the Statement of Profit or Loss.

The Group's tax expense during this period amounted to €54,000 (2020: €122,000). The resulting net loss for the period amounted to €28,000, as compared to a net loss of €5,000 in the prior period.

Trident Park project

The works on the Trident Park site have continued to progress at a steady pace, with the project's completion now within reach. The civil works have been virtually completed, save for certain remaining external works, while the mechanical, electrical and plumbing works are also nearing completion. The finishes of the project are also progressing at an accelerated pace. Inevitably, the pressures caused by the COVID-19 pandemic on the availability of labour and supplies have to a certain extent hindered progress on site, and steps have been taken to mitigate the impact of any delays to the extent possible. It is expected that the project's completion will be attained by the end of this year provided that the current conditions remain unchanged.

During the reporting period, the Group has drawn down on available bank facilities to part fund the capital works. As at the period end, total loan facilities amounted to €28.5 million, from which the amount of €8.8 million had been availed of as at that date.

Trident Park Tenants

The attractions of Trident Park as a premium office location with a difference have been readily appreciated by potential tenants as the project approaches completion. The carefully designed green credentials of the environmentally friendly Office Park campus (and ancillary facilities) provide space, air, natural light, ventilation and gardens together with the variable and flexible space that will be the hallmark of offices in the post-pandemic world. Going forward there is little doubt that safe offices with lesser density per capita will be sought, as will those that are sensitive to the imperative of contributing to the challenge of countering climate-change.

Whereas initial tenant sign up has been satisfactory, the business environment has become noticeably more challenging since the FATF decision to grey list the country. Management has sensed some hesitancy to commit among potential tenants, together with a growing propensity to delay on significant investment decisions and commitments. Management have also noted downward pressure on rates being requested, primarily driven by the increased availability of new space coming on the market and a slowdown in new inward investment flows. It is of course critical that Malta does whatever is required to restore its international financial reputation and credibility as a matter of urgency. In the meantime, the Board and management remain committed to the project and are working tirelessly to secure its full completion to the highest standards, believing that the quality of the project will prevail in what promises to be a challenging economic environment over the short to medium term.

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 2021

Statement pursuant to Capital Markets Rule 5.75.3 issued by the MFSA

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 2021, 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 Capital Markets Rules 5.81 to 5.85.

Louis A. Farrugia
Chairman

Vincent Curmi
Vice Chairman

Condensed Consolidated Statement of Financial Position

	As at 31 July 2021 (unaudited) €'000	As at 31 January 2021 (audited) €'000
ASSETS		
Non-current assets	**73,557**	66,447
Current assets	**1,984**	2,397
Total assets	**75,541**	68,844
EQUITY AND LIABILITIES		
Equity	**53,058**	53,086
Non-current liabilities	**14,694**	8,489
Current liabilities	**7,789**	7,269
Total equity and liabilities	**75,541**	68,844

Condensed Consolidated Income Statement

	Six months ended 31 July	
	2021 (unaudited) €'000	2020 (unaudited) €'000
Revenue	**544**	562
Direct costs	**(38)**	(37)
Gross profit	**506**	525
Administrative expenses	**(389)**	(317)
Finance costs	**(91)**	(91)
Profit before tax	**26**	117
Tax expense	**(54)**	(122)
Loss for the period	**(28)**	(5)
Loss per share (Note 4)	**(0.0007)**	(0.0001)

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 2020	42,000	2,833	2,936	4,767	52,536
Comprehensive income					
Loss for six months ended 31 July 2020	-	-	-	(5)	(5)
Balance at 31 July 2020	**42,000**	**2,833**	**2,936**	**4,762**	**52,531**
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**

Condensed Consolidated Statement of Cash Flows

	Six months ended 31 July	
	2021 (unaudited) €'000	2020 (unaudited) €'000
Net cash (used in) / generated from operating activities	**(422)**	161
Net cash used in investing activities	**(7,138)**	(4,075)
Net cash generated from / (used in) financing activities	**6,821**	(49)
Net movement in cash and cash equivalents	**(739)**	(3,963)
Cash and cash equivalents at beginning of period	**1,723**	13,892
Cash and cash equivalents at end of period	**984**	9,929

Notes to the Condensed Consolidated Interim Financial Statements

1. This statement is being published pursuant to the terms of Chapter 5 of the Capital Markets 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 2021 of Trident Estates p.l.c., 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 2021. In terms of Capital Markets 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 2021, 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, and the major contracts have been negotiated on a fixed price basis which limits the risk of cost overruns. 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 p.l.c. divided by the adjusted weighted average number of ordinary shares in issue during the period and ranking for dividend.

	Six months ended 31 July	
	2021	2020
Loss for the period (€'000)	**(28)**	(5)
Weighted average number of ordinary shares in issue (thousands)	**42,000**	42,000
Loss per share for the period attributable to shareholders	**(€0.0007)**	(€0.0001)

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

Notes to the Condensed Consolidated Interim Financial Statements - continued

5. 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 is primarily determined by the rate of occupancy, the rental rates achieved from tenants, and the project's timely completion, all of which have come under pressure due to the COVID-19 pandemic and the FATF decision to grey list the country. The total rentable area committed thus far stands at 9,000 m2 out of an available total upon completion of 19,000 m2. Management is currently in discussion with other prospective tenants and continues to market the remaining spaces. The Group expects to deliver the project by the end of the year with the first tenants expected to move in by December.

6. The Board has approved capital expenditure amounting to €50 million, of which €48 million have been contracted, and €35.1 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.

7. 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 2021.

   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 2021.

   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 2021. 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.