

Company Registration Number: C27157

Trident Estates p.l.c.
Condensed Consolidated Interim Financial Statements
for the period ended 31 July 2024

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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 optimisation of the operations of Trident Park, as well as the marketing and leasing of the remaining spaces. The Group is also undertaking an extensive study of its property portfolio with a long-term view of maximising shareholder and stakeholder value.

Trading performance

The Group recorded revenue of €2,506,000 for the 6 months ended 31 July 2024 (2023: €1,779,000), the increase being largely attributable to the rising occupancy levels at Trident Park.

The Group registered an increase in direct costs to €457,000 (2023: €323,000) in line with the increased activity at Trident Park, which were in part offset by a reduction in administrative expenses amounting to €524,000 (2023: €603,000). Finance costs reduced to €661,000 (2023: €748,000) as a result of renegotiated interest rates on the Group's banking facilities following the steep increase in the 3-month EURIBOR rate in 2022 and 2023. The Group finance costs include €95,000 relating to lease interest in accordance with IFRS 16 (2023: €90,000) for the reported period.

The Group registered a pre-tax profit for the period of €909,000 (2023: €137,000) and a net profit of €684,000 (2023: €67,000) after an income tax expense of €225,000 (2023: €70,000).

As at the period end, the Group has net current liabilities amounting to €4.8 million and total available unutilised bank facilities amounting to €4 million which it intends drawing down over the coming months to finance remaining project retentions.

Trident Park

As reported in the Annual Financial Report 2023/24, the current contracted occupancy at Trident Park is equivalent to 83%, with most of these contracted tenancies having moved in and thus achieving physical occupancy close to this figure at the time of this report. The increased occupancy at Trident Park has contributed substantially to the Group's financial performance, which has improved with each reported financial period. The Board, while cautiously optimistic that results can continue to improve while occupancy rises, expects revenue and profits to plateau once occupancy is near full and operations at Trident Park are fully optimised. Trident Park in the meantime continues to enjoy the increasing activity, footfall and social gatherings as a result of an increased awareness of the campus and its pleasant environment.

Management continues to market the unoccupied spaces of Trident Park and has a number of strong potential leads under negotiation that would increase pipeline occupancy, whilst also optimising the operations to improve the customer experience and keep costs contained.

Other Properties

During the reporting period, the tenant formerly occupying Pizza Hut in St Julian's requested an early termination of their lease. Management agreed to terminate the lease after successfully securing a new tenant that has since started operating an outlet from the Kebab Factory chain. This new lease has a longer term and better rates than the previously contracted one in line with current market values. In the meantime, the Group continues to receive enquiries and expressions of interest in respect of the Trident House property in Qormi. Management is also undertaking a comprehensive study for the restoration of the Sliema Fort Battery (currently known as Fortizza) as the current lease nears its expiry.

Outlook of risks and uncertainties

In line with Capital Markets Rule 5.81, the Board is required to highlight the principal risks and uncertainties for the remaining six months of the financial year. The Group, with its conservative gearing model, its high occupancy at Trident Park, and having secured long-term leases on its properties, is in a strong position to weather any difficulties that may arise. The risks and uncertainties that the Group faces are therefore of a broader macroeconomic nature, namely:

- 1) An oversupply of office space will make it harder to lease the remaining (albeit limited) vacant spaces at Trident Park at the premium rates achieved to date;
- 2) Inflationary pressures which may have an impact on the Group's operating costs as well as on the tenants leasing the Group's properties;
- 3) Elevated interest rates dampening appetite for investment in general; and
- 4) Increased uncertainty in the global geopolitical landscape with several major elections around the world being held in 2024.

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 Farrugia

Louis A. Farrugia
Chairman

Registered office:

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

11 September 2024

Roderick Chalmers

Roderick Chalmers
Director

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 2024, 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.

AMIS FARRUGIA

Louis A. Farrugia
Chairman



Roderick Chalmers
Director

Condensed Consolidated Statement of Financial Position

	As at 31 July 2024 (unaudited) €'000	As at 31 January 2024 (audited) €'000
ASSETS		
Non-current assets	101,235	101,471
Current assets	3,258	2,511
Total assets	104,493	103,982
 EQUITY AND LIABILITIES		
Equity	61,459	60,775
Non-current liabilities	34,954	35,559
Current liabilities	8,080	7,648
Total equity and liabilities	104,493	103,982

Condensed Consolidated Income Statement

	Six months ended 31 July	
	2024 (unaudited) €'000	2023 (unaudited) €'000
Revenue	2,506	1,779
Direct costs	(457)	(323)
Gross profit	2,049	1,456
Administrative expenses	(524)	(603)
Finance costs	(661)	(748)
Other income	45	32
Profit before tax	909	137
Tax expense	(225)	(70)
Profit for the period	684	67
Profit per share (Note 4)	€0.0163	€0.0016

Condensed Consolidated Statement of Changes in Equity

	Share capital (Note 5) €'000	Share premium (Note 5) €'000	Fair value gains reserve €'000	Retained earnings €'000	Total equity €'000
Balance at 31 January 2023	42,000	2,833	9,516	5,374	59,723
Comprehensive income					
Profit for six months ended 31 July 2023	-	-	-	67	67
Balance at 31 July 2023	42,000	2,833	9,516	5,441	59,790
Balance at 31 January 2024	42,000	2,833	10,042	5,900	60,775
Comprehensive income					
Profit for six months ended 31 July 2024	-	-	-	684	684
Balance at 31 July 2024	42,000	2,833	10,042	6,584	61,459

Condensed Consolidated Statement of Cash Flows

	Six months ended 31 July	
	2024	2023
	(unaudited)	(unaudited)
	€'000	€'000
Net cash generated from operating activities	1,707	316
Net cash used in investing activities	(87)	(2,372)
Net cash (used in) / generated from financing activities	(1,353)	1,852
	<hr/>	<hr/>
Net movement in cash and cash equivalents	267	(204)
Cash and cash equivalents at beginning of period	1,062	1,329
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Cash and cash equivalents at end of period	1,329	1,125
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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 2024 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 11 September 2024. 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 2024, which have been prepared in accordance with International Financial Reporting Standards as adopted by the EU.

Assessment of going concern assumption

At the time of approving the condensed consolidated interim financial statements the directors have a reasonable expectation 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 fund remaining project retentions. 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	
	2024	2023
Profit for the period (€'000)	684	67
Weighted average number of ordinary shares in issue (thousands)	42,000	42,000
Profit per share for the period attributable to shareholders	€0.0163	€0.0016

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

- 5.

	As at 31 July 2024 €'000	As at 31 July 2023 €'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.
7. The following companies (and their respective subsidiaries and jointly-controlled entities) are considered to be related parties by virtue of their shareholdings in the Company:

	As at 31 July 2024	As at 31 January 2024
Farrugia Investments Limited	24.93%	24.93%
M.S.M. Investments Limited	25.06%	25.06%
Sciclunas Estates Limited	24.89%	24.89%

The remaining 25.12% of the shares are widely held. The directors make particular reference to the fact that Simonds Farsons Cisk plc and its subsidiaries are considered to be related parties due to common directors and the common shareholding. The following operational transactions were carried out with related parties:

	Six months ended 31 July 2024	Twelve months ended 31 January 2024
<i>From related parties</i>		
Rental income	384	951
Transfer of investment property to related party	-	557

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 2024.

Standards, interpretations and amendments to published standards effective in 2024

In 2024, the Company adopted amendments to existing standards that are mandatory for the Company's accounting period beginning on 1 February 2024. The Group has applied the following amendments for the first time for its annual reporting period commencing on 1 February 2024:

- Definition of Accounting Estimates - amendments to IAS 8;
- Deferred Tax relating to Assets and Liabilities arising from a Single Transaction - amendments to IAS 12; and
- Disclosure of Accounting Policies - amendments to IAS 1 and IFRS Practice Statement 2.

The adoption of these revisions to the requirements of IFRSs as adopted by the EU did not result in changes to the Company's accounting policies impacting the financial performance and position.

Notes to the Condensed Consolidated Interim Financial Statements - continued

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 2024. 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.

9. Estimates and judgements are continually evaluated and based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

In the opinion of the directors, the accounting estimates and judgements made in the course of preparing these interim financial statements, except for the valuation of investment properties, are not subjective or complex to a degree which would warrant their description as critical in terms of the requirements of IAS 1.