

# **TRIDENT ESTATES P.L.C.**

**2 for 5 RIGHTS ISSUE at a rights issue price of €1.25  
per New Ordinary Share**



**Presentation to Collecting Agents/Financial Intermediaries**

10 October 2019

# Agenda

Introduction - Chairman

Purpose of rights issue / financial information/ share price – Charles Xuereb

Trident Park – Works in progress – Chris Ciantar

Trident Park - Artistic impressions – Charles Xuereb

Technicalities of rights issue – Rizzo Farrugia - Doreanne Caruana

# Purpose of rights issue

- Prospectus dated 18 December 2017 : Development of Trident Park would require significant capital investment and that part of the capital would be through a RI planned for 2019
- At 19<sup>th</sup> AGM held 25 June 2019, Board of Directors were authorised to increase issued share capital up to the Company's authorised share capital (30 m to 50 m)
- New shares to be admitted to listing by the end of 2019
- Team working on the RI – Mamo TCV, Rizzo Farrugia and PWC
- Rizzo Farrugia shall be delving in further detail on the technicalities of the Rights Issue



MAMO TCV  
ADVOCATES

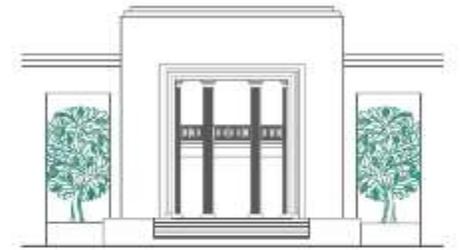
 RIZZO FARRUGIA  
YOUR INVESTMENT CONSULTANTS

  
pwc

# Key financial information

- In FYE 31 January 2019, Trident Group generated rental income of around €1.1 million. Rental income will be maintained around this level until the completion of the Trident Park project.
- With a capital budget of €50 million allocated to the Trident Park project (excluding the land value), the value of the development works as at 31 July 2019 amounted to €8.5 million.

- Up to 31 July 2019, project costs have been financed exclusively through Trident's own funds.



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- Rental income from the project is targeted to be in the region of €4 million over a period of time, encompassing the income from the offices, commercial spaces and the car park.
- The project completion target date is end of 2020.
- Significant interest and interesting line-up of prospective tenants.

## Key financial information (contd)

- Based on the targeted rental income and total project costs (including land) and an assumed exit capitalisation yield of 6.5%, the development is estimated to generate a pre tax IRR of 9.8%.
- The Project is being financed by funds from this rights issue of €15 million, own funds of €6.5 million, and bank facilities of €28.5 million.
- After a 3-year capital moratorium on the bank loan, the annual debt service will amount to €1.5 million in capital repayments and interest of approximately €0.9 million in initial years. This allows for a post-tax annual cash surplus in the region of €0.8 million.
- After the completion of the Trident Park project, it is the current intention to shift focus towards the study and development of the Trident House site in Qormi.



# Property Valuations

AP Valletta Ltd were engaged to prepare a valuation of Trident's property portfolio.

The valuation methodology consisted of a discounted cash flow, taking into account existing lease agreements for properties which are currently let out. In the case of the Trident Park property, three values are reported:

- i. The current value (as at 31 July 2019);
- ii. The value when completed;
- iii. The value when fully let out.

Property portfolio value as at 31 July 2019	
Property	Value (€'000)
Trident park	19,200
Pizza Hut, Valletta	1,340
Pizza Hut, Sliema	2,375
Burger King, Paceville	3,180
Scotsman Pub, St Julian's	890
KFC, Gzira	1,570
Fortizza, Sliema	962
Pizza Hut, St Julian's	1,730
Fresco's, Sliema	340
Trident House	10,695
<b>Total portfolio value</b>	<b>42,282</b>

Trident Park valuations	
State of property	Value (€'000)
Current state (31 July 2019)	19,200
Once complete	60,000
Once fully let out	68,000

# Key risks

- A delay to the completion of the Trident Park Project.
- Insufficient demand for any of the property forming part of the Group's property portfolio, particularly the Trident Park Project post completion.
- Regulatory and legal compliance as a result of the Group's operations.
- Cost overruns with respect to the Trident Park Project.
- Downturn in property prices.
- Defaulting tenants.
- Increase in operating and other expenses without a corresponding increase in revenue.



# Share price €1.25

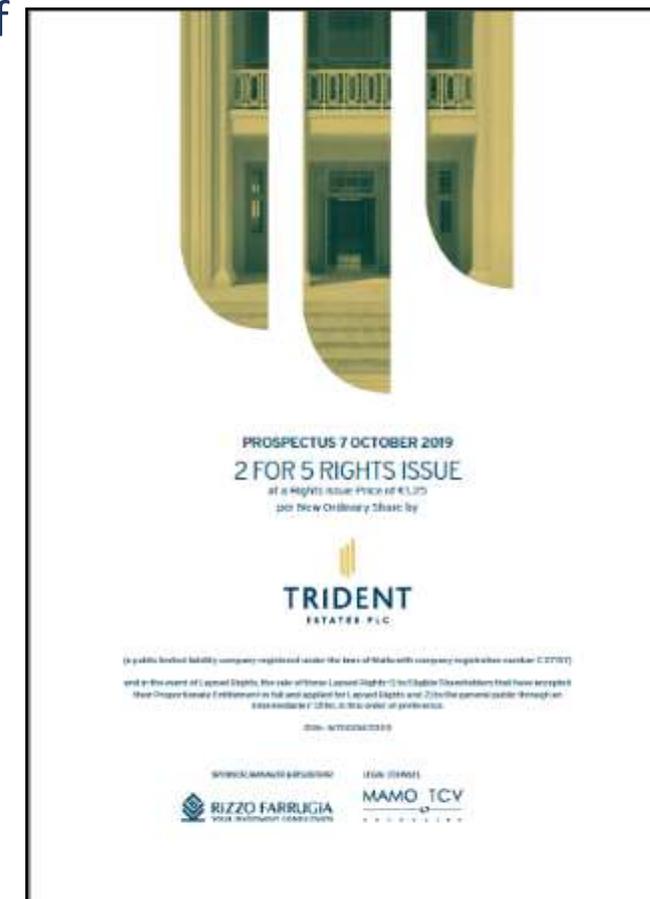
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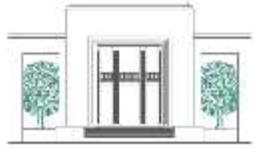
Name TRIDENT ESTATES  
 Symbol TRI  
 ISIN MT0001670109  
 Currency EUR  
 Last Traded Oct 04, 2019  
 Price 1.920  
 Change -0.080 ▼  
 Trades 2  
 High Price 1.920  
 Low Price 1.920  
 Volume Traded 2,000.000  
 Value Traded 3,840.000  
 52 Week Low 1.280  
 52 Week High 2.000



# Share price €1.25

- Since first day of trading 1.7 m shares exchanged hands (excluding off exchange) at an average value of €1.58
- At €1.25, this represents a discount of 35% on the market price of €1.92 (4/10)
- The spin - off in December 2017 was set at NAV; Board has adopted the same approach for the Rights Issue, marginally below NAV of €1.2547 as at 31/7 rounded to allow for manageable ratios and proportions
- Shareholders taking up their shares proportionately would not be at an advantage nor disadvantage and would not experience any dilution.
- The Board decision to adopt the NAV is based on the following:
  - Confirms and endorses the balance sheet value that includes the independent architects' valuation of group's properties portfolio
  - Deemed to be justified and fair across the board
  - Does not speculate on the potential value of the Company

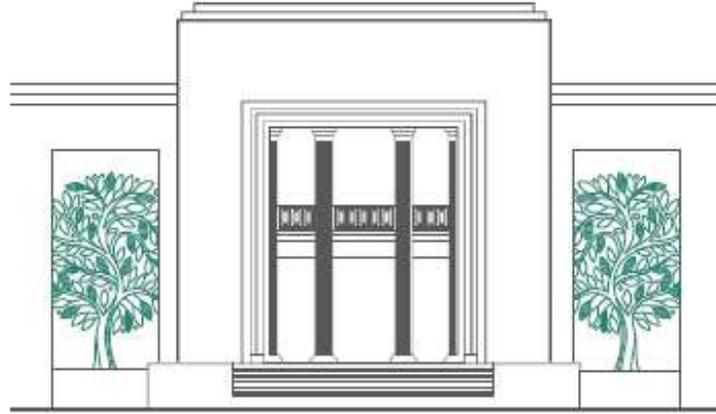




TRIDENT PARK

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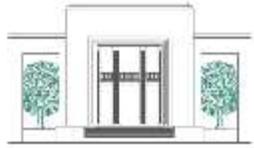
Works in progress



TRIDENT PARK

NOTABLE GARDENS





TRIDENT PARK

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# A BLOCKS



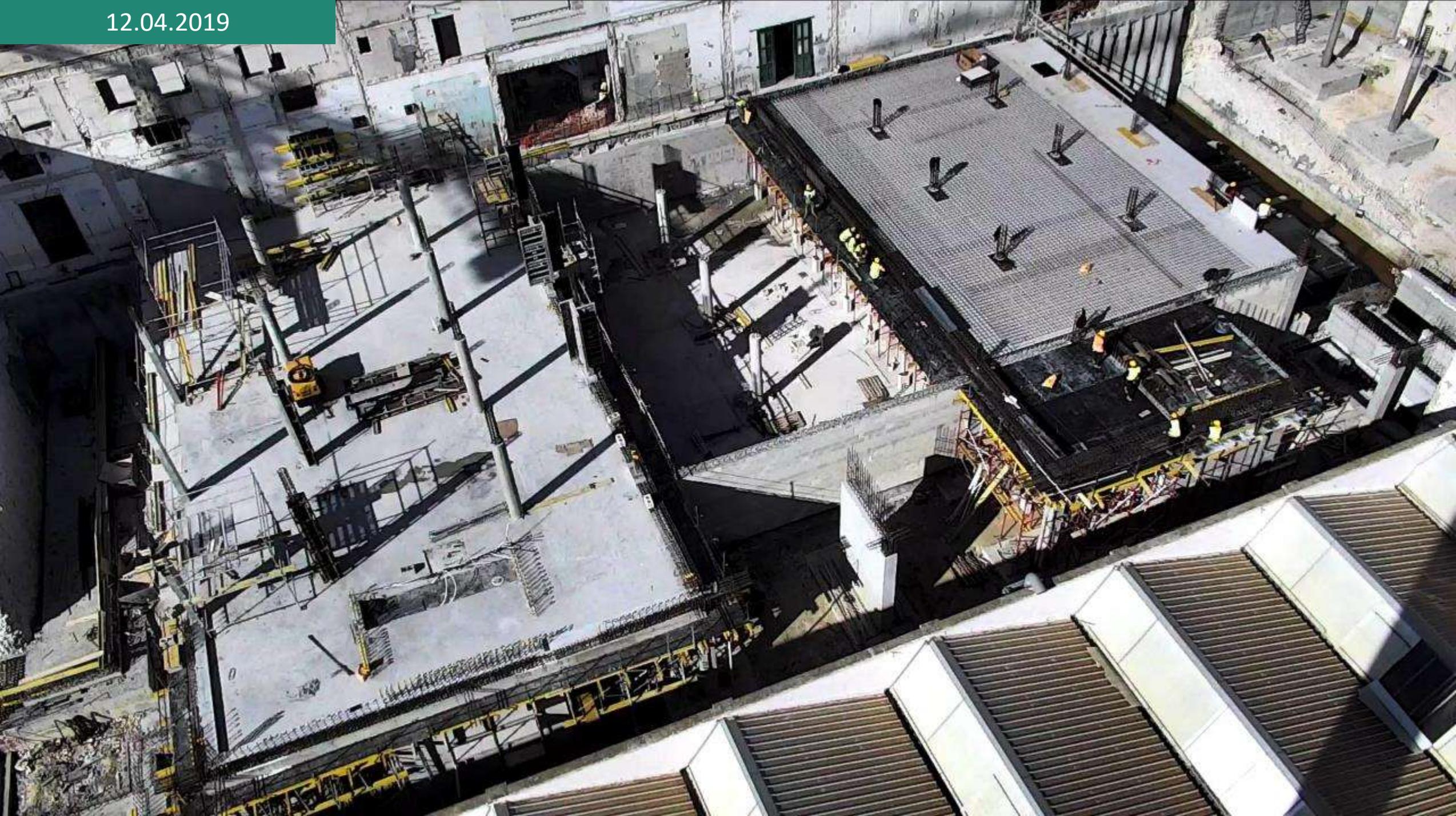


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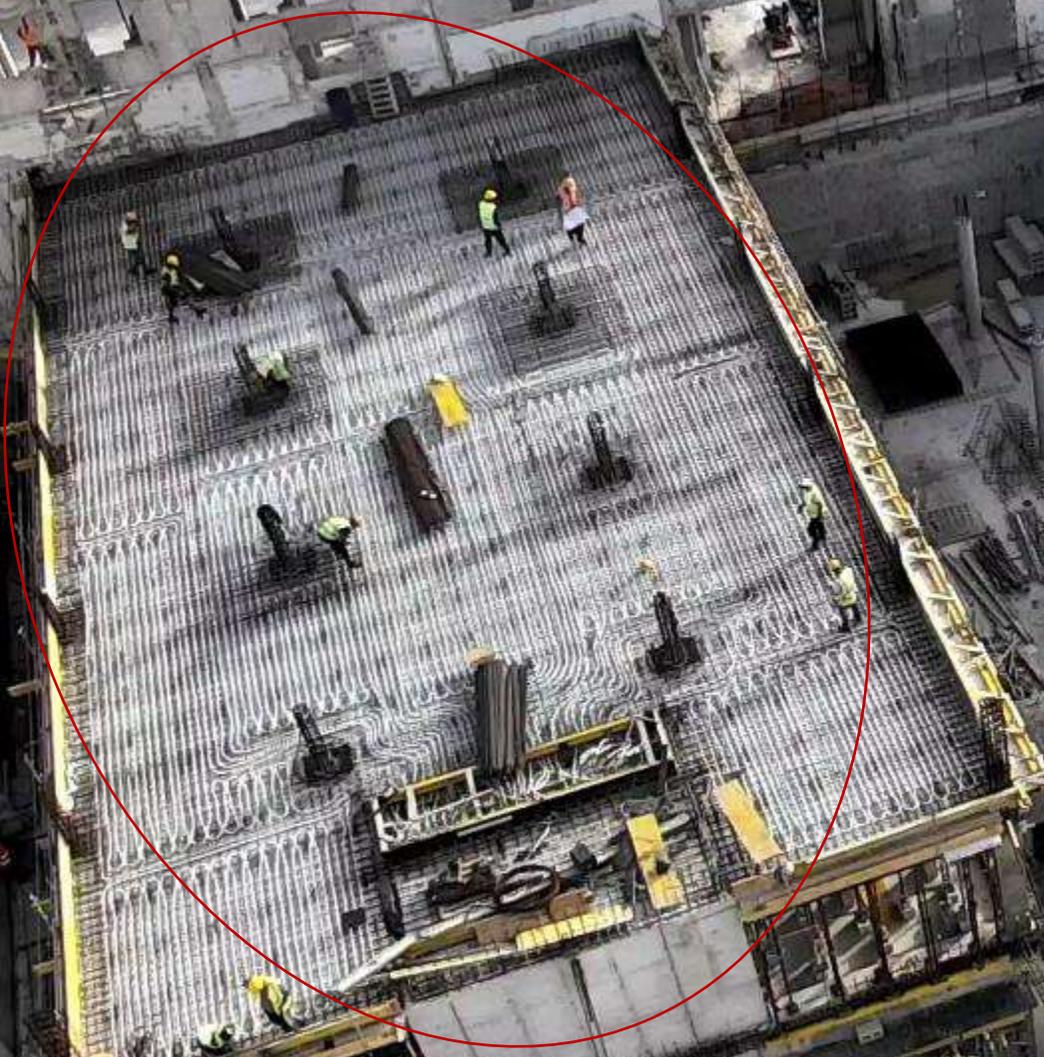
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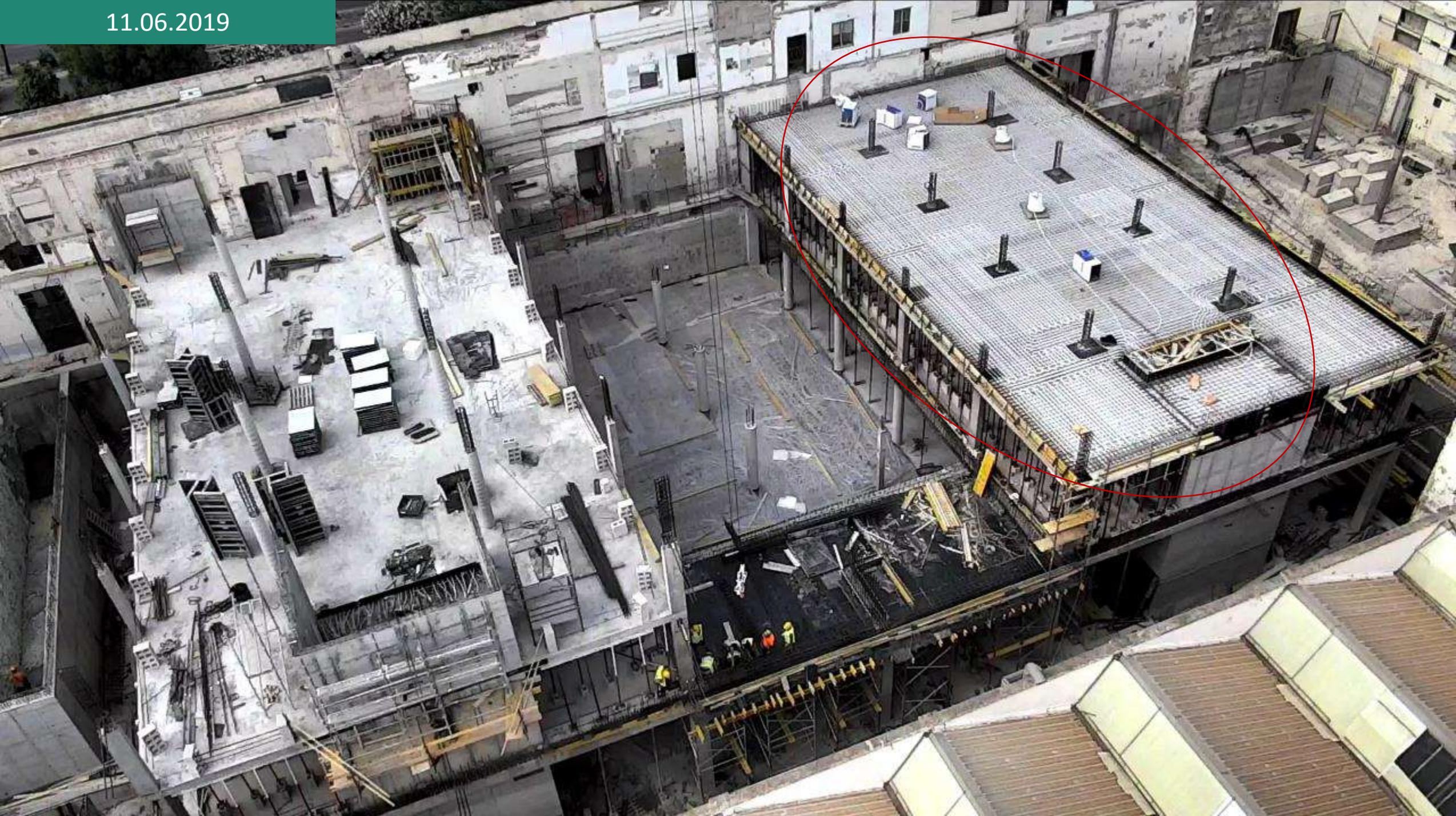
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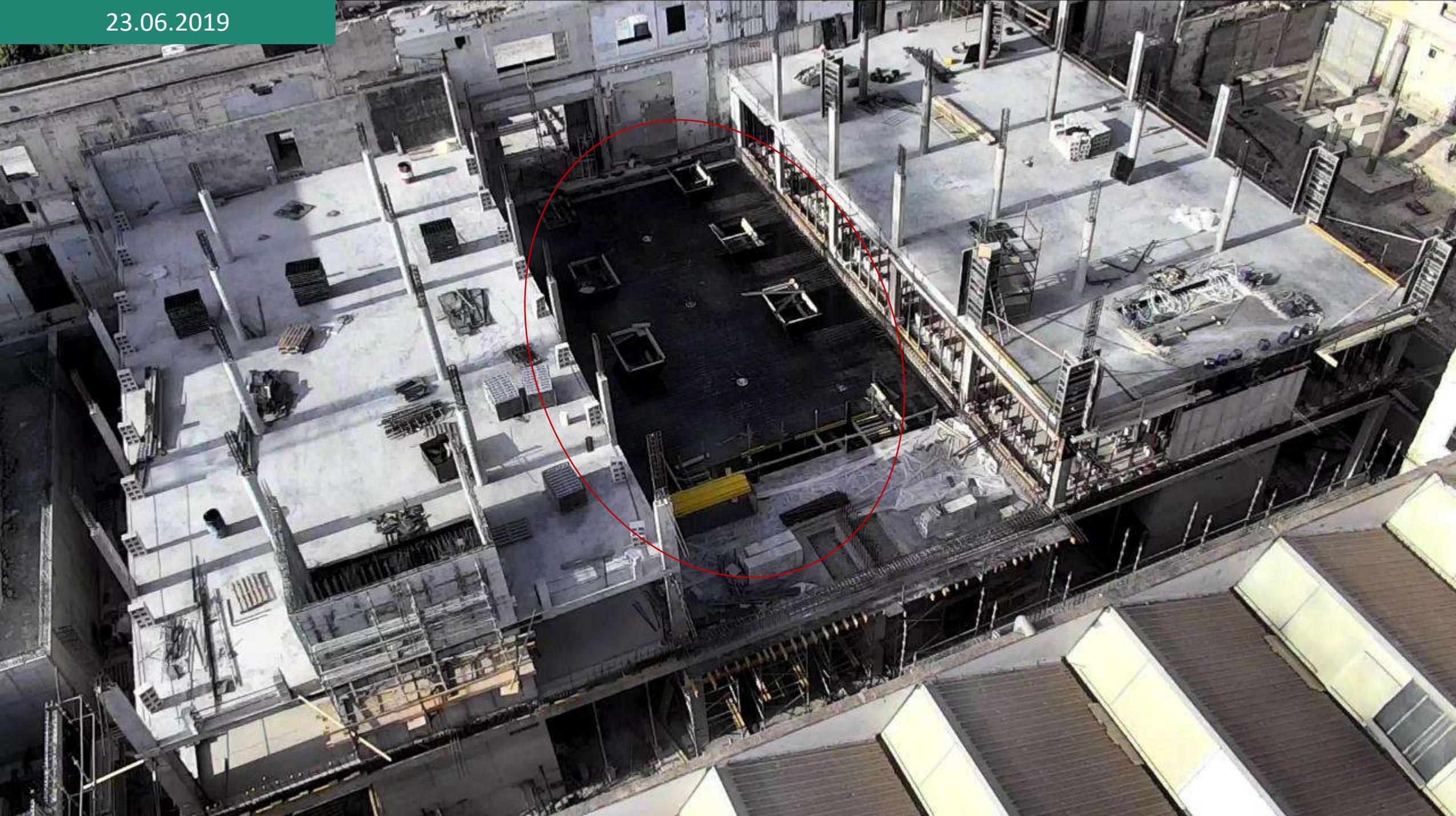
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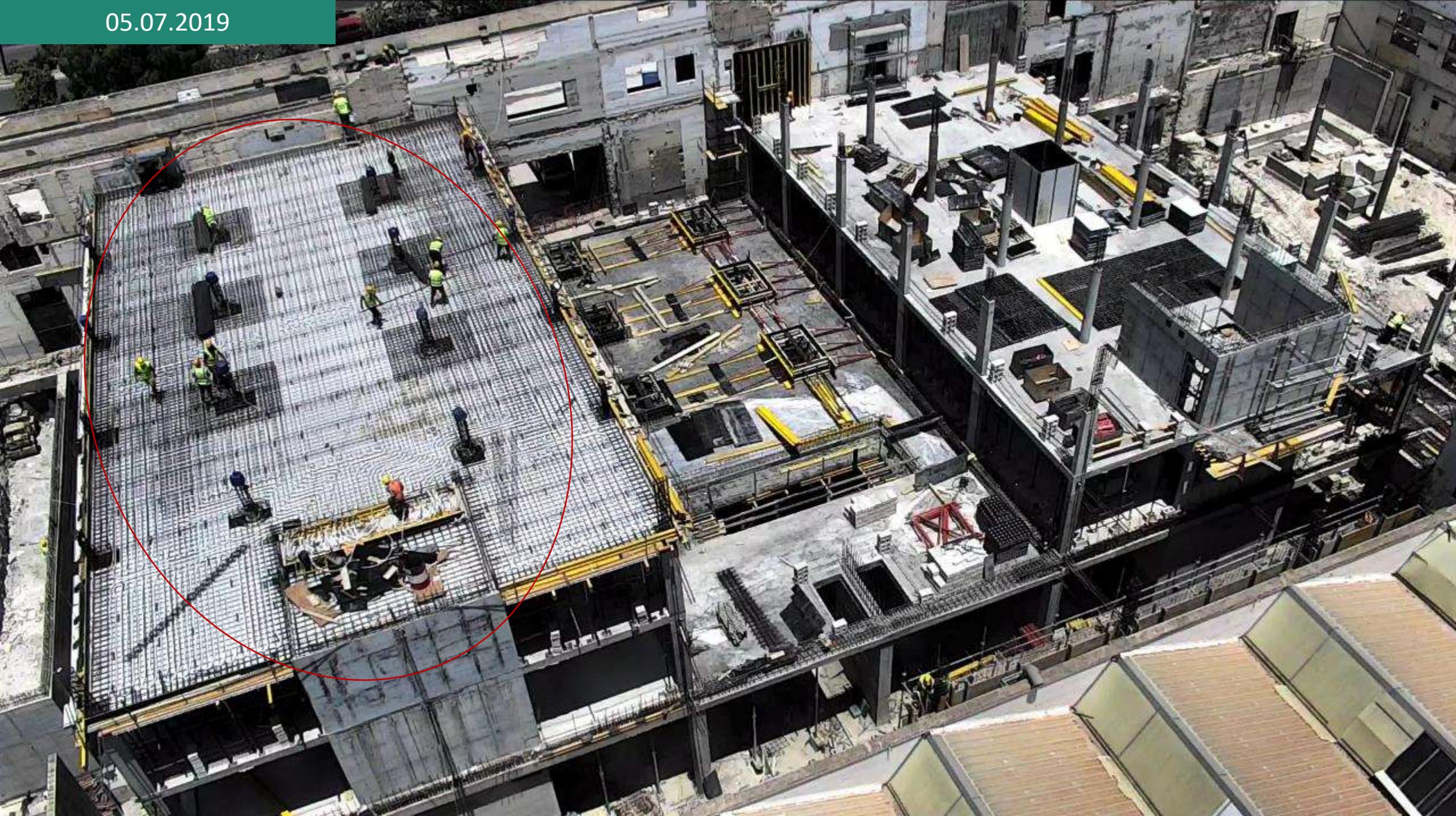
11.06.2019



23.06.2019



05.07.2019



31.07.2019



16.08.2019



23.08.2019



17.09.2019



05.10.2019





## B BLOCKS



B3

B2

B1

B4

12.04.2019





23.06.2019



17.07.2019



31.07.2019



23.08.2019

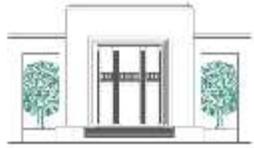


16.09.2019



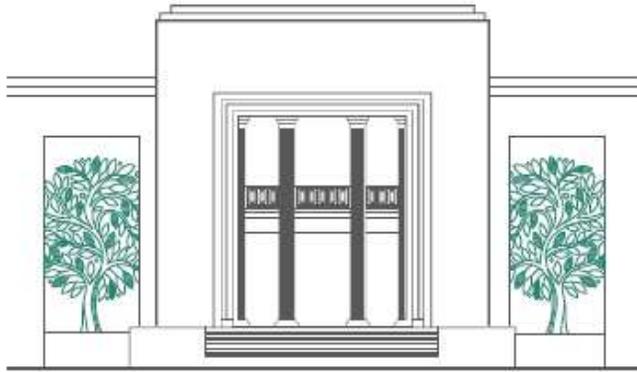
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# TRIDENT PARK

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The Green Office Campus  
Project artistic impressions







Above ground, multi-level and  
all naturally ventilated  
accommodating 700 vehicles































TRIDENT PARK

# **TRIDENT ESTATES P.L.C.**

**2 for 5 RIGHTS ISSUE at a rights issue price of €1.25  
per New Ordinary Share**



**PART II – Details of the Rights Issue**

# Trident Estates plc – Rights Issue

2 new shares for every 5 shares (or part thereof, subject to rounding) held as at record date (4 October 2019)

Total number of new shares: 12,000,003

Non-take-up dilution: approx. 29% (subject to full subscription of the Rights Issue)

Excluded Jurisdictions: USA, Canada, South Africa & Japan

Undertaking by the 3 major shareholders to take up their proportionate entitlement of the Rights Issue

# Key Dates

1. Record Date	4 October 2019
2. Availability of PALs and Lapsed Rights Application Forms	14 October 2019
3. Opening of Rights Issue Period	15 October 2019
4. Closing of Rights Issue Period (including applications for Lapsed Rights by Eligible Shareholders)	29 October 2019
5. Opening of Intermediaries' Offer (if any)	6 November 2019
6. Closing of Intermediaries' Offer (if any)	8 November 2019
7. Allotment of the New Ordinary Shares	14 November 2019
8. Payment of Premium (if any) made to Lapsed Rights Holders	14 November 2019
9. Expected Commencement of trading of the New Ordinary Shares	15 November 2019

# Forms and Options – Rights Entitlement

**PAL A** Take up all the Rights entitlement

**PAL B** Take up part of the Rights entitlement and lapse or transfer part or all of the balance

**PAL C** Transfer part or all of the Rights entitlement

**Decision Maker Form** – required when the decision maker is not the bare owner of the shares / transferee

# Forms and Options – PAL A

**PAL A** Take up all the Rights entitlement

- Pre-printed form
- Shareholder needs to sign the form and submits with payment to the Collecting Agent
- Shareholders who submit PAL A may also apply for additional shares available as Lapsed Rights

# Forms and Options – PAL B

**PAL B** Take up part of the Rights entitlement and lapse or transfer part or all of the balance

- Pre-printed form
- Shareholder takes up part of the entitlement, and lapses balance (only Part I of PAL B is to be completed)
- Shareholder takes up part of entitlement and elects to transfer part or the balance of shares to a transferee (Parts I and II of the PAL B must both be completed);
- PAL B is to be submitted with full payment for the number of shares subscribed for to the Collecting Agent

# Forms and Options – PAL C

**PAL C** Transfer part or all of the Rights entitlement

- Pre-printed form
- Shareholder does not take up any of the entitlement
- Elects to transfer part or all the shares entitlement to a transferee; and lapse any balance not transferred
- PAL C is to be submitted with full payment for the number of shares subscribed for to the Collecting Agent

# Forms and Options – Lapsed Rights

Shareholders submitting PAL A are entitled to apply for additional shares forming part of the Lapsed Rights

Lapsed Rights Application Form (LRAF) is to be submitted to the Collecting Agent along with payment for the Lapsed Rights **(minimum price: €1.25 per share; minimum application: 1,000 shares)**

Collecting Agent stamps the LRAF and submits it **in sealed form** to the Registrar by 15:30 on 29 October 2019

# Forms and Options – Decision Maker Form

This form is **required** in each of the following instances:

For each of PAL C and PAL B (where part of the entitlement is transferred) where

- A third-party decision maker is signing obo the Eligible Shareholder for the transfer; and/or
- A third-party decision maker is signing obo Transferee/s

Decision Makers include attorney/s, portfolio management companies and parents/legal guardians of minors

# Rights Issue Period & Lapsed Rights

Closing of Rights Issue Period: noon 29 October 2019

Following the Rights Issue Period, the Issuer will allocate **on a best bid basis** any Lapsed Rights available for subscription to those Eligible Shareholders who would have applied by submitting the Lapsed Rights Application Forms.

Collecting Agents will be asked to remit the funds pertaining to their respective clients' successful bids.

# The Intermediaries' Offer

The Intermediaries' Offer would take place ONLY if the Lapsed Rights are not subscribed for by shareholders who would have submitted PAL A and applied for additional shares.

Intermediaries' Offer Period: 6 to 8 November

**Minimum application: 1,000 shares per application (minimum price: €1.25; on a best bid basis)**

# Any Questions?

Queries may be addressed to:

@: [info@rizzofarrugia.com](mailto:info@rizzofarrugia.com) (or email directly your Client Handler)

📞: 2258 3000