

Trinity Place Holdings Inc. Reports First Quarter Financial Results

New York, NY, June 3, 2025 - Trinity Place Holdings Inc. (OTC PINK: TPHS) (the "Company," "we," "our," or "us") today announced operating results for the first quarter ended March 31, 2025.

First quarter 2025 Results

- Revenue for the first quarter of 2025 was \$0.2 million, a decrease of 90%, as compared to revenue of \$2.4 million in the same period of the prior year.
- Net loss was \$3.7 million, or \$(0.06) per share, for the first quarter of 2025, as compared to net income of \$8.1 million, or \$0.15 per share, in the same period of the prior year.

About the Company

NEW YORK, N.Y., The Company is an intellectual property and real estate holding, investment, development and asset management company. As of March 31, 2025, we own and control a portfolio of intellectual property assets focused on the consumer sector, a legacy of our predecessor, Syms Corp. ("Syms"), including FilenesBasement.com, our rights to the Stanley Blacker® brand, as well as the intellectual property associated with the Running of the Brides® event and the An Educated Consumer is Our Best Customer® slogan.

We also owned a 95% ownership interest in TPHGreenwich Holdings LLC ("TPHGreenwich"), which is accounted for as an equity method investment. As part of a series of transactions, on February 14, 2024, TPHGreenwich, a previously 100% owned subsidiary of the Company, became owned 95% by us, with an affiliate of the lender under our corporate credit facility (the "Corporate Credit Facility" or "CCF") owning a 5% interest in, and acting as manager of, such entity. This entity holds our previously consolidated real estate assets and related liabilities, which includes the property located at 77 Greenwich Street in Lower Manhattan ("77 Greenwich"), which is substantially complete as a mixed-use project consisting of a 90-unit residential condominium tower, retail space and a New York City elementary school. Prior to the sales described below, TPHGreenwich also held (i) a 105-unit, 12-story multi-family property located at 237 11th Street in Brooklyn, New York ("237 11th"), and (ii) a property occupied by retail tenants in Paramus, New Jersey (the "Paramus Property").

On February 4, 2025, TPHGreenwich sold the Paramus Property for a gross sales price of \$15.6 million. After repayment of the underlying loan of \$11.7 million and closing costs, TPHGreenwich received approximately \$2.9 million in net sale cash proceeds. The Company's guarantee of the loan underlying the Paramus Property was retired upon the sale.

On March 14, 2025, TPHGreenwich sold 237 11th for a gross sales price of \$68.5 million. After repayment of the underlying loan of \$60.0 million and closing costs, TPHGreenwich received approximately \$6.0 million in net sale cash proceeds.

Recapitalization Transactions

On February 14, 2024, we consummated the transactions contemplated by the Stock Purchase Agreement dated as of January 5, 2024 (as amended, the "Legacy Stock Purchase Agreement"), between the Company, TPHS Lender LLC, the lender under the Company's Corporate Credit Facility ("TPHS Lender") and TPHS Investor LLC, an affiliate of TPHS Lender (the "JV Investor", and together with TPHS Lender, the "Legacy Investor"), pursuant to which (i) the Legacy Investor purchased 25,112,245 shares of common stock, par value \$0.01 per share of the Company (the "Legacy Investor Shares") for a purchase price of \$0.30 per share, (ii) the Company and the JV Investor entered into an amended and restated limited liability company operating agreement of TPHGreenwich (the "JV Operating Agreement"), pursuant to which the JV Investor was appointed the initial manager of, and acquired a five percent (5%) interest in, TPHGreenwich, and TPHGreenwich continues to own, indirectly, all of the previously consolidated real property assets and liabilities of the Company, and (iii) TPHGreenwich entered into an asset management agreement (the "Asset Management Agreement") with a newly formed subsidiary of the Company (the "TPH Manager"), pursuant to which TPHGreenwich hired the TPH Manager to act as initial asset manager for TPHGreenwich for an annual management fee (collectively, the "Recapitalization Transactions").

Under the Recapitalization Transactions, the real estate assets and related liabilities as well as the Corporate Credit Facility became part of TPHGreenwich, with the Company retaining the intellectual property and a 95% equity interest in TPHGreenwich. In addition, the maturity date of each of the mortgage loan agreement (the "77G Mortgage Loan") and mezzanine loan agreement (the "77G Mezzanine Loan") for 77 Greenwich, both of which were assumed by TPHGreenwich, was extended to October 23, 2025, with an option to extend for an additional year, and the maturity date of the Corporate Credit Facility was extended to June 30, 2026.

In connection with the Steel Partners Transaction in February 2025 (as defined and described below), the Legacy Stock Purchase Agreement was partially terminated by the Company and TPHS Lender (including the cancellation of TPHS Lender's right to receive penny warrants of the Company equivalent to 5% of the Company's Common Stock), except for provisions of the Legacy Stock Purchase Agreement which would cause an impairment or termination of TPHS Lender's representation and warranty insurance policy obtained.

Net Operating Losses

At March 31, 2025, the Company had carryforwards of federal net operating losses ("NOLs") of approximately \$329.7 million available to reduce future federal taxes. Of the Company's federal NOLs, \$226.9 million were generated prior to 2018 and may expire if unused by 2037, and \$102.8 million were generated in 2018 and later years and can be carried forward indefinitely subject to an 80 percent taxable income annual limitation.

Based on management's assessment, it is more likely than not that the deferred tax assets associated with the NOLs will not be realized by future taxable income or tax planning strategies. Accordingly, the Company has a valuation allowance of \$90.2 million as of March 31, 2025. If our assumptions change and we determine that we will be able to realize these NOLs, the tax benefits relating to any reversal of the valuation allowance on deferred tax assets would be recognized as a reduction of income tax expense and an increase in the deferred tax asset.

Note that our certificate of incorporation includes a provision intended to help preserve certain tax benefits primarily associated with our NOLs. This provision generally prohibits transfers of stock that would result in a person or group of persons becoming a 4.75 percent stockholder, or that would result in an increase or decrease in stock ownership by a person or group of persons that is an existing 4.75 percent stockholder.

Recent Developments

Steel Partners Transaction

On February 5, 2025 (the "SPA Effective Date"), the Company entered into a Stock Purchase Agreement (the "Steel Stock Purchase Agreement") with TPHS Lender and Steel IP Investments, LLC (the "Steel Purchaser"), an affiliate of Steel Partners Holdings L.P. ("Steel Partners"), pursuant to which the Steel Purchaser agreed to purchase from TPHS Lender, and TPHS Lender agreed to sell to Steel Purchaser, 25,862,245 shares of Common Stock of the Company (such shares are referred to collectively herein as the "Steel Shares") in accordance with the terms and conditions of the Steel Stock Purchase Agreement. The aggregate consideration payable to TPHS Lender was \$2.6 million for the Steel Shares and certain agreements pursuant to the Steel Stock Purchase Agreement.

On February 18, 2025 (the "Steel Closing"), at the closing of the transactions contemplated by the Steel Stock Purchase Agreement, the Company, TPHS Lender and the Steel Purchaser entered into certain ancillary agreements referenced above and below, including the Amended and Restated JV Operating Agreement (as defined below) and the Steel Purchaser Stockholders' Agreement (as defined below). The transactions contemplated by the Steel Stock Purchase Agreement are herein referred to as the "Steel Partners Transaction."

Steel Purchaser Stockholders' Agreement

On the SPA Effective Date and in connection with the Steel Partners Transaction, the Company and the Steel Purchaser entered into a shareholder rights agreement (the "Steel Purchaser Stockholders' Agreement"), which became effective upon the Steel Closing. The Steel Purchaser Stockholders' Agreement contains various covenants including, among others, changes to the Company's board of directors (the "Board") and amendments to the Company's bylaws (the "Bylaws Amendment"). The changes to the Board discussed above became effective upon the Steel Closing. In addition, the Bylaws Amendment was effective as of Steel Closing.

Amended and Restated JV Operating Agreement

In connection with the Steel Partners Transaction, the Company and the JV Investor entered into an amended and restated JV Operating Agreement (the "Amended and Restated JV Operating Agreement") which, among other things, provides that TPHGreenwich may direct, at any time after May 19, 2025, the Company to convey all of its 95% ownership interest in TPHGreenwich and its right to distributions under the Amended and Restated JV Operating Agreement, into a trust established for the benefit of the Company's shareholders of record on a date to be determined. On April 17, 2025, TPHGreenwich sent a letter to the Company directing the Company to take all actions necessary to transfer all of the Company's interest in TPHGreenwich into such trust on May 20, 2025 (the "Trust Transfer"). On May 20, 2025, the Company announced that it had completed the Trust Transfer.

Secured Promissory Note

In connection with the Steel Partners Transaction, on February 18, 2025, the Company issued a Senior Secured Promissory Note (the “Steel Promissory Note”) to Steel Connect, LLC (the “Steel Lender”), an affiliate of Steel Partners and Steel Purchaser, pursuant to which the Company may borrow up to \$5.0 million from the Steel Lender. The Steel Promissory Note is secured by a pledge of all of the assets of the Company. As of March 31, 2025, \$1.0 million was outstanding under the Steel Promissory Note.

Termination of Asset Management Agreement

In connection with the Steel Partners Transaction, the parties to the Asset Management Agreement mutually agreed to terminate the Asset Management Agreement, effective 45 days following the closing of the Steel Partners Transaction, or April 4, 2025.

Charter Amendment

In February 2025, the Company filed an Amendment to its Amended and Restated Certificate of Incorporation with the Delaware Secretary of State (the “Amendment”). The Amendment extended certain transfer restrictions set forth in the Company’s charter through February 25, 2035.

Steel Services Agreement

As of March 19, 2025, Steel Services Ltd. (“Steel Services”), an affiliate of Steel Partners, and the Company entered into a management services agreement (the “Steel MSA”) pursuant to which Steel Services agreed to provide certain managerial services to the Company. Pursuant to the Steel MSA, for a period of one year (which shall renew automatically for additional one-year terms unless otherwise terminated), Steel Services shall provide certain managerial services to the Company, including general assistance with legal, finance & treasury, internal audit, human resources, IT and tax functions and obligations. In consideration for the services rendered under the Steel MSA, the Company shall pay Steel Services \$10,000 monthly.

Pension Settlement

During the three months ended March 31, 2025, the Company recognized a non-cash settlement charge of \$2.6 million due to the purchase of annuity contracts related to the termination of the legacy pension plan, as well as \$0.5 million excise tax on the estimated reversion of pension plan assets. Prior to December 31, 2025, the Company expects to receive approximately \$0.5 million of the excess pension plan assets.

Results of Operations

Comparison of the First Quarter Ended March 31, 2025 and 2024

The financial information and discussion that follows below are for the Company's operations.

Three Months Ended				
March 31,				
	2025	2024	Fav (Unfav) (\$)	% Change
(unaudited in thousands)				
Revenue	\$ 239	\$ 2,357	\$ (2,118)	(90)%
Operating expenses	1,008	4,215	3,207	76 %
Operating loss	(769)	(1,858)	1,089	59 %
Interest expense ^(a)	(8)	(4,217)	4,209	100 %
All other (expense) income, net ^(b)	(3,068)	14,222	(17,290)	(122)%
Tax benefit (expense)	194	(86)	280	326 %
Net (loss) income	\$ (3,651)	\$ 8,061	\$ (11,712)	(145)%

^(a)Includes Interest expense, net and Interest expense - amortization of deferred finance costs

^(b)Includes \$2.6 million non-cash pension settlement expense and \$0.5 million estimated reversion excise tax on pension assets recognized during the three months ended March 31, 2025. Includes Gain on contribution to joint venture of \$21.0 million and Equity in net loss of \$6.8 million from unconsolidated joint ventures for the three months ended March 31, 2024.

Revenue

Revenue for the first quarter decreased by \$2.1 million, or 90%, as compared to the same period in the prior year. The decrease is primarily due to \$1.4 million recognized for the sale of one residential condominium unit at 77 Greenwich and \$0.8 million of rental revenue recognized during the three months ended March 31, 2024, which did not recur. As of February 14, 2024, TPHGreenwich is recording the sales of residential condominium units and rental revenues as a result of the Recapitalization Transactions discussed above. Revenue for the three months ended March 31, 2025 represents the management fee earned from TPHGreenwich.

Operating Expenses

Operating expenses for the first quarter decreased \$3.2 million, or 76%, as compared to the same period in the prior year, primarily due to lower costs incurred as a result of the Recapitalization Transactions discussed above. During the prior year period, the Company recorded \$1.4 million in cost of sales of residential condominium units, real estate taxes of \$0.4 million, higher property operating expenses of \$0.4 million, and higher depreciation and amortization expense of \$0.8 million. As of February 14, 2024, TPHGreenwich is recording the cost of sales of residential condominium units, real estate taxes, depreciation and amortization expense, and the majority of property operating expenses. Operating expenses for the three months ended March 31, 2025 primarily represents: (1) \$0.5 million of employee compensation and benefits expense, including severance expense of \$0.3 million and (2) \$0.2 million and legal and professional expenses primarily related to the Steel Partners Transaction.

Operating Loss

Operating loss for the first quarter decreased \$1.1 million, or 59%, as compared to the same period in the prior year, primarily due to the decreases in revenue and operating expenses discussed above.

Interest Expense

Interest expense for the first quarter decreased \$4.2 million, or 100%, as compared to the same period in the prior year. The decrease in interest expense was due to the Recapitalization Transactions mentioned above, whereby TPHGreenwich is recording the interest expense and the amortization of deferred finance costs as of February 14, 2024. Interest expense during the three months ended March 31, 2025 was related to interest expense incurred on the Steel Promissory Note.

All Other (Expense) Income, Net

During the three months ended March 31, 2025, the Company recognized: (1) \$2.6 million non-cash pension settlement charge as a result of the purchase of annuity contracts in connection with the termination of the Company's legacy pension plan and (2) \$0.5 million excise tax on the estimated reversion of pension plan assets. During the three months ended March 31, 2024, the Company recorded a \$21.0 million gain on contributions to joint ventures, which represented the gain in the value of the Company relating to the Recapitalization Transactions that closed on February 14, 2024. The Company also recorded \$6.8 million in equity in net loss from unconsolidated joint ventures during the three months ended March 31, 2024, which represented the Company's 95% share of TPHGreenwich's net loss.

Tax (Benefit) Expense

The Company realized a tax benefit of \$0.2 million during the first quarter as compared to tax expense of \$0.1 million during the same period in the prior year. The favorable change was due to lower franchise tax expense.

Net (Loss) Income

The Company recognized a net loss of \$3.7 million during the first quarter as compared to net income of \$8.1 million during the same period in the prior year. This is a result of the changes discussed above, principally due to the gain on contributions to joint ventures recognized during the prior year period not repeated in the current year period, as well as the non-cash pension settlement charge and related estimated excise tax recognized during the current year period. This is partially offset by equity in net loss from unconsolidated joint ventures recognized in the prior year period not repeated in the current year period, as well as lower operating expenses and interest expense.

Forward-Looking Statements

Certain information in this press release may constitute forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those stated. Such forward-looking statements do not guaranty future performance and are subject to various factors that could cause actual results to differ materially. Undue reliance should not be placed on such forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, or any facts, events, or circumstances after the date hereof that may bear upon forward-looking statements. Additionally, the Company does not undertake any responsibility to provide updates on the occurrence of unanticipated events which may cause actual results to differ from those expressed or implied by these forward-looking statements.

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(Financial Tables on Following Pages)

TRINITY PLACE HOLDINGS INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except par value and share amounts)

	<u>March 31, 2025</u>	<u>December 31, 2024</u>
	<u>(unaudited)</u>	
ASSETS		
Cash and cash equivalents	\$ 450	\$ 277
Restricted cash	110	126
Prepaid expenses and other assets, net	359	267
Pension asset	463	2,802
Accounts receivable, net	—	146
Right-of-use asset	—	109
Total assets	<u>\$ 1,382</u>	<u>\$ 3,727</u>
LIABILITIES		
Steel Promissory Note payable	\$ 1,008	\$ —
Accounts payable and accrued expenses	374	454
Accrued professional fees	183	954
Lease liability	—	118
Total liabilities	<u>1,565</u>	<u>1,526</u>
Commitments and Contingencies		
STOCKHOLDERS' EQUITY		
Preferred stock, \$0.01 par value; 40,000,000 shares authorized; no shares issued and outstanding at March 31, 2025 and December 31, 2024	—	—
Preferred stock, \$0.01 par value; 2 shares authorized; no shares issued and outstanding at March 31, 2025 and December 31, 2024	—	—
Special stock, \$0.01 par value; 1 share authorized, issued and outstanding at March 31, 2025 and December 31, 2024	—	—
Common stock, \$0.01 par value; 79,999,997 shares authorized; 73,447,413 and 72,487,481 shares issued at March 31, 2025, and December 31, 2024, respectively; 66,247,266 and 65,314,726 shares outstanding at March 31, 2025, and December 31, 2024, respectively	735	725
Additional paid-in capital	150,713	150,183
Treasury stock (7,200,147 and 7,172,755 shares at March 31, 2025, and December 31, 2024, respectively)	(57,678)	(57,676)
Accumulated other comprehensive loss	—	(729)
Accumulated deficit	<u>(93,953)</u>	<u>(90,302)</u>
Total stockholders' equity	(183)	2,201
Total liabilities and stockholders' equity	<u>\$ 1,382</u>	<u>\$ 3,727</u>

TRINITY PLACE HOLDINGS INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
AND COMPREHENSIVE INCOME (LOSS)
(in thousands, except per share amounts)
(unaudited)

	Three Months Ended March 31,	
	2025	2024
Revenues		
Rental revenues	\$ —	\$ 798
Other income	239	120
Sales of residential condominium units	—	1,439
Total revenues	239	2,357
Operating expenses		
Property operating expenses	24	415
Real estate taxes	—	365
General and administrative	983	1,106
Pension related costs	—	130
Cost of sales - residential condominium units	—	1,437
Depreciation and amortization	1	762
Total operating expenses	1,008	4,215
Operating loss	(769)	(1,858)
Non-cash pension settlement expense and estimated excise tax on plan asset reversion	(3,068)	—
Gain on contribution to joint venture	—	20,976
Equity in net loss from unconsolidated joint ventures	—	(6,754)
Interest expense, net	(8)	(3,883)
Interest expense - amortization of deferred finance costs	—	(334)
(Loss) income before taxes	\$ (3,845)	\$ 8,147
Income tax benefit (expense)	194	(86)
Net (loss) income attributable to common stockholders	\$ (3,651)	\$ 8,061
Other comprehensive (loss) income:		
Reclassification of loss on pension settlement	729	—
Unrealized gain on pension liability	—	120
Comprehensive (loss) income attributable to common stockholders	\$ (2,922)	\$ 8,181
(Loss) income per common unit - basic and diluted	\$ (0.06)	\$ 0.15
Weighted average common shares outstanding - basic and diluted	66,269	52,856

TRINITY PLACE HOLDINGS INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands)
(unaudited)

	Common Stock		Additional Paid-In Capital	Treasury Stock		Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount		Shares	Amount			
Balance at December 31, 2024	72,487	\$ 725	\$ 150,183	(7,173)	\$ (57,676)	\$ (90,302)	\$ (729)	\$ 2,201
Net income attributable to common stockholders	—	—	—	—	—	(3,651)	—	(3,651)
Settlement of stock awards	960	10	537	(27)	(2)	—	—	545
Other comprehensive loss	—	—	—	—	—	—	729	729
Stock-based compensation	—	—	(7)	—	—	—	—	(7)
Balance at March 31, 2025	73,447	\$ 735	\$ 150,713	(7,200)	\$ (57,678)	\$ (93,953)	\$ —	\$ (183)
	Common Stock		Additional Paid-In Capital	Treasury Stock		Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount		Shares	Amount			
Balance at December 31, 2023	44,965	\$ 450	\$ 145,301	(6,766)	\$ (57,637)	\$ (95,905)	\$ (2,257)	\$ (10,048)
Net income attributable to common stockholders	—	—	—	—	—	8,061	—	8,061
Sale of common stock	25,112	251	4,235	—	—	—	—	4,486
Settlement of stock awards	659	7	—	(177)	(28)	—	—	(21)
Other comprehensive income	—	—	—	—	—	—	120	120
Stock-based compensation	—	—	60	—	—	—	—	60
Balance at March 31, 2024	70,736	\$ 708	\$ 149,596	(6,943)	\$ (57,665)	\$ (87,844)	\$ (2,137)	\$ 2,658

TRINITY PLACE HOLDINGS INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(unaudited)

Three Months Ended March 31,
2025 **2024**

Cash flows from operating activities:		
Net (loss) income attributable to common stockholders	\$ (3,651)	\$ 8,061
Adjustments to reconcile net (loss) income attributable to common stockholders to net cash used in operating activities:		
Depreciation and amortization and amortization of deferred finance costs	1	1,096
Other non-cash adjustment - paid-in-kind interest	—	1,466
Settlement of stock awards and stock-based compensation expense	530	60
Gain on contribution to joint venture	—	(20,976)
Deferred rents receivable	—	12
Non-cash pension settlement expense	2,605	—
Other non-cash adjustments - pension expense	—	120
Equity in net loss from unconsolidated joint ventures	—	6,754
Net change in operating assets and liabilities:		
Residential condominium units for sale	—	2,201
Receivables	146	(173)
Prepaid expenses and other assets, net	479	60
Accounts payable and accrued expenses	(961)	(3,135)
Net cash used in operating activities	(851)	(4,454)
Cash flows from investing activities:		
Transfer of restricted cash	—	(6,904)
Net cash used in investing activities	—	(6,904)
Cash flows from financing activities:		
Proceeds from loans and corporate credit facility	—	2,526
Proceeds from Steel Promissory Note	1,000	—
Settlement of stock awards	8	(21)
Sale of common stock, net	—	4,486
Net cash provided by financing activities	1,008	6,991
Net increase (decrease) in cash and cash equivalents and restricted cash	157	(4,367)
Cash and cash equivalents and restricted cash, beginning of period	403	8,345
Cash and cash equivalents and restricted cash, end of period	\$ 560	\$ 3,978
Cash and cash equivalents, beginning of period	277	264
Restricted cash, beginning of period	126	8,081
Cash and cash equivalents and restricted cash, beginning of period	\$ 403	\$ 8,345
Cash and cash equivalents, end of period	450	285
Restricted cash, end of period	110	3,693
Cash and cash equivalents and restricted cash, end of period	\$ 560	\$ 3,978
Supplemental disclosure of cash flow information:		
Cash paid during the period for interest	\$ —	\$ 915
Cash paid during the period for taxes	\$ 12	\$ 117
Supplemental disclosure of non-cash investing and financing activities:		
Transfer of real estate and condominium assets	\$ —	\$ 244,477
Transfer of loans, credit facility and line of credit	\$ —	\$ (251,325)
Transfer of operating assets and liabilities, net	\$ —	\$ (14,797)