



Simonds Farsons Cisk p.l.c.

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COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by Simonds Farsons Cisk p.l.c. (the “Company”) pursuant to Chapter 5 of the Listing Rules as issued by the Listing 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

As noted in the Company Announcement issued on 17 March 2020, the management and Board of Directors have been carefully assessing the potential impact of the COVID – 19 pandemic on the businesses of the Simonds Farsons Cisk Group.

Due to the high degree of uncertainty surrounding the potential duration of the current crisis and the travel, quarantine and other restrictions that have been (or which may be) put in place, it is not possible accurately to assess the full extent of the potential impact on the revenues and profitability of the Group going forward. However, there can be no doubt that the suspension of international travel and the closure of hotels, restaurants, bars and other outlets will have a material impact on both the food and beverages sectors of the Group’s business.

In the absence of any degree of clarity or forward visibility concerning the prospects for any amelioration of the current crisis, for contingency planning purposes management and the Board have been examining various scenarios, and these will be kept under close and constant review, taking account of any changes in circumstance. In the meantime, the Board has asked management to commence the implementation of certain important measures directed at mitigating the impact of the current situation on the businesses of the Group. These will, inter alia, include strict cost containment and working capital measures, lower production runs and the deferral of a number of capital expenditure programmes. A number of measures are also being introduced on the labour front, including remote working where possible, rearranged work patterns, anticipated leave and a limited number of shut down days. At the same time, a freeze on all new recruitment as well as on the engagement of subcontracted and casual employment have also been implemented.

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In facing up to the current crisis, the Board is determined to give utmost priority to our many customers through maintaining the highest standards in terms of the quality of our products and service levels. The Board is also resolved to do all that is needed and possible to ensure the safety and well-being of all our employees and to protect their continuing employment with the Group. The measures being taken by the Board are directed at protecting and preserving the financial strength and integrity of the Farsons Group, and in so doing upholding the interests of all our many stakeholders.

The Board of Directors will continue to keep the situation under careful review and will issue further announcements as and when required.

Unquote

Antoinette Caruana
Company Secretary

8 April 2020