

Explanatory
Circular
FOR ANNUAL GENERAL MEETING



FARSONS GROUP

Farsons

06 JUNE 2017

**SIMONDS FARSONS CISK PLC (C 113)
THE BREWERY, MDINA ROAD,
MRIEHEL, BIRKIRKARA BKR 3000 MALTA**

Circular to Shareholders relating to the ordinary Resolution being proposed at the Annual General Meeting of Simonds Farsons Cisk plc

This Circular is important and requires your immediate attention.

All members on the Register at the Central Securities Depository of the Malta Stock Exchange on the Record Date are entitled to receive notice, participate and vote at the Annual General Meeting of Simonds Farsons Cisk plc. If you have sold or transferred any or all of your Shares in Simonds Farsons Cisk plc, you should at once hand this Circular together with the notice of the Annual General Meeting to the Company. A copy of the Circular and notice of the Annual General Meeting will be made available to the transferee by the Company.

Shareholders are advised that they should consider seeking the advice of an appropriate independent adviser before taking any decision in connection with the proposed resolution.

THIS CIRCULAR IS BEING ISSUED TO THE SHAREHOLDERS OF SIMONDS FARSONS CISK PLC PURSUANT TO THE LEGISLATION AND RULES CURRENTLY APPLICABLE IN MALTA.

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INTERPRETATION

“AGM”	the Annual General Meeting of the Company to be held on 27 June 2017
“Board”	the board of Directors of the Company
“Circular”	this document in its entirety
“Companies Act”	the Companies Act 1995 (Cap. 386 of the laws of Malta)
“Company” or “SFC”	Simonds Farsons Cisk plc, a public limited liability company registered under the laws of Malta with company registration number C 113 and with registered office situated at The Brewery, Mdina Road, Mrieħel, Birkirkara BKR 3000 Malta
“Director(s)”	the director(s) of the Company as identified in Section 1 of this Circular
“Distribution”	the payment of a dividend in kind by the Company to its Shareholders by way of a distribution of Trident Shares to the Shareholders, to be distributed pro-rata to the Shares held by the Shareholders as at the close of business on the Distribution Record Date
“Distribution Record Date”	the date will be determined by the Board, being the record date for ascertaining entitlements to the Distribution
“Group”	means SFC and its subsidiaries, including Trident Group
“Listing”	the admission to listing on the Official List of the MSE of the Trident Shares after the Distribution
“Listing Rules”	the Listing Rules made by the Listing Authority under article 13 of the Financial Markets Act (Cap. 345 of the laws of Malta) as amended, supplemented or otherwise modified from time to time
“Memorandum & Articles”	the memorandum and articles of association of the Company
“MSE”	the Malta Stock Exchange plc, as originally constituted in terms of the Financial Markets Act (Cap. 345 of the laws of Malta) having its registered office at Garrison Chapel, Castille Place, Valletta, VLT 1063, Malta and registration number C 42525
“Net Asset Value”	the total assets less total liabilities, which is referred to as total equity in the financial statements of the Company and its individual subsidiaries
“Notice”	notice of the AGM to the Shareholders of the Company
“PA”	the Planning Authority
“Properties”	Trident Group’s immovable property portfolio comprising of the sites listed in Section 3.3 of this Circular

- “Property Holding Companies”** Each of, and collectively, if and as applicable:
- Trident Estates Limited (previously known as Trident Developments Limited) registered under the laws of Malta with company registration number C 27157;
 - Mensija Catering Company Limited registered under the laws of Malta with company registration number C 5391;
 - Sliema Fort Company Limited registered under the laws of Malta with company registration number C 22415;
 - Trident Park Limited registered under the laws of Malta with company registration number C 79212; and
 - Neptune Properties Limited registered under the laws of Malta with company registration number C 79214
- “Record Date”** 28 May 2017, being the record date for ascertaining those Shareholders entitled to attend the AGM
- “Registered Address”** The Brewery, Mdina Road, Mrieħel, Birkirkara BKR 3000 Malta
- “Resolution”** the ordinary resolution being proposed to the Shareholders at the AGM
- “SFC Group”** means the new SFC group after the restructuring takes place, and will comprise Simonds Farsons Cisk plc together with the following subsidiaries:
- Farsons Beverage Imports Company Limited registered under the laws of Malta with company registration number C 476;
 - Quintano Foods Limited registered under the laws of Malta with company registration number C 33660;
 - Food Chain Limited registered under the laws of Malta with company registration number C 753;
 - Ecopure Limited registered under the laws of Malta with company registration number C 19492;
 - Farsons Distribution Services Limited registered under the laws of Malta with company registration number C 34575;
 - Galleria Management Limited registered under the laws of Malta with company registration number C 19528;
 - Portanier Warehouses Limited registered under the laws of Malta with company registration number C 29563; and
 - FSG Company Limited (50% shareholding), currently in dissolution and registered under the laws of Malta with company registration number C 27784

“Shareholders”	holders of the Shares
“Share/s”	ordinary share/s having a nominal value of thirty euro cents (€0.30), which collectively make up the share capital of the Company
“Spin-Off”	the distribution of a dividend in kind of the Company’s entire shareholding in Trident as described in this Circular
“Trident”	Trident Estates Limited (previously known as Trident Developments Limited), a limited liability company, registered under the laws of Malta with company registration number C 27157 and with registered office situated at The Brewery, Mdina Road, Mrieħel, Birkirkara BKR 3000 Malta
“Trident Group”	Trident and its subsidiaries after the restructuring takes place, namely: <ul style="list-style-type: none">• Mensija Catering Company Limited registered under the laws of Malta with company registration number C 5391;• Sliema Fort Company Limited registered under the laws of Malta with company registration number C 22415;• Trident Park Limited registered under the laws of Malta with company registration number C 79212; and• Neptune Properties Limited registered under the laws of Malta with company registration number C 79214
“Trident Shares”	the ordinary shares of Trident at the time of the Distribution
“Valuation Report”	a property valuation report prepared by the Valuers appended to this Circular as Appendix E
“Valuers”	Architecture Project, a duly warranted partnership of Architects and Civil Engineers in terms of the Periti Act (Cap. 390 of the laws of Malta)

This document contains forward-looking statements, including, without limitation, statements containing the words “believes”, “expects”, “intends”, “may”, “will” or, in each case, their negative or other variations or similar expressions. Such forward-looking statements involve unknown risks, uncertainties and other factors which may cause the actual achievements to be different from achievements expressed or implied by such forward-looking statements.

1. DECLARATION OF RESPONSIBILITY

All the Directors listed hereunder, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Directors of the Company as at the date of this Circular are:

Louis A Farrugia	Executive Chairman
Marcantonio Stagno d'Alcontres	Non-Executive Vice-Chairman
Michael Farrugia	Executive Director
Roderick Chalmers	Non-Executive Director
Dr Max Ganado	Non-Executive Director
Marina Hogg	Non-Executive Director
Marquis Marcus J Scicluna	Non-Executive Director
Baroness Christiane Ramsay Pergola	Non-Executive Director

2. INTRODUCTION

An AGM of the Company has been convened for the 27 June 2017 at 1730 hrs at Radisson Blu Resort, St Julian's.

The Resolution will be put before the Shareholders at the AGM. This document accompanies the notice of the AGM.

The purpose of this Circular is to: (i) provide the Shareholders with information on the reasons for, and the benefits of, the Spin-Off; (ii) provide the Shareholders with an explanation on the financial implications of the restructuring of the Group and the Spin-Off; and (iii) set out the recommendation of the Board to the Shareholders regarding the Spin-Off.

As a result of the Spin-Off, the Trident Group will no longer form part of the Group.

It is intended that the Spin-Off and eventual Listing be implemented by not later than 31 December 2017.

3. BACKGROUND

3.1 Maximising the value of the Group's Property Portfolio

SFC has, over the years, acquired a significant base of real estate. The statement of financial position as at 31 January 2017 reports a total property holding of €104.8 million, which consists of €73.6 million classified as property, plant & equipment and €31.2 million as investment property held for sale. Although most of this real estate portfolio is utilised within the Group's core beverage and food operations, the portfolio also includes properties that offer scope for redevelopment given that they are currently under-utilised.

Over the past two decades, members of the Board and executive management of the Company have been heavily involved in developing and implementing a long-term capital expenditure programme that has been directed at transforming the Group in line with market and strategic exigencies. The continued investment in new production facilities and the resultant relocation of the operational facilities to the south of the Farsons' brewery, have gradually freed up a substantial area at the front of the brewery site in Mriehel (referred to hereinafter as the "**Brewery Façade**"). Over the past few years, the Directors have been actively evaluating the viability of redeveloping the area occupied by the Brewery Façade into an office business complex with an accompanying car park and other amenities (hereinafter referred to as the "**Trident Park Project**").

Trident House, situated at 303, Qormi Road, Marsa, is another property that the Board believes offers significant development potential. The Group's food importation arm and the head office of the franchised foods business currently occupies approximately half of the footprint of this site, with the remaining part of the footprint currently vacant. Although a detailed study on the potential development of this site has yet to be undertaken, it is evident that redeveloping this site would significantly enhance the value that could be extracted from this asset.

The Directors believe that the development of under-utilised real estate, particularly the Brewery Façade and Trident House, is essential to unlock the full value of these sites and continue to extract maximum value for the Shareholders from the extensive property portfolio owned by the Group.

3.2 Platform for implementing the property strategy

The development of properties such as the Brewery Façade and Trident House constitute major real estate projects, and the implementation of such projects requires appropriate expertise and undivided and effective management focus. Furthermore, the potential scale of these projects means that they will require significant capital investment. The financing of such projects could therefore impinge on the Group's debt service capacity and hence potentially affect its ability to finance continuing investment in its core beverage and food operations.

For these reasons, the Directors are recommending that a portion of the Group's property portfolio is separated from its core operations into a new group of companies. Thereafter, the implementation of the property strategy will be governed by a focused board of directors and managed by a dedicated executive team with the right skills, qualifications and time to manage this complex operation. The separation would also ensure that the property operation will have its own capital and funding structures, which will allow it to pursue its development strategy independently of SFC's core operations. Furthermore, this process shall separate the trading performances and respective intrinsic values of the fast-moving consumer food and beverage businesses and distinguish them from those of the property business.

As outlined in Sections 4 and 5, the Directors are proposing to separate the fast-moving consumer food and beverage business from the property interests of the Group by way of a spin-off transaction. This transaction will involve the distribution in kind to the Shareholders of the designated property assets on a pro rata basis to their shareholding in SFC as of the Distribution Record Date. Accordingly, immediately upon Spin-Off, shareholders in SFC will receive the equivalent proportion of shares in the spun-off property entity.

The Board is advised that on the basis of the satisfaction of the applicable conditions, no income tax or stamp duty should be payable on the transfer of property within the Group prior to the transaction. Furthermore, confirmation has been received that subject to the satisfaction of the applicable conditions, the pro rata distribution in kind of the Trident Shares to the existing Shareholders of the Company, should not, of itself, result in any additional Maltese income tax or stamp duty at the level of the Group or in the hands of the Shareholders.

Further explanations in relation to the proposed restructuring necessary for implementing this separation are set out in Section 5.

3.3 Identification of properties to be included within the scope of the proposed restructuring

The Group has carried out a detailed analysis of its real estate portfolio to identify the specific properties that will be included within the scope of the proposed restructuring.

The Properties included within the scope of the proposed Spin-Off are set out below:

Properties for redevelopment	Properties used by the Group's franchised food operations	Properties rented to third parties
Brewery Façade, Mdina Road, Mrieħel	Pizza Hut, Bisazza Street, Sliema	Scotsman Pub, St George's Road, St Julian's
Trident House, Qormi Road, Marsa	Pizza Hut, South Street, Valletta	Fresco's, Tower Road, Sliema
	Burger King, Wilga Street, Paceville	Sardinella, St George's Road, St Julian's
	KFC, Msida Road, Gzira	Sliema Point Battery (Il-Fortizza), Tower Road, Sliema
	Pizza Hut, St George's Road, St Julian's	

The Properties above include those identified for redevelopment, such as the Brewery Façade, as well as other properties that are either used by the Group's franchised food operation or that are being rented out to third parties. The aggregate valuation of the Properties as at 31 January 2017 is of €31.2 million.

The Properties will provide the new real estate operation with a mix of development properties that are expected to yield long-term capital growth opportunities, and mature properties that will secure an immediate and on-going rental income stream for Trident Group. The initial rental income stream will be essential to cover operating costs and support the servicing of the financing that needs to be raised for the planned developments. The Directors believe that this mix will provide the property operation with an appropriate platform for implementing the property strategy.

The proposal envisages that the ownership of other properties that currently support (or which may in the future be required to support) the Group's manufacturing and importation operations, is retained by SFC Group. This will ensure that the SFC Group preserves a substantial asset base that will support the operations and provide adequate cover on existing liabilities, as well as a platform for raising finance as and when required.

SFC will also retain ownership of the listed Grade 2¹ Farsons' old brewhouse situated in Mdina Road, Mrieħel and will therefore undertake the conversion, rehabilitation and re-utilisation of this property, which development is expected to commence later this year. The project will include the conversion of approximately 7,000 square meters (sqm) of industrial space, including a visitor centre experience with supporting food and other retail outlets, flexible workspace and additional amenities with all components remaining mostly unaltered and the special interest interiors professionally restored. This development will also include offices that will be leased out to Trident and which will be an important milestone in the continued development of SFC's brand identity and the protection of the Group's industrial heritage. For these reasons, the Directors believe that ownership and control of the project should be retained by SFC.

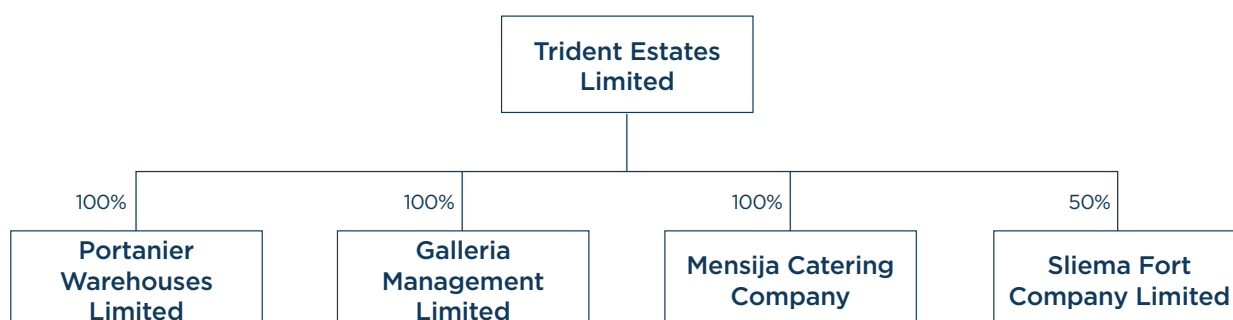
3.4 The vehicle to implement the proposed restructuring

The Directors are proposing that Trident Estates Limited, which, together with its subsidiaries, already owns a substantial portion of the Properties, is used as the vehicle for implementing the proposed separation. To this effect, in the past few months, the Group commenced the restructuring process through which individual properties and shareholdings in subsidiaries will be transferred to/from Trident in order to reflect the proposed allocation of properties as outlined in Section 3.3.

As at the date of this Circular, the ownership of Portanier Warehouses Limited and Galleria Management Limited was transferred out of Trident and are now subsidiaries of SFC, whereas, upon Spin-Off, it is anticipated that Trident would have acquired the remaining 50% shareholding (not already held by Trident) in Sliema Fort Company Limited from Food Chain Limited. Two new companies, Trident Park Limited and Neptune Properties Limited, were incorporated as wholly-owned subsidiaries of Trident.

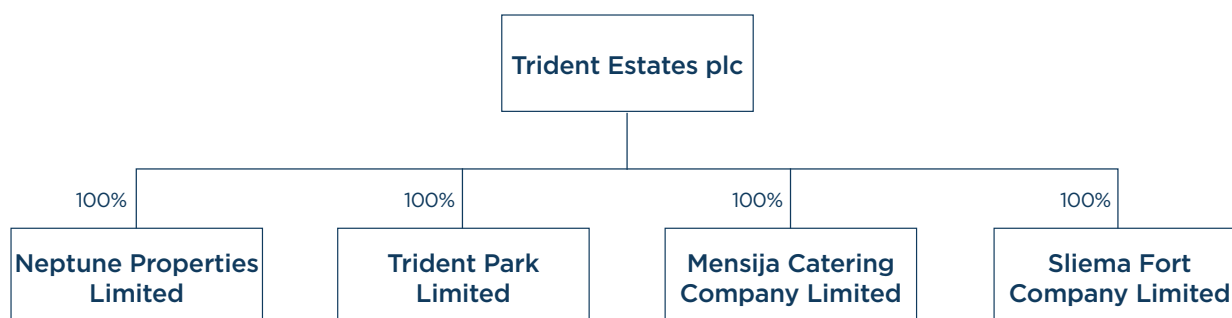
The process of transferring titles to individual properties to/from Trident is expected to be completed prior to the Spin-Off. The diagram below illustrates how Trident's corporate structure is expected to change as a result of the restructuring:

Trident Group structure prior to the restructuring

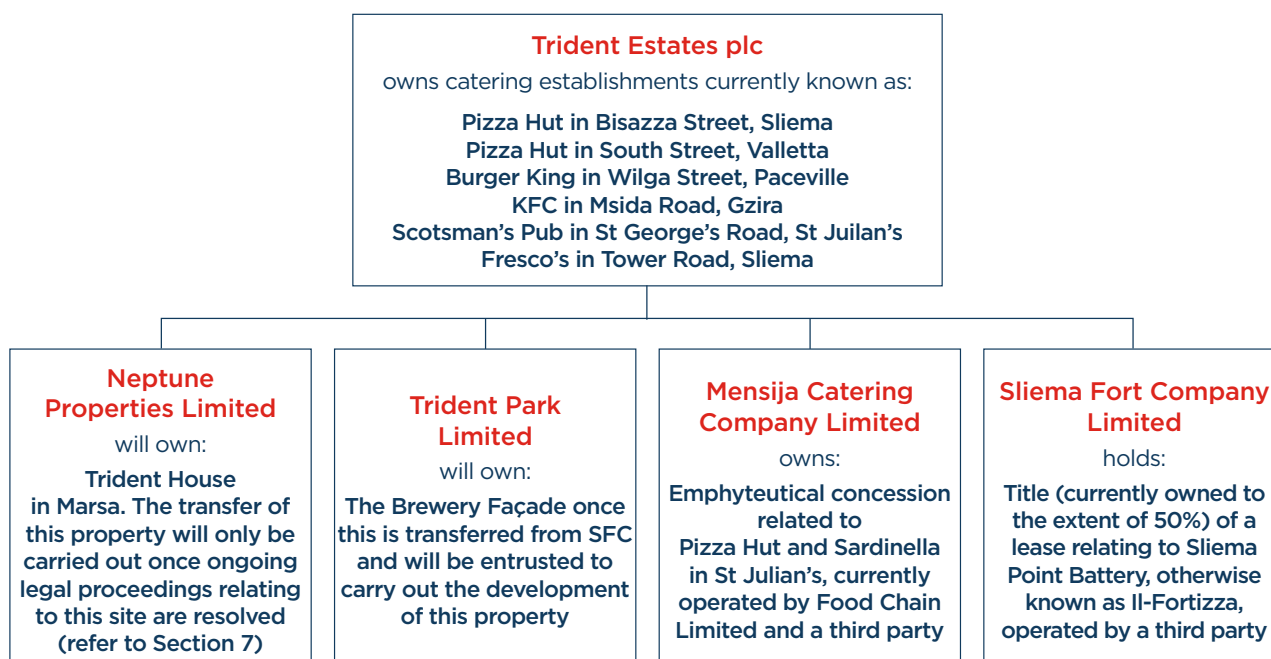


¹ In May 2012, the old brewhouse was scheduled as Grade 2 in terms of the Environment and Development Planning Act 2010, which means that the building is considered as having architectural or historical interest or which contribute to the visual image of an urban conservation area and as such the building cannot be demolished but can be altered sensitively in a manner that causes the least detriment to the character and homogeneity of the building.

The Property Holding Companies after the restructuring is completed



As part of the restructuring, Trident will be converted to a public limited liability company and renamed as Trident Estates plc. The latter will be the property holding company and, as outlined further in Section 4, will act as the company whose shares will eventually be listed on the Official List of the MSE. This company will directly own the majority of the properties of the Trident Group, whereas it is envisaged that its subsidiaries will each own specific properties as follows:



3.5 Selected Financial Information for the Trident Group

This section of the Circular sets out extracts from the consolidated financial statements of Trident and its subsidiaries prior to the restructuring for the three financial years ended 31 January 2015 (FY15), 31 January 2016 (FY16) and 31 January 2017 (FY17).

The analysis also includes the pro forma consolidated results and financial position for Trident Group adjusted to reflect the corporate restructuring and other transactions that will be in place prior to the execution of the Spin-Off. The pro forma financials illustrate the effect on the reported results and financial position of Trident Group for FY17 in the hypothetical situation that the restructuring would have been completed on 1 February 2016 (i.e. at the beginning of FY17).

The basis for the preparation of the pro forma financials is set out in Appendix A to the Circular. The pro forma financial information has been prepared for illustrative purposes only. It addresses a hypothetical situation and, therefore, does not represent Trident Group's actual financial position or results. The principal adjustments assumed in the preparation of the pro forma financials include:

- *Adjustments related to the corporate restructuring:* these adjustments reflect the effect of those transfers of individual properties and shareholdings in subsidiaries to/from Trident that had not yet been carried out as at 31 January 2017.

- *Capitalisation of amounts due to SFC Group:* prior to the Spin-Off, the SFC Group will capitalise any amounts due by the Trident Group to the SFC Group pursuant to the corporate restructuring. Based on the balances as at 31 January 2017 and the expected effect of transactions that will be carried up to the date of the restructuring, the required capitalisation would be of €3.9 million.
- *Cash contribution by SFC:* prior to the Spin-Off, the SFC Group will be injecting a cash contribution of €6.5 million by way of an increase in share capital, which contribution is earmarked to part finance the development costs in relation to the Trident Park Project.
- *Revised lease agreements for properties rented to the SFC Group:* in anticipation of the Spin-Off, the lease agreements relating to the Trident Group properties that are rented to the SFC Group have been reviewed and revised (by reference to market values) effective 1 February 2017.

3.5.1. Summary of Statement of Financial Position

The table below sets out extracts from the consolidated Statements of Financial Position of Trident Group as at 31 January 2015, 2016 and 2017. It also sets out a pro forma Statement of Financial Position for Trident Group as at 31 January 2017 including the effect of the transactions that will have been implemented by the Group as at the date of the Spin-Off:

Trident Estates Limited (formerly Trident Developments Limited)
Extract from the Consolidated Statement of Financial Position
as at 31 January

	2015	2016	2017	Pro forma 2017
	€'000	€'000	€'000	€'000
ASSETS				
Property, plant & equipment	23	18	13	13
Investment Property	20,380	20,047	23,559	31,169
Investment in jointly-controlled entity	946	965	942	-
Net amounts due from SFC Group Companies	-	-	364	-
Amounts due from jointly-controlled entity	819	841	743	-
Trade and other receivables	412	30	10	41
Current tax assets	-	-	15	15
Cash balances	-	-	20	6,520
Total assets	22,580	21,901	25,666	37,758
EQUITY				
Share capital	4,805	4,805	4,805	16,165
Reserves	13,929	14,376	18,733	19,460
Total equity	18,734	19,181	23,538	35,625
LIABILITIES				
Deferred tax liability	1,696	1,466	2,073	1,819
Trade and other payables	393	205	55	286
Net amounts due to SFC Group Companies	1,578	961	-	-
Current tax liabilities	179	88	-	28
Total liabilities	3,846	2,720	2,128	2,133
Total equity and liabilities	22,580	21,901	25,666	37,758

The Trident Group's Net Asset Value amounted to €23.5 million as at 31 January 2017 represented by share capital of €4.8 million and reserves of €18.7 million. The Group's Net Asset Value would increase to €35.6 million on a pro forma basis once the corporate restructuring is completed and the planned cash injection of €6.5 million is carried out.

The property portfolio held by the Trident Group as at 31 January 2017 is carried at a value of €23.6 million, which as set out in the pro forma statement of financial position, will increase to €31.2 million once the transfer of properties and subsidiaries to/from Trident Group is completed. These values represent the Directors' assessment of the fair value of the properties, which is supported by valuations carried out by the Valuers who are considered to have the appropriate recognised professional qualifications and experience in both location and category of the property being valued. The valuations were made on the basis of open market value taking cognisance of the specific location of the properties, the size of the sites together with their development potential, the availability of similar properties in the area, and whenever possible, having regard to recent market transactions for similar properties in the same location.

The Valuation Report of the Properties is appended to this Circular as Appendix E.

The major liability included in the Trident Group's Statement of Financial Position as at 31 January 2017 relates to the deferred tax liability arising in connection with the revaluation of investment property, which amounted to €2.1 million. This liability is expected to reduce slightly to €1.8 million once the transfer of the Properties and subsidiaries to/from Trident is completed.

The Statement of Financial Position for the Trident Group as at 31 January 2017 included balances relating to its investment in jointly controlled entity (the 50% shareholding in Sliema Fort Company Limited). In the pro forma Statement of Financial Position, following the restructuring whereby Trident is assumed to have acquired the remaining 50% in Sliema Fort Company Limited, the assets and liabilities of this subsidiary are consolidated within Trident Group. Similarly, the amounts due to/from other SFC Group companies will be cleared as part of the restructuring process prior to the Spin-Off and are therefore not reflected in the pro forma Statement of Financial Position of Trident Group.

3.5.2 Summary of Income Statements

The table below sets out extracts from the consolidated Income Statements of the Trident Group for FY15, FY16 and FY17 together with the pro forma results for FY17:

Trident Estates Limited (formerly Trident Developments Limited)
Extract from the Consolidated Income Statements
for the year ended 31 January

	2015	2016	2017	Pro forma 2017
	€'000	€'000	€'000	€'000
Revenue	678	720	727	962
Ground rents payable	(88)	(82)	(82)	(203)
Operating expenses	(104)	(99)	(75)	(81)
Operating profit before disposals and fair value movements	486	539	570	678
Change in fair value of investment property	-	(84)	4,667	4,846
Share of results of associate	21	19	(23)	-
Loss on disposal of subsidiary	-	-	(61)	-
Operating profit	507	474	5,153	5,524
Net interest paid on amounts due to SFC Group Companies	(79)	(81)	(72)	(82)
Profit before tax	428	393	5,081	5,442
Tax income/(expense)	(149)	54	(724)	(853)
Profit for the year	279	447	4,357	4,589

The Trident Group reported a net profit of €4.4 million for the financial year ended 31 January 2017 (FY16: €0.45 million). The effect on net profit had the corporate restructuring and revised lease agreements hypothetically been in place at the beginning of FY17 would have been a marginal increase to €4.6 million.

The Trident Group generated rental income of €0.73 million in FY17, of which €0.59 million (80%) was received from SFC Group companies with the remaining €0.14 million (20%) received from third parties. As illustrated in the table below, further to the transfer of properties and subsidiaries to/from Trident and the revision of existing lease agreements with SFC Group companies, Trident Group's rental income is expected to increase to €0.96 million, of which €0.67 million (69%), relates to rent received from SFC Group companies. This amount will effectively represent the Trident Group's expected rental income streams in the initial years pursuant to the Spin-Off.

	As reported			Pro forma 2017
For the year ended 31 January	2015	2016	2017	€'000
	€'000	€'000	€'000	€'000
Rental income from SFC Group Companies	587	587	588	667
Rental income from third parties	91	132	140	295
Total Rental Income	678	719	728	962

The Trident Group's principal operating costs include ground rent payable on properties owned by the Group. These amounted to €82,000 in FY17 (FY16: €82,000), which will increase to €0.2 million once the restructuring is completed. Other operating expenses of €75,000 incurred by the Trident Group in FY17, include recharges from SFC Group Companies of €28,000. These costs exclude any additional costs that will be incurred by Trident Group operating as a standalone operation further to the Spin-Off.

The results for FY17 also reflect fair value gains of €4.7 million arising from the revaluation of properties as at 31 January 2017. This would increase to €4.8 million when calculated on the change in fair value of those properties that will be owned by the Trident Group further to the restructuring.

3.6 The vision for the Trident Group

The vision is for the Trident Group to leverage its extensive property portfolio and gradually establish itself as a leading developer and provider of commercial space.

In the initial years, most of the Trident Group's revenue will continue to be generated from properties rented out to the SFC Group. The dependence on the SFC Group is expected to diminish gradually as new sources of revenue are generated through new development projects.

The Trident Park Project has been identified as the Trident Group's initial development project, with works on this project expected to commence shortly after the Spin-Off is implemented. The Group has submitted its planning application for the development of this site and the related development permits are expected to be issued later this year.

The planned development is envisaged to be an exemplary transformation of a magnificent listed industrial building that will provide outstanding contemporary work spaces. The project will involve the development of over 15,000 sqm of premium functional office space located within a site offering open and landscaped areas, which will be the Trident Park Project's unique proposition.

The current design envisages that the office space will be split across a number of low-rise blocks, separated by landscaped gardens, which will be connected through walkways. One of the blocks will be built around the existing main entrance to the Brewery and the listed boardroom located therein and will provide office tenants with ancillary meeting and conferencing facilities. The design also provides for a separate 'above-ground' car parking block that will be connected to the offices via the walkways.

The tendering process related to the principal works contracts for this project is currently underway and is expected to be completed in the next few months.

The development will be funded through an appropriate mix of debt and equity financing. The debt financing will be in the form of bank loans and, in this respect, the Trident Group has submitted preliminary applications for finance and obtained draft term sheets from a number of local commercial banks. The term sheets are primarily subject to the attainment of the necessary development permits.

Prior to the implementation of the Spin-Off, the SFC Group will be injecting an amount of €6.5 million into Trident, which will be applied towards the financing of the initial development costs of the Trident Park Project. The intention is for the remaining equity financing to be raised through a rights issue, which is planned for 2019. In this respect, the Trident Group's principal shareholders (who, upon listing, will together own 79.3% of the Trident Shares) are being requested to provide a letter of undertaking to take up their proportionate share of the eventual rights issue in 2019. Such an undertaking is likely to be a condition for the obtaining of bank finance for the project.

4. THE SPIN-OFF

4.1 Company Announcement

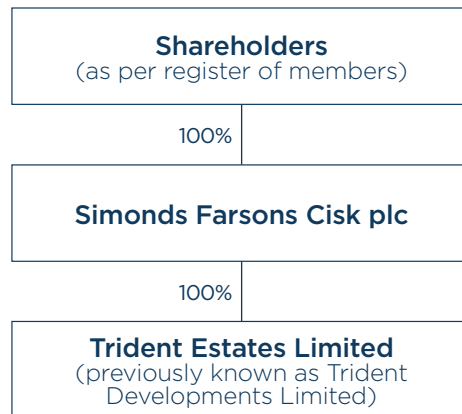
On 18 June 2014, the Company announced that the Board felt it appropriate to seek to commence the implementation of the re-organisation of the corporate structure of the Group, and to 'Spin-Off' (pro-rata to existing shareholders) the Group's property interests (other than those properties which will continue to be used in the core business) from the other business activities into a separate and distinct public limited company. On 29 May 2015, the Company further announced that the Board had firmed up its intent to review the internal structures within the Group in order to facilitate and, subject to Shareholder approval, proceed with the Spin-Off. Copies of the relative Company Announcements are available on the Company's website (www.farsons.com).

In connection with, and prior to, proceeding with the Spin-Off, the Company is now seeking the approval of the Shareholders at the upcoming AGM.

4.2 The Proposal

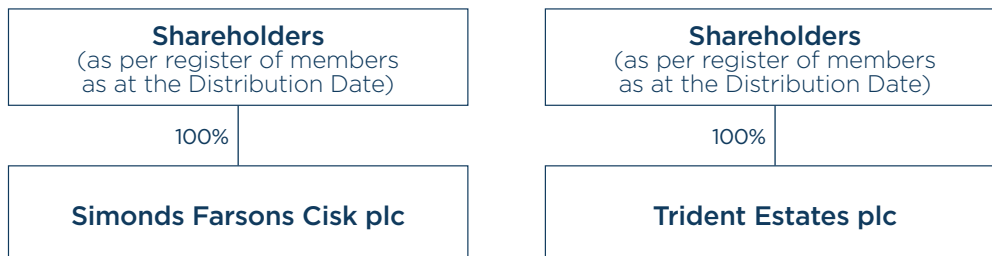
The proposed Spin-Off is intended to be effected by way of a Distribution of the Trident Shares to the Shareholders and, as such, the Trident Shares will not be offered to the public as part of the Spin-Off transaction. In anticipation of the Spin-Off, the amounts due by Trident to the Company will be capitalised. Subject to the approval of the Resolution at the AGM, the Board proposes to proceed with the payment, in kind, of the dividend on the Distribution Record Date. The Distribution will be in the form of a transfer to the Shareholders of Trident Shares pro-rata to the Shares held by the Shareholders in the Company as at the Distribution Record Date. Trident intends to file an application with the Listing Authority for admission to listing of its shares on the MSE. The current shareholding structure of Trident is set out below:

Current Structure



Upon completion of the Spin-Off the Company will no longer hold any shares in Trident and the shareholding structure shall be as set out below:

Upon Completion of the Spin-Off



4.3 Basis for determining the value of the Distribution

The value of the Distribution will be determined by reference to the Net Asset Value of the Trident Group as at the Distribution Record Date. This will be extracted from the consolidated financial statements of the Trident Group, prepared as at that date.

4.3.1 Pro forma Net Asset Value of the Trident Group as at 31 January 2017

As outlined in Section 3.5.1, the consolidated financial statements of the Trident Group as at 31 January 2017 indicate a Net Asset Value of €23.6 million. This amount will, however, change to reflect the effect of certain transactions that will have been implemented by the Group by the date of the Spin-Off. The pro forma statement of financial position set out in Section 3.5.1 indicates that the expected Net Asset Value of Trident Group as at the date of the Spin-Off will be of €35.6 million.

4.3.2 Changes in the fair value of the Trident Group's property portfolio

In addition to the changes resulting from the matters captured in the pro forma statement of financial position set out in Section 3.5.1, the other parameter that may result in a change in the value of the Distribution relates to the valuation of the Trident Group's property portfolio.

As outlined in Section 3.5.1, the pro forma carrying amount of the Trident Group's property portfolio as at 31 January 2017 is of €31.2 million. This amount is based on valuations for each individual property that were prepared by the Valuers. The valuation assessment for each property will be re-established, or re-confirmed, as applicable, to reflect fair value closer to the date when Trident issues a prospectus in connection with its application for Listing.

Any eventual changes in the valuation of the Properties would be reflective, *inter alia*, of any changes in overall market conditions since the date of the previous valuation, as well as developments in terms of specific circumstances of any particular property including, in particular, the status of any pending planning permits or planning regulations pertinent to the property being valued, in addition to the value of any works incurred between 1 February 2017 and the date of the Spin-Off. Any such changes in the fair value of individual properties may result in a related adjustment to the deferred taxation liability recognised in relation to that property.

4.3.3 Pro forma value per share

Trident's current share capital is designated in the form of 20,630 ordinary shares of €232.937339 each. In order to simplify the mechanics of the Spin-Off, Trident's share capital will be increased and re-designated to match the number of shares issued by SFC. On this basis, the share capital of Trident as at the Distribution Record Date will consist of 30,000,000 shares. The table below illustrates that the Net Asset Value of Trident's shares based on the pro forma statement of financial position of the Trident Group as at 31 January 2017 would result in a value per share of €1.19, when applied to the increased share capital base of 30,000,000 shares:

Pro forma Net Asset Value of Trident Group as at 31 January 2017 in €'000	35,625
Redesignated share capital as at Distribution Record Date in number of ordinary shares	30,000,000
Pro forma Value per Share of Trident as at 31 January 2017 in €/share	1.19

The indicated Net Asset Value per Trident Share of €1.19 may change due to the factors outlined above, particularly in section 4.3.2 although any changes are not expected to be material.

5. FINANCIAL IMPLICATIONS OF THE SPIN-OFF

This Section of the Circular sets out an illustration of the financial implications of the restructuring and eventual Spin-Off on the consolidated results and financial position of the SFC Group. The illustration is based on extracts from the pro forma consolidated Income Statement and consolidated Statement of Financial Position of the SFC Group for the financial year ended 31 January 2017, which are set out in Appendix B to the Circular. **The pro forma financial information assumes that the Spin-Off is hypothetically implemented on 1 February 2016.**

There has not been any significant change in the financial or trading position of the Group in relation to that set out in its consolidated financial statements as at 31 January 2017.

5.1 Illustrating the effect of the Spin-Off on the SFC Group's operating results

The table below sets out a comparison between the Group's consolidated results for the year ended 31 January 2017 and the pro forma results that would have resulted assuming the Spin-Off had been implemented on 1 February 2016.

Statement illustrating the effect of the Spin-Off on the Consolidated Statement of Comprehensive Income of the SFC Group for the year ended 31 January 2017

	Actual	Pro forma	Change (+/-)
	€'000	€'000	€'000
Revenue	88,414	88,119	(295)
Cost of sales	(53,890)	(54,350)	(460)
Gross Profit	34,524	33,769	(755)
Selling & distribution costs	(10,712)	(10,712)	-
Administrative expenses	(10,916)	(10,851)	65
Other operating expenses	(21)	(21)	-
Operating Profit	12,875	12,185	(690)
Gain on re-measurement of investment property	928	154	(774)
Finance income	16	5	(11)
Finance costs	(1,470)	(1,470)	-
Profit before tax	12,349	10,874	(1,475)
Tax	(217)	240	457
Profit for the year	12,132	11,114	(1,018)
Other comprehensive income	4,880	1,308	(3,572)
Total comprehensive income for the year	17,012	12,422	(4,590)

Note: The 31 January 2017 actuals in the table above include the results of both continued and discontinued operations as extracted from the audited financial statements of SFC. This is illustrated further in Appendix B to this Circular.

The pro forma comparison indicates that the Spin-Off would have resulted in a reduction of €4.6 million in the Group's consolidated comprehensive income for the year from the reported result of €17 million. The pro forma reduction in comprehensive income, however, includes the effect of a gain of €4.1 million arising from changes in the fair value of those properties that are being transferred to Trident Group as part of the scope of the Spin-off (net of the related deferred tax effect). Excluding this adjustment, the pro forma effect of the Spin-off on the Group's reported results in FY17 is of €0.5 million as follows:

Analysis of pro forma reduction in comprehensive income

	€'000	€'000
Pro forma reduction in comprehensive income		4,591
Increase in fair value of properties included as part of the scope of the Spin-Off	4,846	
Deferred tax effect of movements in fair value	(711)	
Net effect of movement in fair value of properties		(4,135)
Pro forma reduction in the Group's profits arising from other adjustments		456

The pro forma reduction in the profits of €0.5 million is a more appropriate illustration of the impact of the Spin-Off on the SFC Group's profitability. The pro forma reduction in profits can be explained by the following broad movements:

- i. The rental charge paid by the SFC Group on the Properties owned by the Trident Group. This charge, which will amount to €0.7 million as per revised lease agreements effective 1 February 2017, will no longer be eliminated upon the consolidation of the results of the SFC Group;
- ii. The loss of rental income received from third parties on the Properties owned by the Trident Group, which amounted to €0.3 million in FY17;
- iii. The reduction in Group's operating costs on account of ground rent currently incurred on properties owned by the Trident Group (€0.2 million in FY17) and operating expenses relating to the Trident Group (€0.1 million in FY16); and
- iv. The related tax effect of items i, ii and iii above, calculated at the standard corporate tax rate of 35% and resulting in a pro forma reduction of €0.2 million in the Group's corporate tax expense.

5.2 Illustrating the effect of the Spin-Off on the SFC Group's financial position

The table below sets out a comparison between the Group's consolidated Statement of Financial Position as at 31 January 2017 and the pro forma position that would have resulted assuming the Spin-Off had been implemented on 1 February 2016.

Statement illustrating the effect of the Spin-Off on the Consolidated Statement of Financial Position of the Group as at 31 January 2017	Actual	Pro forma	Change (+/-)
	€'000	€'000	€'000
ASSETS			
Property, plant & equipment	110,902	110,889	(13)
Investment property	31,169	-	(31,169)
Deferred tax asset	3,486	3,486	-
Other non-current assets	3,630	3,630	-
Total non-current assets	149,187	118,005	(31,182)
Cash & cash equivalents	788	768	(20)
Other current assets	32,966	32,906	(60)
Total current assets	33,754	33,674	(80)
Total Assets	182,941	151,679	(31,262)
EQUITY & LIABILITIES			
Share Capital	9,000	9,000	-
Reserves	114,271	78,190	(36,081)
Total Equity	123,271	87,190	(36,081)
Deferred tax liability	1,825	-	(1,825)
Borrowings	31,581	31,581	-
Other non-current liabilities	1,939	1,655	(284)
Total non-current liabilities	35,345	33,236	(2,109)
Current tax liabilities	598	570	(28)
Borrowings	4,382	11,338	6,956
Other current liabilities	19,345	19,345	-
Total current liabilities	24,325	31,253	6,928
Total Liabilities	59,670	64,489	4,819
Total Equity & Liabilities	182,941	151,679	(31,262)

The comparison indicates that the Spin-Off would have reduced the SFC Group's total assets by €31.3 million, from €182.9 million to €151.7 million. The principal movement underlying this reduction relates to the decrease in the carrying amount of the Group's investment property (€31.2 million) on account of the properties owned by the Trident Group that will no longer be reflected in the SFC Group's consolidated statement of financial position, once the Spin-Off is implemented.

The comparison also indicates a net increase of €4.8 million in SFC Group's total liabilities, from €59.7 million to €64.5 million. This net movement reflects an increase of €7.0 million in the Group's total borrowings, which is primarily the result of additional borrowings required for the cash contribution of €6.5 million into the Trident Group, which the SFC Group will be injecting prior to the Spin-Off to part-finance the works on the Trident Park Project.

The other principal movement relates to a reduction of €1.8 million in the deferred taxation liability on account of the liability that is recognised in relation to the properties owned by the Trident Group. This provision will no longer be reflected in the SFC Group's consolidated Statement of Financial Position.

In terms of the SFC Group's total shareholders' equity, the comparison indicates a reduction of €36.1 million from €123.3 million to €87.2 million.

As illustrated in the table below, the pro forma reduction of €36.1 million in the SFC Group's total shareholders' equity as at 31 January 2017 comprises:

- i. the pro forma net asset value of Trident Group as at 1 February 2016 (€31.5 million), which is the date of the Spin-Off assumed for the purposes of the pro forma financial information; and
- ii. the effect of a reduction of €4.6 million in the Group's comprehensive income during the financial year ended 31 January 2017 (refer to section 5.1).

	€'000
Effect of distribution of dividend (in the form of shares in Trident) as at 1 February 2016	31,490
Pro forma reduction in comprehensive income for the financial year ended 31 January 2017	4,591
Pro forma reduction in the Group's Total Equity as at 31 January 2017	36,081

The difference between the pro forma value of the Distribution as at 1 February 2016 (€31.5 million as set out in the table above) and the pro forma value of the Distribution as at 31 January 2017 (€35.6 million as set out in section 4.3.1), relates to the increase in fair value of properties (net of related deferred tax effect) of €4.1 million recognised in the current financial year:

	€'000
Pro forma value of dividend (in the form of shares in Trident as at 1 February 2016)	31,490
Increase in fair value of properties recognised in FY17 (net of deferred tax effect)	4,135
Pro forma value of dividend (in the form of shares in Trident as at 31 January 2017 (Sec 4.3.1))	35,625

The difference between the pro forma reduction in SFC Group's total equity as at 31 January 2017 (€36.08 million) and the pro forma value of the Distribution (€35.6 million as set out in Section 4.3.1) therefore reflects the effect of the pro forma adjustments on SFC Group's reported profits in the financial year ended 31 January 2017 (refer to section 5.1).

	€'000
Pro forma value of dividend (in the form of shares in Trident as at 31 January 2017 (Section 4.3.1))	35,625
Add back effect of the pro forma adjustments on SFC Group's reported profits for the financial year ended 31 January 2017 (Section 5.1)	456
Pro forma reduction in the Group's Total Equity as at 31 January 2017	36,081

5.3 Illustrating the effect of the Spin-Off on the SFC Group's Key Financial Indicators

The table below sets out the effect of the Spin-Off on some of the Group's key financial indicators in terms of profitability, return on investment, debt service and capital structure:

Statement illustrating the effect of the Spin-Off on Key Financial Indicators for the Group as at 31 January 2017	Actual	Pro forma
Profit Margins		
Gross Profit Margin (gross profit as a % of revenue)	39.0%	38.3%
Operating Profit Margin (operating profit as a % of revenue)	14.6%	13.8%
Net Profit Margin (profit for the year as a % of revenue)	13.7%	12.6%
Return on Investment		
Return on Assets (operating profit as a % of total assets)	7.0%	8.0%
Return on Equity (profit for the year as a % of total equity)	9.8%	12.7%
Debt Service and Capital Structure		
Total Liabilities as a % of Total Assets	32.6%	42.5%
Borrowings as a % of Total Equity and Borrowings	22.6%	33.0%
Borrowings (net of Cash) as a % of Total Equity and Borrowings (net of cash)	22.2%	32.6%
Interest Cover (operating profit: finance costs)	8.8x	8.3x
Borrowings: operating profit	2.8x	3.5x
Borrowings (net of cash): operating profit	2.7x	3.5x

The comparison illustrates that the Spin-Off would result in a reduction in the SFC Group's operating profits (with operating profit margin contracting from 14.6% to 13.8%) but an improvement in the overall return on investment.

The pro forma workings highlight that the Group's return on assets would increase from 7.0% to 8.0% whilst return on equity would step up from 9.8% to 12.7%. These improvements are a reflection of the fact that the pro forma reduction in total assets is arising on assets (the Trident Group's property portfolio) that are generating a lower rate of return than the other operating assets employed in the Group's core operations.

The comparison also illustrates that the reduction in equity resulting from the Spin-Off would result in an increase in the Group's financial gearing, with borrowings (net of cash) expressed as a percentage of total equity and borrowings (net of cash) increasing from 22.2% to 32.6%. Furthermore, the Spin-Off would result in a reduction in the level of debt service cover, with the Group's interest cover decreasing from 8.8 times to 8.3 times. The above analysis, however, also highlights that had the Spin-Off been implemented during the past financial year, the Group would have still reported healthy levels of profitability margins, return on investment and financial gearing and a comfortable level of interest cover.

6. REASONS FOR, BENEFITS OF, AND RISKS ASSOCIATED WITH THE SPIN-OFF

The Directors believe that the Spin-Off will be beneficial to the Company's Shareholders as it is expected to:

- i. improve the ability of both groups (the SFC Group and the Trident Group) to assess the financial and operational aspects of each of the food and beverage business and the property business by allowing appraisal of the Company and the Trident Group as separate entities rather than as one;
- ii. allow professional teams charged with executing the strategy of SFC Group and Trident Group to focus upon, and enhance the key drivers of the food and beverage business and the immovable property business respectively as separate undertakings;
- iii. allow the Trident Group to access both debt and equity markets as appropriate, allowing it to achieve financial flexibility and independence as the company pursues its own commercial strategies;
- iv. raise the profile of Trident Group and increase the company's ability to recruit, motivate and retain key personnel;
- v. lead to a more direct alignment of the responsibilities and accountability of the management teams responsible for each company with their respective operating and financial performance resulting in enhanced management focus and overall performance; and
- vi. that in view of the clear strategic and operational differences between SFC and Trident, the proposed Spin-Off and Listing is expected to enable, if thought desirable, new investors, possibly with specific property expertise, to be brought into the property business whilst unlocking shareholder value for the Shareholders by better identifying and establishing the stand-alone corporate value of the property business.

The Spin-Off will give rise to the following risks to the Company's Shareholders:

- The Spin-Off will result in the addition of a fixed operating cost to the SFC Group's cost structure, in the form of the annual rent payable to the Trident Group. This will increase the level of operational leverage underlying the SFC Group's cost structure, which means that a downturn in performance could have a greater impact on its operating results and cash generation.
- Further to the Spin-Off, the SFC Group will no longer hold title to some of the properties utilised for its operating activities. The Directors will, however, be ensuring that the lease agreements in place with the Trident Group will provide for appropriate safeguards to secure its interests in relation to the said properties. Nevertheless, the properties retained within the SFC Group will give rise to counter-party risks should the Trident Group not perform in line with the SFC Group's expectations and in accordance with the contractual obligations. In assessing this risk, it is important to note that those properties (e.g. the Brewery) that are considered to be critical to the Group's core beverage and food operation are not included as part of the scope of the Spin-Off.
- The Spin-Off will result in a reduction in the SFC Group's total assets. The reduction in assets will initially impact the financial strength of the SFC Group as well as the level of asset cover available to its Shareholders.
- The analysis in Section 5.3 illustrates that the Spin-Off will result in an increase in the level of financial leverage underlying the SFC Group's funding structure and a reduction in interest cover. This gives rise to the risks that are typically associated with an increased level of financial gearing, including in particular the increased possibility that adverse changes in the Group's operating performance may affect its ability to meet debt service obligations. Having said this, the analysis in Section 5.3 also highlights that the Group's debt-related parameters after the Spin-Off is implemented are still expected to allow for a significant level of cover on the Group's debt service obligations.

7. DECLARATIONS

The Spin-Off will not impact the ownership structure of the Company's capital.

The total emoluments receivable by the Directors of the Company will not be varied as a result of the Spin-Off.

As at the date of this Circular, there are the following legal proceedings involving Trident Group:

1. Ports Limited v Trident Developments Limited and Food Chain (Holdings) Limited (1008/2006AF). In these proceedings, plaintiff company is asking the court to declare that the ownership of part of the building presently housing a catering establishment known as Burger King in Wilga Street in Paceville is the property of plaintiff company. This case is still pending.
2. Trident Developments Limited v Cordina Joseph (16/2006LSO). In these proceedings, plaintiff company (Trident) is asking the court to declare that a piece of land (situated adjacent to Trident House in Qormi Road, Marsa) is owned by Trident. The case was decided at first instance in favour of Trident and is now pending appeal, for which no date has been set. Pending appeal, Trident has reclaimed possession (not ownership) of the same land in question after different proceedings between the same parties were decided in favour of Trident on appeal.

The Board is confident that it is unlikely that the outcome of these proceedings will have a significant effect on the Trident Group's financial position.

8. PROPERTY VALUATION REPORT

The Company commissioned the Valuers to issue a Valuation Report on Trident Group's Properties.

The aggregate valuation of the Properties is of €31.2 million, split as follows:

	€ million
Complex known as " Trident House ", situated in Qormi Road, Marsa	€10.2
Brewery façade – situated in Mdina Road, Mriehel	€9.1
Catering establishment known as " Burger King " and formerly known as "Coconut Grove", situated in Wilga Street, corner with St George's Road, Paceville	€3.1
Catering establishment known as " Pizza Hut ", situated in Bisazza Street, Sliema	€2.2
Catering establishments known as " Pizza Hut " and " Sardinella " situated in St George's Road, St Julian's	€1.7
Catering establishment known as " KFC " and formerly known as "Wimpy", situated in Msida Road, Gzira	€1.5
Catering establishment known as " Pizza Hut ", situated in South Street, Valletta	€1.3
Catering establishment known as " Fortizza " and formerly known as "Sliema Point Battery", situated in Tower Road, Sliema	€1.1
Catering establishment known as " Scotsman Pub ", situated in St. George's Road, St Julian's	€0.5
Catering establishment known as " Fresco's " and formerly known as "Mariners Pub", situated in Tower Road, Sliema	€0.5
	€31.2

The Valuation Report is attached to this Circular as Appendix E.

The Valuation Report is dated 25 May 2017.

The Valuers have given, and have not withdrawn, their written consent to the inclusion of the reference to the Valuers' names in the form and context in which they are included in this Circular. The Valuers have also given, and have not withdrawn, their written consent for the publication of the Valuation Report in the form and context in which it is included within this Circular.

9. ACCOUNTANTS' REPORT ON PRO FORMA FINANCIAL INFORMATION

The Company engaged PricewaterhouseCoopers (PwC), a firm of Certified Public Accountants, to issue Accountants' Reports on the pro forma financial information included in this Circular. The Accountants' Reports are appended to this Circular as Appendix C and Appendix D.

PricewaterhouseCoopers has given, and has not withdrawn, its written consent to the inclusion of the reference to PwC's name in the form and context in which it is included in this Circular. PricewaterhouseCoopers has also given and has not withdrawn its written consent for the publication of the Accountants' Reports in the form and context in which they are included in this Circular.

10. CONDITIONS PRECEDENT TO THE SPIN-OFF

The Spin-Off and Listing will, among other things, be conditional upon:

- i. the Resolution taken at the AGM approving the Spin-Off;
- ii. the payment, by the Company to its Shareholders, of a dividend in kind consisting of the Company's shareholding in Trident;
- iii. approval obtained from the Listing Authority for the admissibility to listing of the shares of Trident on the Official List of the MSE;
- iv. the attainment by the Company of the release of all special and general hypothecs that the bankers of the Company enjoy over properties currently owned by, or are in the process of being transferred to, Trident;
- v. the attainment by the Company and Trident of the relevant fiscal clearances in connection with the Spin-Off; and
- vi. the attainment of any other necessary regulatory clearances.

If any of these and other applicable conditions are not obtained, fulfilled or waived, as applicable, prior to the dates and times to be specified, the Spin-Off will not proceed and an announcement will be published by the Company as soon as practicable thereafter.

11. THE RESOLUTION

11.1 Spin-Off

Text of the ordinary Resolution:

"To approve the Spin-Off of Simonds Farsons Cisk's (the "Company") shareholding in Trident Estates Limited ("Trident"), to be effected through the payment, by the Company to its shareholders ("Shareholders"), of a dividend in kind by way of a distribution of the Company's shareholding in Trident on a pro-rata basis to its shareholders and to authorise the board of directors of the Company to take all measures that may be necessary or expedient to implement the Spin-Off."

Purpose of the Resolution:

The purpose of the Resolution is to obtain Shareholder approval for the Spin-Off of Trident.

The Resolution explained:

The resolution will permit the Board to take all measures that it may deem necessary or expedient to implement the Spin-Off of the Company's shareholding in Trident by way of a dividend, to be paid in kind by way of a distribution of Trident Shares to the Shareholders pro-rata to the shares held by them in the Company.

12. LIST OF CURRENT DIRECTORS

The current board of directors of Trident Estates Limited is composed of the following:

Vincent Curmi	Non-Executive Chairman
Louis A Farrugia	Executive Director
Charles Xuereb	Executive Director
Robert Farrugia	Non-Executive Director
Paul Micallef	Non-Executive Director
Alberto Miceli Farrugia	Non-Executive Director
Marcus John Scicluna Marshall	Non-Executive Director
Marcantonio Stagno D'Alcontres	Non-Executive Director

Prior to the Spin-Off, the composition of the board of directors of Trident may change to reflect the corporate governance structures required of Trident as a public limited liability company.

13. MAJORITY SHAREHOLDERS OF TRIDENT

The Spin-Off of Trident will be effected through the distribution of one (1) Trident Share for every one (1) Share of the Company held as at the Distribution Record-Date. In this respect, it is envisaged that the majority shareholders of Trident will be the same as the majority shareholders of SFC, which, as at the date of this Circular, are the following:

Farrugia Investments Limited	26.50%
M.S.M. Investments Limited	26.50%
Sciclunas Estates Limited	26.32%

As far as the Company can ascertain, no other Shareholder holds more than 5% in the Company's Shares.

14. INTEREST OF DIRECTORS

Following the proposed Spin-Off, should Trident retain the composition of its board of directors as that outlined in section 12, the following directors will hold Trident Shares, directly, as follows*:

Louis A Farrugia	30,223
Marcus John Scicluna Marshall	5,857
Marcantonio Stagno D'Alcontres	2,858
Vincent Curmi	7,854
Alberto Miceli Farrugia	16,996
Robert Farrugia	5,544

**The shareholding disclosed above is based on the shareholding of the current directors of Trident known to the Company as at the date of this Circular. The extent of this shareholding may change as a result of trading in the Shares of the Company by any of the directors mentioned above which would affect their entitlement to Trident Shares.*

As far as the Company can ascertain, none of the other directors of Trident have i) any interest in the shares of the Company that may result in a future interest in the shares of Trident or the Trident's subsidiaries or investees; or ii) any interest in any contracts or arrangements as on the date hereof that ought to be disclosed.

15. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or certified copies thereof, will be available for inspection at the Registered Address until 27 June 2017:

- the Memorandum and Articles of Association of the Company;
- the Independent Accountants' Reports on the pro forma financial information;
- letters of consent received from the Valuers and PwC; and
- the last Annual Financial Report of the Company.

16. RECOMMENDATION

The Directors believe that the Resolution, as explained in this Circular, is in the best interests of the Company and the Shareholders as a whole and recommend that Shareholders vote in favour of the Resolution.

This Circular includes the principal purpose and effect of the Resolution.

The Spin-Off and Listing are subject to, among others, the final decisions of the Board and approval for Listing being obtained from the Listing Authority. Accordingly, Shareholders and potential investors in the Company should be aware that there is no assurance that the Spin-Off and Listing will take place or, if they do, when they will take place. Shareholders and potential investors in the Company should therefore exercise caution when dealing in or investing in the securities of the Company.

APPENDICES

- **Appendix A:** Pro forma Financial Information for the Trident Group
- **Appendix B:** Pro forma Financial Information for the SFC Group
- **Appendix C:** Accountants' Report on Pro forma Financial Information for the Trident Group
- **Appendix D:** Accountants' Report on Pro forma Financial Information for the SFC Group
- **Appendix E:** Valuation Report

APPENDIX A

Pro forma Financial Information for the Trident Group

1. Basis of preparation

The Directors are proposing the payment of a dividend in kind to its Shareholders by way of a distribution of the Company's shares in Trident Estates Limited (the "**Spin-Off**"). In connection with the Spin-Off, the Group has commenced a restructuring process through which individual properties and shareholdings in subsidiaries are being transferred to/from Trident Estates Limited (the "**Restructuring**") in order to reflect the proposed allocation of properties as outlined in Section 3.3 of this Circular.

The pro forma financial information has been prepared for illustrative purposes only, to provide information about the effect of the Restructuring on the financial results and position of the Trident Group.

The pro forma financial information for the Trident Group comprises:

- 1 A pro forma Income Statement for the financial year ended 31 January 2017, which is prepared on the assumption that the Restructuring would have been completed as of 1 February 2016 (i.e. the beginning of the financial year). This information is intended to illustrate the effect of the Restructuring on the profitability of Trident Group; and
- 2 A pro forma Statement of Financial Position as at 31 January 2017, which is prepared on the assumption that the Restructuring would have been completed as at this date. This information is intended to indicate the expected Net Asset Value of Trident prior to the Spin-Off. For this reason, the pro forma Statement of Financial Position does not reflect the pro forma effect of the Restructuring on the profitability of Trident Group in the financial year ended 31 January 2017.

The pro forma financial information has been prepared using the actual results for the Trident Group for the financial year ended 31 January 2017 and superimposing the transactions outlined in section 2 below 'Pro forma adjustments'.

Because of its nature, the pro forma financial information addresses a hypothetical situation and, therefore, does not represent the Trident Group's actual financial position or results. The pro forma financial information is not intended to, and does not, provide all the information and disclosures necessary to give a true and fair view of the results of the operations and the financial position of Trident Group in accordance with International Financial Reporting Standards as adopted by the EU (IFRSs). The pro forma financial information has been compiled on the basis of the accounting policies adopted by the Trident Group taking into account the requirements of building block 20.2 of Annex I and Annex II of EC Regulation 809/2004.

2. Pro forma adjustments

The following is a description of the pro forma adjustments made to the actual results and financial position of the Trident Group for the financial year ended 31 January 2017:

1. Being consolidation of assets and liabilities of Sliema Fort Company Limited further to the transfer of the 50% shareholding from Food Chain Limited to Trident Estates Limited. Further to this transaction, Trident Estates Limited will own 100% of the share capital of Sliema Fort Company Limited;
2. Being the transfer of the Brewery Façade from SFC to Trident Park Limited for an assumed consideration of €9.1 million. This pro forma adjustment also reflects the release of the related deferred taxation balance;
3. Being transfer of property situated in the district known as tal-Handaq, in the limits of Qormi, from Sliema Fort Company Limited to Quintano Foods Limited for a consideration of €3.2 million. This pro forma adjustment also reflects the release of the related deferred taxation balance;
4. Being transfer of property situated in Commerce Street, Qormi from Trident Estates Limited to SFC for a consideration of €2.55 million. This pro forma adjustment also reflects the release of the related deferred taxation balance;

5. Being the transfer of *utile dominium* on Fresco's situated in Tower Road, Sliema from Food Chain Limited to Trident Estates Limited which is assumed to give rise to a payment of a *laudemium* of €40,000;
6. Being capitalisation of amounts due by the Trident Group to the SFC Group, which capitalisation will be carried out prior to the Spin-Off;
7. Being issue of additional equity capital of €6.5 million in Trident Estates Limited, which will be carried out prior to the Spin-Off;
8. Being reversal of loss recognised on disposal of Trident Group's investment in Portanier Warehouses Limited, which transfers have been carried out as at 31 January 2017; and
9. Being adjustment to reflect the effect of the revision of rental contracts for properties leased by the Trident Group to the SFC Group, which agreements are effective as from 1 February 2017. The adjustment also provides for the related effect on the income tax charge, assumed at the rate of 15%, of the additional income receivable by Trident Group further to the revision of the rental contracts.

3. Pro forma financial information

Trident Estates Limited Consolidated Statement of Financial Position as at 31 January 2017

	Audited	Pro forma adjustments									Pro forma
		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
ASSETS											
Property, plant & equipment	13	-	-	-	-	-	-	-	-	-	13
Investment Property	23,559	4,300	9,054	(3,200)	(2,544)	-	-	-	-	-	31,169
Investment in jointly-controlled entity	942	(942)	-	-	-	-	-	-	-	-	-
Net amounts due from SFC Group Companies	364	(1,015)	(9,054)	3,200	2,544	(40)	3,918	-	61	22	-
Amounts due from jointly-controlled entity	743	(743)	-	-	-	-	-	-	-	-	-
Trade and other receivables	10	31	-	-	-	-	-	-	-	-	41
Current tax assets	15	-	-	-	-	-	-	-	-	-	15
Cash balances	20	-	-	-	-	-	-	6,500	-	-	6,520
Total assets	25,666	1,631	-	-	-	(40)	3,918	6,500	61	22	37,758
EQUITY											
Share capital	4,805	942	-	-	-	-	3,918	6,500	-	-	16,165
Reserves	18,733	-	33	320	331	(40)	-	-	61	22	19,460
Total equity	23,538	942	33	320	331	(40)	3,918	6,500	61	22	35,625
LIABILITIES											
Deferred tax liability	2,073	430	(33)	(320)	(331)	-	-	-	-	-	1,819
Trade and other payables	55	231	-	-	-	-	-	-	-	-	286
Current tax liabilities	-	28	-	-	-	-	-	-	-	-	28
Total liabilities	2,128	689	(33)	(320)	(331)	-	-	-	-	-	2,133
Total equity and liabilities	25,666	1,631	-	-	-	(40)	3,918	6,500	61	22	37,758

APPENDIX A (continued)

Pro forma Financial Information for the Trident Group (continued)

Trident Estates Limited
Consolidated Income Statement
for the financial year ended 31 January 2017

	Audited	Pro forma adjustments									Pro forma
		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Revenue	727	210	-	-	-	-	-	-	-	25	962
Ground rents payable	(82)	(121)	-	-	-	-	-	-	-	-	(203)
Operating expenses	(75)	(6)	-	-	-	-	-	-	-	-	(81)
Operating profit before fair value movements	570	83	-	-	-	-	-	-	-	25	678
Change in fair value of investment property	4,667	333	-	(91)	(63)	-	-	-	-	-	4,846
Share of results of associate	(23)	23	-	-	-	-	-	-	-	-	-
Loss on disposal of subsidiary	(61)	-	-	-	-	-	-	-	61	-	-
Operating profit	5,153	439	-	(91)	(63)	-	-	-	61	25	5,524
Net interest paid on amounts due to SFC Group Companies	(72)	(10)	-	-	-	-	-	-	-	-	(82)
Profit before tax	5,081	429	-	(91)	(63)	-	-	-	61	25	5,442
Tax income/(expense)	(724)	(451)	-	320	6	-	-	-	-	(4)	(853)
Profit for the year	4,357	(22)	-	229	(57)	-	-	-	61	21	4,589

APPENDIX B

Pro forma Financial Information for the SFC Group

1. Basis of preparation

The Directors are proposing the payment of a dividend in kind to its Shareholders by way of a distribution of the Company's shares in Trident Estates Limited (the "Spin-Off"). In connection with the Spin-Off, the Group has commenced a restructuring process through which individual properties and shareholdings in subsidiaries are being transferred to/from Trident Estates Limited (the "Restructuring") in order to reflect the proposed allocation of properties as outlined in Section 3.3 of this Circular.

This pro forma financial information has been prepared for illustrative purposes only, to provide information about the effect of the Spin-Off and the Restructuring transactions on the financial results and position of the SFC Group.

The pro forma financial information for the SFC Group comprises a pro forma Income Statement for the year ended 31 January 2017 and a pro forma Statement of Financial Position as at 31 January 2017. The pro forma financial information is prepared on the assumption that the Spin-Off and the Restructuring would have been completed as of 1 February 2016 (i.e. the beginning of the financial year).

The pro forma financial information has been prepared using the actual results for the SFC Group for the financial year ended 31 January 2017 and superimposing the transactions outlined in section 2 below 'Pro forma adjustments'.

Because of its nature, the pro forma financial information addresses a hypothetical situation and, therefore, does not represent the SFC Group's actual financial position or results. The pro forma financial information is not intended to, and does not, provide all the information and disclosures necessary to give a true and fair view of the results of the operations and the financial position of the Company in accordance with International Financial Reporting Standards as adopted by the EU (IFRSs). The pro forma financial information has been compiled on the basis of the accounting policies adopted by the SFC Group taking into account the requirements of building block 20.2 of Annex I and Annex II of EC Regulation 809/2004.

2. Pro forma adjustments

The following is a description of the pro forma adjustments made to the actual results and financial position of the SFC Group for the financial year ended 31 January 2017:

1. Being reversal of assets and liabilities that, further to the Spin-Off, will be transferred to Trident Group and therefore no longer reflected in the consolidated financial position of the SFC Group;
2. Being cash injection of €6.5 million in Trident Estates Limited, which will be carried out through a share issue prior to the Spin-Off;
3. Being reversal of revenue received from third parties in relation to properties that are included within the scope of the Spin-Off;
4. Being reversal of annual ground rent paid in relation to properties that are included within the scope of the Spin-Off;
5. Being reversal of annual operating expenses relating to subsidiaries that are included within the scope of the Spin-Off;
6. Being rental expenses that will be incurred by the SFC Group in relation to properties, which are used in its operations and that are included within the scope of the Spin-Off;
7. Being reversal of movement in fair value recognised on properties that are included as part of scope of the Spin-Off; and
8. Being tax impact of adjustments (3) to (6) at the standard corporate tax rate of 35%.

APPENDIX B (continued)

Pro forma Financial Information for the SFC Group (continued)

3. Pro forma financial information

Simonds Farsons Cisk plc
Consolidated Statement of Financial Position
as at 31 January 2017

	Audited Consolidated Financial Position			Pro forma adjustments								Pro forma Consolidated Financial Position
	Continuing Operations	Discontinued Operations	Overall	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
ASSETS												
Non current assets												
Property, plant & equipment	110,889	13	110,902	(13)	-	-	-	-	-	-	-	110,889
Intangible assets	616	-	616	-	-	-	-	-	-	-	-	616
Investment property	-	31,169	31,169	(26,323)	-	-	-	-	-	(4,846)	-	-
Investment in jointly controlled entity	-	12	12	-	-	-	-	-	-	-	-	12
Deferred tax assets	3,486	-	3,486	-	-	-	-	-	-	-	-	3,486
Trade and other receivables	3,002	-	3,002	-	-	-	-	-	-	-	-	3,002
Total non-current assets	117,993	31,194	149,187	(26,336)	-	-	-	-	-	(4,846)	-	118,005
Current assets												
Inventories	14,569	-	14,569	-	-	-	-	-	-	-	-	14,569
Trade and other receivables	18,316	37	18,353	(45)	-	-	-	-	-	-	-	18,308
Current tax assets	29	15	44	(15)	-	-	-	-	-	-	-	29
Cash and cash equivalents	768	20	788	(20)	-	-	-	-	-	-	-	768
Total current assets	33,682	72	33,754	(80)	-	-	-	-	-	-	-	33,674
Non-current assets classified as held for sale	31,266	(31,266)	-	-	-	-	-	-	-	-	-	-
	64,948	(31,194)	33,754	(80)	-	-	-	-	-	-	-	33,674
Total Assets	182,941	-	182,941	(26,416)	-	-	-	-	-	(4,846)	-	151,679
EQUITY & LIABILITIES												
Share capital	9,000	-	9,000	-	-	-	-	-	-	-	-	9,000
Reserves	114,271	-	114,271	(24,990)	(6,500)	(306)	207	65	(667)	(4,135)	245	78,190
Total equity	123,271	-	123,271	(24,990)	(6,500)	(306)	207	65	(667)	(4,135)	245	87,190
Deferred tax liability	-	1,825	1,825	(1,114)	-	-	-	-	-	(711)	-	-
Trade & other payables	905	284	1,189	(284)	-	-	-	-	-	-	-	905
Derivative financial instruments	750	-	750	-	-	-	-	-	-	-	-	750
Borrowings	31,581	-	31,581	-	-	-	-	-	-	-	-	31,581
Total non-current liabilities	33,236	2,109	35,345	(1,398)	-	-	-	-	-	(711)	-	33,236
Provisions for other liabilities & charges	36	-	36	-	-	-	-	-	-	-	-	36
Trade & other payables	18,974	-	18,974	-	-	-	-	-	-	-	-	18,974
Current tax liabilities	570	28	598	(28)	-	-	-	-	-	-	-	570
Derivative financial instruments	335	-	335	-	-	-	-	-	-	-	-	335
Borrowings	4,382	-	4,382	-	6,500	306	(207)	(65)	667	-	(245)	11,338
Total current liabilities	24,297	28	24,325	(28)	6,500	306	(207)	(65)	667	-	(245)	31,253
Liabilities directly attributable to non-current assets held for sale	2,137	(2,137)	-	-	-	-	-	-	-	-	-	-
	26,434	(2,109)	24,325	(28)	6,500	306	(207)	(65)	667	-	(245)	31,253
Total liabilities	59,670	-	59,670	(1,426)	6,500	306	(207)	(65)	667	(711)	(245)	64,489
Total equity & liabilities	182,941	-	182,941	(26,416)	-	-	-	-	-	(4,846)	-	151,679

Simonds Farsons Cisk plc
Consolidated Income Statement
for the year ended 31 January 2017

	Audited Consolidated Results			Pro forma adjustments								Pro forma Consolidated Results
	Continuing Operations	Discontinued Operations	Overall	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Revenue	88,119	295	88,414	-	-	(295)	-	-	-	-	-	88,119
Cost of sales	(53,683)	(207)	(53,890)	-	-	-	207	-	(667)	-	-	(54,350)
Gross Profit	34,436	88	34,524	-	-	(295)	207	-	(667)	-	-	33,769
Selling & distribution costs	(10,712)	-	(10,712)	-	-	-	-	-	-	-	-	(10,712)
Administrative expenses	(10,851)	(65)	(10,916)	-	-	-	-	65	-	-	-	(10,851)
Other operating expenses	(21)	-	(21)	-	-	-	-	-	-	-	-	(21)
Operating Profit	12,852	23	12,875	-	-	(295)	207	65	(667)	-	-	12,185
Gain on re-measurement of assets held for sale	-	928	928	-	-	-	-	-	-	(774)	-	154
Finance income	5	11	16	-	-	(11)	-	-	-	-	-	5
Finance costs	(1,470)	-	(1,470)	-	-	-	-	-	-	-	-	(1,470)
Profit before tax	11,387	962	12,349	-	-	(306)	207	65	(667)	(774)	-	10,874
Tax	471	(688)	(217)	-	-	-	-	-	-	212	245	240
Profit for the year	11,858	274	12,132	-	-	(306)	207	65	(667)	(562)	245	11,114
Other comprehensive income	-	-	4,880	-	-	-	-	-	-	(3,572)	-	1,308
Total comprehensive income for the year	-	-	17,012	-	-	(306)	207	65	(667)	(4,134)	245	12,422

APPENDIX C

Accountants' Report on Pro forma Financial Information for the Trident Group



The Directors
Trident Estates Limited
The Brewery
Mdina Road
Mriehel. BKR 3000. Malta

6 June 2017

Independent accountant's assurance report on the compilation of pro forma financial information

To the board of directors of Trident Estates Limited

Report on the compilation of pro forma financial information

We have completed our assurance engagement to report on the compilation of pro forma financial information of Trident Estates Ltd (the "Trident Group"), as prepared by the directors of Trident Group ("the Directors"). The pro forma financial information consists of the Trident Group's pro forma consolidated statement of financial position as at 31 January 2017 and the Trident Group's pro forma consolidated income statement for the period ended 31 January 2017, and the related notes, as set out in Appendix A of Simonds Farsons Cisk p.l.c.'s *'Explanatory Circular for Annual General Meeting'* dated 6 June 2017. The applicable criteria on the basis of which the Directors have compiled the pro forma financial information are specified in Annex II to Commission Regulation (EC) 809/2004 ("the Regulation") and described in the 'Basis of preparation' included in Appendix A of Simonds Farsons Cisk p.l.c.'s *'Explanatory Circular for Annual General Meeting'* dated 6 June 2017 ("the Applicable Criteria").

The pro forma financial information has been compiled by the Directors to illustrate the impact of the Spin-Off as set out in the notes to Appendix A of Simonds Farsons Cisk p.l.c.'s *'Explanatory Circular for Annual General Meeting'* dated 6 June 2017, on Trident Group's financial position as at 31 January 2017 and its financial performance for the year then ended.

The pro forma financial information for the Trident Group comprises:

1. A pro forma Income Statement for the financial year ended 31 January 2017, which was prepared on the assumption that the Spin-Off would have been completed as of 1 February 2016 (i.e. the beginning of the financial year); and
2. A pro forma Statement of Financial Position as at 31 January 2017, which was prepared on the assumption that the Spin-Off would have been completed as at this date.

As part of this process, information about Trident Group's financial position and performance has been extracted by the Directors from Trident Group's financial statements, for the period ended 31 January 2017, on which an audit report has been published.

Directors' responsibility for the pro forma financial information

The Directors are responsible for compiling the pro forma financial information on the basis of the Applicable Criteria.

Independent accountant's assurance report on the compilation of pro forma financial information

To the board of directors of Trident Estates Limited

Our responsibilities

Our responsibility is to express an opinion, as required by item 7 of Annex II to the Regulation, about whether the pro forma financial information has been compiled, in all material respects, by the Directors on the basis of Trident Group's accounting policies as described in the latest annual report and the basis of preparation set out in Appendix A of Simonds Farsons Cisk p.l.c.'s *'Explanatory Circular for Annual General Meeting'* dated 6 June 2017, and accordingly on the basis of the Applicable Criteria.

Basis of opinion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420 – Assurance engagements to report on the compilation of pro forma financial information included in a prospectus, issued by the International Auditing and Assurance Standards Board. This standard requires that the practitioner complies with ethical requirements and plans and performs procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the pro forma financial information on the basis of the Applicable Criteria.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction as at and for the period ended 31 January 2017 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been compiled, in all material respects, on the basis of the Applicable Criteria involves performing procedures to assess whether the Applicable Criteria used by the Directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the accountant's judgment, having regard to the accountant's understanding of the nature of the Trident Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- a. the pro forma financial information has been properly compiled on the basis stated; and
- b. such basis is consistent with the accounting policies of the Trident Group.



Simon Flynn *Partner*
PricewaterhouseCoopers
78 Mill Street, Qormi Malta

APPENDIX D

Accountants' Report on Pro forma Financial Information for the SFC Group



The Directors
Simonds Farsons Cisk p.l.c.
The Brewery
Mdina Road
Mriehel. BKR 3000. Malta

6 June 2017

Independent accountant's assurance report on the compilation of pro forma financial information

To the board of directors of Simonds Farsons Cisk p.l.c.

Report on the compilation of pro forma financial information

We have completed our assurance engagement to report on the compilation of pro forma financial information of Simonds Farsons Cisk p.l.c. (the "SFC Group"), as prepared by the directors of the SFC Group ("the Directors"). The pro forma financial information consists of the SFC Group's pro forma consolidated statement of financial position as at 31 January 2017 and the SFC Group's pro forma consolidated income statement for the period ended 31 January 2017, and the related notes, as set out in Appendix B of SFC Group's *'Explanatory Circular for Annual General Meeting'* dated 6 June 2017. The applicable criteria on the basis of which the Directors have compiled the pro forma financial information are specified in Annex II to Commission Regulation (EC) 809/2004 ("the Regulation") and described in the 'Basis of preparation' included in Appendix B of SFC Group's *'Explanatory Circular for Annual General Meeting'* dated 6 June 2017 ("the Applicable Criteria").

The pro forma financial information has been compiled by the Directors to illustrate the impact of the Spin-Off as set out in the notes to Appendix B of SFC Group's *'Explanatory Circular for Annual General Meeting'* dated 6 June 2017, on SFC Group's financial position as at 31 January 2017 and its financial performance for the year then ended.

The pro forma financial information for the SFC Group has been prepared on the assumption that the Spin-Off had taken place on 1 February 2016. As part of this process, information about SFC Group's financial position and performance has been extracted by the Directors from SFC Group's financial statements, for the period ended 31 January 2017, on which an audit report has been published.

Directors' responsibility for the pro forma financial information

The Directors are responsible for compiling the pro forma financial information on the basis of the Applicable Criteria.

Our responsibilities

Our responsibility is to express an opinion, as required by item 7 of Annex II to the Regulation, about whether the pro forma financial information has been compiled, in all material respects, by the Directors on the basis of SFC Group's accounting policies as described in the latest annual report and the basis of preparation set out in Appendix B of SFC Group's *'Explanatory Circular for Annual General Meeting'* dated 6 June 2017, and accordingly on the basis of the Applicable Criteria.

Independent accountant's assurance report on the compilation of pro forma financial information

To the board of directors of Simonds Farsons Cisk p.l.c.

Basis of opinion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420 – Assurance engagements to report on the compilation of pro forma financial information included in a prospectus, issued by the International Auditing and Assurance Standards Board. This standard requires that the practitioner complies with ethical requirements and plans and performs procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the pro forma financial information on the basis of the Applicable Criteria.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction as at and for the period ended 31 January 2017 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been compiled, in all material respects, on the basis of the Applicable Criteria involves performing procedures to assess whether the Applicable Criteria used by the Directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the accountant's judgment, having regard to the accountant's understanding of the nature of the SFC Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- a. the pro forma financial information has been properly compiled on the basis stated; and
- b. such basis is consistent with the accounting policies of the SFC Group.



Simon Flynn *Partner*
PricewaterhouseCoopers
78 Mill Street, Qormi Malta

APPENDIX E

Valuation Report



25 May 2017

The Board of Directors
Simonds Farsons Cisk plc.
The Brewery,
Mdina Road, Mriehel,
Birkirkara BKR 3000,
Malta.

Dear Sirs,

Architecture Project, a duly warranted partnership of Architects and Civil Engineers in terms of Chapter 390 of the Laws of Malta, was engaged as an independent valuer to carry out valuations of the ten (10) below listed properties (the *Property* or the *Properties*) on behalf of Farsons Group of Companies (the *Client*), including Simonds Farsons Cisk plc (the *Company*). The purpose of this report is for inclusion with the Circular, in accordance with Chapter 7 of the Listing Rules of the Listing Authority.

The valuations were carried out as at 31 January 2017 and are being re-confirmed as effective as at the date of this report. Unless otherwise defined in this valuation report, terms defined in the Circular shall have the meanings ascribed thereto when used in the valuation report.

MFSA Listing Rules 7.4.7 and 7.4.8 are not applicable to this report.

Basis of Valuation

The valuations have been prepared in accordance with the *Kamra tal-Periti* Valuation Standards for Accredited Valuers (2012), which are largely based on the TEGOVA (The European Group Of Valuers' Associations) Valuation Standards (2009). The undersigned has carried out the valuations as an independent valuer as defined therein.

The full valuation report provides an estimate of the "*Market Value*" of the Properties, as defined in the European Council Directive 2006/48/EC, that is, "*the estimated amount for which the property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.*" Such Market Value is considered to be equivalent to the present capital value in existing state and is based on the open market value for existing use and relative planning considerations.

Without prejudice to the foregoing, the values listed hereunder are deemed to be the best price at which the sale of an interest in the respective property might reasonably be expected to have been completed unconditionally for cash consideration on the date of valuation, on the basis of the following assumptions:

- a. a willing seller;
- b. prior to the date of valuation there had been a reasonable period for the proper marketing of the interest, for the negotiation and agreement of the price and the terms of sale, and for the completion of the sale;
- c. the state of the market, level of property values and other relevant circumstances were, on the date of exchange of contracts, the same as the date of valuation;
- d. the absence of any additional bid by a purchaser with a special interest in the acquisition of the interest;
- e. a good title can be shown and the property is not subject to any unusual or onerous restrictions, encumbrances or outgoing;
- f. the property is unaffected by any Statutory Notice (as detailed in the full valuation report) and neither the property nor its use, actual or intended, gives rise to a contravention of any Statutory Requirements (as detailed in the full valuation report);
- g. the property is free from latent defects and no deleterious materials have been used in its construction;
- h. only a visual inspection of the property was carried out to establish the condition of repair and, unless otherwise specifically stated in the full report, and in that event only to the extent so specified, no parts of the property which were covered, unexposed or otherwise inaccessible to visual inspection have been inspected, and no tests have been made as to whether or not such parts are free of defects, so that the valuation assumes that a structural survey would reveal no major defects involving substantial expenditure.

In all cases, the title of ownership was not investigated and such investigation was not within the scope of the valuation. Any references in the reports to title of ownership are as communicated by the Client.

All valuations were carried out following a visual inspection of the Properties, and took into account various sources of information and verification, including information provided by the Client (such as land surveys, deeds of title, planning permits in hand), available planning legislation and policy pertaining to the relevant Properties and their surroundings, comparable sales information and available market statistics.

The undersigned confirms that, in carrying out these valuations, cognisance was taken of the title report prepared by Notary Dr Pierre Attard, in particular details on any registered mortgages, privileges and other charges, and any real rights including details of emphyteutical concessions, easements and other burdens, to the extent that these have an impact on the value of the property.

APPENDIX E (continued)

Valuation Report (continued)

Property Valuations as at 31 January 2017

(reconfirmed and effective as at the date of this report)

The following is a summary of the valuations of the Properties:

Property Address:	Pizza Hut, South Street, Valletta, Malta
Proprietor:	Trident Estates Ltd (formerly Trident Developments Ltd)
Description:	<p><i>Typology:</i> Operating restaurant (100 covers) at ground floor</p> <p><i>Gross Floor Area:</i> ca 304m²</p> <p><i>Site Area:</i> ca 318m²</p>
Tenure:	Freehold
Occupation:	Occupied by Food Chain Ltd, a member of the SFC Group. A lease agreement is currently being negotiated wherein the rent due will be fixed at €57,600 per annum for the first five years, with market rents applicable thereafter. These stated terms of agreement have been assumed as being in place for the purposes of valuation.
Maintenance/Repair:	The lease agreement will place the obligation of all ordinary internal and external repairs (including replacements) other than structural on the prospective tenant.
Age:	Over 120 years
Planning history:	<p><i>PA/05352/93:</i> Change of use from wines and spirits shop to restaurant (Approved)</p> <p><i>PA/01340/95:</i> To carry out alterations to façade including signage (Approved)</p>
Compliance:	Minor internal changes from approved permits; no infringements of statutory requirements.
Restrictions:	<p><i>Easements:</i> Right of access through adjacent property (No. 18 & No. 21 South Street); active rights and passive servitudes resulting naturally from its position at ground floor level; right to keep and to maintain certain equipment at roof level.</p> <p><i>Hypothecs:</i> Note H.1103/2002 (HSBC Bank Malta p.l.c.); Note H.2757/2006 (HSBC Bank Malta p.l.c.); Note H.17553/2009 (Bank of Valletta plc); Note H.18607/2013 (APS Bank Ltd); Note H.823/2015 (HSBC Bank Malta p.l.c.)</p>
Value:	€1,300,000

Property Address:	Pizza Hut, Bisazza Street, Sliema, Malta
Proprietor:	Trident Estates Ltd (formerly Trident Developments Ltd)
Description:	<p><i>Typology:</i> Operating restaurant (110 covers) at ground floor, plus a vacant residence.</p> <p><i>Gross Floor Area:</i> ca 495m²</p> <p><i>Site Area:</i> ca 410m²</p>
Tenure:	Restaurant is held on perpetual <i>utile dominium</i> and is subject to a ground rent of Lm1,800 (equivalent to approximately €4,193) per annum; residence is freehold.
Occupation:	Occupied by Food Chain Ltd, a member of the SFC Group. A lease agreement is currently being negotiated wherein the rent due will increase from €70,000 per annum to €90,000 per annum over the first five years, with market rent applicable thereafter. These stated terms of agreement have been assumed as being in place for the purposes of valuation.
Maintenance/Repair:	The lease agreement will place the obligation of all ordinary internal and external repairs (including replacements) other than structural on the prospective tenant.
Age:	Over 40 years
Planning history:	<p><i>PA/03333/93:</i> Alteration to shopfront (Approved)</p> <p><i>PA/05306/02:</i> Construction of additional second and third floors (Outline permit - Approved)</p> <p><i>PA/01439/03:</i> Construction of two apartments in additional second and third floors (Refused)</p> <p><i>PA/05144/04:</i> Construction of two apartments in additional second and third floors and alterations (Refused)</p>
Compliance:	Complies with planning policy; no infringements of statutory requirements.
Restrictions:	<p><i>Easements:</i> Active and passive servitudes and burdens arising out of the position of the property beneath third party property.</p> <p><i>Hypothecs:</i> Note H.1107/2002 (HSBC Bank Malta p.l.c.); Note H.2757/2006 (HSBC Bank Malta p.l.c.); Note H.17553/2009 (Bank of Valletta plc); Note H.18607/2013 (APS Bank Ltd).</p>
Value:	€2,200,000

APPENDIX E (continued)

Valuation Report (continued)

Property Address:	Burger King, Wilga Street, Paceville, Malta
Proprietor:	Trident Estates Ltd (formerly Trident Developments Ltd)
Description:	<p><i>Typology:</i> Operating restaurant (150 covers) at raised ground floor</p> <p><i>Gross Floor Area:</i> ca 490m²</p> <p><i>Site Area:</i> ca 490m²</p>
Tenure:	Subject to an annual perpetual ground rent of Lm10 (approximately equivalent to €23.29)
Occupation:	Occupied by Food Chain Ltd, a member of the SFC Group. A lease agreement is currently being negotiated wherein the rent due will decrease from €165,000 per annum to €145,000 per annum over the first five years, with market rents applicable thereafter. These stated terms of agreement have been assumed as being in place for the purposes of valuation.
Maintenance/Repair:	The lease agreement will place the obligation of all ordinary internal and external repairs (including replacements) other than structural on the prospective tenant.
Age:	Over 40 years
Planning history:	<i>PA/07447/95:</i> To carry out alterations to façade and sign (Approved)
Compliance:	Complies with planning policy; no infringements of statutory requirements.
Restrictions:	<p><i>Easements:</i> Two rooms at back enjoy right of overlook onto third party property; property is subject to and enjoys the passive burdens and active servitudes arising out of its position beneath third party property.</p> <p><i>Hypothecs:</i> Note H.1107/2002 (HSBC Bank Malta p.l.c.); Note H.2757/2006 (HSBC Bank Malta p.l.c.); Note H.17553/2009 (Bank of Valletta plc); Note H.18607/2013 (APS Bank Ltd); Note H.823/2015 (HSBC Bank Malta p.l.c.).</p> <p><i>Others:</i> Litigation with Capital M Limited as successor of Ports Limited in respect of the outside stairs leading to the property.</p>
Value:	€3,100,000

Property Address:	Scotsman Pub, St George's Road, St Julian's, Malta
Proprietor:	Trident Estates Ltd (formerly Trident Developments Ltd)
Description:	<i>Typology:</i> Pub at ground floor with underlying basement <i>Gross Floor Area:</i> ca 155m ² (excl basement) <i>Site Area:</i> ca 155m ²
Tenure:	Freehold
Occupation:	Occupied by a tenant (David Alan Clifford and Julie Ann Clifford) under a lease agreement which commenced on the 23rd April 2008 for a period of 10 years terminating on the 22nd April 2018. Current rent payable by the tenant is of Lm32 per day (equivalent to €74.54 per day) or €27,207 per annum until the expiration date of the lease.
Maintenance/Repair:	All internal and external maintenance and ordinary and extraordinary repairs are to be borne by the tenant. No structural alterations may be carried out by the tenant.
Age:	Over 30 years
Planning history:	No applications / permits traced
Compliance:	Complies with planning policy; no infringements of statutory requirements.
Restrictions:	<i>Easements:</i> Enjoys perpetual servitude to install and retain a 0.3m diameter flue through the back yard of the block within which it is situated; enjoys perpetual servitude to install a 1.8m satellite dish and two water tanks on the roof of the block, together with the right of access at all times to the roof for the purpose of installing, re-installing, maintaining or repairing these services. <i>Hypothecs:</i> Note H.2757/2006 (HSBC Bank Malta p.l.c.); Note H.17553/2009 (Bank of Valletta plc); Note H.18607/2013 (APS Bank Ltd).
Value:	€520,000

APPENDIX E (continued)

Valuation Report (continued)

Property Address:	KFC, No. 56 & 57, Msida Road, Gzira, Malta
Proprietor:	Trident Estates Ltd (formerly Trident Developments Ltd)
Description:	<p><i>Typology:</i> Restaurant on two levels</p> <p><i>Gross Floor Area:</i> ca 534m²</p> <p><i>Site Area:</i> ca 267m²</p>
Tenure:	Partly freehold and partly subject to a perpetual ground rent of Lm3 (approximately equivalent to €7) per annum.
Occupation:	Occupied by Food Chain Ltd, a member of the SFC Group. A lease agreement is currently being negotiated wherein the rent due will be fixed at €57,750 for the first five years, with market rents applicable thereafter. These stated terms of agreement have been assumed as being in place for the purposes of valuation.
Maintenance/Repair:	The lease agreement will place the obligation of all ordinary internal and external repairs (including replacements) other than structural on the prospective tenant.
Age:	Over 50 years
Planning history:	<p><i>PA/03694/96:</i> To carry out alterations to façade and existing sign (Approved)</p> <p><i>PA/03026/99:</i> Alterations to sign (Approved)</p> <p><i>PA/05090/02:</i> Outline application for the construction of two additional floors for offices (Approved)</p> <p><i>PA/02339/03:</i> Construction of two additional floors for offices (Approved).</p> <p><i>PA/05676/08:</i> Construction of two additional floors for offices (Renewal of development permission PA/02339/03); (Approved).</p> <p><i>PA/04666/15:</i> Construction of two additional floors for offices (renewal of PA/05676/08); (Approved)</p>
Compliance:	Complies with planning policy; no infringements of statutory requirements.
Restrictions:	<p><i>Easements:</i> N/A</p> <p><i>Hypothecs:</i> Note H.2757/2006 (HSBC Bank Malta p.l.c.); Note H.17553/2009 (Bank of Valletta plc); Note H.18607/2013 (APS Bank Ltd).</p>
Value:	€1,500,000

Property Address:	Trident House, Qormi Road, Marsa, Malta
Proprietor:	Trident Estates Ltd (formerly Trident Developments Ltd)
Description:	<p><i>Typology:</i> Partly warehousing / offices; partly vacant</p> <p><i>Built footprint:</i> ca 3,210m²</p> <p><i>Site Area:</i> ca 13,215m²</p>
Tenure:	Partly freehold and partly held on perpetual emphyteusis subject to an annual ground rent of Lm2,500 (approximately equivalent to €5,823.43)
Occupation:	Partly occupied by Quintano Foods Ltd, a member of the SFC Group; partly occupied by third parties on tolerance; partly leased to MaltaPost (current lease period expires on the 30 June 2018, and is subject to the annual rent of €3,190 payable six months in advance).
Maintenance/Repair:	N/A
Age:	Over 50 years
Planning history:	<p><i>PA/02445/94:</i> Floodlit revolving 3 sided signwritten board (Approved)</p> <p><i>PA/03075/94:</i> To carry out alterations and additions (Approved)</p> <p><i>PA/01824/95:</i> Advertisement (Approved)</p> <p><i>PA/06238/95:</i> Demolition of existing hut and construction of storage at ground floor and offices at first floor (Approved)</p> <p><i>PA/00524/04:</i> Construction of boundary wall with opening (Approved)</p> <p><i>PA/01114/10:</i> Placing of an LED animated sign (Refused)</p>
Compliance:	Complies with planning policy; no infringements of statutory requirements; active enforcement order (EC/00222/16) regarding the placing of billboards / advertisements without permit.
Restrictions:	<p><i>Easements:</i> N/A</p> <p><i>Hypothechs:</i> Note H.2757/2006 (HSBC Bank Malta p.l.c.); Note H.17553/2009 (Bank of Valletta plc); Note H.7517/2011 (Bank of Valletta plc); Note H.18607/2013 (APS Bank Ltd).</p> <p><i>Others:</i> Part of the property is subject to judicial proceedings against Joseph Cordina – Trident Developments Limited v Cordina Joseph (16/2006LSO). In these proceedings, plaintiff company (Trident) is asking the court to declare that a piece of this land is owned by Trident. The case was decided at first instance in favour of Trident and is now pending appeal, for which no date has been set. Pending appeal, Trident has reclaimed possession (not ownership) of the same land in question.</p>
Value:	€10,200,000

APPENDIX E (continued)

Valuation Report (continued)

Property Address:	II-Fortizza, Tower Road, Sliema, Malta	
Proprietor:	Government of Malta	
Emphyteuta:	Sliema Fort Company Ltd	
Description:	<i>Typology:</i>	19th century coastal defence, originally known as the Sliema Point Battery, with a restaurant at ground floor and a nightclub at basement level.
	<i>Gross Floor Area:</i>	ca 2,692m ²
	<i>Site Area:</i>	ca 2,935m ²
Tenure:	Held on title of temporary emphyteusis which commenced on the 7 May 1998 for the duration of 65 years (47 years remaining) subject to an annual ground rent of Lm36,500 (approximately equivalent to €85,000) which is revisable every five years in accordance with the rate of inflation. Use is restricted to a catering establishment only. Title of emphyteusis gives the right to grant to third parties the operation, management or concession of the premises in whole or in part, as well as to transfer the title, subject to approval by the Proprietor. The ground rent being currently paid to the Proprietor is €120,178 per annum.	
Occupation:	Ground floor premises are leased for a period of 15 years which commenced on 1st October 2009, and rent currently due is of €165,000 per annum, revisable every five years according to the index of inflation or 10% whichever is the higher (next increase is due on the 1st October 2021); Basement level is leased for a period of 15 years which commenced on 1st October 2009, and rent currently due is of €55,000 per annum, revisable every five years according to the index of inflation or 10% whichever is the higher (next increase is due on 1st October 2017).	
Maintenance/Repair:	Lessees are responsible for the ordinary maintenance and repair of the property.	
Age:	over 140 years	
Planning history:	<i>PA/02643/96:</i>	To demolish and re-construct part of the internal structure, excavation of ditch, construction of toilets, landscaping and signs (Approved)
	<i>PA/02939/98:</i>	To roof over excavation which will take place to take down column to foundations to a firm footing - amended application to approved permit (Approved)
	<i>PA/04565/98:</i>	Amendments to PA/02643/96 (Approved)
	<i>PA/05956/98:</i>	Conversion of existing space in moat to a substation and switchgear room and the construction of air vents/menu boards (Approved)
	<i>PA/00358/00:</i>	To extend restaurant by change of use of basement into a dining area. Application includes internal alterations and signage (Approved)
	<i>PA/03947/00:</i>	Installation of telecommunications equipment and antennae over roof level (Approved)
	<i>PA/02227/01:</i>	Roofing of existing dining terrace by demountable lightweight canvas/wood structure to replace previous concrete structure (Approved)
Compliance:	Complies with planning policy; no infringements of statutory requirements.	
Restrictions:	<i>Easements:</i>	N/A
	<i>Hypothecs:</i>	Note H.6405/1998 (Government of Malta); Note H.9451/1998 (HSBC Bank Malta p.l.c.); Note H.5408/1999 (HSBC Bank Malta p.l.c.); Note H.8838/2000 (HSBC Bank Malta p.l.c.)
	<i>Other:</i>	As per title deed
Value:	€1,100,000	

Property Address:	Pizza Hut, St George's Road, St Julian's, Malta
Proprietor:	Partly owned by the Abbazia Spinola and partly by APS Bank Ltd
Emphyteuta:	Mensija Catering Company Ltd
Description:	<p><i>Typology:</i> Two restaurants at ground and first floor level</p> <p><i>Gross Floor Area:</i> ca 775m²</p> <p><i>Site Area:</i> ca 795m²</p>
Tenure:	The undersigned reviewed three deeds of emphyteutical grants on the property under report, however the information provided therein is not sufficiently clear in order to allow for a definite interpretation of which parts of the property are related to the different deeds. It is however clear that part of the property under report is granted on a temporary emphyteutical grant for a period of 150 years which commenced on the 5 February 1981 (115 years remaining); another part of the property is granted on a temporary emphyteutical grant for a period of 149 years which commenced on the 5 February 1982 (115 years remaining); while the remaining part of the property was granted on a temporary emphyteutical grant entered into on the 12 December 1994 and which expires on the same day as the two afore-mentioned agreements. The current ground rent due is of €38,621 per annum.
Occupation:	Lower level is leased to Wine and Dine Ltd until 31/12/2021 – rent due is of €55,000 per annum as adjusted in accordance with Article 3 of the lease agreement. Upper level is occupied by one of the Company's subsidiaries – a lease agreement is currently being negotiated wherein the upper level will be leased at €50,000 per annum increasing to €95,500 per annum over the first five years, with market rents applicable thereafter. These stated terms of agreement have been assumed as being in place for the purposes of valuation.
Maintenance/Repair:	Tenant at lower level is responsible for all extraordinary and ordinary internal and external maintenance and repairs other than structural; lease agreement for the upper level will place the obligation of all ordinary internal and external repairs (including replacements) other than structural on the prospective tenant.
Age:	Over 300 years
Planning history:	<p><i>PA/00086/93:</i> Kiosk (Approved)</p> <p><i>PA/03348/96:</i> To install an electronic LED (illuminated) sign on roof of kiosk (Approved)</p> <p><i>PA/06763/02:</i> Division of existing restaurant into two and extension over existing terrace and alterations (Approved)</p> <p><i>PA/01506/04:</i> Fixing of advertisement sign (Approved)</p> <p><i>PA/00164/12:</i> Placing of 1000 litre lpg tank on roof of existing restaurant and to sanction minor changes to wall and closing of window (Approved)</p>
Compliance:	Complies with planning policy; no infringements of statutory requirements.
Restrictions:	<p><i>Easements:</i> Front external area to be kept accessible to the public</p> <p><i>Hypothecs:</i> Note H.49/1995 (APS Bank Ltd); Note H.7517/2011 (Bank of Valletta plc); Note H.18607/2013 (APS Bank Ltd).</p> <p><i>Other:</i> Various, as stipulated in title deeds</p>
Value:	€1,700,000

APPENDIX E (continued)

Valuation Report (continued)

Property Address:	Fresco's, Tower Road, Sliema, Malta
Proprietor:	Government of Malta
Emphyteuta:	Food Chain Ltd
Description:	<p><i>Typology:</i> Kiosk / cafeteria / restaurant / external dining area</p> <p><i>Gross Floor Area:</i> ca 180m²</p> <p><i>Site Area:</i> ca 226m²</p>
Tenure:	Held on title of temporary emphyteusis which commenced on the 12th August 2005 for a duration of 50 years (approximately 39 years remaining). Ground rent is payable half yearly in advance and the pro-tempore ground rent is increased every 5 years in accordance with the Index of Inflation or by 10%, whichever is the higher. The current rent paid to the landlord is of €21,635.60 per annum Title of emphyteusis gives the lessee the right to grant the premises on lease to a third party, subject to approval.
Occupation:	Leased to Nomad Caterers Ltd on a contract of operation for a period of 5 years which commenced on the 2nd January 2014 which period is automatically renewed for two further periods of 5 years up to a maximum period of 15 years (i.e. up to 1 January 2029). The rent payable by the tenant to the emphyteuta is currently of €155.01 per day and remains so until it is revised to €170.51 per day from the 1 March 2018. Details of the further increases in the rent are indicated in the lease agreement. Rates may be reduced by 20% if the tenant abides by particular conditions of the lease.
Maintenance/Repair:	Lessee is responsible for all ordinary maintenance and repair.
Age:	ca 15 years
Planning history:	<p><i>PA/00941/10:</i> To remove existing temporary canvas awning and galvanised poles and replace with a timber reversible structure and glass curtain apertures (Approved)</p> <p><i>PA/05353/98:</i> To place a mobile bar for seasonal use within the site of the pub (Approved)</p> <p><i>PA/04718/95:</i> To demolish existing kiosk and re-erect in a different design including existing outdoor seating (Approved)</p>
Compliance:	Complies with planning policy; no infringements of statutory requirements.
Restrictions:	<p><i>Easements:</i> N/A</p> <p><i>Hypothecs:</i> Note H.295/1995 (Government of Malta); Note H.15698/1997 (HSBC Bank Malta p.l.c.); Note H.16963/2005 (Government of Malta); Note H.18607/2013 (APS Bank Ltd).</p> <p><i>Other:</i> As per deed of title.</p>
Value:	€495,000

Property Address:	Farsons Brewery, Mdina Road, Mriehel, Malta	
Proprietor:	Simonds Farsons Cisk plc	
Description:	<i>Typology:</i>	Property forms part of an industrial site held by the Proprietor, and houses a main building that serves primarily as an administration block, with some industrial facilities, together with a number of other secondary buildings connected to the operation of the main site as a brewery and ancillary facilities.
	<i>Site Area:</i>	ca 16,350m ²
Development:	Development plans for the property have been submitted to the Planning Authority (PA/02764/16) and the related development permits are expected to be issued later this year.	
	<p>The planned development involves the development of over 15,000 sqm of premium functional office space located within a site offering gardens and landscaped areas. The current design envisages that the office space will be split across a number of low-rise blocks connected through walkways. The design also provides for a separate 'above-ground' car parking block.</p> <p>Works are expected to commence after the spin-off is implemented and the development is expected to be completed within three years.</p> <p>The company is in the process of issuing tenders for works following which the estimated costs for development would be ascertained.</p>	
Tenure:	Freehold	
Occupation:	Occupied by Proprietor	
Maintenance/Repair:	N/A	
Age:	over 60 years	
Planning history:	<i>PA/04485/94:</i>	Addition of existing store (Approved)
	<i>PA/06950/95:</i>	To construct new soft drinks factory (Approved)
	<i>PA/04765/97:</i>	To demolish the existing buildings (which formerly housed the D.O.E.). Application includes: A). Shifting employees' car park from its present position to another location (presently occupied by the ex-D.O.E. building). B) Extension of a store into site currently used as a car park (Application dismissed or withdrawn)
	<i>PA/06390/97:</i>	Extension of existing store within the boundary of the SFC brewery. Demolition of existing canopy (Approved)
	<i>PA/04652/99:</i>	Demolition of existing buildings (Approved)
	<i>PA/02898/00:</i>	New soft drinks factory (Outline Development Permit – Approved)
	<i>PA/05660/00:</i>	Trailer park in lieu of demolished industrial building (Approved)
	<i>PA/01357/01:</i>	Billboard (Approved)
	<i>PA/06273/05:</i>	Additions, alterations and change of use to child care centre (Approved)
	<i>PA/00606/08:</i>	Change of use from warehouse to beverage supermarket. Internal and external alterations, changes to boundary walls and exits/entrances and signage (within existing brewery) (Approved)
	<i>PA/00061/09:</i>	Demolition of part of boundary wall landscaping works and the extension of a guard room (Approved)
	<i>PA/02731/15:</i>	Application for the demolition and excavation of the existing dispense building and construction of a new underground warehouse adjacent to the existing logistic centre to relocate storage facilities from the main building (Approved)

APPENDIX E (continued)

Valuation Report (continued)

<i>PA/01430/16:</i>	Sign on facade of the new packaging hall & overlying warehouses instead of that approved in PA 02436/13 and PA 01878/14 (Approved)
<i>PA/02523/16:</i>	Creation of business park consisting of 7 blocks of class 4a offices, over 5 storeys with landscaped courtyards & a multi-level car park for 689 vehicles underlying class 4a offices at top level, including demolition of existing buildings but retaining screen facade (listed grade 2) (Application ongoing)
<i>PA/02764/16:</i>	Restoration & rehabilitation of the old brewhouse for re-purposing as a visitors' centre & museum (class 2b) with ancillary offices (class 4a) & various snack bars (class 4c & 4d); including internal alterations and addition of new recessed level (Approved)
<i>PA/02817/16:</i>	Construction of a beverage packing facility as an extension to an existing packaging hall (Approved)

Compliance: Complies with planning policy; no infringements of statutory requirements.

Restrictions:

<i>Easements:</i>	N/A
<i>Hypothecs:</i>	Note H.1173/1986 (MDC); Note H.14483/2003 (MDC); Note H.14391/2004 (MEC); Note H. 18640/2001 (MEC)

Value: €9,050,000

The total cumulative value of the above listed properties amounts to €31,165,000 (thirty one million one hundred and sixty five thousand Euro).



David Felice
obo Architecture Project



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