

Explanatory Circular

For Annual General Meeting

2025

3 June 2025

SIMONDS FARSONS CISK PLC (C 113)
THE BREWERY, MDINA ROAD,
ZONE 2, CENTRAL BUSINESS DISTRICT,
BIRKIRKARA CBD 2010 MALTA

CIRCULAR TO SHAREHOLDERS RELATING TO THE ORDINARY RESOLUTION BEING PROPOSED AT THE ANNUAL GENERAL MEETING OF SIMONDS FARSONS CISK P.L.C.

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

All members on the Register at the Central Securities Depositary 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 p.l.c. If you have, before the Record Date, sold or transferred any or all of your Shares in Simonds Farsons Cisk p.l.c., 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 P.L.C. PURSUANT TO THE LEGISLATION AND RULES CURRENTLY APPLICABLE IN MALTA.

EXPLANATORY CIRCULAR

FOR ANNUAL GENERAL MEETING

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INTERPRETATION

“AGM”	the Annual General Meeting of the Company to be held on 26 June 2025;
“Beverage Business”	the business of brewing, production, importation and sale of beer and branded beverages which is currently carried out by the Group;
“CAGR”	compound annual growth rate;
“Capital Markets Rules”	the capital markets rules issued by the MFSA in respect of the Official List, as amended from time to time;
“Circular”	this document in its entirety;
“Companies Act”	the Companies Act 1995, Chapter 386 of the laws of Malta;
“Company” or “SFC”	Simonds Farsons Cisk p.l.c., 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, Zone 2, Central Business District, Birkirkara CBD 2010, Malta;
“Director(s)” or “Board”	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 Quinco Shares to the Shareholders on a pro-rata basis to the Shares held by the Shareholders as at the close of business on the Distribution Record Date;
“Distribution Record Date”	the date that will be determined by the Board, being the record date for ascertaining entitlements to the Distribution;
“FMCG”	Fast-Moving Consumer Goods;
“Food Business”	the business of Importation and wholesale of food products which is currently carried out by Quintano Foods and the operation of franchised food establishments which is currently carried out by Food Chain;
“Group”	means SFC and its subsidiaries, including the Quinco Group;
“IFRS”	International Financial Reporting Standards;
“Listing”	the admission to listing on the Official List of the Quinco Shares;
“Memorandum & Articles”	the memorandum and articles of association of the Company;
“MFSA”	the Malta Financial Services Authority as established under the MFSA Act, in its capacity as the competent authority in terms of the Financial Markets Act authorised to approve prospectuses and admissibility to listing and to monitor and supervise local regulated markets and participants thereof falling within the regulatory and supervisory remit of the MFSA;
“MFSA Act”	the Malta Financial Services Authority Act, Chapter 330 of the laws of Malta;
“MSE”	the Malta Stock Exchange p.l.c., as originally constituted in terms of the Financial Markets Act, Chapter 345 of the laws of Malta, with company registration number C 42525 and with registered office at Garrison Chapel, Castille Place, Valletta, VLT 1063, Malta;
“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;
“Official List”	the list prepared and published by the MSE as its official list in accordance with the MSE Bye-Laws;
“Property”	the property situated at Handaq, Qormi;

“Pro Forma Financial Information”	the pro forma consolidated income statements for the year ended 31 January 2025 and statements of financial position as at 31 January 2025 of the Quinco Group and the SFC Group;
“Quinco”	Quinco Holdings p.l.c., a public limited liability company registered under the laws of Malta with company registration number C 111950 and with registered office situated at The Brewery, Mdina Road, Zone 2, Central Business District, Birkirkara CBD 2010 Malta;
“Quinco Group”	Quinco Holdings p.l.c. and its eventual subsidiaries. The subsidiaries, following the Restructuring will be: <ul style="list-style-type: none"> • Quintano Foods Limited registered under the laws of Malta with company registration number C 33660 (“Quintano Foods”); and • Food Chain Limited registered under the laws of Malta with company registration number C 753 (“Food Chain”);
“Quinco Shares”	the ordinary shares of Quinco at the time of the Distribution;
“Record Date”	27 May 2025, being the record date for ascertaining those Shareholders entitled to attend the AGM;
“Resolution”	the ordinary resolution being proposed to the Shareholders at the AGM as provided in section 10 of this Circular;
“Restructuring”	the restructuring of the Quinco Group as better described in section 3.4 of this Circular;
“SFC Group”	means the new SFC group after the restructuring takes place, and will comprise Simonds Farsons Cisk p.l.c. together with the following subsidiaries: <ul style="list-style-type: none"> • Ecopure Limited registered under the laws of Malta with company registration number C 19492; • Farsons Beverage Imports Company Limited registered under the laws of Malta with company registration number C 476; • Farsons Distribution Services Limited registered under the laws of Malta with company registration number C 34575; • Portanier Warehouses Limited registered under the laws of Malta with company registration number C 29563; and • The Brewhouse Company Limited registered under the laws of Malta with company registration number C 100577;
“Shareholders”	persons holding the Shares;
“Share/s”	ordinary share/s of SFC having a nominal value of thirty euro cents (€0.30), which collectively make up the share capital of the Company; and
“Spin-Off”	the distribution of a dividend in kind of the Company’s entire shareholding in Quinco as described in this Circular.

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 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
 Max Ganado Non-Executive Director
 Marina Hogg Non-Executive Director
 Matthew J. Marshall Non-Executive Director
 Neil Psaila Non-Executive Director

2. INTRODUCTION

The AGM has been convened for 26 June 2025 at 12:00 hrs at Trident Park, Notabile Gardens, Mdina Road Zone 2, Central Business District, Birkirkara CBD 2010, Malta.

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

This Circular is prepared in terms of Chapter 6 of the Capital Markets Rules and its purpose 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 Quinco 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 2025.

3. BACKGROUND

3.1 Maximising the value of the Group's Food Business

The Group has evolved over the past decades embracing the long-established beverages sector, comprising the brewing, production and importation of beer and branded alcoholic and non-alcoholic beverages. Simultaneously, it has strategically invested in and cultivated growth within both the property and food segments for over 30 years. The Group's former property interests were spun off into Trident Estates p.l.c., the shares of which were listed on the MSE in January 2018.

The Group's investments in the Food Business have continued to yield year-on-year growth in terms of revenue and profitability. In FY25 revenue from the Food Business amounts to 28% of the Group's combined reported revenue from continued and discontinued operations, with the Food Business' combined profits before taxation representing 16% of the Group's combined reported profit before taxation from continued and discontinued operations.

The Group's Food Business has demonstrated resilience in the face of market and economic challenges over the years. As stated in the Company Announcement issued on 27 November 2024, and as noted in the Group Annual Reports issued for the years ended 31 January 2023 and 2024, the Board has conducted a strategic review of opportunities for the further expansion of the Food Business.

Having carefully considered the outcome of the strategic review, the Board has concluded that the further growth of the Food Business would be best served through its reorganisation by way of a spin-off of that business as a separate legal entity that would be listed on the MSE.

The Board believes that the Spin-Off will deliver the dedicated executive management team and board focus that are essential to growing the scale of the business and will provide the best opportunity to grow the business both organically and inorganically. Furthermore, the Board concluded that the Spin-Off option would also best serve the interests of the Group, its shareholders and other stakeholders.

3.2 Platform for growing the Group's Food Business

The sustainable growth of the Group's food sector necessitates a specialised approach, led by a dedicated Board responsible for shaping and driving a renewed and dynamic strategy. This will be executed by focused management teams within the Quinco Group, directed at ensuring its successful implementation. A key component of this strategy is the investment in a state-of-the-art dedicated food warehousing and logistics facility at the Property, a critical initiative that Quinco will oversee to completion and deployment.

Accordingly, to drive growth and enhance the economic efficiency of the Food Business, the Board is recommending the strategic realignment of the Food Business into a separate group of companies, the holding company of which will be independently listed on the MSE, ensuring a focused approach to its development and expansion of its business.

Thereafter, the growth of the Food Business will be governed by a dedicated board of directors and managed by a focused executive team with the right skills, qualifications and time to manage this complex operation. The separation would also ensure that the Food Business will have its own capital and funding structures, which will allow it to pursue its development, growth and operational strategy independently of SFC's beverage operations. Furthermore, this process will separate the trading performances and respective intrinsic values of the already well established and performing Beverage Business from that of the more recently established Food Business.

As outlined in sections 4 and 5, the Directors are proposing to separate the Food Business and the Beverage Business by way of a spin-off transaction. This transaction will involve the distribution in kind to the Shareholders of the Quinco Shares 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 Quinco.

The Board is advised that, subject to the satisfaction of the applicable conditions, the pro-rata distribution in kind of the Quinco 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.

3.3 Identification of the business and assets making up the Food Business included within the scope of the proposed restructuring

The Restructuring will see the Food Business removed from the Group and spun off into its own group. Quinco Group's operations and assets will thereafter include the following (a) moveable/immovable property and (b) operations:

Moveable/Immovable property	Operations
the entire issued share capital of Food Chain and Quintano Foods	through franchise agreements, the operation of various Pizza Hut, KFC and Burger King establishments across Malta.
the Property	the representation of various international FMCG brands together with the related sales and distribution functions for all imported FMCG products

3.4 The vehicle to implement the proposed restructuring

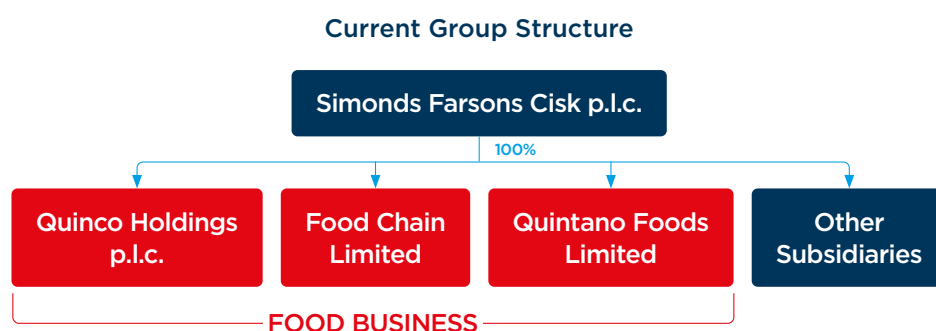
The Directors are proposing that Quinco, which, following a restructuring will contain the Food Business, is used as the vehicle for implementing the proposed separation. For this purpose, Quinco has been recently incorporated and will act as the holding company of the Quinco Group.

Following the AGM and should the Resolution be approved, the Directors will further the restructuring process through the transfer of the Group's shareholdings in Food Chain and Quintano Foods to Quinco. As a result of this transfer, Food Chain and Quintano Foods will become wholly owned subsidiaries of Quinco, thus forming the Quinco Group, which Group will thereby contain the Food Business operations as well as ownership of the Property as better described in section 3.3 of this Circular.

As part of the Restructuring, and with Quinco having already been incorporated, Food Chain and Quintano Foods will be transferred to and become subsidiaries of Quinco. Furthermore, the share capital of Quinco will be increased so that the number of issued shares in Quinco is equivalent to the number of Shares.

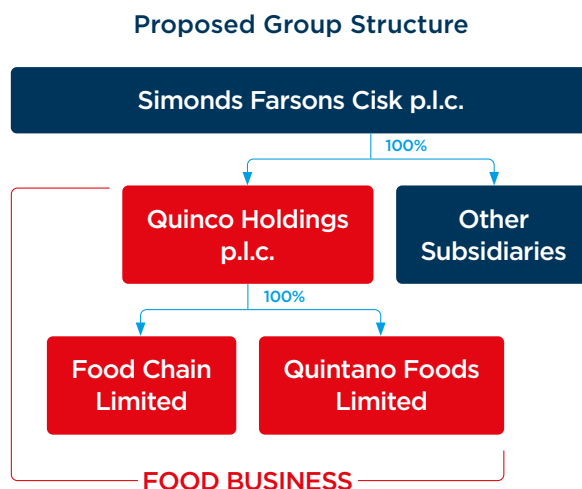
Whilst Quintano Foods is currently the owner of the Property, it is anticipated that prior to the completion of the Restructuring, the Property will be transferred to and owned directly by Quinco. Quinco will be the holding company and as outlined further in section 4 of this Circular, will act as the company whose shares will in due course be listed on the Official List of the MSE. Food Chain will continue to operate in terms of the aforementioned franchise agreements, whilst Quintano Foods will continue to operate through the representation of various international FMCG brands. The steps in the process of the restructuring are illustrated below.

Currently, the (simplified) structure of the Group is as follows*



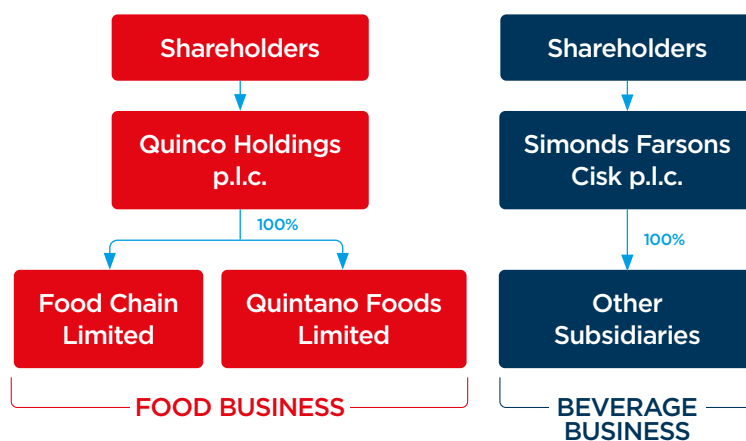
* Note that (a) one (1) ordinary share in Quinco Holdings p.l.c. and Food Chain Limited are held by Farsons Beverage Imports Company Limited (C 476) and (b) one (1) ordinary share in Quintano Foods Limited is held by Food Chain Limited.

Following the first phase of the restructuring and in anticipation of the Spin-Off, the (simplified) structure of the Group would be as follows*



* Note that (a) one (1) ordinary share in Quinco Holdings p.l.c. will be held by Farsons Beverage Imports Company Limited (C 476) and (b) Food Chain Limited and Quintano Foods Limited will either become single-member companies, 100% owned by Quinco Holdings p.l.c. or one (1) ordinary share in each will be held by another member of the Quinco Group.

Following completion of the Restructuring, the Listing of the Shares and the Distribution, the final structures would be as follows:



3.5 Selected Financial Information for the Quinco Group

This section of the Circular sets out the selected financial information of Food Chain and Quintano Foods for the three financial years ended 31 January 2023 ("FY23"), 31 January 2024 ("FY24"), and 31 January 2025 ("FY25"). Quinco was registered as a public limited liability company in terms of the Companies Act on 8 May 2025, and statutory financial statements of Quinco will be prepared for the company's first accounting reference period ending 31 December 2025. The financial statements of Food Chain and Quintano are and will continue to be prepared in accordance with GAPSME, whereas Quinco's financial statements will be prepared in line with International Financial Reporting Standards (IFRSs) as adopted by the EU, in line with Regulation (EC) No. 1606/2002.

This section also includes the pro forma consolidated financial performance and financial position for the Quinco Group, adjusted to reflect the corporate restructuring 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 the Quinco Group for FY25 in the hypothetical situation that the restructuring would have been completed on 1 February 2024 (i.e. at the beginning of FY25).

The basis for the preparation of the pro forma financials of Quinco is set out in Appendix A to this Circular. The Pro Forma Financial Information has been prepared for illustrative purposes only. It addresses a hypothetical situation and, therefore, does not represent the Quinco Group's actual financial performance or financial position. The Pro Forma Financial Information for the Quinco Group is based on Food Chain and Quintano Foods' financial performance and financial position set out in the note Assets held for distribution to shareholders and discontinued operations of SFC's audited financial statements for the year ended 31 January 2025, and the following principal assumed adjustments:

- The reinstatement of balances between Food Chain and Quintano Foods and other companies within the SFC Group, which are eliminated upon consolidation for financial reporting purposes and not presented in the audited figures, and the settlement of these balances;
- The elimination of non-current assets held under promise of sale by Food Chain, which transfer will be completed before the Spin-Off;
- The reversal of the recharge of a proportionate share of costs relating to shared central executive and support functions provided by SFC to Food Chain and Quintano Foods, and the inclusion of estimated incremental costs required to be incurred by the Quinco Group in order to independently undertake these functions;
- An adjustment to reflect the fair value of the intangible assets included as part of the Spin-Off, which are not currently reflected in the standalone statements of financial position of Food Chain and Quintano Foods; and
- The recognition of a cash injection by SFC in the Quinco Group, which will be carried out prior to the Spin-Off.

3.5.1 Summary Income Statements

3.5.1.1 Food Chain Limited

The table below sets out extracts from the Income Statements of Food Chain for FY23, FY24, and FY25.

Food Chain Limited			
Income statements for the years ended 31 January	2023	2024	2025
	€'000	€'000	€'000
Revenue	21,756	27,466	29,518
Cost of sales	(19,099)	(23,166)	(24,210)
Gross profit	2,657	4,300	5,308
Administrative expenses	(1,939)	(2,932)	(3,098)
Other operating income	22	57	16
Operating profit	740	1,425	2,226
Finance income	30	30	30
Finance costs	(76)	(93)	(125)
Profit before tax	694	1,362	2,131
Taxation	(195)	(671)	(872)
Profit after tax	499	691	1,259

Food Chain reported revenue of €29.5 million in FY25, registering a compound annual growth rate (CAGR) of 16.5% since FY23 as a result of the continued expansion of Food Chain's operations. Gross profit increased from €2.7 million in FY23, representing gross profit margin of 12.2%, to €5.3 million in FY25, representing gross profit margin of 18.0%, with the increase in gross profit margin being attributed to the strategic rationalisation of Food Chain's establishment locations away from high street locations resulting in lower rent and better margins, coupled with the economies of scale derived from population growth.

Administrative expenses increased from €1.9 million in FY23 to €3.1 million in FY25 in line with the growth in the scale of the business. Administrative expenses include the recharge of a proportionate share of costs relating to shared central executive and support functions provided by SFC to Food Chain, which amounted to €1.1 million in FY25.

Operating profit increased from €740,000 in FY23, representing operating profit margin of 3.4%, to €2.2 million in FY25, representing operating profit margin of 7.5%, as a result of revenue growth and increases in gross profit margin.

Food Chain reported profit after tax of €1.3 million in FY25, having increased from €499,000 in FY23.

3.5.1.2 Quintano Foods Limited

The table below sets out extracts from the Income Statements of Quintano Foods for FY23, FY24, and FY25.

Quintano Foods Limited

Income statements for the years ended 31 January	2023	2024	2025
	€'000	€'000	€'000
Revenue	15,148	17,838	18,065
Cost of sales	(11,292)	(13,335)	(13,538)
Gross profit	3,856	4,503	4,527
Selling and distribution costs	(1,678)	(1,922)	(2,090)
Administrative expenses	(1,306)	(1,438)	(1,623)
Other operating income	48	91	16
Operating profit	920	1,234	830
Finance costs	(26)	(8)	(7)
Profit before tax	894	1,226	823
Taxation	(305)	(445)	(287)
Profit after tax	589	781	536

Quintano Foods reported revenue of €18.1 million in FY25, registering a CAGR of 9.2% since FY23. Quintano Foods generated revenue from intragroup sales to Food Chain, and from third party customers, as analysed below. Quintano Foods' growth in recent years has been limited by the capacity of the company's existing warehousing, which will be relocated following the completion of the development of the Property as a state-of-the-art warehousing and logistics facility.

Quintano Foods Limited

Extracts for the years ended 31 January	2023	2024	2025
	€'000	€'000	€'000
Revenue generated from third parties	8,486	9,688	9,757
Revenue generated from Food Chain	6,662	8,150	8,308
Total revenue generated by Quintano Foods	15,148	17,838	18,065

Gross profit increased from €3.9 million in FY23 to €4.5 million in FY25, representing a consistent gross profit margin of c. 25% over the period.

Selling and distribution expenses increased from €1.7 million in FY23 to €2.1 million in FY25, and administrative expenses increased from €1.3 million in FY23 to €1.6 million in FY25 in line with growth in the scale of the business. Administrative expenses include the recharge of a proportionate share of costs relating to shared central executive and support functions provided by SFC to Quintano Foods, which amounted to €0.7 million in FY25.

Operating profit decreased from €920,000 in FY23, representing operating profit margin of 6.1%, to €830,000 in FY25, representing operating profit margin of 4.6%. Operating profit decreased due to pressures on the company's cost base resulting from labour market dynamics.

Quintano Foods reported profit after tax of €536,000 in FY25, having decreased from €589,000 in FY23.

3.5.1.3 Pro Forma Financial Information of the Quinco Group

The table below sets out the Pro Forma Income Statement for the Quinco Group for FY25, including the effect of the transactions that will have been implemented by the Group as at the date of the Spin-Off:

Quinco Holdings p.l.c.

Consolidated Pro Forma Income Statement for the year ended 31 January

Pro forma
2025

	€'000
Revenue	39,276
Expenses	(35,969)
Net impairment movement of financial assets	35
Operating profit	3,342
Finance income	30
Finance costs	(350)
Profit before tax	3,022
Taxation	(1,414)
Profit after tax	1,608

The basis of preparation for and the pro forma adjustments underlying the Consolidated Pro Forma Income Statement of the Quinco Group is set out in Appendix A.

The operations of Food Chain and Quintano Foods generated consolidated revenue of €39.3 million in FY25, with Food Chain contributing €29.5 million and Quintano Foods contributing €9.8 million.

Food Chain and Quintano Foods' aggregated expenses amounted to €37.0 million. Upon the Spin-Off, the Quinco Group is expected to realise cost savings of €727,000 on central executive and support functions, previously provided by SFC to Food Chain and Quintano Foods, which will be incurred by the Quinco Group following the Spin-Off in order to independently undertake these functions, whether centrally at the level of Quinco or at the levels of the subsidiaries themselves, at an estimated cost of €1.1 million.

Operating expenses are also adjusted for amortisation of the intangible assets taken over from the transfer of Food Chain and Quintano Foods from SFC to Quinco as part of the Restructuring, which will be recognised following a Purchase Price Allocation exercise, with an estimated impact of c. €530,000 per annum.

The Consolidated Pro Forma Income Statement for FY25 indicates profit after tax of €1.6 million, compared with a profit after tax on the discontinued operations of Food Chain and Quintano Foods of €1.7 million, as a result of the intangible asset amortisation charge, which is partly offset by the expected net cost savings resulting from the new structure.

3.5.2. Summary of Statement of Financial Position

3.5.2.1. Food Chain Limited

The table below sets out extracts from the Statements of Financial Position of Food Chain as at 31 January 2023, 2024 and 2025.

Food Chain Limited

Statements of financial position as at 31 January

	2023	2024 Restated	2025
	€'000	€'000	€'000
Non-current assets			
Intangible assets	368	268	289
Property, plant and equipment	5,503	4,870	6,517
Deferred tax assets	435	14	-
Total non-current assets	6,306	5,152	6,806
Current assets			
Inventories	553	551	655
Trade and other receivables	8,241	8,380	7,320
Cash and cash equivalents	779	544	1,501
Total current assets	9,573	9,475	9,476
Non-current assets classified as held for sale	951	951	951
Total assets	16,830	15,578	17,233
Equity			
Share capital	9,224	9,224	9,224
Retained earnings/(Accumulated losses)	(771)	(565)	694
Total equity	8,453	8,659	9,918
Non-current liabilities			
Deferred tax liabilities	-	-	87
Current liabilities			
Borrowings	-	444	-
Trade and other payables	7,934	6,256	6,892
Current tax liability	443	219	336
Total current liabilities	8,377	6,919	7,228
Total liabilities	8,377	6,919	7,315
Total equity and liabilities	16,830	15,578	17,233

Food Chain's net asset value amounted to €9.9 million as at 31 January 2025, represented by share capital of €9.2 million and retained earnings of €694,000.

Total assets amounted to €17.2 million, mainly consisting of property, plant and equipment relating to the fit-out of Food Chain's restaurants, amounting to €6.5 million, trade and other receivables of €7.3 million, and non-current assets held for sale amounting to €951,000. Trade and other receivables include amounts receivable from the SFC Group amounting to €5.9 million as at 31 January 2025. Non-current assets held for sale relate to immovable properties currently under promise of sale to be transferred to Trident Estates p.l.c., which formed part of the scope of the spin-off of Trident Estates p.l.c. from SFC in FY18, following the obtaining of the necessary regulatory clearances, which were obtained following 31 January 2025. The consideration with respect to the transfer of these properties was received in the course of the Spin-Off, and is captured as an advance payment amounting to €951,000 in trade and other payables.

Total liabilities amounted to €7.3 million as at 31 January 2025, mainly consisting of trade and other payables of €6.9 million.

3.5.2.2 Quintano Foods Limited

The table below sets out extracts from the Statements of Financial Position of Quintano as at 31 January 2023, 2024 and 2025.

Quintano Foods Limited

Statements of financial position as at 31 January	2023	2024	2025
	€'000	€'000	€'000
Non-current assets			
Property, plant and equipment	3,810	4,467	12,633
Current assets			
Inventories	1,713	1,516	1,654
Trade and other receivables	3,056	2,676	3,384
Cash and cash equivalents	959	1,990	35
Total current assets	5,728	6,182	5,073
Total assets	9,538	10,649	17,706
Equity			
Share capital	582	582	582
Revaluation reserve	-	-	4,530
Retained earnings	1,549	2,331	2,867
Total equity	2,131	2,913	7,979
Non-current liabilities			
Deferred tax liabilities	2	51	23
Trade and other payables	3,200	3,200	4,700
Total non-current liabilities	3,202	3,251	4,723
Current liabilities			
Trade and other payables	3,918	3,946	4,433
Current tax liabilities	287	539	571
Total current liabilities	4,205	4,485	5,004
Total liabilities	7,407	7,736	9,727
Total equity and liabilities	9,538	10,649	17,706

Quintano Foods' net asset value amounted to €8.0 million as at 31 January 2025, represented by share capital of €582,000, revaluation reserve of €4.5 million, and retained earnings of €2.9 million.

Total assets amounted to €17.7 million as at 31 January 2025, mainly consisting of property, plant and equipment amounting to €12.6 million, and trade and other receivables of €3.4 million. The carrying value of property, plant and equipment increased from €3.8 million as at 31 January 2023 as a result of a revaluation gain of €4.5 million in FY25, and ongoing investment in the development of the Property, with further investment is anticipated in FY26 and FY27 in connection with the completion of the Development.

Total liabilities amounted to €9.7 million as at 31 January 2025, mainly consisting of trade and other payables of €9.1 million. Trade and other payables include amounts payable to the SFC Group amounting to €6.2 million as at 31 January 2025, which mainly include amounts relating to the Property and its development, which were financed by the SFC Group until 31 January 2025. The remaining investment is expected to be funded through additional bank loan drawdowns, which facilities are in the process of being secured from a local bank ahead of the Spin-Off.

3.5.2.3 Pro forma financials of the Quinco Group

The table below sets out the Pro Forma Statement of Net Assets for the Quinco Group as at 31 January 2025, including the effect of the transactions that will have been implemented by the Group as at the date of the Spin-Off.

Quinco Holdings p.l.c.

Consolidated Pro Forma Statement of Net Assets as at 31 January		2025
		€'000
Assets		
Property, plant and equipment		19,151
Right-of-use assets		5,694
Intangible assets		24,406
Inventories		2,309
Trade and other receivables		2,383
Cash and cash equivalents		6,206
Total assets		60,149
Liabilities		
Trade and other payables		(6,263)
Lease liabilities		(5,848)
Current tax liabilities		(906)
Borrowings		(221)
Deferred tax liabilities		(111)
Total liabilities		(13,349)
Net assets		46,800
Total equity		46,800

The basis of preparation for and the pro forma adjustments underlying the Consolidated Pro Forma Statement of Net Assets of the Quinco Group is set out in Appendix A.

The Quinco Group's net asset value is estimated to amount to €46.8 million on a pro forma basis as at 31 January 2025, once the corporate restructuring is completed and the planned cash injection of €5.0 million is carried out.

Total assets are estimated to amount to €60.1 million as at 31 January 2025, mainly consisting of property, plant and equipment amounting to €19.2 million reflecting a fair value uplift on the Property, and intangible assets amounting to €24.4 million. The fair value of the Property was assessed at €12.6 million as at 31 January 2025. The value attributed to intangible assets represents the intangible assets identified on the transfer of the business of Food Chain and Quintano Foods to Quinco Group, and residual goodwill. These values represent the Directors' assessment of the fair value of the Food Business and the Property, which is supported by valuations carried out by valuers who are considered to have the appropriate recognised professional qualifications and experience. The valuation of the Food Business was carried out with reference to the cash flows expected to be generated from the business going forward, including the execution of the business plan for Food Chain and Quintano Foods. The valuation of the Property was made on the basis of open market value, in consideration of the specific location of the Property, the size of the site, the availability of similar properties in the area, and, whenever possible, having given regard to recent market transactions for similar properties in the same location. Total assets also include a cash balance of €6.2 million, which includes the planned cash injection of €5.0 million by SFC before the Spin-Off is completed. This cash balance, along with bank facilities that are in the process of being made available to the Quinco Group, are expected to be sufficient to enable the completion of the Development and to allow for organic and inorganic growth of the Food Business.

Total liabilities are estimated to amount to €13.3 million on a pro forma basis as at 31 January 2025, mainly consisting of trade and other payables of €6.3 million and lease liabilities of €5.8 million (current and non-current). The amounts due to/from other SFC Group companies will be settled as part of the restructuring process prior to the Spin-Off and are therefore eliminated from the Consolidated Pro Forma Statement of Financial Position.

3.6 The vision for the Quinco Group

The Quinco Group's vision is to establish dynamic and market-leading entities in the food industry, seamlessly integrating restaurant franchising and food importation, backed by a state-of-the-art warehousing and logistics facility. By leveraging strategic realignment and operational excellence, we aim to unlock significant growth potential (both organic and inorganic) to drive long-term value for stakeholders.

At the core of the Quinco Group's vision is a commitment to innovation, quality, and customer experience. The board and management of the Quinco Group will seek to continue expanding the footprint in restaurant franchising by partnering with globally recognised brands and ensuring each outlet delivers exceptional service, consistency, and a strong local presence. Through streamlined operations, data-driven decision-making, and a focus on emerging consumer trends, we will strive to set new benchmarks in the industry.

In food importation, we will strengthen our portfolio by sourcing products from trusted global suppliers, ensuring supply chain efficiency, and maintaining strong relationships with our partners. Our goal is to enhance accessibility to food products while adapting to evolving market demands.

In a rapidly consolidating sector, we will seek to grow both of these areas of the business organically and inorganically, and will support them with a state-of-the-art warehousing and logistics facility that is currently under construction and which is scheduled to become operational during 2026.

To achieve this vision, the Quinco Group is part of the strategic transformation, creating a more agile and focused corporate structure. This Restructuring will enable greater specialisation, operational efficiencies, and financial flexibility, positioning the group for accelerated growth. With an independent listing on the MSE, we will enhance transparency, attract investment, and strengthen our ability to scale operations.

Sustainability and corporate responsibility will be key pillars of our vision. We will prioritise ethical sourcing, environmentally responsible practices, and initiatives that contribute to the well-being of the communities we serve.

By embracing a forward-thinking approach, fostering strong leadership, and cultivating a growth mindset together with a culture of excellence, we aspire to become a leader in restaurant franchising, food importation, warehousing and logistics, setting the stage for sustained success and industry leadership in the years to come.

4. THE SPIN-OFF

4.1 Company Announcement

In the Directors' reports forming part of the Annual Reports for the years ended 31 January 2023 and 2024, it was stated that a strategic review was being undertaken of opportunities for the further expansion of the Food Business. It was noted that as part of this review the Directors would inter alia be considering the benefits and advantages that may accrue to the Food Business, the Company, its shareholders and other stakeholders from a potential restructuring of the Food Business in a separate listed entity.

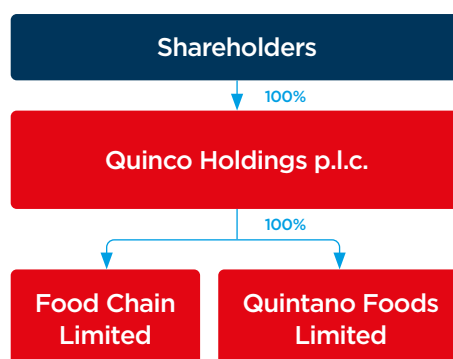
On 27 November 2024, the Company further announced that the Board had concluded that the further growth of the Food Business as well as the interests of the Group, its shareholders and other stakeholders would be best served through its reorganisation by way of a spin-off of the Food Business as a separate legal entity that would be listed on the MSE. 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 implemented by way of a Distribution of the Quinco Shares to the Shareholders and, as such, the Quinco Shares will not be offered to the public as part of the Spin-Off transaction. 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 Quinco Shares pro-rata to the Shares held by the Shareholders in the Company as at the Distribution Record Date. Quinco intends to file an application with the MFSA for the admission to listing of its Shares on the MSE. The current and proposed pre-Spin-Off shareholding structures of the Quinco Group are set out in section 3.4 of this Circular. Upon the Spin-Off, the Quinco Group will remain unchanged from the pre-Spin-Off shareholding structure, save that the Quinco Shares will be listed on the MSE in the name/s of the Shareholders on a pro-rata basis to the Shares held by the Shareholders as at the close of business on the Distribution Record Date resulting in the shareholding of Quinco being identical to the shareholding of the Company.



As already explained, Food Chain will continue to operate in terms of the aforementioned franchise agreements, whilst Quintano Foods will continue to operate through the representation of various international FMCG brands, subject to the formalisation of any necessary clearances from third party franchisors and principals ahead of the Spin-Off. Quinco is anticipated to hold the Property and have its shares listed on the MSE.

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 Quinco Group as at the Distribution Record Date. This will be extracted from the consolidated financial statements of the Quinco Group prepared as at that date.

4.3.1 Pro forma Net Asset Value of the Quinco Group as at 31 January 2025

The Consolidated Statement of Net Assets of Food Chain and Quintano Foods as at 31 January 2025, as extracted from the note *Assets held for distribution to shareholders and discontinued operations* of SFC's audited financial statements, indicates a net asset value of €18.3 million. This value will, however, change to reflect the effect of certain transactions that will have been implemented by the SFC and Quinco groups by the date of the Spin-Off, which will result in the Quinco Group's Net Asset Value increasing to reflect the combined fair value, as opposed to the reported consolidated net asset value of Food Chain and Quintano Foods, as well as other transactions. The Pro Forma Statement of Net Assets set out in section 3.5.2.3 indicates a Net Asset Value of €46.8 million, which corresponds to the hypothetical situation whereby the Restructuring would have been completed as at 31 January 2025.

4.3.2 Changes in the fair value of the Quinco Group

In addition to the changes resulting from the matters captured in the Pro Forma Statement of Financial Position set out in section 3.5.2.3, another parameter which may result in a change in the value of the Distribution comprises changes in the value of the Property, owing to continued investment therein.

As outlined in section 3.5.2.3, the pro forma carrying amount of the Quinco Group's property, plant and equipment, which mainly comprises the Property, as at 31 January 2025 amounted to €19.2 million. This amount is based on the fair value of the land, and the capital expenditure associated with the Property's development until 31 January 2025. Following this date, the Quinco Group has continued to invest in the Property, ahead of its commissioning for use targeted for 2026.

Another factor which might lead to a change in the fair value of the Quinco Group relates to favourable or adverse changes in: (i) the prevailing conditions in the markets within which Food Chain and Quintano Foods operate; and (ii) macroeconomic conditions such as inflation and interest rates. However, given the relatively short period of time between the date of preparation of this Explanatory Circular and the date of the proposed listing, these changes are not expected to be material.

4.3.3 Pro forma value per share

Quinco's current share capital is designated in the form of 36,000,000 ordinary shares with a nominal value of €1.00 each. The table below illustrates that the Net Asset Value of Quinco's shares based on the Pro Forma Statement of Financial Position of the Quinco Group as at 31 January 2025 would result in a value per share of €1.30, when applied to the share capital base of 36,000,000 shares:

Pro Forma Net Asset Value of the Quinco Group as at 31 January 2025	46,800,000
Share capital as at Distribution Record Date in number of ordinary shares	36,000,000
Pro Forma Value per Share of Quinco as at 31 January 2025 in €	1.30

The indicated Net Asset Value per Quinco Share of €1.30 may change until the date of listing due to the factors outlined 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 financial performance and consolidated financial position of the SFC Group. The illustration is based on extracts from the Consolidated Pro Forma Income Statement and Consolidated Pro Forma Statement of Financial Position of the SFC Group for the financial year ended 31 January 2025, which are set out in Appendix B to the Circular. The Consolidated Pro Forma Income Statement assumes that the Spin-Off was hypothetically implemented on 1 February 2024, and the Consolidated Pro Forma Statement of Financial Position assumes that the Spin-Off was hypothetically implemented on 31 January 2025. 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 for the year ended 31 January 2025.

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 financial performance for FY25 and the pro forma financial performance that would have resulted assuming the Spin-Off had been implemented on 1 February 2024:

Statement illustrating the effect of the Spin-Off on the Consolidated Income Statement of the SFC Group

for the year ended 31 January 2025

	Actual	Pro forma	Change (+/-)
	€'000	€'000	€'000
Continuing operations			
Revenue	101,802	101,802	-
Cost of sales	(58,493)	(58,493)	-
Gross profit	43,309	43,309	-
Selling and distribution costs	(13,202)	(13,202)	-
Administrative expenses	(14,134)	(15,896)	(1,762)
Net impairment	(367)	(367)	-
Operating profit	15,606	13,844	(1,762)
Finance income	49	49	-
Finance costs	(912)	(912)	-
Profit before tax from continuing operations	14,753	12,981	(1,762)
Tax income	2,210	2,827	617
Profit for the year from continuing operations	16,953	15,808	(1,145)
Discontinued operations			
Profit after tax for the year from discontinued operations	1,665	-	(1,665)
Profit for the year	18,618	15,808	(2,810)

Note: The 31 January 2025 actuals in the table above include the results of both continuing 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 reduction in profits of €2.8 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:

- The reversal of profit for the year generated by Food Chain and Quintano Foods amounting to €1.7 million, which are presented separately as discontinued operations; and
- The add-back of the recharge of a proportionate share of costs relating to shared central executive and support functions provided by SFC to Food Chain and Quintano Foods of €1.8 million, which will be reabsorbed by SFC following the Spin-Off, together with the respective impact on taxation amounting to €617,000.

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 2025 and the Consolidated Pro Forma Financial Position that would have resulted assuming the Spin-Off had been implemented on 31 January 2025:

Statement illustrating the effect of the Spin-Off on the Consolidated Statement of Financial Position of the SFC Group

as at 31 January 2025

	Actual	Pro forma	Change (+/-)
	€'000	€'000	€'000
Non-current assets			
Property, plant and equipment	115,974	115,974	-
Right-of-use asset	2,195	2,195	-
Intangible assets	1,520	1,520	-
Deferred tax assets	12,003	12,003	-
Trade and other receivables	1,017	1,017	-
Total non-current assets	132,709	132,709	-
Current assets			
Inventories	24,377	24,377	-
Trade and other receivables	33,861	33,861	-
Cash and cash equivalents	4,940	270	(4,670)
Total current assets	63,178	58,508	(4,670)
Assets held for distribution to shareholders	32,608	-	(32,608)
Total assets	228,495	191,217	(37,278)
Total equity	165,196	142,218	(22,978)
Non-current liabilities			
Trade and other payables	2,586	2,586	-
Lease liabilities	2,116	2,116	-
Borrowings	19,914	19,914	-
Total non-current liabilities	24,616	24,616	-
Current liabilities			
Trade and other payables	22,315	22,315	-
Lease liabilities	92	92	-
Current tax liabilities	813	813	-
Borrowings	1,163	1,163	-
Total current liabilities	24,383	24,383	-
Liabilities directly associated with the assets held for distribution to shareholders	14,300	-	(14,300)
Total liabilities	63,299	48,999	(14,300)
Total equity and liabilities	228,495	191,217	(37,278)

Note: The 31 January 2025 actuals in the table above include the assets, liabilities, and equity of both continuing and discontinued operations as extracted from the audited financial statements of SFC for the year ended 31 January 2025. This is illustrated further in Appendix B to this Circular.

The pro forma reduction in equity of €23.0 million is an appropriate illustration of the impact of the Spin-Off on the SFC Group's financial position. The pro forma reduction in equity can be explained by the following broad movements:

- The reinstatement of balances between Food Chain and Quintano Foods, and other companies within the SFC Group, which are eliminated upon consolidation for financial reporting purposes and not presented in the audited figures, and the settlement of these balances;
- The reversal of net assets relating to Food Chain and Quintano Foods, which are presented separately as assets and liabilities held for distribution to shareholders; and
- The cash injection by SFC to the Quinco Group of €5.0 million, prior to the Spin-Off.

The comparison indicates that the Spin-Off would have reduced the SFC Group's total assets by €37.3 million, from €228.5 million to €191.2 million. This net movement is primarily the result of the reversal of assets relating to the Food Business, the distribution of €5.0 million in cash to the Quinco Group, and the set-off of balances between the Quinco Group and the SFC Group upon the Spin-Off's completion.

The comparison also indicates a net reduction of €14.3 million in the SFC Group's total liabilities, from €63.3 million to €49.0 million. This net movement is primarily the result of the reversal of liabilities relating to the Food Business, and the set-off of balances between the Quinco Group and the SFC Group upon the Spin-Off's completion.

In terms of the SFC Group's shareholder equity, the comparison indicates a reduction of €23.0 million from €165.2 million to €142.2 million.

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 of the SFC Group

for the year ended 31 January 2025

	Actual €'000	Pro forma €'000
Profit margins		
Gross profit margin (continuing operations gross profit as a % of revenue)	42.5%	42.5%
Operating profit margin (continuing operations operating profit as a % of revenue)	15.3%	13.6%
Net profit margin (continuing operations profit for the year as a % of revenue)	18.3%	15.5%
Return on investment		
Return on assets (continuing operations operating profit as a % of total assets excl. discontinued)	8.0%	7.2%
Return on equity (profit for the year as a % of total equity)	11.3%	11.1%
Debt service and capital structure		
Total liabilities as a % of total assets	27.7%	25.6%
Borrowings as a % of total equity and borrowings	11.3%	12.9%
Interest cover (continuing operations operating profit / finance costs (net of finance income))	18.1x	16.0x
Borrowings / continuing operations operating profit	1.4x	1.5x
Borrowings (net of cash) / continuing operations operating profit	1.0x	1.5x

The comparison illustrates that the Spin-Off would result in a €1.1 million decrease in SFC Group's profit after tax from continuing operations, and a reduction of the profit after tax from discontinued operations of €1.7 million. SFC's gross profit margin from continuing operations following the Spin-Off will remain unchanged at 42.5%, and operating profit margin will decrease from 15.3% to 13.6% as a result of the absorption of the proportionate share of costs relating to shared central executive and support functions provided by SFC to Food Chain and Quintano Foods.

The pro forma workings highlight that the Group's return on assets would decrease from 8.0% to 7.2%, and return on equity would decrease slightly from 11.3% to 11.1%. These reductions are a reflection of the impact of centralised costs currently charged to Food Chain and Quintano Foods, which will need to be reabsorbed by SFC following the Spin-Off.

The comparison also illustrates a reduction in total liabilities in relation to total assets held by the Group, in view of the Spin-Off of the finance leases for the Food Chain outlets. The reduction in equity resulting from the Spin-Off would result in an increase in the Group's financial gearing, with borrowings expressed as a percentage of total equity and borrowings increasing from 11.3% to 12.9%. The Spin-Off would also result in a reduction in the level of debt service cover, with the Group's interest cover decreasing from 18.1 times to 16.0 times.

The above analysis, 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 Shareholders as it is expected to:

- i. deliver the dedicated management team and board focus that are essential to enhancing efficiency and growing the scale of the business;
- ii. enable a focused and dedicated management team within the Quinco Group to concentrate on ensuring the successful execution of a renewed and dynamic growth strategy, which will be enabled by the investment in a state-of-the-art warehousing and logistics facility that is expected to commence operations during calendar year 2026;
- iii. in a rapidly changing and consolidating sector, provide the best opportunity to grow the business both organically and inorganically;
- iv. serve the best interests of both the SFC Group and the Quinco Group in terms of enhancing shareholder value and investment options as well as serving the best interests of other stakeholders;
- v. improve the ability of both groups (the SFC Group and the Quinco Group) to assess the financial and operational aspects of each of the distinct beverage and food businesses respectively by allowing appraisal of the SFC Group and the Quinco Group as separate entities rather than as one;
- vi. enable the professional teams charged with executing the strategy of the SFC Group and the Quinco Group respectively to focus on and enhance the key drivers of the beverage and food businesses as separate undertakings;
- vii. allow the Quinco Group to access both debt and equity markets as appropriate, allowing it to achieve financial flexibility and independence as it pursues its own commercial strategies;
- viii. raise the profile of the Quinco Group and increase its ability to recruit, motivate and retain key personnel; and
- ix. lead to a more direct alignment of the responsibilities and accountability of the respective boards and management teams charged with the oversight and operations for each of the groups with their operating and financial outcomes resulting in enhanced management focus, driving growth and overall performance.

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

- i. 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;
- ii. 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; and
- iii. by spinning off the Food Business in a separate group, the Quinco Group will not have the ability to leverage on the strength of the financial position of the SFC Group. To mitigate this risk, the Directors will ensure that the statement of financial position of the Quinco Group is sufficiently funded prior to the Spin-Off to allow the Quinco Group to operate its business, develop the Property, and further its strategy for growth, both organically and inorganically.

7. DECLARATIONS

The Spin-Off will not impact the ownership structure of the Company's capital. The total emoluments receivable by the Directors will not be varied as a result of the Spin-Off. As at the date of this Circular, there are no legal proceedings involving the Quinco Group, which may have a significant effect on the Quinco Group's financial position.

8. ACCOUNTANTS' REPORT ON PRO FORMA FINANCIAL INFORMATION

The Company engaged PricewaterhouseCoopers (PwC), a firm of Certified Public Accountants, to issue the 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.

9. 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 Restructuring being implemented;
- iii. the payment, by the Company to its Shareholders, of a dividend in kind consisting of the Company's shareholding in Quinco;
- iv. approval obtained from the MFSA for the admissibility to listing of the Shares of Quinco on the Official List of the MSE;
- v. the attainment by the Company and Quinco of the relevant fiscal clearances in connection with the Spin-Off;
- vi. the attainment by the Company and any member of the Quinco Group of any third party clearances in connection with the Food Business required for the Spin-Off; and
- vii. 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.

10. THE RESOLUTION

10.1 Spin-Off

Text of the ordinary Resolution:

"To approve the Spin-Off of the shareholding in Quinco Holdings p.l.c. ("Quinco") held by Simonds Farsons Cisk p.l.c. (the "Company") to be effected through the payment, by the Company to its shareholders (the "Shareholders"), of a dividend in kind by way of a distribution of the Company's shareholding in Quinco on a pro-rata basis to the 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 Quinco.

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 Quinco by way of a dividend, to be paid in kind by way of a distribution of Quinco Shares to the Shareholders pro-rata to the shares held by them in the Company.

11. LIST OF CURRENT DIRECTORS

The current board of directors of Quinco is composed of the following:

Norman Aquilina

Dominic Borg

Roderick Chalmers

Michael Farrugia

Max Ganado

Matthew Marshall

Neil Psaila

Chiara Stagno d'Alcontres

Jan Zammit

Prior to the Spin-Off, the composition of the board of directors of Quinco may change.

12. MAJORITY SHAREHOLDERS OF QUINCO

The Spin-Off of Quinco will be affected through the distribution of one (1) Quinco Share for every one (1) Share held as at the Distribution Record-Date. In this respect, the majority shareholders of Quinco will be the same as the majority shareholders of the Company, 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.

13. INTEREST OF DIRECTORS

Following the proposed Spin-Off, should Quinco retain the composition of its board of directors as that outlined in section 11, the following directors will hold Quinco Shares, directly, as follows*:

Dominic Borg	6,653 ordinary shares
Michael Farrugia	6,662 ordinary shares
Max Ganado	1,800 ordinary shares

**The shareholding disclosed above is based on the shareholding of the current directors of Quinco 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 Quinco Shares.*

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

14. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or certified copies thereof, will be available for inspection at the registered address of the Company until 26 June 2025:

- the Memorandum and Articles of Association of the Company;
- the Independent Accountants' Reports on the Pro Forma Financial Information;
- letters of consent (as described in section 8 of this Circular) received from PwC; and
- the last Annual Financial Report of the Company.

15. 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 MFSA. 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 Quinco Group
- Appendix B: Pro Forma Financial Information for the SFC Group
- Appendix C: Accountants' Report on Pro Forma Financial Information for the Quinco Group
- Appendix D: Accountants' Report on Pro Forma Financial Information for the SFC Group

APPENDIX A

Pro Forma Financial Information for the Quinco Group

1. Basis of preparation

The Directors of Simonds Farsons Cisk p.l.c. ("SFC") are proposing the payment of a dividend in kind to its Shareholders by way of a distribution of SFC's shares in Quinco Holdings p.l.c. ("Quinco") ("the Spin-Off"). In connection with the Spin-Off, the Group has commenced a restructuring process through which Food Chain Limited ("Food Chain") and Quintano Foods Limited ("Quintano Foods") (together, "the Food Business") will be transferred by SFC to Quinco ("the Restructuring"), as outlined in Sections 3 and 4 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 performance and financial position of the Quinco Group.

The Pro Forma Financial Information for the Quinco Group comprises:

1. A Consolidated Pro Forma Income Statement for the financial year ended 31 January 2025, which is prepared on the assumption that the Restructuring would have been completed as of 1 February 2024 (i.e. the beginning of the financial year). This information is intended to illustrate the effect of the Restructuring on the profitability of the Quinco Group; and
2. A Consolidated Pro Forma Statement of Net Assets as at 31 January 2025, 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 the Quinco Group prior to the Spin-Off. For this reason, the Pro Forma Statement of Net Assets does not reflect the pro forma effect of the Restructuring on the profitability of the Quinco Group in the financial year ended 31 January 2025.

The Pro Forma Financial Information has been prepared using the audited financial statements of SFC for the financial year ended 31 January 2025, specifically with reference to Food Chain and Quintano Foods' financial performance and net asset value as set out in the note *Assets held for distribution to shareholders and discontinued operations*, and superimposing the adjustments outlined in Section 2 below.

Because of its nature, the Pro Forma Financial Information addresses a hypothetical situation and, therefore, does not represent the Quinco Group's actual financial performance or net asset value. 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 financial performance and the net asset value of the Quinco Group in accordance with IFRSs as adopted by the EU. The Pro Forma Financial Information has been compiled on the basis of the accounting policies adopted by SFC, taking into account the requirements of Annex II of EC Regulation 809/2004.

2. Pro forma adjustments

The following are descriptions of the pro forma adjustments made to the information concerning the Food Business set out in the notes to the audited financial statements of SFC for the financial year ended 31 January 2025:

1. Being the reinstatement of balances between Food Chain and Quintano Foods, and other companies within the SFC Group, which are eliminated upon consolidation for financial reporting purposes and are not presented in the audited figures. These pro forma adjustments are based on consolidation adjustments made with respect to the SFC Group's consolidated financial statements for FY25, amounting to receivables of €5.9 million and payables of €6.2 million;
2. Being the elimination of balances relating to non-current assets under promise of sale amounting to €951,000 and the corresponding liability, based on management information, reflecting the transfer of the underlying asset from Food Chain to Trident Estates p.l.c., which is expected to be completed before the date of the Spin-Off;
3. Being the expected cost savings of €727,000 on central executive and support functions, based on management's estimate. Central executive and support functions are provided by SFC to Food Chain and Quintano Foods, and will be instead incurred by the Quinco Group following the Spin-Off in order to independently undertake these functions, whether centrally at the level of Quinco or at the levels of the subsidiaries themselves, at an estimated cost of €1.1 million per annum. The adjustment also includes the incremental tax charge of €254,000 on these cost savings, estimated at 35%;

4. Being the adjustment amounting to €23.8 million to reflect the fair value of the intangible assets included as part of the Spin-Off, which are not currently reflected in the financial statements, including the value of Food Chain's Franchise Representations and goodwill, based on the Directors' assessment of value, which is supported by valuations carried out by valuers who are considered to have the appropriate recognised professional qualifications and experience. Following the Restructuring, the fair value of Food Chain and Quintano Foods will be recognised in Quinco's standalone financial statements as investments in subsidiaries, with the recognition of separately identifiable intangible assets and goodwill arising upon consolidation of the Quinco Group. Following the recognition of intangible assets, the Consolidated Income Statement of the Quinco Group will also account for the amortisation of Food Chain's Franchise Representations of €530,000 per annum based on the Directors' assessment of the asset's useful life, whereas goodwill will be tested for impairment on an annual basis;
5. Being the recognition of a cash injection of €5.0 million by SFC to the Quinco Group, for additional shares, based on management's estimate, which will be carried out prior to the Spin-Off; and
6. Being the settlement of balances between Food Chain and Quintano Foods and other companies within the SFC Group, as referenced in pro forma adjustment 1, resulting in a net payment from the Quinco Group to the SFC Group of €330,000;

3. Pro Forma Financial Information for the Quinco Group

Quinco Holdings p.l.c.

Consolidated Pro Forma Income Statement for the year ended 31 January 2025

	Audited SFC Food Business €'000	Pro forma adjustments						Pro forma €'000
		[1] €'000	[2] €'000	[3] €'000	[4] €'000	[5] €'000	[6] €'000	
Revenue	39,276	-	-	-	-	-	-	39,276
Expenses	(36,166)	-	-	727	(530)	-	-	(35,969)
Net impairment movement of financial assets	35	-	-	-	-	-	-	35
Operating profit	3,145	-	-	727	(530)	-	-	3,342
Finance income	30	-	-	-	-	-	-	30
Finance costs	(350)	-	-	-	-	-	-	(350)
Profit before tax	2,825	-	-	727	(530)	-	-	3,022
Tax expense	(1,160)	-	-	(254)	-	-	-	(1,414)
Profit after tax	1,665	-	-	473	(530)	-	-	1,608

Quinco Holdings p.l.c.

Consolidated Pro Forma Statement of Net Assets as at 31 January 2025

	Audited SFC Food Business €'000	Pro forma adjustments						Pro forma €'000
		[1] €'000	[2] €'000	[3] €'000	[4] €'000	[5] €'000	[6] €'000	
Assets								
Property, plant and equipment	19,151	-	-	-	-	-	-	19,151
Right-of-use assets	5,694	-	-	-	-	-	-	5,694
Intangible assets	584	-	-	-	23,822	-	-	24,406
Inventories	2,309	-	-	-	-	-	-	2,309
Trade and other receivables	3,334	5,901	(951)	-	-	-	(5,901)	2,383
Cash and cash equivalents	1,536	-	-	-	-	5,000	(330)	6,206
Total assets	32,608	5,901	(951)	-	23,822	5,000	(6,231)	60,149
Liabilities								
Trade and other payables	(7,214)	(6,231)	951	-	-	-	6,231	(6,263)
Lease liabilities	(5,848)	-	-	-	-	-	-	(5,848)
Current tax liabilities	(906)	-	-	-	-	-	-	(906)
Borrowings	(221)	-	-	-	-	-	-	(221)
Deferred tax liability	(111)	-	-	-	-	-	-	(111)
Total liabilities	(14,300)	(6,231)	951	-	-	-	6,231	(13,349)
Net assets	18,308	(330)	-	-	23,822	5,000	-	46,800
Total equity	18,308	(330)	-	-	23,822	5,000	-	46,800

APPENDIX B

Pro Forma Financial Information for the SFC Group

1. Basis of preparation

The Directors of Simonds Farsons Cisk p.l.c. ("SFC") are proposing the payment of a dividend in kind to its Shareholders by way of a distribution of SFC's shares in Quinco Holdings p.l.c. ("Quinco") ("the Spin-Off"). In connection with the Spin-Off, the Group has commenced a restructuring process through which Food Chain Limited ("Food Chain") and Quintano Foods Limited ("Quintano Foods") (together, "the Food Business") are being transferred by SFC to Quinco ("the Restructuring"), as outlined in Sections 3 and 4 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 performance and financial position of the SFC Group.

The Pro Forma Financial Information for the SFC Group comprises

1. A Consolidated Pro Forma Income Statement for the financial year ended 31 January 2025, which is prepared on the assumption that the Restructuring would have been completed as of 1 February 2024 (i.e. the beginning of the financial year). This information is intended to illustrate the effect of the Restructuring on the profitability of the SFC Group; and
2. A Consolidated Pro Forma Statement of Financial Position as at 31 January 2025, which is intended to indicate the expected net asset value of the SFC Group following the Spin-Off.

The Pro Forma Financial Information has been prepared using the audited financial statements of the SFC Group for the financial year ended 31 January 2025, and superimposing the adjustments outlined in section 2 below.

Because of its nature, the Pro Forma Financial Information addresses a hypothetical situation and, therefore, does not represent the SFC Group's actual financial performance or financial position. 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 financial performance and the financial position of the SFC Group in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU. 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 Annex II of EC Regulation 809/2004.

2. Pro forma adjustments

The following are descriptions of the pro forma adjustments made to the reported consolidated financial performance and financial position of the SFC Group for the financial year ended 31 January 2025:

1. Being the reinstatement of balances between Food Chain and Quintano Foods, and other companies within the SFC Group, which are eliminated upon consolidation for financial reporting purposes and are not presented in the audited figures. These pro forma adjustments are based on consolidation adjustments made with respect to the SFC Group's consolidated financial statements for FY25, amounting to receivables of €6.2 million and payables of €5.9 million, and their contra entry included in liabilities directly associated with the assets held for distribution to shareholders, and assets held for distribution to shareholders, respectively;
2. Being the recognition of a cash injection of €5.0 million by SFC to the Quinco Group, based on management's estimate, which will be carried out prior to the Spin-Off;
3. Being the reversal of profit for the year from discontinued operations amounting to €1.7 million, and assets and liabilities held for distribution to shareholders, and equity amounting to €43.5 million, €20.5 million, and €23.0 million respectively, relating to Food Chain and Quintano Foods, which will no longer feature following the Spin-Off, based on the disclosure in the SFC Group's consolidated financial statements for FY25, adjusted for pro forma adjustments 1 and 2;
4. Being the add-back of the recharge of a proportionate share of costs relating to shared central executive and support functions provided by SFC to Food Chain and Quintano Foods amounting to €1.8 million, which are based on consolidation adjustments made with respect to the SFC Group's consolidated financial statements for FY25, which will be absorbed by the SFC Group following the Spin-Off. The adjustment also includes a saving on tax charges of €617,000 on these incremental costs, estimated at 35%; and
5. Being the settlement of balances between Food Chain and Quintano Foods, and other companies within the SFC Group, as referenced in pro forma adjustment 1, resulting in a net payment from the Quinco Group to the SFC Group of €330,000.

3. Pro Forma Financial Information for the SFC Group

Simonds Farsons Cisk p.l.c.

Consolidated Pro Forma Income Statement for the year ended 31 January 2025

	Audited SFC €'000	[1] €'000	Pro forma adjustments				[5] €'000	Pro forma €'000
			[2] €'000	[3] €'000	[4] €'000			
Continuing operations								
Revenue	101,802	-	-	-	-	-	-	101,802
Cost of sales	(58,493)	-	-	-	-	-	-	(58,493)
Gross profit	43,309	-	-	-	-	-	-	43,309
Selling and distribution costs	(13,202)	-	-	-	-	-	-	(13,202)
Administrative expenses	(14,134)	-	-	-	(1,762)	-	-	(15,896)
Net impairment	(367)	-	-	-	-	-	-	(367)
Operating profit	15,606	-	-	-	(1,762)	-	-	13,844
Finance income	49	-	-	-	-	-	-	49
Finance costs	(912)	-	-	-	-	-	-	(912)
Profit before tax from continuing operations	14,743	-	-	-	(1,762)	-	-	12,981
Tax income	2,210	-	-	-	617	-	-	2,827
Profit for the year from continuing operations	16,953	-	-	-	(1,145)	-	-	15,808
Discontinued operations								
Profit after tax for the year from discontinued operations	1,665	-	-	(1,665)	-	-	-	-
Profit for the year	18,618	-	-	(1,665)	(1,145)	-	-	15,808

Simonds Farsons Cisk p.l.c.

Consolidated Pro Forma Statement of Financial Position for the year ended 31 January 2025

	Audited SFC €'000	[1] €'000	Pro forma adjustments				[5] €'000	Pro forma €'000
			[2] €'000	[3] €'000	[4] €'000			
Non-current assets								
Property, plant and equipment	115,974	-	-	-	-	-	-	115,974
Right-of-use assets	2,195	-	-	-	-	-	-	2,195
Intangible assets	1,520	-	-	-	-	-	-	1,520
Deferred tax assets	12,003	-	-	-	-	-	-	12,003
Trade and other receivables	1,017	-	-	-	-	-	-	1,017
Total non-current assets	132,709	-	-	-	-	-	-	132,709
Current assets								
Inventories	24,377	-	-	-	-	-	-	24,377
Trade and other receivables	33,861	6,231	-	-	-	(6,231)	-	33,861
Cash and cash equivalents	4,940	-	(5,000)	-	-	330	-	270
Total current assets	63,178	6,231	(5,000)	-	-	(5,901)	-	58,508
Assets held for distribution to shareholders	32,608	5,901	5,000	(43,509)	-	-	-	-
Total assets	228,495	12,132	-	(43,509)	-	(5,901)	-	191,217
Total equity	165,196	-	-	(22,978)	-	-	-	142,218
Non-current liabilities								
Trade and other payables	2,586	-	-	-	-	-	-	2,586
Lease liabilities	2,116	-	-	-	-	-	-	2,116
Borrowings	19,914	-	-	-	-	-	-	19,914
Total non-current liabilities	24,616	-	-	-	-	-	-	24,616
Current liabilities								
Trade and other payables	22,315	5,901	-	-	-	(5,901)	-	22,315
Lease liabilities	92	-	-	-	-	-	-	92
Current tax liabilities	813	-	-	-	-	-	-	813
Borrowings	1,163	-	-	-	-	-	-	1,163
Total current liabilities	24,383	5,901	-	-	-	(5,901)	-	24,383
Liabilities directly associated with the assets held for distribution to shareholders	14,300	6,231	-	(20,531)	-	-	-	-
Total liabilities	63,299	12,132	-	(20,531)	-	(5,901)	-	48,999
Total equity and liabilities	228,495	12,132	-	(43,509)	-	(5,901)	-	191,217



APPENDIX C

Accountants' Report on the Pro Forma Financial Information for the Quinco Holdings p.l.c. Group

The Directors
Simonds Farsons Cisk p.l.c.
The Brewery,
Mdina Road, Zone 2, Central Business District,
Birkirkara CBD 2010,
Malta

Independent Accountant's Reasonable Assurance Report on the Pro Forma Financial Information of Quinco Holdings p.l.c.

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 Quinco Holdings p.l.c. ("the Pro Forma Financial Information") by the directors of Simonds Farsons Cisk p.l.c. ("the Directors"). The Pro Forma Financial Information consists of the consolidated pro forma income statement for the year ended 31 January 2025 and the consolidated pro forma statement of net assets as at 31 January 2025 as set out in *Appendix A: Pro Forma Financial Information for the Quinco Group* of Simonds Farsons Cisk p.l.c.'s Explanatory Circular. The applicable criteria on the basis of which the Directors have compiled the Pro Forma Financial Information is specified in Annex II to Commission Regulation (EC) No 809/2004 ("the Regulation") and described in *Basis of preparation* included in *Appendix A: Pro Forma Financial Information for the Quinco Group* of Simonds Farsons Cisk p.l.c.'s Explanatory Circular ("the Applicable Criteria").

The Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of a dividend in kind by Simonds Farsons Cisk p.l.c. to its shareholders by way of a distribution of shares in Quinco Holdings p.l.c. ("the Spin-Off"), following a restructuring process which includes the transfer of the company's shares in Food Chain Limited and Quintano Foods Limited to Quinco Holdings p.l.c., on:

- Quinco Holdings p.l.c.'s financial performance for the year ended 31 January 2025, as if the Spin-Off had taken place at 1 February 2024; and
- Quinco Holdings p.l.c.'s net asset value as at 31 January 2025, as if the Spin-Off had taken place at 31 January 2025.

As part of this process, information about Quinco Holdings p.l.c.'s financial performance and net asset value has been extracted by the Directors from the note *Assets held for distribution to shareholders and discontinued operations*, relating to Food Chain Limited and Quintano Foods Limited, in the financial statements of Simonds Farsons Cisk p.l.c. for the year ended 31 January 2025, on which an audit report has been published.

PricewaterhouseCoopers, 78 Mill Street, Zone 5, Central Business District, Qormi CBD 5090. Malta
T: (356) 2124 7000, www.pwc.com/mt

The firm is registered as a partnership of Certified Public Accountants in terms of the Accountancy Profession Act.
A list of partners and directors of the firm is available at 78 Mill Street, Zone 5, Central Business District, Qormi, CBD 5090. Malta.



Independent Accountant's Reasonable Assurance Report on the Pro Forma Financial Information of Quinco Holdings p.l.c.

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

The Directors' responsibilities 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 independence and quality management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, together with the ethical requirements of the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281).

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibility

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 the Applicable Criteria.

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 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.



Independent Accountant's Reasonable Assurance Report on the Pro Forma Financial Information of Quinco Holdings p.l.c.

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

Our responsibility (cont'd)

The purpose of the Pro Forma Financial Information included in *Appendix A: Pro Forma Financial Information for the Quinco Group* 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 for the year ended and as at 31 January 2025 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 to 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 practitioner's judgement, having regard to the practitioner's understanding of the nature of Simonds Farsons Cisk p.l.c., Food Chain Limited, and Quintano Foods Limited, 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.



Independent Accountant's Reasonable Assurance Report on the Pro Forma Financial Information of Quinco Holdings p.l.c.

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

Opinion

In our opinion:

- the Pro Forma Financial Information has been properly compiled on the basis stated; and
- such basis is consistent with the accounting policies of Simonds Farsons Cisk p.l.c.

Intended users and purpose

The Pro Forma Financial Information has been prepared for the purposes described above and may therefore not be appropriate for any other purpose. This report is required in terms of Annex II to the Regulation and is given for the purpose of complying with the Regulation and for no other purpose. We have given our consent for the inclusion of this report in Simonds Farsons Cisk p.l.c.'s Explanatory Circular. Save for any responsibility which we may have to those persons to whom this report is expressly addressed, to the fullest extent permitted by law, we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with the Capital Market Rules and the Regulation.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Stefan Bonello'.

Stefan Bonello
Principal

28 May 2025

For and on behalf of

PricewaterhouseCoopers

78 Mill Street,
Zone 5, Central Business District,
Qormi CBD 5090,
Malta



APPENDIX D

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

The Directors
Simonds Farsons Cisk p.l.c.
The Brewery,
Mdina Road, Zone 2, Central Business District,
Birkirkara CBD 2010,
Malta

Independent Accountant's Reasonable Assurance Report on the Pro Forma Financial Information of Simonds Farsons Cisk p.l.c.

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 Pro Forma Financial Information") by the directors of Simonds Farsons Cisk p.l.c. ("the Directors"). The Pro Forma Financial Information consists of the consolidated pro forma income statement for the year ended 31 January 2025 and the consolidated pro forma statement of financial position as at 31 January 2025 as set out in *Appendix B: Pro Forma Financial Information for the SFC Group* of Simonds Farsons Cisk p.l.c.'s Explanatory Circular. The applicable criteria on the basis of which the Directors have compiled the Pro Forma Financial Information is specified in Annex II to Commission Regulation (EC) No 809/2004 ("the Regulation") and described in *Basis of preparation* included in *Appendix B: Pro Forma Financial Information for the SFC Group* of Simonds Farsons Cisk p.l.c.'s Explanatory Circular ("the Applicable Criteria").

The Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of a dividend in kind by Simonds Farsons Cisk p.l.c. to its shareholders by way of a distribution of shares in Quinco Holdings p.l.c. ("the Spin-Off"), following a restructuring process which includes the transfer of the company's shares in Food Chain Limited and Quintano Foods Limited to Quinco Holdings p.l.c., on:

- Simonds Farsons Cisk p.l.c.'s financial performance for the year ended 31 January 2025, as if the Spin-Off had taken place at 1 February 2024; and
- Simonds Farsons Cisk p.l.c.'s financial position as at 31 January 2025, as if the Spin-Off had taken place at 31 January 2025.

As part of this process, information about Simonds Farsons Cisk p.l.c.'s financial performance and financial position has been extracted by the Directors from the financial statements of Simonds Farsons Cisk p.l.c. for the year ended 31 January 2025, on which an audit report has been published.

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T: (356) 2124 7000, www.pwc.com/mt

The firm is registered as a partnership of Certified Public Accountants in terms of the Accountancy Profession Act.
A list of partners and directors of the firm is available at 78 Mill Street, Zone 5, Central Business District, Qormi, CBD 5090. Malta.



Independent Accountant's Reasonable Assurance Report on the Pro Forma Financial Information of Simonds Farsons Cisk p.l.c.

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

The Directors' responsibilities 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 independence and quality management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, together with the ethical requirements of the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281).

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibility

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 the Applicable Criteria.

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 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.



Independent Accountant's Reasonable Assurance Report on the Pro Forma Financial Information of Simonds Farsons Cisk p.l.c.

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

Our responsibility (cont'd)

The purpose of the Pro Forma Financial Information included in *Appendix B: Pro Forma Financial Information for the SFC Group* 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 for the year ended and as at 31 January 2025 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 to 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 practitioner's judgement, having regard to the practitioner's understanding of the nature of Simonds Farsons Cisk p.l.c., Food Chain Limited, and Quintano Foods Limited, 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.



Independent Accountant's Reasonable Assurance Report on the Pro Forma Financial Information of Simonds Farsons Cisk p.l.c.

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

Opinion

In our opinion:

- the Pro Forma Financial Information has been properly compiled on the basis stated; and
- such basis is consistent with the accounting policies of Simonds Farsons Cisk p.l.c.

Intended users and purpose

The Pro Forma Financial Information has been prepared for the purposes described above and may therefore not be appropriate for any other purpose. This report is required in terms of Annex II to the Regulation and is given for the purpose of complying with the Regulation and for no other purpose. We have given our consent for the inclusion of this report in Simonds Farsons Cisk p.l.c.'s Explanatory Circular. Save for any responsibility which we may have to those persons to whom this report is expressly addressed, to the fullest extent permitted by law, we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with the Capital Market Rules and the Regulation.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Stefan Bonello', is written over a faint horizontal line.

Stefan Bonello
Principal

28 May 2025

For and on behalf of

PricewaterhouseCoopers

78 Mill Street,
Zone 5, Central Business District,
Qormi CBD 5090,
Malta



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