

Explanatory Circular To Shareholders

18 SEPTEMBER 2020

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This explanatory circular (the “**Circular**”) is being issued by Trident Estates p.l.c., a public limited liability company having Maltese registration number C 27157 and registered office located at Trident Park, Mdina Road, Zone 2, Central Business District, Birkirkara, CBD 2010, Malta (the “**Company**”).

This Circular contains information in respect of one resolution being proposed as special business, by the Company’s Board of Directors at the Company’s Annual General Meeting to be held on the 9 October 2020 (the “**Annual General Meeting**” or “**AGM**”).

This Circular is being sent to all persons appearing on the Company’s register of members as at close of business on the 9 September 2020 (the “**Shareholders**”). Where any or all of the shares in the Company held by a recipient of this Circular have been sold or transferred, this Circular, the notice of the Annual General Meeting and all other relevant documentation, or copies thereof, should be immediately passed on to the person through whom the sale or transfer was effected for transmission to the purchaser or transferee.

This Circular is being issued and sent to Shareholders in compliance with the provisions of the Listing Rules issued by the Listing Authority (the “**Listing Rules**”) particularly the requirements set out in Listing Rule 6.2 on the contents of all circulars and Listing Rule 6.16 relating to amendments to the memorandum and articles of association.

This Circular is important and requires the attention of all Shareholders who shall be required to vote at the Company’s Annual General Meeting. Shareholders are advised that they should consider seeking the advice of an appropriate independent advisor before taking any decision on the matter.

1. Declaration Of Responsibility

All the Directors of the Company as on the date hereof, namely, Charles Borg, Roderick Chalmers, Vincent Curmi, Louis A. Farrugia, Michael Farrugia, Alberto Miceli Farrugia, Marcus John Scicluna Marshall and Alberto Stagno d’Alcontres, (together, the “**Directors**”) 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 document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Introduction

An Annual General Meeting of the Company has been convened remotely in terms of L.N. 288 of 2020 for the 9 October 2020 at 17.00 hrs.

This Circular is intended to provide the members of the Company with the necessary information as would assist them in making a properly informed decision with respect to the resolution being proposed as special business at the forthcoming AGM as well as to set out the recommendation of the Company’s Board of Directors in relation thereto.

In addition to the ordinary business being proposed at the Company’s forthcoming AGM, the Directors are also placing before the Shareholders the following resolution as special business:

- i. an Extraordinary Resolution relating to the revocation and substitution of the current Memorandum and Articles of Association of the Company by a new Memorandum and Articles of Association of the Company which is attached to the Notice to Shareholders dated 18 September 2020 and marked as ‘Document A’.

The resolution proposing amendments to the Company’s Memorandum and Articles of Association is intended to provide the Company with increased flexibility, amongst others, in the manner it convenes general meetings and in the manner it circulates its annual accounts, as explained in further detail below.

3. Proposed Special Business – Extraordinary Resolution

Resolution – Amendments to the Memorandum and Articles of Association of the Company

Text of the Ordinary Resolution:

“To revoke and replace in its entirety the existing Memorandum and Articles of Association of the Company with the new Memorandum and Articles of Association attached to the Notice of the Annual General Meeting as ‘Document A’, amended as detailed in the Circular to Shareholders dated 18 September 2020.”

The Memorandum and Articles of Association of the Company remain unchanged against the previous version save for the amendments set out and explained below. In addition, certain clauses of the Memorandum of Association are to be updated so as to ensure that the details found therein are reflective of, and aligned with the information available at the Malta Business Registry.

A. Amendment to Article 50.1 of the Articles of Association of the Company regarding the period within which a general meeting is to be convened

It is being proposed that Article 50.1 of the Articles of Association of the Company be amended to read as follows:

50. 1. The Company shall once in every year and within seven (7) months from the end of the financial year hold a General Meeting of the Shareholders of the Company to be known as the Annual General Meeting in addition to any other Meetings in that year, and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next. The Annual General Meeting shall be held at such time and place as the Directors shall appoint.

Explanatory Note: The proposed amendment seeks to establish the maximum period within which the Company may convene the Annual General Meeting for its shareholders at seven (7) months, in line with the relative provision in the Companies Act (Chapter 386 of the Laws of Malta).

B. Amendments to Articles 139, 140 and 141 of the Articles of Association regarding circulation of notices to shareholders for General Meetings

It is being proposed that Article 139 deleted in its entirety and be replaced with new Article 139 to read as follows:

139. 1. *A notice may be given by the Company to any Member either personally or by sending it by post to him to his last known residential address or, should the Member have consented to receiving it electronically by providing his email address, electronically to his email address.*
2. *Furthermore, the Company may publish the notice either on its website or on the website of the Regulated Market on which its Shares are listed, provided that having sent a notice by mail, electronically or at the last known address of each Shareholder requesting his consent to the publication of notices convening the General Meetings of the Company on the website indicated in the notice, Shareholders give their consent to receive notice by such means. Shareholders that do not give their consent shall remain entitled to receive notices convening General Meetings of the Company in accordance with Article 139(1).*
3. *If at any time by reason of the suspension or curtailment of postal services in Malta the Company is unable effectively to convene a General Meeting by notices sent through the post, a General Meeting may be convened by a notice advertised on the same date in at least two (2) daily newspapers and such notice shall be deemed to have been duly served on all Members entitled thereto on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if at least seven (7) days prior to the date of the Meeting the posting of notices to addresses throughout Malta again becomes practicable.*

It is proposed that Article 140 be amended to read as follows:

140. *A Member who does not have a residential address and who has neither supplied a physical nor an email address for the giving of notice to him shall not be entitled to receive any notice from the Company.*

It is proposed that Article 141 be amended to read as follows:

141. *When a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying, and posting a letter containing the notice, and to have been effected at the latest forty-eight (48) hours after the letter containing the same is posted; and in proving such service it shall be sufficient to prove that the letter containing the same was properly addressed and stamped and posted.*

When notice is sent electronically, service of the notice shall be deemed to be effected immediately provided that no notification has been received by the Company confirming the unsuccessful delivery of the notice.

Explanatory Note: The current Articles of Association of the Company do not cater for the possibility of circulating notices of general meetings to shareholders electronically via electronic mail (e-mail address) and only envisage the circulation of notices of general meetings by post at the last known residential address of the shareholder. The proposed amendments to Article 139 and Article 140 seek to enable the Company to circulate notices of general meetings to the shareholders electronically if the shareholder consents to electronic circulation by providing his/her email address to the Company. This would grant the Company added flexibility as to method of circulating notices for general meetings.

C. Amendments to Articles 2, 52, 58, 60 and 61.1 of the Articles of Association and insertions of new Articles 51.1, 51.2, 53.7, 56.1, 56.2, 56.3, 60.2, 61(1), 61(2), 61(3), 71, 71.1 and 71.2 regarding shareholder participation at general meetings by electronic means

It is being proposed that the Articles of Association of the Company be amended such as to provide for the possibility of future general meetings being held partly by simultaneous participation at a physical location and partly through the use of electronic facilities. In this regard, the following amendments and insertions are being proposed:

- i. **Amendment to Article 2 of the Articles of Association of the Company to reflect amendments to the definition of “Annual General Meeting”, “Extraordinary General Meeting”, “Meeting” or “General Meeting” and “Person” and to provide a definition for the terms “Electronic Facility” and “participation” as follows:**

“Annual General Meeting” means an annual general meeting of the Company duly convened according to law and these Articles;

“Electronic Facility” means any device, system, procedure, method or other facility whatsoever providing electronic means of attendance at and participation in a General Meeting of the Company;

“Extraordinary General Meeting” means an extraordinary general meeting duly convened according to law and these Articles;

“Meeting” or “General Meeting” means a general meeting of the Company duly convened according to law and these Articles, and includes any such meeting of the Company at which persons are entitled to be present, attend and participate by means of an Electronic Facility in accordance with these Articles;

“Person” means a natural person or a body or other association of persons whether granted legal personality, in accordance with the provisions of the Second Schedule to the Civil Code, or not;

A reference to a person’s “participation” in the business of any general meeting shall include without limitation and as relevant, the right (including in the case of a legal organisation, through a duly authorised representative) to speak, vote and be represented by a proxy, and “participate” and “participating” shall be construed accordingly.

- ii. **Insertion of new Article 51.1 and Article 51.2 in the Articles of Association of the Company, immediately following Article 51:**

51. 1. *The Board shall determine in relation to any General Meeting the means of attendance at, and participation in the meeting, including whether the persons entitled to attend and participate in the meeting shall be enabled to do so:*
- a. *by means of Electronic Facility pursuant to Article 56.1 (and for the avoidance of doubt, the Board shall be under no obligation to offer or provide such Electronic Facility, whatever the circumstances); and/or*
 - b. *by attendance and participation at a physical place.*

For the avoidance of doubt, should persons be entitled to attend and participate at the General Meeting by means of both physical attendance and by means of attendance through Electronic Facility pursuant to Article 56.1, (i) a person may only attend through one of the means available (that is by physical attendance or attendance through Electronic Facility pursuant to Article 56.1); and (ii) attendance through Electronic Facility pursuant to Article 56.1 shall be simultaneous to physical attendance at the General Meeting.

2. *Unless otherwise specified in the notice of meeting or determined by the chair of the meeting, a General Meeting is deemed to take place at the place where the chair of the meeting is at the time of the meeting.*

iii. Amendment to Article 52 of the Articles of Association of the Company to read as follows:

52. *All Shareholders shall be entitled to receive notice of, participate in and vote at General Meetings provided that such Shareholders are registered on the register of shareholders on the day falling thirty (30) days immediately preceding the date set for the General Meeting to which it relates and provided further that where a Shareholder is a body or other association of persons whether granted legal personality, in accordance with the provisions of the Second Schedule to the Civil Code, or not, it shall be represented by one (1) person only.*

iv. Insertion of new Article 53.7 to the Articles of Association of the Company, immediately following Article 53.6:

53. 7. *If the Directors determine that the General Meeting is to be held by means of an Electronic Facility, whether in whole or in part: the notice convening the meeting shall:*
 - a. *specify the means, or the different means of attendance and participation at the meeting and any access, identification and security arrangements determined in accordance with Article 56.2; and*
 - b. *contain an invitation to Members to ask questions, and Members shall be allowed to submit such questions in writing up to forty-eight (48) hours prior to the meeting.*

v. Insertion of new Articles 56.1, 56.2 and 56.3 to the Articles of Association of the Company under the new heading 'Attendance and Participation by Electronic Facilities', immediately following Article 55:

56. 1. *The Directors may, whenever they think fit, resolve to enable persons entitled to attend and participate in a General Meeting to do so, in whole or in part, by attendance and participation by means of an Electronic Facility, and shall determine the means of attendance and participation to be used in relation to the General Meeting. Members present in person or by proxy by means of an Electronic Facility (as so determined by the Directors) shall be counted in a quorum and shall be entitled to participate at the General Meeting. The General Meeting shall be duly constituted and its proceedings valid if the Chairman is satisfied that adequate facilities are available throughout the General Meeting to ensure that Members attending the General Meeting by all means (including by means of an Electronic Facility) are able to:*
 - i. *participate in the business for which the General Meeting has been convened;*
 - ii. *hear all persons who speak at the General Meeting; and*
 - iii. *be heard by all other persons attending and participating at the General Meeting.*
2. *Where a General Meeting is held by means of an Electronic Facility, whether in whole or in part:*
 - a. *the Board shall make the necessary arrangements and impose any requirement or restriction that is necessary to ensure the identification of those taking part by way of such Electronic Facility and the security of the electronic communication, as in its view is proportionate to the achievement of those objectives;*
 - b. *the Board shall determine and authorise the use of any voting application, system or facility it considers appropriate for the purposes of the General Meeting and where votes are cast electronically, Listing Rules 12.21, 12.22 12.23, 12.23A, 12.23B and 12.23C shall apply; and*

c. *sufficient time must be allowed for shareholders to ask questions which are pertinent and related to the items on the agenda of the meeting in advance, whether by electronic means or by letter addressed to the company and such questions will be answered by the directors or by such person as the directors may delegate for that purpose.*

3. *Members present in person or by proxy by means of an Electronic Facility shall be deemed to be present at that meeting for all purposes of the Act and these Articles, and “attend”, “participate”, “attending”, “participating”, “attendance” and “participation” shall be construed accordingly PROVIDED that when attendance and participation is to be by means of an Electronic Facility, Members wishing to appoint a proxy shall (i) only appoint the Chairman of the meeting or a another Member as their proxy and (ii) may indicate on the form of proxy how such proxy is to vote on each resolution put to the meeting.*

vi. Renumbering of Article 56 to Article 57, Article 57 to Article 58.1 and Article 58 to Article 58.2, and amendment to renumbered Article 58.2 of the Articles of Association of the Company to read as follows:

58. 2. *If within half an hour from the time appointed for the Meeting a quorum be not present, the Meeting, if convened by or upon the requisition of Members, shall be dissolved. In any other case, the Meeting may, if it had been duly convened in terms of the Listing Rules, be adjourned to such time (being not less than fourteen days nor more than twenty-eight days thence) and place and with such means of attendance and participation (including by means of Electronic Facility) as the Chairman shall appoint. No new item shall be put on the agenda of an adjourned meeting. If at such adjourned Meeting a quorum be not present within thirty minutes from the time appointed therefor, Members present in person or by proxy not being less than two present in person and entitled to vote shall form a quorum. The Company shall give not less than ten (10) clear days’ notice of any Meeting adjourned for want of a quorum and the notice shall state that Members present as aforesaid shall form a quorum.*

vii. Renumbering of Article 60 of the Articles of Association of the Company as Article 60.1 and amendment thereof to read as follows:

60. 1. *The Chairman may, with the consent of any Meeting at which a quorum is present (and shall if so directed by the Meeting), adjourn the Meeting from time to time and from place to place (and from such Electronic Facility to such other Electronic Facility); but no business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place. When a Meeting is adjourned for thirty (30) days or more, not less than ten (10) clear days’ notice in writing of the adjourned Meeting shall be given specifying the day, the place and the time of the Meeting (including the means of Electronic Facility, if applicable) as in the case of an original Meeting, but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned Meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment.*

viii. Insertion of new Article 60.2 in the Articles of Association of the Company, immediately following Article 60.1

2. *If during any General Meeting it appears to the Chairman that the facilities at the physical place or an Electronic Facility, in the case of a General Meeting being conducted partly by means of an Electronic Facility, have become inadequate or are not sufficient to allow the Meeting to be conducted substantially in accordance with the provisions set out in the notice of meeting, then the Chairman shall adjourn the Meeting.*

ix. Deletion of Article 61 in its entirety and insertion of new Article 61(1), 61(2), 61(3) and 61(4) in the Articles of Association of the Company to read as follows:

61. 1. *Subject to Article 61(3), a resolution put to the vote at any General Meeting held partly by means of an Electronic Facility shall be decided on a poll, which poll votes may be cast by such electronic means as the Board of Directors, in its sole discretion in accordance with Article 55A deems appropriate for the purposes of the Meeting. Any such poll shall be deemed to have been validly demanded at the time fixed for the holding of the Meeting to which it relates.*

2. *Subject to Article 61(3), at any General Meeting held wholly at a physical place, a resolution put to the vote of the Meeting shall be decided on a show of hands.*

3. *A resolution shall be decided by means of a poll if it is (before or on the declaration of the result of the show of hands) demanded:*
 - a. *by the Chairman; or*
 - b. *by at least five (5) Members present in person or by proxy and entitled to vote; or*
 - c. *by any Member or Members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the Meeting; or*
 - d. *by a Member or Members holding shares in the Company conferring a right to vote at the Meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.*
4. *Unless a poll be so demanded, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution:*

PROVIDED that where a resolution requires a particular majority in value, the resolution shall not be deemed to have been carried on a show of hands by the required majority unless there be present at that Meeting, whether in person or by proxy, a number of Members holding in the aggregate the required majority as aforesaid. A demand for a poll may be withdrawn.

x. Amendment to Article 71, Article 71.1 and Article 71.2 of the Articles of Association of the Company to read as follows:

71. *Any Member entitled to attend and vote at a Meeting of the Company or at a meeting of any class of Members of the Company shall be entitled to appoint another person, whether a Member or not, as his proxy to attend and vote instead of him, and a proxy so appointed shall have the same right as the Member to speak and ask questions at the Meeting and to demand a poll. The instrument appointing a proxy shall be in writing and given by the appointor or of his attorney duly authorised in writing, or if the appointor is a person other than a natural person, given by an officer or attorney duly authorised. The signature on such instrument need not be witnessed. A Member holding shares for and on behalf of third parties is entitled to grant a proxy to each of his clients or to any third party designated by a client. Such Member shall be entitled to cast votes attaching to some of the shares differently from the others. Proxy forms shall be designed by the Company to allow such split voting.*

1. *An instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances permit:*

Trident Estates plc

"I/We....., of residing at being a Member/Members of the above named Company, hereby appoint of and with email address or failing him of and with email address as my/our proxy to vote for me/us on my/our behalf at the (Annual or Extraordinary, as the case may be) General Meeting of the Company, to be held on the day of20, and at any adjournment thereof.

Signed this day of 20XX

This form is to be used in favour of/against the resolution. Unless otherwise instructed, the proxy will vote as he thinks fit."

2. *Where a Member holds shares for and on behalf of third parties, the instrument appointing the proxies shall be in the following form or in a form as near thereto as circumstances permit:*

Trident Estates plc

"I/We, of residing at being a Member/Members of the above named Company, hereby appoint:

- a. of in respect of shares out of a total of and with email address or failing him of and with email address as my/our proxy to vote for me/us on my/our behalf at the (Annual or Extraordinary, as the case may be) General Meeting of the Company, to be held on the day of 20, and at any adjournment thereof; and

This form is to be used in favour of/against the resolution. Unless otherwise instructed, the proxy will vote as he thinks fit."

- b. of in respect of shares out of a total of and with email address or failing him of and with email address as my/our proxy to vote for me/us on my/our behalf at the (annual or extraordinary, as the case may be) General Meeting of the Company, to be held on the day of 20, and at any adjournment thereof.

This form is to be used in favour of/against the resolution. Unless otherwise instructed, the proxy will vote as he thinks fit."

Signed this day of 20XX

Explanatory Note: Chapter 12 of the Listing Rules permits issuers of shares admitted to trading on a regulated market to allow their members to participate at a general meeting by electronic means. In this spirit, the Board of Directors of the Company is proposing that the Articles of Association of the Company be amended such that in circumstances where the Board thinks fit, the Company would be in a position to convene a general meeting whereby persons entitled to attend and participate in such a meeting shall be enabled to do so partly by simultaneous attendance and participation at a physical place and partly by electronic means. The proposed amendments also grant the Board the faculty to determine the use of any voting application, system or facility it deems appropriate for the purposes of a meeting partially held using electronic means. The Board is of the view that the proposed changes to the Company's Articles of Association would benefit the Company as they would ensure continuity of its business as regards calling of meetings and shareholder engagements even in exceptional and unforeseen circumstances.

xi. Amendment to Article 137 of the Articles of Association of the Company relating to the circulation of annual accounts to shareholders

It is being proposed that the current article 137 of the Articles of Association of the Company be deleted and replaced by the following new article 137:

137. *A printed copy of the profit and loss account and balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in General Meeting, together with a copy of the Auditors' report and Directors' report (hereinafter, the profit and loss account, the balance sheet, the Auditors' report, Directors' report, the notices to the accounts and any other financial statements which may be required by generally accepted accounting principles and practice, shall collectively be known as the 'Annual Accounts), shall not less than twenty-one (21) days before the date of the Meeting at which the annual Accounts are to be laid be sent to every Member (whether or not he is entitled to receive notices of General Meetings of the Company), to every holder of debentures of the Company (where such holder is entitled to receive notices of General Meetings of the Company) and to every other person who is entitled to receive notices of Meetings from the Company under the provisions of the Act or these Articles, but this Article shall not require a copy of those documents to be sent to any person of whose address the Company is not aware.*

PROVIDED that the Company shall not be required to send a printed copy of the Annual Accounts to: (i) holders of debentures who are not entitled to receive notices of General Meetings of the Company and; (ii) Members of the Company who have been duly given notice of the General Meeting at which the Company's Annual Accounts are to be laid, where the Company has made available to such Members an electronic copy of such Annual Accounts on its website or otherwise, and has informed them accordingly. The Company shall provide a printed copy of such Annual Accounts to any of its Members upon their written request.

Explanatory Note: The amendment to article 137 of the Articles of Association of the Company is being proposed with a view of aligning the Company's Articles of Association with the provisions of the Companies Act (Chapter 386 of the Laws of Malta), pursuant to which, unless otherwise provided in its memorandum or articles, a company shall not be required to circulate a copy of its annual accounts for the relative accounting period to its members, if such members have been duly notified of the general meeting at which the annual accounts are to be laid, and the company has made available thereto an electronic copy of the annual accounts on its website or otherwise, and has informed them accordingly. Provided that a company shall be required to provide a printed copy of such annual accounts to any member upon written request.

4. Documents available for inspection

The following documents or certified copies thereof will be made available for inspection at the Company's registered office, located at Trident Park, Mdina Road, Zone 2, Central Business District, Birkirkara, CBD 2010, Malta for at least fourteen (14) days from the date of publication of the Circular:

- a. the Memorandum and Articles of Association of the Company;
- b. the Company's Annual Report and Accounts for the year ending 31 January 2020;
- c. the Company's latest half-yearly Financial Report.

5. Directors' Recommendation

The Directors, having made the necessary considerations, are of the view that the proposed resolution is in the best interests of the Company and its shareholders as a whole. The Directors therefore recommend that Shareholders approve the proposed resolution at the forthcoming AGM of the Company.

Date:

Approved and issued by Trident Estates p.l.c., a public limited liability company having Maltese registration number C 27157 and registered office located at Trident Park, Mdina Road, Zone 2, Central Business District, Birkirkara, CBD 2010, Malta