

30 June 2025

# The Convenience Shop



*The Convenience Shop (Holding) plc*  
Company Registration Number: C 87554

## ***Interim Report*** ***Six months ended 30 June 2025***

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# Interim Directors' Report



**Charles Scerri**

**Chairman of the Board  
of Directors**

This half-yearly report is being published in terms of the Prospects MTF and Capital Market Rules, and the Prevention of Financial Markets Abuse Act, (Chapter 476 of the Laws of Malta). The condensed set of financial statements included in this report has been extracted from The Convenience Shop (Holding) plc's unaudited financial information for the period commencing 1 January 2025 to 30 June 2025 prepared in accordance with International Financial Reporting Standards adopted for use in the EU for interim financial statements (International Accounting Standard 34, 'Interim Financial Reporting').

On the 10th May 2023, the ordinary shares of the Company were admitted to the Official List of the Malta Stock Exchange and trading commenced as from 11 May 2023. The Directors present the condensed consolidated interim results of The Convenience Shop (Holding) plc. The Directors state that these interim condensed financial statements have not been audited or reviewed by an independent auditor.

We are deeply saddened by the recent passing of Mr Richard Saliba, who served on our Board with great dedication and integrity. We honour his memory with gratitude for his invaluable contributions and extend our heartfelt condolences to his family.

## **The Directors who served during the period under review are as follows:**

**Charles Scerri (Chairman)**

**Ivan Calleja**

**Patrick Hall**

**Joseph Pace**

**Manuel Piscopo**

**Richard Saliba**

## 1. Business Overview

The Group continues to operate under two distinct strategic models:

**Owned Businesses:** Fully controlled operations where the Group retains all profits and decision-making authority.

**Franchise Businesses:** Independently operated entities that utilise the Group's brand under franchise agreements.

These complementary strategies have driven sustained growth and enhanced shareholder value. Rigorous oversight of both operational and capital expenditure, balanced with a strategic focus on expansion, has contributed positively to the Group's performance.

During the first half of 2025, the Group underwent significant changes in its management structure and initiated a comprehensive internal reorganisation. These efforts are designed to strengthen the Group's market leadership, enhance technological integration, and establish a scalable foundation to support anticipated future growth.

A key milestone in this period was the acquisition of two Scotts Supermarkets, marking a strategic expansion into new market segments. This acquisition aligns with the Group's broader strategy to diversify its portfolio and capitalise on opportunities across various retail sectors. This was complemented with the opening of a further 4 stores to broaden the reach of the network. In the coming months, this approach will be further consolidated through brand optimisation and a renewed focus on leveraging our multi-format outlet network.

Looking ahead, the Group remains committed to its core strategies, prudent financial management, and delivering exceptional convenience and value to customers. The newly appointed management team and ongoing digital transformation underscore our dedication to long-term growth and operational excellence.

## 2. Financial Performance

The financial results for the first half of 2025 reflect both sector-wide challenges and the Group's resilience in navigating a dynamic retail landscape. The convenience retail sector continues to grow, influenced by macroeconomic pressures, inflationary trends, and evolving consumer preferences favouring affordability.

Despite these headwinds, the Group maintained its expansion trajectory, mindful of the demographic shifts occurring across the Maltese Islands.

Profit Before Tax for the period stood at €421k, or 1.7% of turnover, primarily impacted by shifts in consumer behaviour and increased labour costs.

Revenue for the six months ended 30 June 2025 reached €24.8 million, representing a €3 million increase over the same period in 2024. This growth was driven by enhanced revenue-generation strategies across both new and existing outlets. Notably, legacy outlets sustained their performance, while newly acquired locations contributed incremental growth.

Efforts to maintain competitive pricing led to an increase in Cost of Sales, reflecting strategic spend in customer-facing operations, including workforce expansion and training and decreases in retail prices. These initiatives, while impacting margins, are aligned with the Group's commitment to provide superior customer service. Consequently, Gross Profit declined slightly from €2.7 million in H1 2024 to €2.6 million in the current period.

Group overheads rose by €0.3 million, consistent with revenue growth and strategic investments, including the inauguration of the Corporate Head Office in 2024. Following the Group's listing in 2023, significant resources have been allocated to digitalisation, corporate governance enhancements, and IT infrastructure upgrades. These initiatives, launched in early 2025, are foundational to the Group's transformation into a future-ready organisation.

### 3. Financial Position

As of 30 June 2025, Total Assets of The Convenience Shop Group reached €46 million, up from €42 million at year-end 2024. This increase was largely driven by a €4.5 million rise in non-current assets, reflecting strategic investments in growth and operational efficiency.

In addition to the Scotts acquisition, the Group invested in new store openings in key locations and upgraded existing outlets to enhance the customer experience.

Current Assets remained stable at €11.5 million, with a modest increase in inventories due to expanded operations and a reduction in trade receivables, attributed to improved collection processes.

Non-Current Liabilities rose from €18 million to €23 million, primarily due to increased lease obligations associated with new properties. This is offset by the corresponding growth in non-current assets. Current Liabilities improved, decreasing by €786k since the beginning of the year, mainly due to reductions in trade and other payables.

The Group maintains a strong liquidity position, with cash reserves of €1.8 million and a debt-to-equity ratio of 52%, reflecting sound financial management and a balanced capital structure.

### 4. Business Outlook

The Group is well-positioned to capitalise on its recent investments and strategic initiatives. The second half of 2025 is expected to bring increased market penetration, particularly in underserved areas, an increase in the number of stores to over 100 and a more prominent brand presence.

Refurbishment projects are progressing as planned, with several long-standing outlets undergoing major upgrades and new stores featuring modern designs, as exemplified by the flagship outlet at the Corporate Offices. These enhancements are aimed at elevating the customer experience and reinforcing the Group's market position.

The Group's digital transformation is advancing, with a focus on operational efficiency, data-driven decision-making, and improved customer engagement. Transitioning to a data-led organisation will enable better insights, enhanced service delivery, and stronger margins, benefiting all stakeholders.

The Convenience Shop Group remains committed to its long-term growth strategy, underpinned by investments in talent, infrastructure, and expansion of the network. With a clear vision and adaptive approach, the Group is confident in its ability to navigate market complexities and deliver sustained value to shareholders and customers alike.

The Board of Directors does not consider that there were any material changes to the risks identified in the Prospectus related to the Company's Initial Public Offering.

### 5. Dividends

On 02 July 2025, following the Annual General Meeting, the Company paid a net final dividend of €739,200 for financial year 2024.

For the first 6 months of 2025, the Directors are declaring a net interim dividend of €0.01 per share.

### 6. Going Concern

As required by the Prospects MTF Rule 5.62, upon due consideration of the Company's profitability and statement of financial position, the Directors confirm the Company's ability to continue operating as a going concern for the foreseeable future. In making this assessment, the Directors have considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

The Directors' report was approved by the Board of Directors on the 29<sup>th</sup> August 2025 and signed on its behalf by:



**Charles Scerri**  
Chairman



**Ivan Calleja**  
Director

# Condensed Statement of Comprehensive Income

For the six month period ended 30 June 2025

|                                                               | Note | Group        |              | Company      |              |
|---------------------------------------------------------------|------|--------------|--------------|--------------|--------------|
|                                                               |      | 30 June 2025 | 30 June 2024 | 30 June 2025 | 30 June 2024 |
|                                                               |      | Unaudited    | Unaudited    | Unaudited    | Unaudited    |
|                                                               |      | €000's       | €000's       | €000's       | €000's       |
| Revenue                                                       |      | 24,749       | 21,817       | 442          | 559          |
| Cost of sales                                                 |      | (22,136)     | (19,108)     | -            | -            |
| <b>Gross profit</b>                                           |      | <b>2,613</b> | <b>2,709</b> | <b>442</b>   | <b>559</b>   |
| Administrative expenses                                       |      | (2,051)      | (1,731)      | (133)        | (155)        |
| <b>Operating profit</b>                                       |      | <b>562</b>   | <b>978</b>   | <b>308</b>   | <b>404</b>   |
| Other income                                                  |      | 377          | 271          | 30           | 30           |
| Finance costs                                                 |      | (518)        | (483)        | (125)        | (125)        |
| Finance income                                                |      | -            | -            | 114          | 159          |
| <b>Profit before tax</b>                                      |      | <b>421</b>   | <b>766</b>   | <b>327</b>   | <b>468</b>   |
| Tax                                                           |      | (111)        | (230)        | -            | (54)         |
| <b>Profit for the financial period</b>                        |      | <b>310</b>   | <b>536</b>   | <b>327</b>   | <b>414</b>   |
| <b>Total comprehensive income for the period</b>              |      | <b>310</b>   | <b>536</b>   | <b>327</b>   | <b>414</b>   |
| Total comprehensive income for the period is attributable to: |      |              |              |              |              |
| Non-controlling interest                                      |      | (4)          | 4            | -            | -            |
| Owners of the Company                                         |      | 314          | 532          | 327          | 414          |
| Earnings per share                                            | 4    | €0.010       | €0.017       |              |              |

# Condensed Statement of Financial Position

As at 30 June 2025

|                                                            | Group         |             | Company       |             |
|------------------------------------------------------------|---------------|-------------|---------------|-------------|
|                                                            | 30 June 2025  | 31 Dec 2024 | 30 June 2025  | 31 Dec 2024 |
|                                                            | Unaudited     | Audited     | Unaudited     | Audited     |
|                                                            | €000's        | €000's      | €000's        | €000's      |
| <b>Assets</b>                                              |               |             |               |             |
| Non-current assets                                         | <b>34,655</b> | 29,347      | <b>11,469</b> | 6,653       |
| Current assets                                             | <b>11,535</b> | 9,319       | <b>1,649</b>  | 5,896       |
| <b>Total assets</b>                                        | <b>46,190</b> | 38,666      | <b>13,118</b> | 12,549      |
| <b>Equity and liabilities</b>                              |               |             |               |             |
| Capital and reserves attributable to owners of the Company | <b>10,012</b> | 9,216       | <b>7,780</b>  | 7,029       |
| Non-current liabilities                                    | <b>22,924</b> | 17,617      | <b>4,897</b>  | 4,861       |
| Current liabilities                                        | <b>13,254</b> | 11,833      | <b>440</b>    | 659         |
| <b>Total liabilities</b>                                   | <b>36,178</b> | 29,450      | <b>5,337</b>  | 5,520       |
| <b>Total equity and liabilities</b>                        | <b>46,190</b> | 38,666      | <b>13,118</b> | 12,549      |

# Condensed Statement of Changes In Equity

For the six month period ended 30 June 2025

| THE GROUP                                  | Share Capital | Share Premium | Retained Earnings | Non-Controlling Interest | Total        |
|--------------------------------------------|---------------|---------------|-------------------|--------------------------|--------------|
|                                            | €000's        | €000's        | €000's            | €000's                   | €000's       |
| <b>Financial period ended 30 June 2024</b> |               |               |                   |                          |              |
| Balance at 01 January 2024                 | 4,928         | 1,539         | 3,341             | (19)                     | 9,789        |
| Total comprehensive income for the period  |               |               |                   |                          |              |
| - Profit for the financial period          | -             | -             | 532               | 4                        | 536          |
| Dividends paid                             | -             | -             | (1,109)           | -                        | (1,109)      |
| <b>Balance as 30 June 2024</b>             | <b>4,928</b>  | <b>1,539</b>  | <b>2,764</b>      | <b>(15)</b>              | <b>9,216</b> |

|                                            |              |              |              |             |               |
|--------------------------------------------|--------------|--------------|--------------|-------------|---------------|
| <b>Financial period ended 30 June 2025</b> |              |              |              |             |               |
| Balance at 01 January 2025                 | 4,928        | 1,539        | 3,262        | (27)        | 9,703         |
| Total comprehensive income for the period  |              |              |              |             |               |
| - Profit for the financial period          | -            | -            | 313          | (4)         | 309           |
| Dividends paid                             | -            | -            | -            | -           | -             |
| <b>Balance as 30 June 2025</b>             | <b>4,928</b> | <b>1,539</b> | <b>3,576</b> | <b>(31)</b> | <b>10,012</b> |

| THE COMPANY                                | Share Capital | Share Premium | Retained Earnings | Total        |
|--------------------------------------------|---------------|---------------|-------------------|--------------|
|                                            | €000's        | €000's        | €000's            | €000's       |
| <b>Financial period ended 30 June 2024</b> |               |               |                   |              |
| Balance at 01 January 2025                 | 4,928         | 1,539         | 1,256             | 7,723        |
| Total comprehensive income for the period  |               |               |                   |              |
| - Profit for the financial period          | -             | -             | 415               | 415          |
| Dividends paid                             | -             | -             | (1,109)           | (1,109)      |
| <b>Balance as 30 June 2024</b>             | <b>4,928</b>  | <b>1,539</b>  | <b>562</b>        | <b>7,029</b> |

|                                            |              |              |              |              |
|--------------------------------------------|--------------|--------------|--------------|--------------|
| <b>Financial period ended 30 June 2025</b> |              |              |              |              |
| Balance at 01 January 2025                 | 4,928        | 1,539        | 986          | 7,453        |
| Total comprehensive income for the period  |              |              |              |              |
| - Profit for the financial period          | -            | -            | 327          | 327          |
| Dividends paid                             | -            | -            | -            | -            |
| <b>Balance as 30 June 2025</b>             | <b>4,928</b> | <b>1,539</b> | <b>1,313</b> | <b>7,780</b> |

# Condensed Statement of Cash Flows

Six months ended 30 June 2025

|                                                         | Group        |              | Company      |              |
|---------------------------------------------------------|--------------|--------------|--------------|--------------|
|                                                         | 30 June 2025 | 30 June 2024 | 30 June 2025 | 30 June 2024 |
|                                                         | Unaudited    | Unaudited    | Unaudited    | Unaudited    |
|                                                         | €000's       | €000's       | €000's       | €000's       |
| Net cash generated from operating activities            | <b>1,470</b> | 2,904        | <b>556</b>   | 1,266        |
| Net cash used in investing activities                   | <b>(919)</b> | (1,354)      | <b>(372)</b> | (319)        |
| Net cash (used in)/generated from financing activities  | <b>(636)</b> | (2,079)      | <b>(112)</b> | (1,074)      |
| <b>Net movement in cash and cash equivalents</b>        | <b>(85)</b>  | (529)        | <b>816</b>   | (127)        |
| <b>Cash and cash equivalents at beginning of period</b> | <b>1,935</b> | 2,185        | <b>5</b>     | 186          |
| <b>Cash and cash equivalents at end of period</b>       | <b>1,850</b> | 1,656        | <b>821</b>   | 59           |

# Notes to the Condensed Interim Consolidated Financial Statements

## 1. Basis of Measurement and Statement of Compliance

The financial information being published has been extracted from The Convenience Shop (Holding) plc's unaudited interim financial statements for the six months ended 30 June 2025, prepared in accordance with accounting standards adopted for use in the European Union for reported interim financial information (IAS 34 - Interim Financial Reporting). These Condensed Interim Financial Statements are being published in terms of the Prospects MTF and Capital Market Rules. In terms of Rule 4.11.12 of the Prospects MTF Rules and Rule 5.75.5 of the Capital Market Rules, this interim report has not been audited by the Group's independent auditors.

## 2. Significant Accounting Policies

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2024. The interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2024.

## 3. Segment Reporting

The operations of the Group consist of three operating segments - the retailing of food and beverage items, the importation of food and beverage items for the outlets operating under The Convenience Shop brand, and the provision of selected services to support the retail network. These operations are carried out entirely on the local market. The operating segments relating to importation and the provision of services do not meet any of the quantitative thresholds laid out in the relevant accounting standards to be considered reportable, and separately disclosed. Furthermore, management believes that these operating segments can be aggregated with the retailing of food and beverage items operating segment given that the three operating segments have similar economic characteristics and share a majority of the aggregation criteria laid out in IFRS 8 Operating Segments. The aggregated financial performance of the three segments is represented in the Condensed Consolidated Income Statement.

## 4. Earnings Per Share

Earnings per share of €0.010 is based on the profit after tax attributable to the ordinary shareholders of The Convenience Shop (Holding) plc divided by the weighted average number of ordinary shares in issue during the period and ranking for dividend. Ordinary shares in issue during the period amounted to 30,800,000 shares.

# Directors' Confirmations

We confirm to the best of our knowledge that:

- The Condensed Consolidated Interim Financial information gives a true and fair view of the Financial Position of the Group as at 30 June 2025 and of its financial performance and its cash flows for the six month period then ended, in accordance with International Financial Reporting Standards as adopted by the EU applicable to Interim Financial Reporting (IAS 34 - Interim Financial Reporting);
- The Interim Directors' Report includes a fair review of the information required in terms of the Prospects MTF and the Capital Market Rules.

**Approved by the Directors and signed on its behalf by:**



**Charles Scerri**  
**Chairman**



**Ivan Calleja**  
**Director**

**29 August 2025**



**The Convenience Shop (Holding) plc**

**Registered office**

8, TCS Building, Luqa Road, Qormi, QRM 9072, Malta Company Registration

Company Registration Number: C 87554

**[theconvenienceshop.com](http://theconvenienceshop.com)**