



***Financial  
Sustainability  
2026 Forecasts***

***The Convenience Shop (Holding)plc***

# About Us



## The Convenience Shop (Holding) plc Welcome to a whole new world of Convenience

Now operating over 100 outlets across more than 50 localities in Malta and Gozo, MyConvenience and MySupermarket form Malta's largest retail network and one of its most trusted homegrown brands.

Our 2023 listing on the Malta Stock Exchange marked an important milestone in our growth journey, bringing more focus on professionalism, transparency and longterm value creation. Over the past year, we have built on this strong foundation through a strategic transformation that unified our stores under the "My" retail concept with a modern, customercentric framework that reflects our commitment to deliver personalised, efficient shopping experiences.

This evolution has been supported with continued investment in shop upgrades, new outlet openings and operational efficiency improvements. At the same time, we accelerated our digital journey through the launch of the MyRewards loyalty programme, mobile app, website and online shopping platforms, enhancing convenience and engagement across every channel.

Underlying these developments is our ongoing investment in technology, infrastructure, and people. Our dedicated team remains the backbone of our success, empowered even more effectively, through continuous training to drive progress and maintain the service excellence our customers expect today.

Meanwhile, corporate social responsibility still stands firmly at the heart of our ethos. Through the Sandra Calleja Foundation and partnerships with local NGOs, we continue to create a positive and lasting social impact.

Our priorities remain clear: financial sustainability, operational resilience, and innovation to ensure that we continue evolving to meet changing market demands while cultivating the customer trust we enjoy.



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### GENERAL INFORMATION

#### Registration

The Convenience Shop (Holding) plc ("the Company") is registered in Malta as a public limited liability company under the Maltese Companies Act (Cap. 386) with registration number C 87554.

#### Directors

Charles Scerri  
Ivan Calleja  
Joseph Pace  
Manuel Piscopo  
Patrick Hall  
Dr Maria P. Deguara

**Company Secretary**  
Richard Deschrijver

#### Registered Office and Principal Place of Business

8, TCS Building  
Triq l-Hal Luqa  
Qormi QRM 9072  
Malta

#### Bankers

Bank of Valletta p.l.c.  
219-220  
Triq ix-Xatt  
Gzira GZR 1022  
Malta

APS Bank p.l.c.  
APS Centre,  
Tower Street  
Birkirkara BKR 4012  
Malta

#### Auditors

RSM Malta  
Mdina Road  
Żebbuġ ZBG 9015  
Malta

# Looking Ahead



**Our enhanced brand presence, proprietary mobile app and new loyalty scheme, has created a strong platform for accelerated growth and improved profitability.”**

As we enter 2026, the Group is well positioned to deliver a step change in performance following the structural investments made in 2025. The successful transition to a directly employed and highly trained workforce, combined with our enhanced brand presence, proprietary mobile app and new loyalty scheme, has created a strong platform for accelerated growth and improved profitability.

We expect Group turnover to increase to €58.3 million in 2026, reflecting the contribution from new outlets that are now opening, together with continued like-for-like sales momentum driven by our strengthened customer offering and loyalty initiatives. This represents a further solid advancement on the 14% growth achieved in 2025 and underscores the underlying strength and resilience of the business in a competitive FMCG retail landscape.

Gross profit is projected to rise significantly to €7.9 million, while profit before tax is anticipated to increase to €2.1 million. Group EBITDA, after adjustment for the impact of IFRS 16 Leases, is expected to reach €4.3 million. These improvements demonstrate the successful conversion of our strategic investments into enhanced operational efficiency, better cost absorption and stronger bottom-line performance as the expanded store network matures.

The competitive environment remains dynamic, with ongoing activity from both incumbent players and new entrants.

However, our more engaged and skilled team, modernised brand identity and digital capabilities position us to capture additional market share and deliver superior customer experiences. We will continue to focus on disciplined execution, operational excellence and selective further expansion to drive sustainable value creation.

We look to the year ahead with confidence. With the heavy lifting of restructuring and brand investment now largely complete, the Group enters a phase of realisation where improved sales leverage, margin discipline and cost efficiencies are expected to translate into meaningfully higher returns for shareholders.



**We will continue to focus on disciplined execution, operational excellence and selective further expansion to drive sustainable value creation.”**

# Financial Sustainability Forecasts

## The Convenience Shop (Holding plc) SUMMARY OF SIGNIFICANT ASSUMPTIONS AND ACCOUNTING POLICIES

### A. Introduction

The forecast statement of Consolidated Comprehensive Income, the forecast Statement of Financial Position, and the forecast Statement of Cash Flows (“the Forecasts”) of the Issuer for the year ending 31 December 2026 has been prepared to provide financial information for the purposes of the announcement of Financial Sustainability Forecasts. The assumptions set out below are the sole responsibility of the Directors of the Company.

The Forecasts are intended to show a possible outcome based on assumptions relating to anticipated future events which the Directors expect to take place, and on actions which the Directors expect to take. Events and circumstances frequently do not occur as expected, and therefore, actual results may differ materially from those included in the forecast and projected financial information. We draw your attention, to the risk factors set out in the Admission Document, which describes the primary risks associated with the business to which the Forecast Financial Information relates.

The Forecasts are not intended to and do not provide all the information and disclosures necessary to give a true and fair view of the financial results, financial position, and cash flows of the Group, in accordance with International Financial Reporting Standards as adopted by the EU, however the Directors have exercised due care and diligence in adopting the assumptions set out below.

These Forecasts were formally approved on 30 April 2026 by the Directors, and the stated assumptions reflect the judgements made by the Directors at that date. The assumptions that the Directors believe are significant to the prospective financial information are described in Section C below.

### B. Significant accounting policies

The Forecast Financial Information shows the projected financial performance and position of The Convenience Shop (Holding) plc (the “Company” or “TCSH p.l.c.”) in accordance with International Financial Reporting Standards as adopted by the European Union (“EU-IFRS”) except that, due to the nature of Forecast Financial Information:

- The Forecast Financial Information does not include all the disclosure requirements under EU-IFRS and other laws or securities regulations, including but not limited to the Maltese Companies Act (Cap. 386);
- Do not necessarily present line items (including totals and sub-totals) and the classification thereof in the forecast financial performance and financial position in accordance with EU-IFRS;
- The forecast was prepared under the assumption that the recognition criteria for FY 2026 is the same as the prior actual year (FY 2025); and

### C. Basis of preparation and significant assumptions

The principal assumptions relating to the environment in which the Company operates, and the factors which are exclusively outside the influence of the Directors, and which underlie the forecast financial statements, are the following:

- The Company will continue to enjoy the confidence of its customers, and bankers throughout the year under consideration;
- There will be no material adverse movements originating from market and economic conditions affecting the fast-moving consumer goods (FMCG) market in Malta, consumer spending levels, employment and job growth, amongst others;
- The rate of inflation will be in line with historic trends; and
- The Company will enjoy good relations with its employees throughout the year under consideration.

Other principal assumptions relating to the environment in which the Company operates, factors which the Directors can influence and which underlie the forecast financial information, are the following:

#### 1. Revenue

In 2026, Group store revenue is expected to grow by 10.1% or € 5 million over the previous year as a result of an increase in own store revenue and new shop openings.

## SUMMARY OF SIGNIFICANT ASSUMPTIONS AND ACCOUNTING POLICIES – continued

### C. Basis of preparation and significant assumptions – continued

#### 2. Cost of sales

Cost of sales is projected as the difference between revenue and gross profit. Cost of Sales includes, cost of goods sold, labour cost and depreciation charges. Depreciation is calculated on a straight-line basis to write off the cost of each asset to its residual value over its estimated useful life as follows:

- Plant and Machinery over 10 years
- Furniture and Fixtures over 10 years
- Office Equipment over 5 years
- Motor Vehicles over 5 years
- IT Hardware & Software 5 years
- Tools 5 years
- Marketing Equipment 5 years

The assumptions underlying the gross profit calculation is explained in Note 3 below.

#### 3. Gross profit

Gross profit for the Group is expected to improve by 2.2% to reach 13.5% or € 7.9m.

Margins are kept constant throughout the projected year.

#### 4. Administrative expenses

Administrative expenses include mainly overheads such as advertising and promotion, repairs and maintenance, utilities, IT expenses, professional fees, CSR activities, staff costs, shop consumables and other costs. These are based on historical costs and are projected to increase by €600k in 2026 to support the business operations. Despite the increase in absolute terms, overheads are expected to remain stable at 9% of Group revenue.

#### 5. Finance charges

Finance charges include bond interest payable at an interest rate of 5%, finance costs on the lease agreements and interest payable on bank facilities.

Ending cash balances in 2025 as shown in the Cash flow is net of Bank Overdraft facility, which such facility is expected to be fully repaid during 2026.

#### 6. Taxation

Tax is calculated at 35% of adjusted taxable profit before tax, also taking into account an estimate of the deferred tax movement for the year.

During 2025, the Company benefitted from a reduced tax charge due to the recognition of a deferred tax asset of € 269k (2026: €111k), mainly arising from the Group's property leases, accounted for under IFRS 16. Furthermore, the Group is also benefiting from an Intellectual Property amortisation tax benefit of € 280k per annum between FY 2022 and FY 2026. The Group's overall effective rate of tax for 2025 was 14%, whilst in 2026 it is forecasted to be 34%.

#### 7. Plant and equipment

Property, plant and equipment include plant and machinery, furniture and fittings, office equipment, IT Hardware and Software, motor vehicles, tools and marketing equipment. These are depreciated using the straight-line method as explained in Note 2, above.

#### 8. Intangibles

Intangibles include Goodwill, which relates to the goodwill recognised on the acquisition of the going concerns and the subsidiary companies during the restructuring transaction in 2018. Intangibles also include the acquisition of the Intellectual Property Rights ('The Convenience Shop' trademark) from JIN Limited in December 2020. Both Goodwill and Intellectual Property which are carried at fair value, are not expected to be impaired over the forecast year.

When key money is paid on new shops acquisitions, this is amortised over the duration of the lease period.

#### 9. Net working capital

Inventory, Trade Receivables and Trade Payables are projected as follows:

- i. Trade receivables – to grow by 5% from FY25;
- ii. Trade payables – to grow by 8% from FY25 to reflect incremental business
- iii. Inventory – taken as 45 days of stock (FY25: 54 days)

Other creditors are projected to remain stable over the projected year.

#### 10. Debt

The projected debt relates to:

- The € 5 million bond issue, net of deferred bond issue costs;
- The € 2.2 million outstanding loan balances from prior year banking facilities. This financing was mainly used to finance the new Head Office project as well as new shops openings and refurbishments in existing shops.

## SUMMARY OF SIGNIFICANT ASSUMPTIONS AND ACCOUNTING POLICIES – continued

### C. Basis of preparation and significant assumptions – continued

#### 11. Accrued interest

Accrued interest refers to accrued bond interest due on the Bond and bank facilities as at 31st December. Interest on the Bond is assumed payable annually at the end of March, whilst on the bank loans is paid in line with the agreed repayment schedules.

#### 12. Capital expenditure

Capital expenditure amounting to €1.36m, includes:

- Improvements to new and existing shops - refurbishment projects for upgrade and upkeep of shops are projected in line with the Group's shops policy standards; and
- Investments in ICT to maintain technology enhancements required by the Group.

#### 13. Dividends

The Company's Board of Directors has implemented a policy to recommend a dividend distribution of up to 55% of the recurring free cash flow on an annual basis, subject to statutory requirements and availability of profits for distribution. The first part based on the interim results is paid as an Interim dividend in the same financial year whereas the remaining part is paid the following year following the publication of the full year audited results. This Financial Sustainability Forecast includes a management estimate of the dividends payable during the year under review in line with the above Group policy.

For financial year 2025, the Company's Board of Directors is now proposing the payment of a final net dividend of €0.024 per ordinary share, for consideration at the forthcoming Annual General Meeting.

In the forecast, the company is projecting that it will be declaring and paying an interim dividend of 1c per ordinary share.

#### D. Conclusion

The Directors believe that the assumptions on which the Forecast Financial Information is based are reasonable. The Directors further believe that, in the absence of unforeseen circumstances outside their control, the working capital available to the Company will be sufficient for the carrying on of its business.

Approved by the Board of Directors on 30 April 2026.

# GROUP FORECAST STATEMENT OF COMPREHENSIVE INCOME

For the years ending 31 December

	Forecast	Audited
	Dec 2026	Dec 2025
	€ 000s	€ 000s
Revenue	58,314	52,951
Cost of Sales	(50,462)	(46,972)
<b>Gross Profit</b>	<b>7,852</b>	<b>5,979</b>
Administrative expenses	(5,193)	(4,587)
<b>Operating profit</b>	<b>2,659</b>	<b>1,392</b>
Other Income	809	863
Finance Charges	(1,303)	(1,187)
<b>Profit Before Tax</b>	<b>2,165</b>	<b>1,068</b>
Tax Charge	(740)	(151)
<b>Profit After Tax</b>	<b>1,425</b>	<b>917</b>

# GROUP FORECAST STATEMENT OF FINANCIAL POSITION

as at 31 December

	Forecast	Audited
	2026	2025
	€ 000s	€ 000s
<b>ASSETS</b>		
Property, Plant & Equipment	6,437	6,324
Intangible Assets	13,776	13,957
Right of Use Assets	14,471	15,518
Deferred Tax	700	588
<b>Total Non Current Assets</b>	<b>35,384</b>	<b>36,387</b>
Inventory	4,844	4,499
Trade Receivables	7,118	6,779
Cash & Cash Equivalents	2,244	1,468
Cash Tax Receivable	–	542
<b>Total Current Assets</b>	<b>14,206</b>	<b>13,288</b>
<b>Total Assets</b>	<b>49,590</b>	<b>49,675</b>
<b>EQUITY AND LIABILITIES</b>		
Share Capital	4,928	4,928
Share Premium	1,539	1,539
Retained Earnings	3,530	3,151
Non-Controlling Interest	(46)	(46)
<b>Total Equity</b>	<b>9,951</b>	<b>9,572</b>
<b>Non-Current Liabilities</b>		
Interest Bearing Loans and Borrowings	6,717	7,038
Lease Liability	15,606	16,415
<b>Total Non-Current Liabilities</b>	<b>22,323</b>	<b>23,453</b>
<b>Current Liabilities</b>		
Current Tax	203	–
Interest Bearing Loans and Borrowings	523	579
Bank Overdraft	–	694
Lease Liability	1,309	1,228
Trade & Other Payables	15,281	14,149
<b>Total Current Liabilities</b>	<b>17,316</b>	<b>16,650</b>
<b>Total Equity &amp; Liabilities</b>	<b>49,590</b>	<b>49,675</b>

# GROUP FORECAST STATEMENT OF CASH FLOWS

For the years ending 31 December

	Forecast	Audited
	2026	2025
	€ 000s	€ 000s
<b>Cash flows from operating activities</b>		
Receipts from customers	57,975	51,590
Payments to suppliers and employees	(51,235)	(47,960)
Other revenue	809	863
Interest paid	(141)	(142)
Proceeds from Tax Refunds	542	0
Income taxes paid	(537)	(756)
<b>Net cash flows generated from/(used in) operating activities</b>	<b>7,413</b>	<b>3,595</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(1,324)	(2,353)
Acquisition of intangible assets	(36)	(400)
<b>Net cash flows (used in)/generated from investing activities</b>	<b>(1,360)</b>	<b>(2,753)</b>
<b>Cash flows from financing activities</b>		
Proceeds from interest-bearing loans	–	1,352
Payments for interest-bearing loans	(1,070)	(308)
Payment of lease liabilities	(2,216)	(1,750)
Interest on bond	(250)	(250)
Dividends paid	(1,047)	(1,047)
<b>Net cash flows used in financing activities</b>	<b>(4,583)</b>	<b>(2,003)</b>
Net cash movement in cash and cash equivalents	<b>1,470</b>	<b>(1,161)</b>
Cash and cash equivalent at beginning of year	774	1,935
<b>Cash and cash equivalents at end of year</b>	<b>2,244</b>	<b>774</b>



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The Directors  
The Convenience Shop (Holding) plc  
8 Triq Hal Luqa  
Qormi  
QRM 9072  
Malta

Dear Sirs,

**Independent Accountant's Report on the examination of financial sustainability forecast information for The Convenience Shop (Holding) plc**

We report on the prospective financial sustainability forecast information of The Convenience Shop (Holding) plc (the "Company") for the financial year ending 31st December 2026 (the "Prospective Financial Information") comprising the summary of Significant Assumptions and Accounting Policies set out on pages 4 and 5, and the forecast consolidated statement of comprehensive income, statement of financial position and the statement of cash flows, dated 30<sup>th</sup> April 2026. The Prospective Financial Information has been prepared by the Directors for the purpose of complying with Section 5.40.2 of the Capital Markets Rules issued by the Malta Financial Services Authority (the "MFSA").

**Directors' responsibilities for the Prospective Financial Information**

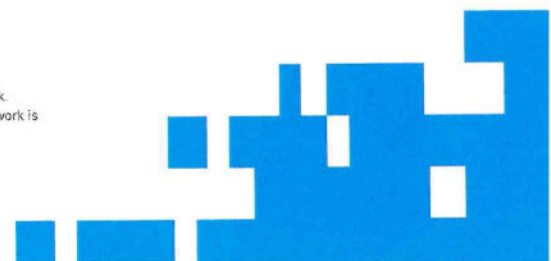
The Directors of the Company (the "Directors") are responsible for the preparation of the Prospective Financial Information, including the identification and disclosure of the assumptions on which it is based, for determining that those assumptions are reasonable for the stated purpose, and that the basis of accounting used for the Prospective Financial Information is consistent with accounting policies of the Company.

**Our independence and quality controls**

We have complied with independence and other ethical requirements of the Code of Ethics for Warrant Holders that is consistent with the International Ethics Standard Board for Accountants Code of Ethics for Professional Accountants, which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. Our firm applies the International Standard on Quality Management 1, and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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RSM Malta is a member of the RSM network and trades as RSM. RSM is a trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.



### **Accountant's responsibility**

We have been appointed to form an opinion as to whether the Prospective Financial Information has been properly compiled on the basis stated and that basis of accounting used is consistent with the accounting policies of the Company and to report that opinion to you.

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 our statement, required by and given solely for the purposes of complying with the Capital Markets Rules.

### **Basis of Preparation**

The Prospective Financial Information has been prepared on the basis stated in the Summary of Significant Assumptions and Accounting Policies set out on pages 4 and 5 of the Prospective Financial Information for the forecast period ending 31<sup>st</sup> December 2026.

### **Basis for Opinion**

We have examined the compilation and the accounting policies used in the Prospective Financial Information of the Company for the year ending 31<sup>st</sup> December 2026 in accordance with International Standard on Assurance Engagements 3400 – the examination of prospective financial information ("ISAE 3400"). Our work included evaluating the basis on which the Prospective Financial Information was prepared and assessing whether such information was accurately compiled in accordance with the Company's disclosed assumptions and accounting policies.

Management is responsible for the Prospective Financial Information including the assumptions set out in pages 4 and 5 on which it is based.

We planned and performed our work so as to obtain the information and explanations we considered necessary to provide reasonable assurance that the Prospective Financial Information was properly compiled on the stated basis, insofar as the underlying accounting policies and the accuracy of the calculations are concerned.

The Prospective 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 prospective financial performance and position of the Company in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU. Accordingly, we do not give an opinion as to whether the Prospective Financial Information has been properly prepared in accordance with IFRS as adopted by the EU.

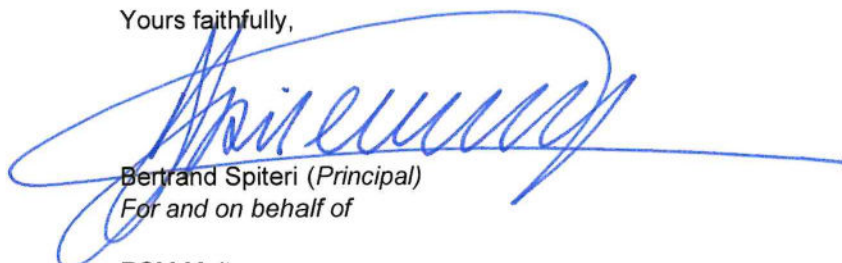
The Prospective Financial Information is inherently uncertain and therefore our examination does not provide assurance as to the achievability of the financial performance and position set out in the Prospective Financial Information. The actual results may differ from the Prospective Financial Information, and such differences may be material.

Based on our examination of the evidence supporting the assumptions underlying the Prospective Financial Information, nothing has come to our attention which causes us to believe that these assumptions do not provide a reasonable basis for the Prospective Financial Information.

## Opinion

In our opinion the Prospective Financial Information has been properly prepared on the basis of the assumptions set out in the summary of significant assumptions and accounting policies set out on pages 4 and 5 of the Prospective Financial Information issued by the Company on 30<sup>th</sup> April 2026.

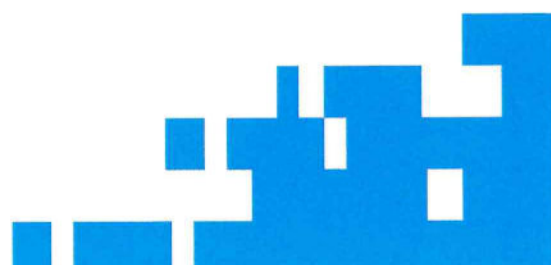
Yours faithfully,

A large, stylized handwritten signature in blue ink, written over the text "Yours faithfully," and extending across the line.

Bertrand Spiteri (*Principal*)  
For and on behalf of

RSM Malta  
Registered Auditors

30<sup>th</sup> April 2026





**my.mt**



**The Convenience Shop (Holding) plc**

**Registered office**

8, TCS Building, Triq Fal Luqa, Qormi, QRM 9072, Malta

hello@my.mt

Company Registration Number: C 87554