



# THE CONVENIENCE SHOP (HOLDING) PLC

## C 87554

Marant Food Products, Mdina Road,  
Zebbug, ZBG 9017, Malta  
(the “Company”)

### COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by the Company on the 27<sup>th</sup> August 2020, in terms of the Prospects MTF Rules issued by the Malta Stock Exchange.

#### Quote

The Company hereby announces that during the meeting of its Board of Directors held on Thursday 27<sup>th</sup> August 2020, the Company’s half-yearly condensed interim financial statements (unaudited) for the period ending 30 June 2020 were approved. The Board also resolved to declare an interim net dividend in the sum of two hundred thousand Euro (€200,000).

The approved half yearly condensed interim financial statements (unaudited) are being made available as part of this company announcement and are also available for viewing on the Company’s website at: <https://www.theconvenienceshop.com/investor-information/>

#### Unquote

A handwritten signature in blue ink, appearing to be 'Richard Deschrijver', is written over a light blue horizontal line.

Richard Deschrijver  
Company Secretary

27<sup>th</sup> August 2020

The Convenience Shop (Holding) plc  
Condensed Interim Financial Statements (unaudited)  
For the period 1 January 2020 to 30 June 2020

Company Registration Number: C 87554

## Table of Contents

Interim Directors' Report .....	3
Condensed Consolidated Income Statement.....	6
Condensed Consolidated Statement of Financial Position .....	7
Condensed Consolidated Statement of Changes in Equity.....	8
Condensed Consolidated Statement of Cash Flows.....	10
Notes to the Condensed Interim Consolidated Financial Statements .....	11
Directors' Confirmations .....	25

## Interim Directors' Report

This Half-Yearly Report is being published in terms of the Prospectus MTF 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 2020 to 30 June 2020 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'). This Half-Yearly report has not been audited or reviewed by the Company's auditors.

The Directors who served during the period and up till the date of this report are as follows:

Benjamin Muscat  
Ivan Calleja  
Kevin Deguara  
Joseph Pace  
Manuel Piscopo  
Charles Scerri

The directors present the unaudited 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.

### 1. Business Overview/Directors Report

The Convenience Group (the "Group") is composed of The Convenience Shop Holding plc. ("the Company" or "the Parent Company") and of the following entities as detailed below.

1. The Convenience Shop Limited (C 87556)
2. Daily Retail Challenges Ltd. (C79662)
3. Aynic & Co. Ltd. (C74750)
4. Seafront Express Ltd. (C73435)
5. Gbake Manufacturing Limited (C60422)
6. Gbake Retail Limited (C60421)
7. The Convenience Shop Management Limited (C87711)
8. Puttinu Cares (C90748)

These condensed interim financial statements cover the period between 1 January 2020 and 30 June 2020.

The distinct strategies of our 'Owned' businesses – meaning those which we maintain full control over their operations and profits and 'Franchise' businesses – meaning those operating independently under the franchise terms and using the Company's brand name - have been successful in driving profit growth and creating shareholder value, underpinned by our disciplined approach to cash generation and capital allocation.

### 2. Financial Performance

During the first six months of 2020 we experienced a roller coaster effect on our business. Initially the positive spill-over effects on groceries spending brought about by the pandemic, together with the introduction of an online portal,

registered satisfactory results. However, in Q2 2020, more specifically during May and June, the Group started to experience a slight decline in revenue from stores located in tourist areas (which is reflective of the fact that the airport only re-opened its doors on 1st July 2020).

Notwithstanding, the Group has recorded a good financial performance across the board for the period ending 30 June 2020, registering a profit before tax of €584K, a turnover of €16.1m and a gross profit of €2.6m.

The results are particularly satisfactory in view of the particular situation Malta and the rest of the World has been experiencing since early 2020. Amidst these difficulties, the Group continued working on the strategy of optimising the return from our space and assets.

The difficulties experienced by all our employees in having to ensure that at all times the COVID-19 measures are adhered to, required increased dedication and hard work. Yet again, this has translated into positive results. Their professionalism and dedication continue to be crucial in maintaining The Convenience Group as one of Malta's leading retail chain. We are grateful for their constant support and valued contribution.

### 3. Financial Position

Total assets as at 30 June 2020 amounted to €28.2m.

The Group remains highly liquid with a strong generation of cash. Cash and cash equivalents as at 30 June 2020 amounted to €1.5m.

### 4. Outlook

The pandemic outbreak has changed how society views close contact. Management believes that the Group's business model is gradually starting to change. Post COVID-19 outbreak in Malta, the Group started noticing a decline in the number of transactions which was countered by an increase in revenue per transaction. Nonetheless, during such challenging period, the Group is seeing further opportunities for growing its retail segment.

During Q1 and Q2 2020, the Group opened three new outlets in Rabat, Bugibba and St Paul's Bay. The Group is envisaged to continue investing with the opening of three new strategic outlets in Gzira, Sliema and another outlet in the northern part of the island.

In these challenging times, apart from keeping the pursuit of the growth strategy, the Group will remain focused to keep tight control on costs and make more efficient use of its resources.

Looking ahead, while the economic environment remains uncertain, we are very confident that the Group is well positioned to generate sustainable profits for the remaining part of 2020 and beyond.

### 5. Dividends

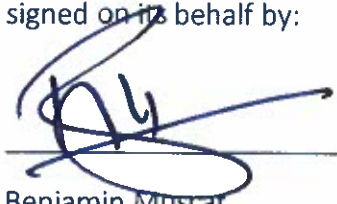
The Directors have proposed a net interim dividend of €200K.

## 6. Going Concern

In March 2020, the World Health Organisation declared the outbreak of a coronavirus (COVID-19) a pandemic. This pandemic brought about unprecedented economic difficulties and uncertainties around the globe. Most business entities are experiencing adverse operational results and liquidity strains.

Upon due consideration of the Company's profitability and statement of financial position, the Directors are confident that this pandemic will not affect any of the Company's operations and confirm the Company's ability to continue operating as a going concern for the foreseeable future.

The Directors' report was approved by the Board of Directors on 27 August 2020 and signed on its behalf by:



Benjamin Muscat

Chairman

**Registered Office**  
Marant Food Products,  
Mdina Road,  
Zebbug ZBG 9017  
Malta



Ivan Calleja

Director

## Condensed Consolidated Income Statement

	GROUP		COMPANY	
	01.01.2020 to 30.06.2020 (6 months) €'000	26.07.2018 to 30.06.2019 (11 months) €'000	01.01.2020 to 30.06.2020 (6 months) €'000	26.07.2018 to 30.06.2019 (11 months) €'000
<b>Continuing Operations:</b>				
Turnover	16,144	24,229	462	-
Cost of Sales	(13,519)	(17,870)	-	-
<b>Gross Profit</b>	<b>2,625</b>	<b>6,359</b>	<b>462</b>	<b>-</b>
Administrative Expenses	(1,487)	(4,061)	(25)	-
Amortisation of Right of Use Asset	(353)	(526)	-	-
<b>Operating Profit</b>	<b>785</b>	<b>1,772</b>	<b>437</b>	<b>-</b>
Finance Income	-	-	158	76
Finance Costs	(348)	(177)	(125)	(135)
Other Income	147	20	-	-
<b>Profit before tax</b>	<b>584</b>	<b>1,615</b>	<b>470</b>	<b>(59)</b>
Tax Expense	(250)	(567)	(165)	21
<b>Profit for the period</b>	<b>334</b>	<b>1,048</b>	<b>305</b>	<b>(38)</b>
Earnings per share (euro)	€ 6.69	€ 20.96		

## Condensed Consolidated Statement of Financial Position

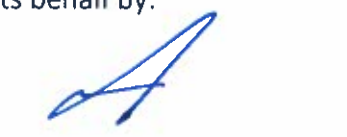
	NOTES	GROUP		COMPANY	
		30-Jun-2020	30-Jun-2019	30-Jun-2020	30-Jun-2019
		€'000	€'000	€'000	€'000
<b>ASSETS</b>					
Non-Current Assets	6	20,798	21,328	4,852	4,232
Current Assets	7	7,404	5,501	682	905
<b>Total assets</b>		<b>28,202</b>	<b>26,829</b>	<b>5,534</b>	<b>5,137</b>
<b>EQUITY AND LIABILITIES</b>					
Capital and reserves attributable to owners of the company		335	1,098	345	12
Non-Current Liabilities	8	13,505	19,787	4,744	5,000
Current Liabilities	9	14,362	5,944	445	125
<b>Total Liabilities</b>		<b>27,867</b>	<b>25,731</b>	<b>5,189</b>	<b>5,125</b>
<b>Total equity and liabilities</b>		<b>28,202</b>	<b>26,829</b>	<b>5,534</b>	<b>5,137</b>

The notes on pages 11 to 24 are an integral part of these condensed consolidated interim financial statements.

The condensed consolidated interim financial statements on pages 6 to 24 were authorised for issue by the Board on 27 August 2020 and were signed on its behalf by:



Benjamin Muscat  
Chairman



Ivan Calleja  
Director



Condensed Consolidated Statement of Changes in Equity  
For the period 1 January 2020 to 30 June 2020

	Share Capital	Retained Earnings	Total
GROUP	€'000	€'000	€'000
<b>Period ended 30 June 2020</b>			
Balance at 1 January 2020	50	650	700
<b>Comprehensive Income for the period</b>			
Profit for the period ended 30 June 2020	-	334	334
<b>Transactions with owners of the Company</b>			
Dividends	-	(700)	(700)
<b>Balance at 30 June 2020</b>	<b>50</b>	<b>285</b>	<b>335</b>
COMPANY	€'000	€'000	€'000
<b>Period ended 30 June 2020</b>			
Balance at 1 January 2020	50	690	740
<b>Comprehensive Income for the period</b>			
Profit for the period ended 30 June 2020	-	305	305
<b>Transactions with owners of the Company</b>			
Dividends	-	(700)	(700)
<b>Balance at 30 June 2020</b>	<b>50</b>	<b>295</b>	<b>345</b>

## Condensed Consolidated Statement of Changes in Equity

For the period 26 July 2018 to 30 June 2019

	Share Capital	Retained Earnings	Total
GROUP	€'000	€'000	€'000
<b>Period ended 30 June 2019</b>			
Balance at 26 July 2018	-	-	-
<b>Comprehensive Income for the period</b>			
Profit for the period ended 30 June 2019	-	1,048	1,048
<b>Transactions with owners of the Company</b>			
Issue of share capital	50	-	50
<b>Balance at 30 June 2019</b>	<b>50</b>	<b>1,048</b>	<b>1,098</b>
<b>COMPANY</b>			
	€'000	€'000	€'000
<b>Period ended 30 June 2019</b>			
Balance at 26 July 2018	-	-	-
<b>Comprehensive Income for the period</b>			
Loss for the period ended 30 June 2019	-	(38)	(38)
<b>Transactions with owners of the Company</b>			
Issue of share capital	50	-	50
<b>Balance at 30 June 2019</b>	<b>50</b>	<b>(38)</b>	<b>12</b>

## Condensed Consolidated Statement of Cash Flows

	GROUP		COMPANY	
	01.01.2020 To 30.06.2020 €'000	26.07.2018 to 30.06.2019 €'000	01.01.2020 to 30.06.2020 €'000	26.07.2018 to 30.06.2019 €'000
Net cash generated from operating activities	2,460	9,716	424	(25)
Net cash used in investing activities	(1,618)	(13,537)	-	-
Net cash (used in)/generated from financing activities	(1,179)	5,490	(909)	809
Net movement in cash and cash equivalents	(337)	1,669	(485)	784
Cash and cash equivalents at beginning of the period	1,819	-	507	-
Cash and cash equivalents at end of period	1,482	1,669	22	784

## Notes to the Condensed Interim Consolidated Financial Statements

### 1. Basis of preparation

#### a. Statement of compliance

These condensed financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting and in terms of Rule 4.11.12 of Prospects which is operated and regulated by the Malta Stock Exchange plc.

The financial information has been extracted from the Company's unaudited interim financial statements for the period ended 30 June 2020.

#### b. Basis of measurement

The financial statements have been prepared on the historical cost basis.

#### c. Functional and presentation currency

The financial statements are presented in euro (€), which is the Company's functional currency.

#### d. Going concern

In March 2020, the World Health Organisation declared the outbreak of a coronavirus (COVID-19) a pandemic. This pandemic brought about unprecedented economic difficulties and uncertainties around the globe. Most business entities are experiencing adverse operational results and liquidity strains.

The financial statements are prepared on a going concern basis, as the Directors are satisfied that the group have the resources to continue in business 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.

## Notes to the Condensed Interim Consolidated Financial Statements (continued)

### 2. Significant Accounting Policies

The accounting policies applied in these condensed interim consolidated financial statements are in accordance with International Financial Reporting Standards as adopted by the EU and the provisions of the Maltese Companies Act, 1995.

#### a. Consolidation

##### Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. The Group also assesses existence of control where it does not have more than 50% of the voting power but is able to govern the financial and operating policies by virtue of de-facto control. De-facto control may arise in circumstances where, for instance the size of the Group's voting rights relative to the size and dispersion of holdings of other shareholders give the Group the power to govern the financial and operating policies. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired, and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interests in the acquiree either at fair value or at the non-controlling interests' proportionate share of the acquiree's net assets.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred, the amount of any non-controlling interests in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired. If this aggregate is less than the fair value of the identifiable net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

## Notes to the Condensed Interim Consolidated Financial Statements (continued)

### 2. Significant Accounting Policies (continued)

#### a. Consolidation (continued)

##### Subsidiaries (continued)

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the Company's separate financial statements, investments in subsidiaries are accounted for by the cost method of accounting, i.e. at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes directly attributable costs of acquiring the investment. Provisions are recorded where, in the opinion of the Directors, there is impairment in value. Where there has been impairment in the value of an investment, it is recognised as an expense in the period in which the diminution is identified.

The results of subsidiaries are reflected in the Company's separate financial statements only to the extent of dividends receivable. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit or loss. Loans for which settlement is neither planned nor likely to occur in the foreseeable future are, in substance, an extension of the Company's investment in that subsidiary.

#### b. Financial instruments

##### i. Recognition and de-recognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

## Notes to the Condensed Interim Consolidated Financial Statements (continued)

### 2. Significant Accounting Policies (continued)

#### b. Financial instruments (continued)

##### ii. Financial assets

###### *Classification and initial measurement of financial assets*

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Financial assets carried at fair value through profit or loss are initially recognised at fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

The classification is determined by both:

- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs or finance income, except for impairment of trade receivables which is presented within administrative expenses.

## Notes to the Condensed Interim Consolidated Financial Statements (continued)

### 2. Significant Accounting Policies (continued)

#### b. Financial instruments (continued)

##### ii. Financial assets (continued)

###### *Subsequent measurement of financial assets*

###### *Financial assets at amortised cost*

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method.

Discounting is omitted where the effect of discounting is immaterial. The company's loan receivable, and cash and cash equivalents fall into this category of financial instruments.



## Notes to the Condensed Interim Consolidated Financial Statements (continued)

### 2. Significant Accounting Policies (continued)

#### b. Financial instruments (continued)

##### ii. Financial assets (continued)

###### *Impairment of financial assets*

IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. This replaces IAS 39's 'incurred loss model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under IFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

Recognition of credit losses is no longer dependent on the company first identifying a credit loss event. Instead, the company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

## Notes to the Condensed Interim Consolidated Financial Statements (continued)

### 2. Significant Accounting Policies (continued)

#### b. Financial instruments (continued)

##### iii. Financial liabilities

As the accounting for financial liabilities remains largely the same under IFRS 9 compared to IAS 39, the company's financial liabilities were not impacted by the adoption of IFRS 9. However, for completeness, the accounting policy is disclosed below.

The company's financial liabilities include debt securities in issue and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the company designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

#### c. Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term investments that are held to meet short-term cash commitments rather than for investment or other purposes. Bank overdrafts, which are repayable on demand and form an integral part of the Company's cash and management, are a component of cash and cash equivalents.

## Notes to the Condensed Interim Consolidated Financial Statements (continued)

### 2. Significant Accounting Policies (continued)

#### d. Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that the tax arises from a transaction or event which is recognised directly in equity, in which case it is recognised in equity.

Current tax is based on the taxable profit for the year, as determined in accordance with tax laws, and measured using tax rates, which have been enacted or substantively enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to the investment in subsidiary to the extent that the Company is able to control the timing of the reversal of temporary differences and it is probable that those temporary differences will not reverse in the foreseeable future. Deferred tax assets for the carry forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

#### e. Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to issue of ordinary shares are recognised as a deduction from equity.

Retained earnings include current and prior period results.

Dividend distributions payable to equity shareholders are included with short term financial liabilities in the statement of financial position when the dividends are approved in general meeting prior to the end of the reporting year.

## Notes to the Condensed Interim Consolidated Financial Statements (continued)

### 2. Significant Accounting Policies (continued)

#### f. Revenue

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and provision of back office services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax or other sales taxes, returns, rebates and discounts and after eliminating sales within the Group.

Revenue is recognised as follows:

##### (a) Sales of goods – wholesale

Sales of goods are recognised when an entity has delivered products to the customer, the customer has accepted the products and collectability of the related trade and other receivables is reasonably assured. Delivery does not occur until the risks of obsolescence and loss have been transferred to the customer.

##### (b) Sales of goods – retail

Sales of goods are recognised when an entity sells a product to the customer. Retail sales are usually in cash or by credit card. The recorded revenue includes credit card fees payable for the transaction.

##### (c) Provision of back office services

Provision of back office services are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

## Notes to the Condensed Interim Consolidated Financial Statements (continued)

### 3. Use of judgements and estimates

The preparation of the condensed interim consolidated financial statements in conformity with International Financial Reporting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

In preparing these interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In the opinion of the directors, the accounting estimates and judgements made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their description as critical.

### 4. Standards effective during the period

There were no new standards or amendments to standards that had an effect on these interim condensed consolidated financial statements.

## Notes to the Condensed Interim Consolidated Financial Statements (continued)

### 5. Earnings Per Share

Earnings per share (EPS) is calculated as the Group/Company's profit after tax attributable to the ordinary shares of the Group divided by the weighted average number of ordinary shares in issue during the period.

### 6. Non-Current Assets

	GROUP		COMPANY	
	30-Jun-2020 (unaudited)	30-Jun-2019 (unaudited)	30-Jun-2020 (unaudited)	30-Jun-2019 (unaudited)
	€'000	€'000	€'000	€'000
Property, Plant and Equipment	3,389	3,285	0	-
Financial Asset		184	0	184
Intangible Asset	9,192	9,554	0	-
Trade and Other Receivables	-	-	4,629	4,048
Other Assets	8,218	8,305	223	-
<b>Total non-current assets</b>	<b>20,798</b>	<b>21,328</b>	<b>4,852</b>	<b>4,232</b>

The amount of intangible asset of €9.2m (2019 - €9.6m) comprises goodwill arising on the premium paid to minorities on the transfer of the going concern businesses, from the old structure of companies to the new Group. This was recognised as goodwill representing the excess of the aggregate of the consideration transferred, the amount of any non-controlling interests in the acquirees and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired.

### 7. Current Assets

	GROUP		COMPANY	
	30-Jun-2020 (unaudited)	30-Jun-2019 (unaudited)	30-Jun-2020 (unaudited)	30-Jun-2019 (unaudited)
	€'000	€'000	€'000	€'000
Inventories	2,390	1,516	-	-
Trade and Other Receivables	3,532	2,084	660	76
Current Tax Assets	-	232	-	45
Cash and Cash Equivalents	1,482	1,669	22	784
<b>Total current assets</b>	<b>7,404</b>	<b>5,501</b>	<b>682</b>	<b>905</b>

Notes to the Condensed Interim Consolidated Financial Statements (continued)

8. Non-Current Liabilities

	GROUP		COMPANY	
	30-Jun-2020 (unaudited)	30-Jun-2019 (unaudited)	30-Jun-2020 (unaudited)	30-Jun-2019 (unaudited)
	€'000	€'000	€'000	€'000
Trade and other payables	-	6,495	-	-
Borrowings	5,450	5,666	4,744	5,000
Other Liabilities	8,055	7,626	-	-
<b>Total non-current liabilities</b>	<b>13,505</b>	<b>19,787</b>	<b>4,744</b>	<b>5,000</b>

9. Current Liabilities

	GROUP		COMPANY	
	30-Jun-2020 (unaudited)	30-Jun-2019 (unaudited)	30-Jun-2020 (unaudited)	30-Jun-2019 (unaudited)
	€'000	€'000	€'000	€'000
Trade and other payables	8,660	4,599	353	125
Current tax liabilities	1,228	667	22	-
Other Liabilities	4,474	678	70	-
<b>Total current liabilities</b>	<b>14,362</b>	<b>5,944</b>	<b>445</b>	<b>125</b>

Other Liabilities include an amount of €2.23 million representing loans due to shareholders which is earmarked for capitalisation in the second half of 2020.

## Notes to the Condensed Interim Consolidated Financial Statements (continued)

### 10. Segmental Information

The Group's operations consist of the following business segments:

Retail - including all retail outlets;

Wholesale – including the bakery operations and sales to third party entities; and

Other – including the provision of back office services.



Notes to the Condensed Interim Consolidated Financial Statements (continued)

1.1. Segmental Information (continued)

The Groups business segments operate in the local market. An analysis by segment of the group's turnover and profitability is set out below:

	Retail		Wholesale		Other		Total	
	01.01.2020 to 30.06.2020 (unaudited) €'000	26.07.2018 to 30.06.2019 (unaudited) €'000	01.01.2020 to 30.06.2020 (unaudited) €'000	26.07.2018 to 30.06.2019 (unaudited) €'000	01.01.2020 to 30.06.2020 (unaudited) €'000	26.07.2018 to 30.06.2019 (unaudited) €'000	01.01.2020 to 30.06.2020 (unaudited) €'000	26.07.2018 to 30.06.2019 (unaudited) €'000
Revenue	15,268	21,683	27	936	1,889	2,769	17,184	25,388
Cost of Sales	(12,860)	(16,304)	-	(747)	(732)	(1,362)	(13,592)	(18,413)
Gross Profit	2,408	5,379	27	189	1,157	1,407	3,592	6,975
Inter-segment transactions	(389)	387	-	(387)	(578)	(616)	(967)	(616)
Segment results	2,019	5,766	27	(198)	579	791	2,625	6,359
Administrative Expenses							(1,487)	(4,061)
Amortisation of Right of Use Asset							(353)	(526)
Operating Profit							785	1,772
Finance Costs							(348)	(177)
Other Income							147	20
Profit before tax							584	1,615
Tax Expense							(250)	(567)
Profit for the period							334	1,048

## Directors' Confirmations

We confirm to the best of my 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 2020, 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 (International Accounting Standards 34, 'Interim Financial Reporting');
- the Interim Directors' Report includes a fair review of the information required in terms of the Prospects MTF Rules.



Benjamin Muscat  
Chairman



Ivan Calleja  
Director