

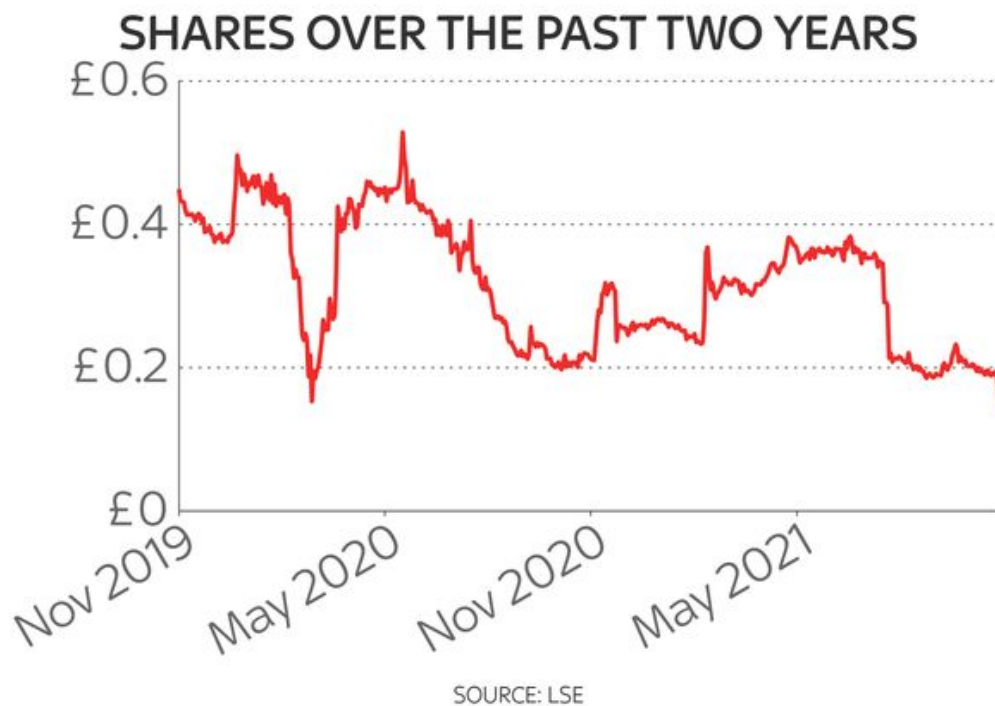
McColl's shares fall by a third as retailer warns on product availability

McColl's, the convenience store chain, has seen its shares plunge by up to a third to hit record lows after it warned that weak product availability would hit annual profits.

The company, which has a network of 1,265 convenience stores and news agents across Britain, said a shortage of lorry drivers and insufficient supply of key products intensified in the final quarter of its financial year.

It did not provide any figures on the extent of the fall in sales expectations except to say it would be "significantly lower" but forecast that adjusted pre-tax profit expectations for the year to the end of November would now come in the range of £20m to £22m. That compared to a previous forecast of £27m.

Shares fell by up to 33% in early deals and were later trading 25% down.



The company told investors it was working with its wholesale partner, Morrisons, to restore product availability and it was easily on track to convert 350 stores to their Morrisons Daily format by this time next year.

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Chief executive Jonathan Miller said: "It is disappointing to see supply chain issues worsen through the second half, but external factors have not eased, and continue to impact much of the UK economy.

"We are working collaboratively with our wholesale partner Morrisons to restore in-store product availability as quickly as possible."

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“Despite these supply chain issues, I am delighted by the step change we are witnessing in store performance from our Morrisons Daily conversions.”

Retailers globally are grappling with tighter labour markets and stagnant supply chains as economies reopen from pandemic curbs, while Britain is also coping with a shortage of workers from the European Union due to Brexit.