Calamatta Cuschieri

The Directors
Tum Finance p.l.c.
Tum Invest Head Office
Zentrum Business Centre
Mdina Road
Qormi QRM 9010
Malta

Re: Financial Analysis Summary – 2023

26 June 2023

Dear Board Members,

In accordance with your instructions, and in line with the requirements of the MFSA Listing Policies, we have compiled the Financial Analysis Summary (the "**Analysis**") set out on the following pages and which is being forwarded to you together with this letter.

The purpose of the financial analysis is that of summarising key financial data appertaining to Tum Finance plc (the "**Issuer**") and Easysell Ltd (the "**Guarantor**"). The data is derived from various sources, including the prospectus dated 3 June 2019 published by the Issuer (the "**Prospectus**"), or is based on our own computations as follows:

a) Historical financial data for the three years ending 31 December 2020, 2021 and 2022 have been extracted from the audited financial statements of the Issuer and the Guarantor.

b) The forecast data for the financial year ending 31 December 2023 has been provided by management.

c) Our commentary on the Issuer and Guarantor's results and financial position is based on the explanations provided by management.

d) The ratios quoted in the Analysis have been computed by us applying the definitions set out in Part 4 of the Analysis.

e) The principal relevant market players listed in Part 3 of the document have been identified by management. Relevant financial data in respect of competitors has been extracted from public sources such as the web sites of the companies concerned or financial statements filed with the Registrar of Companies.

The Analysis is meant to assist investors in the Issuer's securities and potential investors by summarising the more important financial data of the Group. The Analysis does not contain all data that is relevant to investors or potential investors. The Analysis does not constitute an endorsement by our firm of any securities of the Issuer and should not be interpreted as a recommendation to invest in any of the Issuer's securities. We shall not accept any liability for any loss or damage arising out of the use of the Analysis. As with all investments, potential investors are encouraged to seek professional advice before investing in the Issuer's securities.

Yours sincerely,

Patrick Mangion
Head of Capital Markets

FINANCIAL ANALYSIS SUMMARY 2023

Tum Finance p.l.c.

Tum Finance p.l.c.

26 June 2023

Prepared by Calamatta Cuschieri Investment Services Limited

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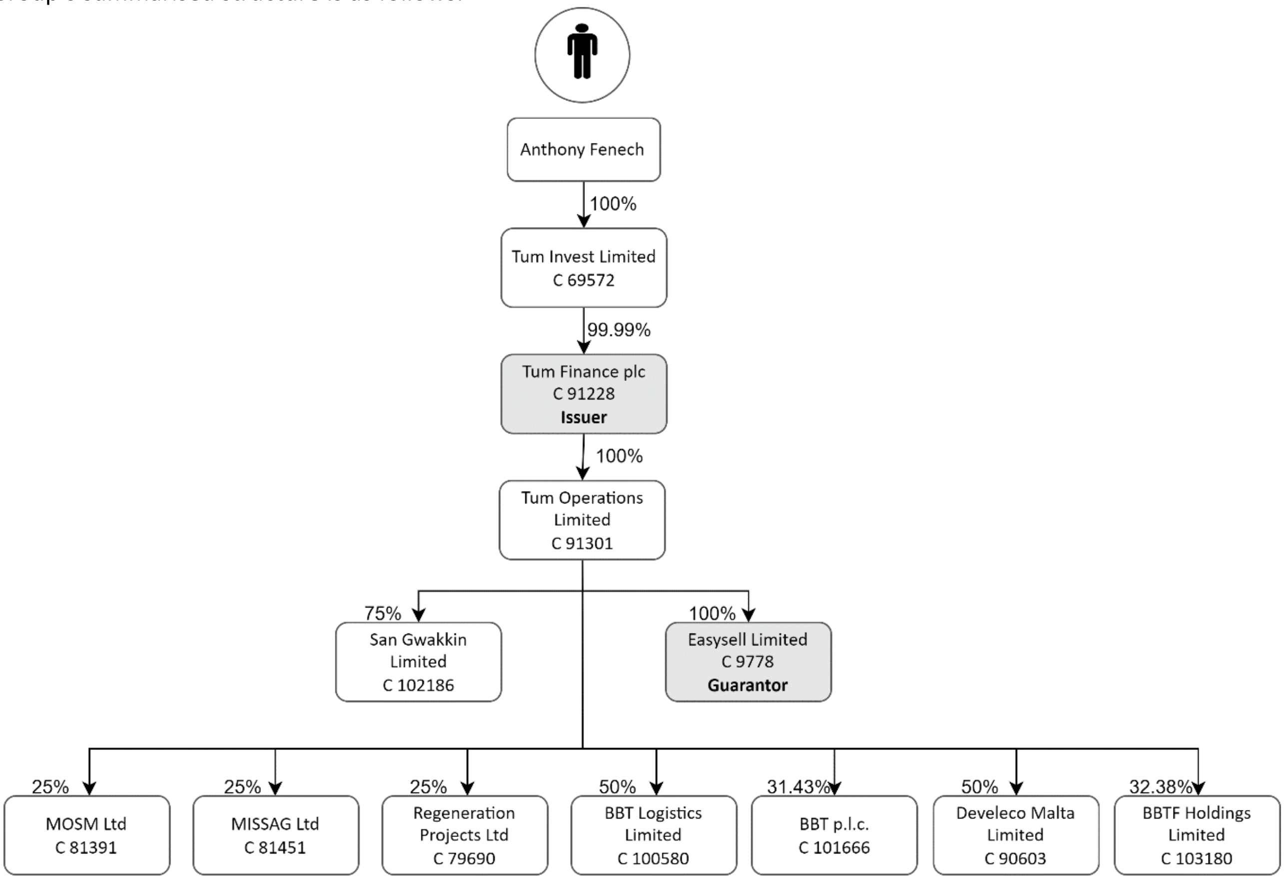
Part 1 - Information about the Group

1.1 Issuer's Key Activities and Structure

The Group's summarised structure is as follows:



The "**Group**" of companies consists of Tum Finance plc ("**TFP**" or the "**Issuer**"), being the Issuer acting as the finance and holding company of the Group, Tum Operations Limited ("**TOL**") and its subsidiaries and associates. The subsidiaries of TOL are Easysell Limited ("**ESL**") being the Guarantor of the outstanding bonds of the Issuer, and the recently incorporated San Gwakkin Limited ("**SGL**"). The objective of the Group is to manage investment property held for rental income, in addition to acquiring and developing new properties to enhance the Group's existing revenues.

The Issuer was incorporated on 26 March 2019 and registered under Maltese law as a public limited company with its registered office at Tum Invest Head Office, Zentrum Business Centre, Mdina Road, Qormi and with company registration number C 91228. The Issuer is, except for two ordinary shares held by Anthony Fenech, a wholly owned subsidiary of Tum Invest Limited. The Issuer, which was set up and established to act as a finance vehicle, has an authorised share capital of €20,000,000 divided into 20,000,000 shares of one Euro (€1) each. The issued share capital is of €17,693,000 divided into 17,693,000 shares of one Euro (€1) each, all fully paid up.

The Guarantor was incorporated on 5 July 1988 and registered under Maltese law as a private limited liability company with the same registered office as the Issuer and company registration number C 9778. The Guarantor is a wholly owned subsidiary of TOL. The authorised and issued share capital of the Guarantor is €1,164,686.50 divided into 500,000 ordinary shares of €2.329373 each, all fully paid up. The principal objective of the Guarantor is to acquire, develop and manage property primarily for commercial purposes.

Tum Operations Limited, a wholly owned subsidiary of the Issuer, is a private limited liability company registered under the laws of Malta on 1 April 2019 with the same registered office as the Issuer and company registration number C 91301. TOL has an authorised share capital of €12,000,000 divided into 2,000,000 ordinary shares and 10,000,000 redeemable preference shares of €1 each. The issued share capital of TOL is of €6,351,200 divided into 1,200 ordinary shares of one Euro (€1) each and 6,350,000 redeemable preference shares of one Euro (€1) each, all fully paid up.

Detail on San Gwakkin Limited and the associates of TOL can be found in section 1.4 of the Analysis.

Up until June 2023, TOL owned 75% shareholding in Center Parc Holdings Ltd. The transaction relating to this is explained in section 1.4.

1.2 Directors and Key Employees

Board of Directors - Issuer

As at the date of this Analysis, the following persons constitute the board of directors of the Issuer:

Name	Designation
Mr Anthony Fenech	Chairman and executive director
Mr Silvan Fenech	Executive director
Mr Matthew Fenech	Executive director
Dr Stanley Portelli	Independent non-executive director
Mr Mario Vella	Independent non-executive director
Mr William Wait	Independent non-executive director

The business address of all of the directors of the Issuer is the registered office of the Issuer. Dr Malcolm Falzon is the company secretary of the Issuer.

The board of the Issuer is composed of six directors who are responsible for its overall direction and management. The three executive directors are entrusted with the Issuer's day-to-day management whereas the three non-executive directors, all of whom are independent of the Issuer, provide direction and strategy, monitoring and supervision of company performance while ensuring that controls and risk management systems are adequately in place. The Issuer does not have any employees of its own and, thus, the day-to-day business of the Issuer has been delegated to Tum Invest Limited (the "**Parent**") and its employees.

Board of Directors - Guarantor

As at the date of this Analysis, the following persons constitute the board of directors of the Guarantor:

Name	Designation
Mr Anthony Fenech	Chairman and executive director
Mr Silvan Fenech	Executive director
Mr Matthew Fenech	Executive director

The business address of all of the directors of the Guarantor is the registered office of the Issuer. Mr Matthew Fenech is the company secretary of the Guarantor.

The board of the Guarantor is composed of three directors, three of which also sit on the board of the Issuer. Management confirmed that the Guarantor had three (3) employees on its payroll during 2022 (2021: 2), and that the day-to-day business was still being handled by the delegated employees of the Parent.

1.3 Major Assets owned by the Group

Zentrum Business Centre

The Group, through the Guarantor, owns Zentrum Business Centre situated at Mdina Road, Qormi. Prior to the 2019 bond issue of the Issuer (the "**Bond Issue**"), this property consisted of an underground level, a showroom at ground level, and offices on level 1.

Following refurbishment in 2019, this property was developed and now includes another building comprising of six basement levels, a showroom at ground level, and offices on levels 1 and 2. The development of the said property was completed during Q3 2019. The leasable area of the entire property amounts to 16,173m^2 and 156 car spaces occupied by the tenants and another 6 spaces for the Parent against no rent.

The property is currently fully occupied. Amongst the tenants, Motors Inc. Limited currently leases two showrooms within a total of six floors in Zentrum Business Centre.

A showroom on the ground floor of Zentrum Business Centre, along with a number of small offices on level 1 of the first building underwent refurbishment which was finalised during 2022.

Other Assets

The Guarantor also owns land adjacent to the Zentrum Business Centre. This land is accessible from Sqaq ta' Barnaw, Qormi, measuring approximately 1,634m^2. The Guarantor also owns a field measuring approximately 2,069m^2, accessible from the same Sqaq ta' Barnaw.

Furthermore, the Guarantor owns property at 66, Saint Rita Street, Sliema. This property consists of a two-bedroom townhouse purchased in 1999. It has a footprint of approximately 100m^2 across two floors. Management confirmed that this property is currently rented out to third parties.

Furthermore, the Group has assets in the form of shareholding in associates as explained in section 1.4 below.

1.4 Operational Developments

New Associates and Joint Venture

During 2023, the Group effected a transaction which is viewed by the Issuer as an opportunity for the Group to diversify its property exposure across a more diverse portfolio, while also investing in a platform to pursue further growth opportunities in the commercial property rental market.

As per company announcement TMF24 published by the Issuer on 7 June 2023, the Group exchanged its shareholding in Center Parc Holdings Ltd for a shareholding in BBT p.l.c. (C 101666), a joint venture incorporated by Tum Operations Limited, BT Group Limited (C 101263), Burmarrad Group Limited (C 86804), V&C Investments Limited (C 82808), and V&C Developments Limited (C 26541). Each of the aforementioned entities' shareholding in BBT p.l.c. was dependent on the fair market value of the assets less liabilities of the companies and/or properties transferred to it.

In the case of Tum Operations Limited, it transferred Center Parc Holdings Ltd, which included liabilities of €13,000,000, €6,000,000 of which were since settled by BBT p.l.c. The remaining €7,000,000 were set-off by BBT p.l.c. by increasing the shareholding of Tum Operations Limited.

Center Parc Holdings Ltd was the holder of the property being the Center Parc Retail Hub, a major retail destination in Qormi, which is undergoing a major expansion in retail floor area. Up to 7 June 2023, this asset was part of the Group's investment property.

In order to accommodate the above investment in the joint venture the Group undertook a restructuring exercise which resulted in the Group expanding through the setting up of a new subsidiary and also a number of investments in associated undertakings. In preparation for the transaction, which occurred on 7 June 2023, the Group had established a new Group structure, as reported in its annual audited financial statements published on 27 April 2023, with the following new associated holdings:

- MOSM Ltd
- Missag Ltd
- Regeneration Projects Ltd
- BBT Logistics Limited
- BBT plc
- BBTF Holdings Limited
- Develeco Malta Limited

It is expected that the group undergoes further restructuring to streamline its structure in the near future.

San Gwakkin Limited

Separate to the above-mentioned transactions, the Group (through Tum Operations Limited) entered into a joint venture and incorporated San Gwakkin Limited. The company was incorporated for the purpose of acquiring, developing and subsequently renting out commercial property in the Central Business District. TOL owns 75% of San Gwakkin Limited, while the other 25% shareholding is owned by a third party separate from the Group.

Part 2 - Historical Performance and Forecasts

The Guarantor's historical financial information for the three years ending 31 December 2020, 2021 and 2022, as set out in the audited financial statements of the Guarantor may be found in section 2.1 to 2.3 of this Analysis. These sections also include the projected performance of the Guarantor for the period ending 31 December 2023. Moreover, the Group's historical financial information for the three years ending 31 December 2020, 2021 and 2022, together with the Group's projected performance for the period ending 31 December 2023 are set out in section 2.4 to section 2.6.

The projected financial statements detailed below relate to events in the future and are based on assumptions which the Company believes to be reasonable. Consequently, the actual outcome may be adversely affected by unforeseen situations and the variation between forecast and actual results may be material.

2.1 Guarantor's Income Statement

Income Statement for the year ended 31 December	2020A	2021A	2022A	2023F
	€000s	€000s	€000s	€000s
Rental income	1,359	1,504	1,511	1,756
Other operating income	115	128	239	156
Total revenue	**1,474**	**1,632**	**1,750**	**1,912**
Administrative expenses	(325)	(297)	(351)	(361)
EBITDA	**1,149**	**1,335**	**1,399**	**1,551**
Depreciation and amortisation	-	(15)	(25)	(95)
EBIT	**1,149**	**1,320**	**1,374**	**1,456**
Change in fair value of investment property	370	-	-	-
Finance costs	(127)	(126)	(132)	(117)
Profit / (loss) before taxation	**1,392**	**1,194**	**1,242**	**1,339**
Taxation	(505)	(304)	(344)	(379)
Profit / (loss) after taxation	**887**	**890**	**898**	**960**

The Guarantor generates revenue through rental income derived from the Zentrum Business Centre. Total revenue generated during FY22 increased by 7.2% from the previous year, to *circa* €1.75m. This increase was mainly a result of charges levied to a tenant which related to previous years and some additional charges to same related party tenants for marketing material. These charges were considered as other operating income.

Moving into FY23, the Guarantor is forecasting a higher revenue. Management confirmed that this is due to a new service charge to a tenant which, for FY23, will include the amount payable for FY23 as well as for FY22, retrospectively.

Administrative expenses incurred by the Guarantor during FY21 amounted to *circa* €0.3m. These are mostly composed of wages and salaries, social security costs, management fees, advertisement fees, audit fees and water and electricity related expenses. These were slightly higher in FY22 than what was forecast in the previous Analysis, primarily due to higher payroll costs following recruitment of new employees and higher maintenance costs. The Guarantor is expecting to incur the same level of administrative expenses for FY23.

With regards to depreciation, the Guarantor reported €25k in depreciation charges. The Guarantor is expecting a depreciation charge slightly higher going forward, with management explaining that the Guarantor has installed solar panels, costs of which will be amortised across the coming four years.

During FY22, the Guarantor's finance costs were slightly higher than previously forecast following minor increases in the interest on intercompany balances. It is expected that these will decrease in FY23, closer to FY21 levels.

The Guarantor is taxed at a final tax rate of 15% on gross rental income from third parties and at a 35% on rental income generated from related party tenants after allowing for a 20% maintenance allowance in accordance with existing tax legislation.

The Guarantor reported a profit after taxation figure amounting to €0.9m during FY22 and is projecting *circa* €1m for FY23, with the main increase being that of revenue.

2.2 Guarantor's Statement of Financial Position

Statement of Financial Position as at 31 December	2020A	2021A	2022A	2023F
	€000s	€000s	€000s	€000s
Assets				
Non-current assets				
Investment property	30,299	30,411	30,472	30,472
Property, plant and equipment	-	45	93	265
Total non-current assets	**30,299**	**30,456**	**30,565**	**30,737**
Current assets				
Trade and other receivables	195	251	133	144
Due from related parties	486	549	367	267
Cash and cash equivalents	90	197	13	417
Total current assets	**771**	**997**	**513**	**828**
Total assets	**31,070**	**31,453**	**31,078**	**31,565**
Equity and liabilities				
Capital and reserves				
Share capital	1,165	1,165	1,165	1,165
Other equity	6,300	6,300	6,300	6,300
Retained earnings	14,753	15,343	16,111	16,490
Total equity	**22,218**	**22,808**	**23,576**	**23,955**
Non-current liabilities				
Lease liabilities	192	192	192	192
Loans from related parties	3,175	3,130	2,832	2,819
Deferred tax liabilities	3,029	3,030	3,030	3,030
Total non-current liabilities	**6,396**	**6,352**	**6,054**	**6,041**
Current liabilities				
Trade and other payables	1,633	611	489	514
Due to related parties	523	1,271	542	832
Loans and borrowings	-	-	-	14
Tax payable	300	411	417	209
Total current liabilities	**2,456**	**2,293**	**1,448**	**1,569**
Total liabilities	**8,852**	**8,645**	**7,502**	**7,610**
Total equity and liabilities	**31,070**	**31,453**	**31,078**	**31,565**

Total assets as at end of FY22 mainly comprised investment property, which accounted for *circa* 98.1% of the Guarantor's total assets. This was slightly higher than the previous year due to the now completed developments to the showroom and the offices as explained in section 1.3 of the Analysis. The Guarantor expects this to remain constant by the end of FY23.

Property, plant and equipment for FY22 was also slightly higher following the previously mentioned developments.

This is expected to increase slightly by end of FY23 following the installation of solar panels as mentioned in section 2.1 above.

Current assets in FY22 comprised only 1.7% of the Guarantor's total assets. These were mainly made up of trade and other receivables and dues from related parties, both of which were less than what was forecast due to a higher level of repayments. The Guarantor does not envisage any major changes to its current assets other than the possible fluctuations on its cash and cash equivalents balance at year end.

Equity is made up of share capital, other equity and retained earnings. There was a marginal increase from €22.8m to €23.6m from FY21 to FY22 as a result of the profit reported for the year.

Non-current liabilities represented 81% of the Guarantor's total liabilities. Non-current liabilities consisted of lease liabilities, loans from related parties, and deferred tax liabilities. The current liabilities of the Guarantor are composed of trade and other payables, amounts due to related parties, and tax payable amounts. Total liabilities decreased marginally from €8.6m in FY21 to €7.5m in FY22. No material movements in any individual liability balance was noted.

Management does not expect material movement in the statement of financial position at the end of FY23.

2.3 Guarantor's Statement of Cash Flows

Cash Flow Statement for the year ended 31 December	2020A	2021A	2022A	2023F
	€000s	€000s	€000s	€000s
Cash flows from operating activities				
Profit before taxation	**1,392**	**1,194**	**1,242**	**1,339**
Adjustments for:				
Interest expense	127	126	128	117
Fair value gain on investment property	(370)	-	-	-
Depreciation	-	15	25	95
Operating profit before working capital movement	**1,149**	**1,335**	**1,395**	**1,551**
Movement in trade and other receivables	59	(55)	118	(11)
Movement in due from related parties	(304)	(63)	182	100
Movement in due to related parties	64	(1,022)	(122)	(396)
Movement in trade and other payables	810	447	(860)	25
	1,778	**642**	**713**	**1,269**
Tax paid	(96)	(194)	(338)	(587)
Net cash flows generated from / (used in) operating activities	**1,682**	**448**	**375**	**682**
Cash flows from investing activities				
Additions to investment property	(1,621)	(111)	(60)	-
Additions to property, plant and equipment	-	(59)	(73)	(267)
Net cash flows generated from / (used in) investing activities	**(1,621)**	**(170)**	**(133)**	**(267)**
Cash flows from financing activities				
Loans from related parties	(85)	(160)	(415)	-
Repayment of lease liabilities	(11)	(11)	(11)	(11)
Net cash flows generated from / (used in) financing activities	**(96)**	**(171)**	**(426)**	**(11)**
Movement in cash and cash equivalents	**(35)**	**107**	**(184)**	**404**
Cash and cash equivalents at start of year	125	90	197	13
Cash and cash equivalents at end of year	**90**	**197**	**13**	**417**

The Guarantor reported a profit before tax of *circa* €1.24m (2021: €1.19m). Net cash flows from operating activities, however, were *circa* €0.38m (2021: €0.45). This was marginally less than what was projected. Management noted that there were no material movements in cash flow in the year under review and, similarly, expects no material movements in FY23.

2.4 Group's Income Statement

Income Statement for the year ended 31 December	2020A	2021A	2022A	2023F
	€000s	€000s	€000s	€000s
Revenue	3,207	3,533	3,746	2,934
Administrative expenses	(850)	(850)	(868)	(721)
EBITDA	**2,357**	**2,683**	**2,878**	**2,213**
Depreciation and amortisation	(15)	(15)	(49)	(95)
EBIT	**2,342**	**2,668**	**2,829**	**2,118**
Fair value movement on property	4,855	-	-	-
Share of profit / (loss) in associates	-	-	(89)	-
Finance income	-	112	39	75
Finance expense	(801)	(802)	(840)	(807)
Gain on investments	-	-	-	3,072
Profit / (loss) before taxation	**6,396**	**1,978**	**1,939**	**4,458**
Taxation	(1,043)	(529)	(533)	(614)
Profit / (loss) after taxation	**5,353**	**1,449**	**1,406**	**3,844**

Ratio Analysis[1]	2020A	2021A	2022A	2023F
	€000s	€000s	€000s	€000s
Profitability				
Growth in Revenue (YoY Revenue Growth)	233.0%	10.2%	6.0%	-21.7%
EBITDA Margin (EBITDA / Revenue)	73.5%	75.9%	76.8%	75.4%
Operating (EBIT) Margin (EBIT / Revenue)	73.0%	75.5%	75.5%	72.2%
Net Margin (Profit after taxation / Revenue)	166.9%	41.0%	37.5%	131.0%
Return on Common Equity (Profit after taxation / Average Equity)	16.1%	4.0%	3.6%	9.2%
Return on Assets (Profit after taxation / Average Assets)	8.5%	2.2%	2.0%	5.3%

Consolidated revenue for FY22 amounted to *circa* €3.7m (FY21: €3.5m) and reflects revenue generated from the Group's properties, namely Zentrum Business Centre and the Center Parc Retail Hub.

The Group continued to receive rental income from the tenants occupying the aforementioned properties, with yearly contractual increases included in the tenants' respective contracts. This resulted in an approximate 6% YoY Revenue Growth and is anticipated to decrease by 21.7% for FY23 following the removal of Center Parc Holdings Ltd from the Group (transaction explained in section 1.4 of this Analysis). The aforementioned was slightly offset following increases in rent for inflationary purposes. Important to note that the FY23 forecasts take into consideration almost 6 months of income generated from the Center Parc retail hub, right before its transfer to BBT p.l.c.

Management confirmed that, up to the date of this Analysis, no tenant within the Group's properties has defaulted, and further confirmed that there is no indication of any tenant defaulting moving forward.

Administrative expenses include maintenance, utility, common area expenses and other similar expenses, whereby part of these costs are recovered through the service charge levied. These amounted to *circa* €0.9m in FY22 and are projected to decrease in line with the decrease in revenue expected following the removal of Center Parc Holdings Ltd.

Same as the previous two years, finance costs incurred during FY22 amounted to *circa* €0.8m, slightly higher than previous years due to interest incurred on a short-term loan from related party. These are to remain stable going forward.

The Group reported €39k finance income in FY22 and is expecting *circa* €75k for FY23 following a sum of money to be advanced to the Parent which will incur interest income.

[1] Ratio Analysis may not agree to prior FASs, due to a change in the calculation methodology or due to rounding differences variance

In FY23, the Group is projecting a gain on investment of *circa* €3.1m reflecting the difference between the fair value of the Center Parc asset as calculated by an independent architect for the purposes of determining the value of the joint venture transaction as explained in section 1.4, and the book value of Center Parc at the time the transaction was completed

Tax incurred by the Group during FY22 amounted to *circa* €0.5m. Similar to FY21, the resulting net profit was of €1.4m. This is expected to be substantially higher in FY23, mainly due to the gain on disposal of Center Parc Holdings Ltd, slightly offset by the decrease in revenue.

The Group's Net Margin for FY22 was 37.5%, only slightly lower than FY21 due to a few more expenses incurred throughout the year. Following the aforementioned gain on disposal, this is expected to be *circa* 131%.

2.4.1 Variance Analysis

Income Statement for the year ended 31 December	Dec-2022F	Dec-2022A	Variance
	€000s	€000s	€000s
Revenue	3,663	3,746	83
Administrative expenses	(831)	(868)	(37)
EBITDA	**2,832**	**2,878**	**46**
Depreciation and amortisation	(32)	(49)	(17)
EBIT	**2,800**	**2,829**	**29**
Share of profit / (loss) in associates	-	(89)	(89)
Finance income	112	39	(73)
Finance costs	(793)	(840)	(47)
Profit / (loss) before taxation	**2,119**	**1,939**	**(180)**
Taxation	(551)	(533)	18
Profit / (loss) after taxation	**1,568**	**1,406**	**(162)**

The Group's revenue for the year was in line with the previous forecast, that is, around €3.7m. Administrative expenses and resultant EBITDA were also in line with forecasts.

The depreciation charge of the Group was slightly higher than previously forecast, with management attributing this to minor unexpected works on Zentrum. When combining with the €83k profit variance and the €37k administrative expenses variance, the operating profit only varied by €29k when compared to the previous forecasts.

The Group reported an unexpected €89k expense during FY22, that being a share of loss on the newly-acquired associates (*vide* section 1.4 of this Analysis) as per International Accounting Standards (IAS 28).

Other variances include a reduction in finance income of €73k as a result of decreases in balances of interest bearing dues from related parties, and slightly higher finance costs following the granting of a €1.2m loan from Tum Invest Limited to Tum Operations Limited.

This marginally lower profit before tax resulted in less taxation incurred for the year.

As a result of the above, the profit for the year for FY22 was *circa* €1.4m, being €162k less than previously forecast.

2.5 Group's Statement of Financial Position

Statement of Financial Position as at 31 December	2020A	2021A	2022A	2023F
	€000s	€000s	€000s	€000s
Assets				
Non-current assets				
Investment property	64,363	64,954	65,406	37,421
Property, plant and equipment	31	73	118	265
Investment in associates	-	-	3,324	27,524
Deferred tax assets	-	-	-	7
Total non-current assets	**64,394**	**65,027**	**68,848**	**65,217**
Current assets				
Due from related parties	1,488	1,722	2,103	5,904
Trade and other receivables	351	348	283	354
Cash and cash equivalents	231	616	105	1,553
Tax recoverable	111	160	184	-
Total current assets	**2,181**	**2,846**	**2,675**	**7,811**
Total assets	**66,575**	**67,873**	**71,523**	**73,028**
Equity and liabilities				
Capital and reserves				
Share capital	17,693	17,693	17,693	17,693
Retained earnings	11,481	12,796	13,984	17,723
Capital contribution	2,456	2,456	3,916	6,547
Other reserves	543	543	543	543
Non-controlling interest	3,771	3,909	4,624	(3)
Total equity	**35,944**	**37,397**	**40,760**	**42,503**
Non-current liabilities				
Deferred tax liability	5,742	5,755	5,751	3,030
Lease liabilities	192	192	192	192
Bank loan	-	-	-	4,543
Debt securities in issue	19,575	19,616	19,658	19,705
Total non-current liabilities	**25,509**	**25,563**	**25,601**	**27,470**
Current liabilities				
Trade and other payables	2,660	1,513	1,350	602
Debt securities in issue	390	390	440	440
Dues to related parties	1,581	2,183	1,268	1,843
Loans from related parties	-	-	1,200	-
Tax payable	494	828	904	170
Total current liabilities	**5,125**	**4,914**	**5,162**	**3,055**
Total liabilities	**30,634**	**30,477**	**30,763**	**30,525**
Total equity and liabilities	**66,578**	**67,874**	**71,523**	**73,028**

Ratio Analysis[2]	2020A	2021A	2022A	2023F
	€000s	€000s	€000s	€000s
Financial Strength				
Gearing 1 (Net Debt / Net Debt and Total Equity)	37.4%	36.8%	34.5%	32.7%
Gearing 2 (Total Liabilities / Total Assets)	46.0%	44.9%	43.0%	41.8%
Gearing 3 (Net Debt / Total Equity)	59.8%	58.2%	52.6%	48.5%
Net Debt / EBITDA	9.1x	8.1x	7.5x	9.3x
Current Ratio (Current Assets / Current Liabilities)	0.4x	0.6x	0.5x	2.6x
Net Debt / Net cash from operations	7.38x	12.04x	11.01x	2.24x
Interest Coverage 1 (EBITDA / Cash interest paid)	3.1x	3.6x	4.1x	3.0x
Interest Coverage 2 (EBITDA / finance costs)	2.9x	3.3x	3.4x	2.7x

Non-current assets in FY22, mainly consisted of investment property, amount of which was in line with what was projected. Management explained that, in terms of the Group's investment property figure, the delay in the commencement of developments on the Center Parc Retail Hub were offset by the completion of the Zentrum Business Centre. Looking into FY23, the Group's investment property figure is forecast to decrease following the removal of Center Parc Holdings Ltd from the Group, as explained in section 1.4.

The Group also reported an investment in associates as at the end of FY22. Management explained that this represents the value of the portion of the Group in the new associates as explained in section 1.4.

Despite the forecasted decrease in investment property at the end of FY23, the Group will instead report *circa* €27.6m, being its investment in associates as explained in section 1.4. Said associates include BBT p.l.c., being the company owning Center Parc Holdings Ltd. By the end of FY23, the Group expects its non-current assets to be €3.6m lower than FY22.

Current assets amounted to €2.7m during FY22 and consisted of amounts due from related parties, trade and other receivables, cash and cash equivalents, and tax recoverable amounts. This was in line with the FY21 results, but lower than what was forecast. Management explained that, with regards to the dues from related parties, the amounts lent to the Parent were lower than what was expected last year, that the Group experienced a higher level of settlements from debtors, and that more cash was used throughout the year to pay off creditors and related party loans.

Moving into FY23, the Group is forecasting a loan from Tum Operations Limited to the ultimate parent and, hence, is expected to report a higher amount of current assets when compared to previous years. The Group is also expecting to have a higher amount of cash and cash equivalents by end of FY23. Further detail on said cash and cash equivalents can be found in section 2.6 below.

Total equity during FY22 amounted to *circa* €40.8m and is composed of share capital, retained earnings, capital contribution amounts, other reserves and non-controlling interest. This was higher than FY21 and higher than what was projected, with the main reasons being the capital contribution adjustments that came about following the investment in associates (as per section 1.4 of this Analysis) and an increase in non-controlling interest as a result of the consolidation process.

Management explained that the Group is expecting the capital contribution of shareholders to increase by the end of FY23, and that this will be an investment in the recently incorporated subsidiary of Tum Operations Limited – San Gwakkin Limited, in order to finance the relevant project.

Management also noted that the non-controlling interest it had over Center Parc Holdings Ltd is expected to be nil by the end of FY23, following its transfer.

Total non-current liabilities for FY22 represented 83.2% of the Group's total liabilities and amounted to €25.6m during the period, in line with previous forecasts. These are composed of deferred tax liabilities, lease liabilities and debt securities in issue. Deferred tax liabilities refer to tax liabilities recognised as a result of the revaluation of the Easysell Limited and Center Parc Holdings Ltd properties, and the debt securities in issue figure relates to the net

[2] Ratio Analysis may not agree to prior FASs, due to a change in the calculation methodology or due to rounding differences variance

proceeds of the outstanding fixed-income securities of the Issuer.

Looking into FY23, the Group is forecasting less deferred tax liabilities following the removal of Center Parc Holdings Ltd and, hence, the Center Parc property. The Group is also forecasting a loan to be taken up by San Gwakkin Limited towards the end of FY23, a subsidiary of Tum Operations Limited for investment in property in line with the main operation of the company.

Current liabilities during FY22 represented 16.8% of the Group's total liabilities and are made up of trade and other payables, debt securities in issue, debt to related parties, loans from related parties, and tax payable. Debt to related parties relate to amounts owed to Tum Invest Limited, the Group, and other related companies and are unsecured, interest free and repayable on demand. During FY22, the Group settled more payables and debts to related parties than previously projected, which was then offset by a new loan taken from Tum Invest Limited. The Group expects its payables to decrease by the end of FY23, given that it would not be accounting for the payables of Center Parc Holdings Ltd.

2.6 Group's Statement of Cash Flows

Cash Flow Statement for the year ended 31 December	2020A	2021A	2022A	2023F
	€000s	€000s	€000s	€000s
Cash flows from operating activities				
Profit before taxation	**6,396**	**1,978**	**1,939**	**4,458**
Adjustments for:				
Depreciation	15	32	49	142
Provision for doubtful debts	46	-	-	-
Finance costs	801	802	840	750
Finance income	-	(112)	(39)	-
Finance lease liability	-	-	-	11
Allowance for expected credit losses	-	-	(46)	-
Share of loss of associates	-	-	89	-
Gain on change in fair value of investment property	(4,855)	-	-	-
Gain on investments	-	-	-	(3,072)
Operating profit before working capital movement	**2,403**	**2,700**	**2,832**	**2,289**
Movement in trade and other receivables	(5)	4	111	112
Movement in dues to related parties	(221)	(122)	(1,234)	(625)
Movement in dues from related parties	71	602	1,050	8,912
Movement in trade and other payables	764	(1,147)	(327)	(748)
	3,012	**2,037**	**2,432**	**9,940**
Tax paid	(99)	(230)	(484)	(715)
Net cash flows generated from / (used in) operating activities	**2,913**	**1,807**	**1,948**	**9,225**
Cash flows from investing activities				
Purchase of property, plant and equipment	(1)	(74)	(93)	(242)
Purchase of investment property	(1,954)	(591)	(453)	(6,768)
Investment in associates	-	-	(1,200)	(7,000)
Loans advanced to related parties	-	300	-	-
Loans to parent	(1,050)	(300)	-	-
Net cash flows generated from / (used in) investing activities	**(3,005)**	**(665)**	**(1,746)**	**(14,010)**
Cash flows from financing activities				
Proceeds from incorporation of subsidiary	-	4	-	-
Equity injection	-	-	-	2,632
Bank loan	-	-	-	4,543
Repayment of lease liabilities	(11)	(11)	(11)	(11)
Finance costs	(1)	-	(3)	(182)
Bond interest paid	(750)	(750)	(699)	(750)
Net cash flows generated from / (used in) financing activities	**(762)**	**(757)**	**(713)**	**6,232**
Movement in cash and cash equivalents	**(854)**	**385**	**(511)**	**1,447**
Cash and cash equivalents at start of year	1,085	231	616	105
Cash and cash equivalents at end of year	**231**	**616**	**105**	**1,552**

Ratio Analysis[3]	2020A	2021A	2022A	2023F
	€000s	€000s	€000s	€000s
Cash Flow				
Free Cash Flow (Net cash from operations + Interest - Capex)	1,708	1,892	2,101	2,965

The Group's profit before tax for the year was *circa* €1.9m. After adjusting for non-cash items, the operating profit was *circa* €2.8m. The Group's working capital saw a number of changes, with the prominent ones being the movements to and from related parties. Management explained that a loan was granted by Tum Invest Limited to the Tum Operations Limited, increasing its dues to related parties. This was partially offset by the increase in dues from Center Parc Holdings Ltd to Tum Operations Limited, as explained previously in this Analysis. After deducting the income tax paid, the Group reported net cash flows from operating activities of *circa* €1.9m.

Moving into FY23, the Group is forecasting less operating profit when adjusting for non-cash items. The resultant net cash flows from operating activities, however, is expected to be substantially higher than FY22. The most notable movement relates to dues from related parties, being the net effect of: a) the repayment of the €12m which was due from Center Parc Holdings Ltd to TOL, which balance was transferred to BBT p.l.c. upon the joint venture transaction and settled in full, and b) amounts advanced to Tum Invest Limited.

Cash used in investing activities was higher than the previous year and higher than what was forecast for FY22. This was mainly due to the expected investment in associates (see section 1.4). Furthermore, the Group did not forecast the investment in San Gwakkin Limited which resulted in a higher investment on investment property. Management explained that the Group previously expected the granting of a loan to Tum Invest Limited, but this did not materialise.

The Group is expecting further cash outflows in FY23 for the purchase of investment property under San Gwakkin Limited. As explained previously in this Analysis, the aforementioned company was incorporated during FY22 as a joint venture between Tum Operations Limited and a third party (with Tum Operations Limited owning 75% of the shares) and will be used by the Group for acquiring, developing and subsequently renting out commercial property in the Central Business District. It is also being forecast that the Group will report an outflow of €7m in investing activities, specifically the investment in associates. Management explained that this refers to the transfer of Center Parc Holdings Ltd to BBT p.l.c., as explained in section 1.4 of this Analysis.

For the past three financial years, the Group's cash flows used in financing activities consisted of the interest on the Issuer's bonds, repayment of lease liabilities, and trivial finance costs. Looking at FY23, the Group is expecting to take out a loan under San Gwakkin Limited for the purchase of investment property (as explained earlier) which will, in turn, also increase the Group's finance costs, and is also forecasting an equity injection of *circa* €2.6m for the same reason. The Group is expecting to end FY23 with a net movement in cash and cash equivalents of *circa* €1.5m.

[3] Ratio Analysis may not agree to prior FASs, due to a change in the calculation methodology or due to rounding differences variance

Part 3 - Key Market and Competitor Data

3.1 General Market Conditions

The Group is subject to general market and economic risks that may have a significant impact on its current and future property developments and their timely completion within budget and their profitable operation. These include factors such as the health of the local property market, inflation and fluctuations in interest rates, exchange rates, property prices and rental rates. In the event that general economic conditions and property market conditions experience a downturn, which is not contemplated in the Group's planning during development, this shall have an adverse impact on the financial condition of the Group and may therefore affect the ability of the Issuer to meet its obligations under the Bonds.

3.2 Economic Update[4]

The Bank's Business Conditions Index (BCI) indicates that in April, annual growth in business activity increased, rising further above its long-term average, estimated since January 2000. The European Commission confidence surveys show that sentiment in Malta increased compared to March, and stood above its long-term average, estimated since November 2002. In month-on-month terms, sentiment increased across all sectors, bar the services sector, with the strongest increase recorded in the construction sector.

Additional survey information shows that price expectations stood firmly above their year-ago level in the construction sector, and to a lesser extent, among services firms. By contrast, price expectations in industry, the retail sector and among consumers, stood considerably lower. The European Commission's Economic Uncertainty Indicator (EUI) for Malta increased when compared with March, though it was still lower than last year's April level. Uncertainty increased mostly in industry.

In March, industrial production and retail trade grew at a slower rate compared to February. The unemployment rate stood at 2.9% in March, marginally lower than the rate of 3.0% registered in the previous month, and that registered in March 2022. Commercial building and residential permits decreased in March relative to their year-ago level. In month-on-month terms, commercial permits increased while residential permits declined. In April, the number of promise-of-sale agreements rose on a year-on-year basis, while the number of final deeds of sales fell. Meanwhile, both the number of promise-of-sale agreements and the number of final deeds of sale fell on a month-on-month terms.

The annual inflation rate based on the Harmonised Index of Consumer Prices (HICP) stood at 6.4% in April, down from 7.1% in the previous month. Inflation based on the Retail Price Index (RPI) decreased to 5.8% from 7.0% in March. Maltese residents' deposits expanded at an annual rate of 1.6% in March, following an increase of 3.6% in the previous month, while annual growth in credit to Maltese residents moderated to 5.4%, from 6.4% a month earlier. In March, the Consolidated Fund recorded a lower deficit compared to a year earlier, as higher government revenue outweighed a smaller rise in government expenditure.

3.3 Economic Outlook[5]

According to the Bank's latest forecasts, Malta's gross domestic product (GDP) growth is projected to slow down from around 7.0% in 2022, to 4.0% in 2023, and to ease slightly further to 3.8%, and 3.7%, in 2024 and 2025, respectively. When compared to the previous projections, the Bank's latest forecast for headline GDP is revised upwards throughout the projection horizon. Indeed, GDP growth was revised up by 0.3 percentage points in 2023, and by 0.2 percentage points in 2024 and 2025.

In 2023, net exports are expected to be the main contributor to GDP growth. This reflects the expected sharp slowdown in imports (goods imports specifically are set to contract after being boosted by strong investment in the aviation sector in 2022), as well as robust growth in exports. Meanwhile, domestic demand is expected to lower growth, as the base effect from the extraordinary investment in 2022 should offset positive contributions from government and private consumption. From 2024, domestic demand is expected to be the main driver of growth, as private consumption growth is expected to remain relatively robust despite relatively high inflation. Net exports are also projected to contribute positively in 2024 and 2025, due to robust services exports.

[4] Central Bank of Malta – Economic Update 5/2023

[5] Central Bank of Malta – Economic Projections 2023 – 2025

Employment growth is set to moderate to 3.6% in 2023 from 6.0% in 2022, which partly reflects the envisaged normalisation in economic activity towards potential growth. In the following two years, employment is set to expand by 2.7% and 2.4%, respectively. In view of relatively high inflation, as well as tight labour market conditions, nominal wage growth is projected to be relatively strong from a historical perspective. Compensation per employee is thus set to grow by 5.5% in 2023, 4.9% in 2024 and 3.9% in 2025, outpacing consumer price inflation during the later period of the projection horizon.

Annual inflation based on the Harmonised Index of Consumer Prices (HICP) is projected to moderate to 5.3% in 2023, as international supply bottlenecks are expected to ease further. However, lingering indirect effects from recent increases in input costs are set to keep inflation high from a historical perspective. The fall in inflation in 2023 reflects a broad-based decrease across all sub-components of HICP, except for energy inflation, as energy prices are expected to remain unchanged in view of government support measures. Services is envisaged to be the main contributor to HICP inflation, but food and non-energy industrial goods (NEIG) are also projected to contribute to annual HICP inflation in 2023.

The general government deficit is set to decline to 4.9% of GDP in 2023, from 5.8% in 2022. It is then set to continue declining over the rest of the forecast horizon, reaching 3.4% of GDP by 2025. This improvement is driven by a declining share of expenditure in GDP, mainly due to the profile of inflation-mitigation measures. The general government debt ratio is set to increase throughout the forecast horizon, and to reach 55.3% by 2025. This is driven by the expected level of primary deficits, which partly offset the debt-decreasing impact of the interest-growth differential.

On balance, risks to economic activity are tilted to the downside for 2023 and 2024 and are more balanced thereafter. The main downside risks relate to the possibility of stronger than envisaged weakness in the international economic environment, which could lead to lower exports. Foreign demand may also be weaker than expected if monetary policy in advanced economies tightens more forcibly than assumed in this projection round. GDP data for the first quarter of the year also implies some downside risks to domestic demand. On the other hand, private consumption could surprise on the upside if wage growth is higher than expected, particularly in the outer years of the projection horizon.

Risks to inflation are to the upside for the entire projection horizon. Indeed, inflation could be more persistent than assumed in the baseline projections and could continue to be affected by indirect effects from past increases in commodity prices. Moreover, second round effects from higher wages and profit margins could also prolong high inflation. Conversely, further monetary tightening and lower foreign demand could ease inflationary pressures in the medium-term.

On the fiscal side, risks are on the downside (deficit-increasing) particularly in 2023. These mainly reflect the likelihood of additional support measures towards Air Malta. Deficit-decreasing risks in the outer years of the forecast horizon mainly relate to fiscal consolidation pressures as the general escape clause in the Stability and Growth Pact is deactivated at the end of 2023.

3.4 The retail sector

Following the implementation of confinement measures by both local and international governments, retail stores had to close their doors in mid-March 2020. As the first wave of COVID-19 cases started to be controlled, retail stores were allowed to reopen in early May 2020. This enabled retailers to start crystallising some of their lost sales as consumer demand started to pick up. The recovery for certain retailers was short-lived after governments reintroduced restrictions on mass events such as prohibiting weddings, concerts, parties, and other large events.

Restrictions continued to be tightened and as from 11 March 2021, Malta re-entered in a quasi-lockdown state, which amongst other restrictions, resulted in the closure of non-essential shops, with these being allowed to re-open their respective doors in June-July 2021.

To alleviate liquidity challenges, the government of Malta launched the Malta Development Bank (MDB) COVID-19 Guarantee Scheme (CGS) for the purpose of guaranteeing new loans granted by commercial banks for working capital purposes to businesses facing liquidity shortfalls as a result of the pandemic. In terms of the number of facilities, the sector comprising wholesale and retail activities applied for the largest number of facilities and had the largest value of sanctioned loans.

Moving into 2022, the year started off strong with confidence within the local retail sector more than doubling in February 2022. Specifically, it edged up to 20.7 from 6.1 in January 2022. The following months produced some mixed results with confidence increasing to 16.6 in May before dropping to lows of -22.1 in August and closing off the year at 27.1.

According to latest data issued by the Central Bank of Malta, sentiment in the retail sector fell broadly in line with its long-term average of -0.5. It decreased sharply to -0.6 in February, from 25.4 a month earlier. In contrast to the previous month, expectations of business activity over the next three months turned slightly negative in February. At the same time, the assessment of sales in recent months almost halved, but remained positive. Furthermore, the share of retailers assessing their stock levels to be above normal increased compared with January.

From a macroeconomic perspective, despite a year of economic uncertainty and some mildly disappointing data points for February 2023, retail appears to be on an upward trajectory in the closing months of 2022 and early months of 2023, with innovation in digital technology and sustainability as the main exciting prospects in the face of the disruption brought about by the pandemic and Ukraine invasion. Unfortunately, churn is expected to remain in the short to medium term, so anticipating consumer needs has never been more imperative and critical in the retail industry.

3.5 Commercial property market

The strong economic growth sustained by the Maltese economy in recent years has contributed to a rise in the employment rate and the influx of foreign workers within the Maltese workforce. This has contributed to an increase in the demand for rental of office and commercial space in Malta. To address such growing demand, the supply of office and commercial space in Malta has considerably increased over the last couple of years. Of note, there are several traditional business areas in Malta. For instance, Sliema attracts many international brands and companies. Likewise, Valletta, being Malta's capital city, is considered as the hub for law firms and many long-established family businesses.

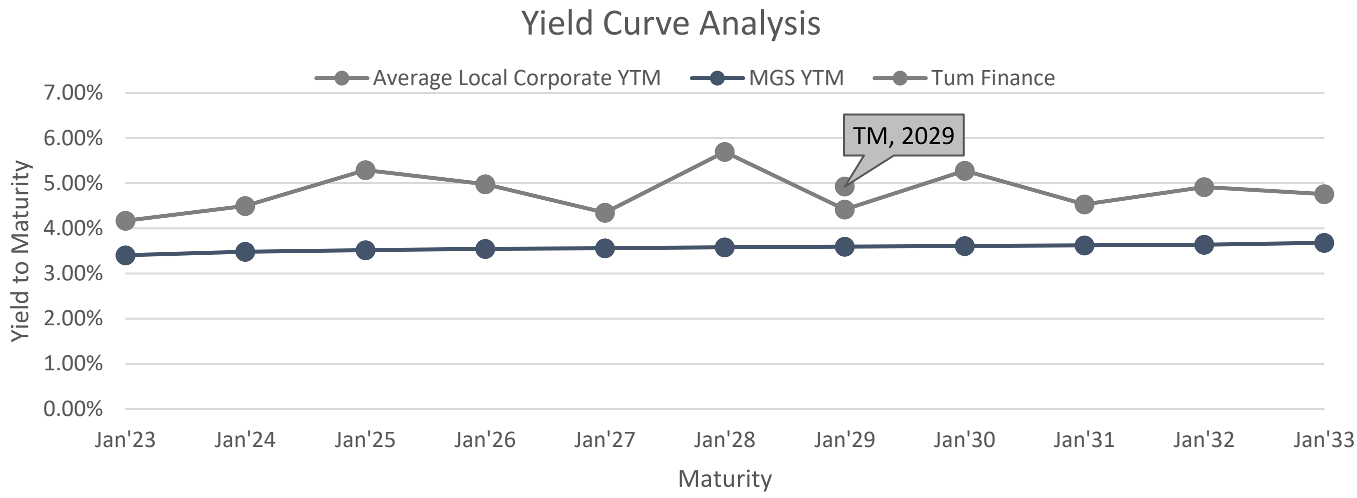
Other traditional commercial areas include the likes of St. Julian's, which is popular for its sea-view offices, and Floriana, which attracts businesses that want to be located in the vicinity of Valletta. In furtherance, there are also top-quality commercial developments within in the proximity of the airport and in other residential areas such as Naxxar, Mosta, Mellieha and in parts of the south of Malta. The variety of commercial and office space in Malta cater for every type of business, from start-ups to established global organisations. In this regard, numerous business centres have recently been developed, with new centres in the pipeline.

Data specifically related to commercial property in Malta is limited, thus making it more challenging to identify the exact state of this sector. Nevertheless, it is evident that Malta has, over recent years, completely evolved and has attracted a numerous amount of foreign companies related to sectors within the financial services, gaming and IT. It is therefore apparent that the demand for good commercial property has drastically increased, whereby Malta's property sector has been dominated by a situation of demand seemingly excessing supply. The latter has resulted into the majority of high-quality commercial developments being fully let.

In line with latest statistical data issued by Eurostat, the index reflecting office building permits within the European Union, indicated business levels similar to 2021 throughout 2022, which were still well above the depressed levels experienced in 2020. In Q1 2022 the index increased slightly to 135.7 from 134.9 in the previous quarter. The index then increased further to 138.8 in Q2 before dropping to 126.4 and 124.9 levels in Q3 and Q4 respectively.

Security	Nom Value €000's	Yield to Maturity (%)	Interest coverage (EBITDA) (times)	Total Assets (€'millions)	Total Equity (€'millions)	Total Liabilities / Total Assets (%)	Net Debt / Net Debt and Total Equity (%)	Net Debt / EBITDA (times)	Current Ratio (times)	Return on Common Equity (%)	Net Margin (%)	Revenue Growth (YoY) (%)
3.75% Mercury Projects Finance plc Secured € 2027	11,500	4.19%	2.6x	179.4	37.2	79.3%	37.5%	3.5x	3.0x	24.1%	22.9%	666.2%
4% Eden Finance plc Unsecured € 2027	40,000	4.07%	4.8x	217.9	135.4	37.9%	25.3%	4.8x	0.8x	1.0%	3.5%	47.3%
4.4% Central Business Centres plc Unsecured € 2027 S1/17 T1 (xd)	6,000	4.96%	1.3x	58.2	23.8	59.1%	55.3%	18.6x	0.7x	0.8%	10.0%	19.9%
4% Stivala Group Finance plc Secured € 2027	45,000	3.93%	7.7x	396.6	249.3	37.1%	29.0%	5.6x	0.7x	10.8%	93.7%	91.5%
4% Exalco Finance plc Secured € 2028	15,000	4.22%	5.8x	80.6	53.9	33.1%	22.4%	3.9x	2.1x	20.8%	200.2%	3.1%
4.85% Melite Finance plc Secured € 2028	9,250	8.66%	1.6x	20.4	(1.1)	105.2%	105.4%	10.9x	0.5x	78.5%	-33.8%	N/A
4.15% Phoenicia Finance Company plc Unsecured € 2023-2028	25,000	5.44%	2.3x	128.2	46.8	63.5%	59.3%	15.1x	0.3x	0.6%	1.8%	N/A
4% SP Finance plc Secured € 2029	12,000	3.80%	1.4x	36.8	13.4	63.5%	58.8%	15.9x	0.3x	-19.0%	-70.4%	71.5%
3.75% TUM Finance plc Secured € 2029 (xd)	20,000	4.93%	3.4x	71.5	40.8	43.0%	34.5%	7.5x	0.5x	3.8%	37.5%	6.0%
3.65% Stivala Group Finance plc Secured € 2029	15,000	4.03%	7.7x	396.6	249.3	37.1%	29.0%	5.6x	0.7x	10.8%	93.7%	91.5%
3.75% AX Group plc Unsec Bds 2029 Series II	10,000	4.01%	2.6x	422.8	248.2	41.3%	30.0%	12.0x	1.1x	-0.1%	-0.7%	8.1%
4.25% Mercury Projects Finance plc Secured € 2031	11,000	4.57%	2.6x	179.4	37.2	79.3%	37.5%	3.5x	3.0x	24.1%	22.9%	666.2%
3.65% Mizzi Organisation Finance plc Unsecured € 2028-2031	45,000	4.61%	3.6x	288.7	90.2	68.8%	54.3%	8.6x	0.8x	5.8%	4.4%	0.0%
3.65% IHI plc Unsecured € 2031	80,000	4.56%	0.7x	1,662.0	817.9	50.8%	36.2%	10.7x	0.8x	-0.3%	-1.0%	84.3%
	*Average	4.70%										

Source: Latest available audited financial statements
Last closing price as at 21/06/2023
*Average figures do not capture the financial analysis of the Issue



The above graph illustrates the average yearly yield of all local issuers as well as the corresponding yield of MGSs (Y-axis) vs the maturity of both Issuers and MGSs (X-axis), in their respective maturity bucket, to which the spread premiums can be noted. The graph plots the entire MGS yield curve, thus taking into consideration the yield of comparable issuers. The graph illustrates on a stand-alone basis, the yield of comparable issuers having a maturity between 4-8 years (Peers YTM).

As at 21st June 2023, the average spread over the Malta Government Stocks (MGS) for corporates with maturity range of 4-8 years was 111 basis points. The 3.75% TUM Finance plc 2029 is currently trading at a YTM of 4.93%, meaning a spread of 133 basis points over the equivalent MGS. This means that this bond is trading at a premium of 23 basis points in comparison to the market.

Part 4 - Glossary and Definitions

Income Statement	
Revenue	Total revenue generated by the Group/Company from its principal business activities during the financial year.
Costs	Costs are expenses incurred by the Group/Company in the production of its revenue.
EBITDA	EBITDA is an abbreviation for earnings before interest, tax, depreciation and amortisation. It reflects the Group's/Company's earnings purely from operations.
EBIT (Operating Profit)	EBIT is an abbreviation for earnings before interest and tax.
Depreciation and Amortisation	An accounting charge to compensate for the decrease in the monetary value of an asset over time and the eventual cost to replace the asset once fully depreciated.
Net Finance Costs	The interest accrued on debt obligations less any interest earned on cash bank balances and from intra-group companies on any loan advances.
Profit After Taxation	The profit made by the Group/Company during the financial year net of any income taxes incurred.

Profitability Ratios	
Growth in Revenue (YoY)	This represents the growth in revenue when compared with previous financial year.
Gross Profit Margin	Gross profit as a percentage of total revenue.
EBITDA Margin	EBITDA as a percentage of total revenue.
Operating (EBIT) Margin	Operating margin is the EBIT as a percentage of total revenue.
Net Margin	Net income expressed as a percentage of total revenue.
Return on Common Equity	Return on common equity (ROE) measures the rate of return on the shareholders' equity of the owners of issued share capital, computed by dividing the net income by the average common equity (average equity of two years financial performance).
Return on Assets	Return on assets (ROA) is computed by dividing net income by average total assets (average assets of two years financial performance).

Cash Flow Statement	
Cash Flow from Operating Activities (CFO)	Cash generated from the principal revenue producing activities of the Group/Company less any interest incurred on debt.
Cash Flow from Investing Activities	Cash generated from the activities dealing with the acquisition and disposal of long-term assets and other investments of the Group/Company.
Cash Flow from Financing Activities	Cash generated from the activities that result in change in share capital and borrowings of the Group/Company.
Capex	Represents the capital expenditure incurred by the Group/Company in a financial year.
Free Cash Flows (FCF)	The amount of cash the Group/Company has after it has met its financial obligations. It is calculated by taking Cash Flow from Operating Activities less the Capex of the same financial year.

Balance Sheet	
Total Assets	What the Group/Company owns which can de further classified into Non-Current Assets and Current Assets.
Non-Current Assets	Assets, full value of which will not be realised within the forthcoming accounting year
Current Assets	Assets which are realisable within one year from the statement of financial position date.
Inventory	Inventory is the term for the goods available for sale and raw materials used to produce goods available for sale.

Cash and Cash Equivalents	Cash and cash equivalents are Group/Company assets that are either cash or can be converted into cash immediately.
Total Equity	Total Equity is calculated as total assets less liabilities, representing the capital owned by the shareholders, retained earnings, and any reserves.
Total Liabilities	What the Group/Company owes which can de further classified into Non-Current Liabilities and Current Liabilities.
Non-Current Liabilities	Obligations which are due after more than one financial year.
Current Liabilities	Obligations which are due within one financial year.
Total Debt	All interest-bearing debt obligations inclusive of long and short-term debt.
Net Debt	Total debt of a Group/Company less any cash and cash equivalents.

Financial Strength Ratios	
Current Ratio	The Current ratio (also known as the Liquidity Ratio) is a financial ratio that measures whether or not a company has enough resources to pay its debts over the next 12 months. It compares current assets to current liabilities.
Quick Ratio (Acid Test Ratio)	The quick ratio measures a Group's/Company's ability to meet its short-term obligations with its most liquid assets. It compares current assets (less inventory) to current liabilities.
Interest Coverage Ratio	The interest coverage ratio is calculated by dividing EBITDA of one period by cash interest paid of the same period.
Gearing Ratio	The gearing ratio indicates the relative proportion of shareholders' equity and debt used to finance total assets.
Gearing Ratio Level 1	Is calculated by dividing Net Debt by Net Debt and Total Equity.
Gearing Ratio Level 2	Is calculated by dividing Total Liabilities by Total Assets.
Gearing Ratio Level 3	Is calculated by dividing Net Debt by Total Equity.
Net Debt / EBITDA	The Net Debt / EBITDA ratio measures the ability of the Group/Company to refinance its debt by looking at the EBITDA.

Other Definitions	
Yield to Maturity (YTM)	YTM is the rate of return expected on a bond which is held till maturity. It is essentially the internal rate of return on a bond and it equates the present value of bond future cash flows to its current market price.

Calamatta Cuschieri

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