FINANCIAL ANALYSIS SUMMARY

Update 2022

Prepared by Rizzo, Farrugia & Co (Stockbrokers) Ltd, in compliance with the Listing Policies issued by the Malta Financial Services Authority, dated 5 March 2013 and updated on 21 August 2021.

22 July 2022

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Important Information

Purpose of the Document

Simonds Farsons Cisk plc (the "**Company**", "**Group**" or the "**Issuer**") issued €20 million 3.5% Unsecured Bonds 2027 pursuant to a prospectus dated 31 July 2017 (the "**Bond Issue**"). The prospectus included a Financial Analysis Summary ("**FAS**") in line with the requirements of the Listing Policies as issued on 5 March 2013 and updated on 21 August 2021. The purpose of this report is to provide an update to the FAS (the **"Update FAS**") on the performance and on the financial position of the Company.

Sources of Information

The information that is presented has been collated from a number of sources, including the Company's website (www.farsons.com) and the Company's audited Financial Statements for the years ended 31 January 2020, 2021 and 2022 and forecasts for financial year ending 31 January 2023.

Forecasts that are included in this document have been prepared by management and approved for publication by the directors of the Company, who undertake full responsibility for the assumptions on which these forecasts are based.

Wherever used, FYXXXX refers to financial year covering the period 1st February to 31st January. The financial information is being presented in thousands of Euro, unless otherwise stated, and has been rounded to the nearest thousand.

Previous FAS Issued

The Company has published the following FAS which are available on its website:

FAS dated 31 July 2017 (appended to the prospectus)

FAS dated 16 July 2018

FAS dated 15 July 2019

FAS dated 23 September 2020

FAS dated 21 July 2021

PART A BUSINESS & MARKET OVERVIEW UPDATE

1 INTRODUCTION

From its origins in 1928, Simonds Farsons Cisk plc (the "**Company**", "**Group**" or "**Issuer**") is the result of the amalgamation of L. Farrugia & Sons Limited, H & G Simonds and The Malta Export Brewery. The construction of the brewery in Mriehel was completed in 1950 under the direction of managing director Mr Lewis V. Farrugia. Further enhancements and additions to the brewery were undertaken over the years, extending the facilities to bottling plants for soft drinks as the Group embarked on an expansionary strategy across various segments of the food and beverage industry.

The Group is made up of three distinct business segments:

i. Brewing, production & sale of branded beers & beverages
ii. Importation, wholesale & retail of food & beverages, including wines & spirits
iii. Operation of franchised food retailing establishments

BREWING, PRODUCTION AND SALE OF BRANDED BEERS & BEVERAGES

The 'brewing, production and sale of branded beers and beverages' segment includes EcoPure Ltd and the Company, i.e. Simonds Farsons Cisk plc. This segment remains the core business of the Group and is therefore the segment that is the most material and the largest contributor to Group revenue and profitability. The Company produces and distributes its own brands including Kinnie, Cisk, Blue Label Amber Ale, Double Red Strong Ale, Green Hop IPA, Hopleaf Pale Ale, Cisk Lacto, Farsons Traditional Shandy and San Michel table water. It is also the exclusive partner in Malta to PepsiCo, Budweiser and Carlsberg, having the rights to produce, bottle, sell and distribute the said products, amongst other related products, including Skol, LikeCola and 7Up. Meanwhile, EcoPure Ltd is the company responsible for the marketing, sales and distribution of 18.9 and 10 litre containers of San Michel table water, providing also water dispensers and coolers for rental or purchase.

IMPORTATION, WHOLESALE AND RETAIL OF FOOD & BEVERAGES, INCLUDING WINES & SPIRITS

The 'importation, wholesale and retail of food and beverages, including wines & spirits' is carried out through Farsons Beverage Imports Company Ltd ("FBIC") and Quintano Foods Ltd ("Quintano"). While the former focuses mostly on wines and spirits and other beverage brands, the latter imports and distributes food-related items. In the beverage sector, FBIC nurtures and continues to increase its representation of renowned international producers and brands. In the food importation segment, Quintano also represents a wide variety of renowned international brands. FBIC also operates Farsonsdirect, through which it retails a selection of these brands. During FY2022, FBIC added new brands to its continuously expanding portfolio. Further detail is provided in section 8 below.

Operation of Franchised Food Retailing Establishments

In Malta, the internationally renowned franchises KFC, Burger King and Pizza Hut are exclusively operated by Food Chain Ltd ("Food Chain"). This segment '*Operation of franchised food retailing establishments'* operated a total of fifteen outlets under these franchises during the financial year under review. In 2022, the franchise operations were expanded with the launch of Boost Juice, one of Australia's most famous and loved juice and smoothie brands. The first outlets opened adjacent to the Company's restaurants in Sliema and Gzira, with others following later in 2022 and 2023.

2 Governance & Senior Management

The strategic direction of the Company is entrusted to a board of eight directors, the majority of whom act in a non-executive capacity.

Board of Directors	Role
Mr Louis A. Farrugia	Executive Chairman
Mr Marcantonio Stagno d'Alcontres	Non-Executive Vice Chairman
Mr Michael Farrugia	Executive Director
Mr Roderick Chalmers	Non-Executive Director
Dr Max Ganado	Non-Executive Director
Ms Marina Hogg	Non-Executive Director
Marquis Marcus John Scicluna Marshall	Non-Executive Director
Baroness Christiane Ramsay Pergola	Non-Executive Director *(up to 25 November 2021)*
Baroness Justine Pergola	Non-Executive Director *(from 13 January 2022)*

The Group's company secretary is Ms Antoinette Caruana.

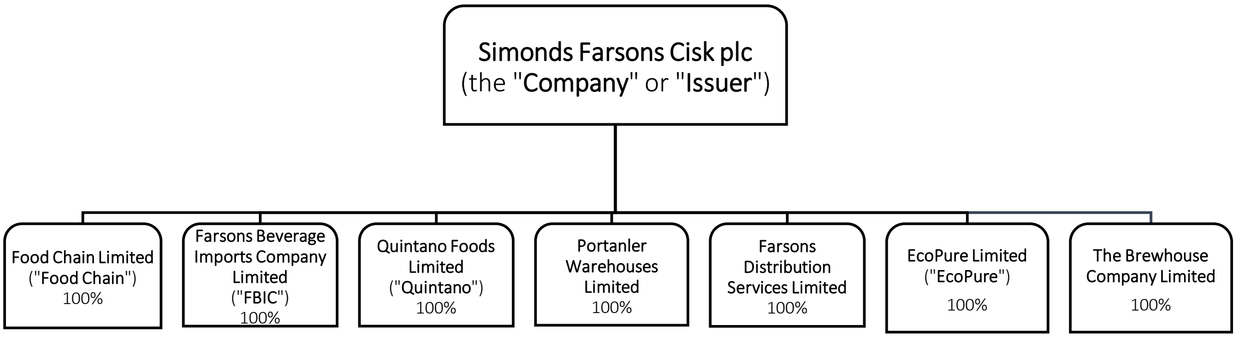
The Company's board is assisted by a complement of senior executive management in the execution of the board's strategic direction.

Senior Management	Position
Mr Norman Aquilina	Group Chief Executive Officer
Mr John Bonello Ghio	Group Head of Food Business *(up to 16 January 2022)*
Mr Chris Borg Cardona	Head of Logistics & General Manager EcoPure Limited
Ms Antoinette Caruana	Group Human Resources Manager
Mr Eugenio Caruana	Chief Operating Officer
Mr Michael Farrugia	Executive Director, Operations and Business Development
Mr Philip Farrugia	Head of IT & Business Services
Mr Gordon Naudi	General Manager Food Chain Limited *(from 7 February 2022)*
Mr Sean Portelli	General Manager Quintano Foods Limited *(from 1 February 2022)*
Mr Pierre Stafrace	General Manager FBIC
Ms Anne Marie Tabone	Group Chief Financial Officer
Ms Susan Weenink Camilleri	Head of Sales & Marketing

The Group engaged an average staff complement of 802 (full time equivalent) employees during the last financial reporting period (FY2022) across the various group companies, including the operation of the franchised food retailing establishments.

3. Group Structure

The Company is the parent of a group of companies – the Group. Hereunder is the organisation chart showing the parent company and various subsidiaries within the Group:



4. Major Assets

Property, plant and equipment (PPE) represents the major component of the Group's assets which now total just under €201 million as at 31 January 2022. This component represents the assets required for the operation of the Group's business, and comprise:

Components of PPE	Net Book Value FY2022
Land and Buildings	€79.8 million
Assets in Course of Construction	€16.8 million
Plant, Machinery & equipment	€30.4 million
Total	**€127.0 million**

PPE makes up just over 63% of the Group's total asset base. Assets in course of construction as at the end of FY2022 consisted mainly of further works in progress at the Old Brewhouse reflecting the commissioning of new assets related to these works during the course of the financial year under review.

Trade and other receivables were the next most significant category of assets of the Group, at €23.8 million (compared to €20.5 million in FY2021). This represents 12% of total assets. Cash and cash equivalents (at €15.7 million or a further 8% of total assets of the Group) is the third largest component of Group total assets as the targeted drive to collect receivables quicker in an effort to boost and preserve cash due to the very difficult and challenging operating environment bore substantial fruit. After dropping from €16.8 million to €13.8 million during the last financial year, the value of inventory increased to €16.3 million by the end of FY2022 as business returned, and stock and order management reflected renewed demand for and consumption of the Group's products.

5. FY2022 – Resilient, Recovering but equally Challenging

While FY2021 turned out to be a year of unprecedented challenges as amply reported upon in the FAS of 2021, FY2022 can best be described as a year of resilience and recovery which in the main confirms the strength of the Group's portfolio of solid brands and the resilience of the entire business model. All in all, it was indeed a successful year for the Group.

This notwithstanding, substantial challenges remain across a number of fronts including in particular those impacting the supply side of the business. These result from a combination of factors; the lasting effects of the pandemic on human resources, disruption in the supply chains of key raw materials, transportation and logistical delays, as well as the recent tragic developments in Russia and Ukraine and emerging inflationary pressures at levels not seen in decades. The timing and overlap of these events are indeed unfortunate. Whereas there has been a strong recovery in demand following the pandemic, businesses are now facing a new set of global challenges and the uncertainties that accompany them.

On the domestic front and of particular concern to the Company is the very tight labour market which is proving to be a significant challenge to all business units from two angles – providing a service across all business units in view of staff shortages and spiralling costs (wages and salaries) as a result of the significant excess demand domestically for quality human resources.

After a strong start to the current financial year, the challenges highlighted above are likely to grow in significance through the balance of the current financial year (FY2023) and this backdrop will continue to shape the performance of the sectors in which the Group operates. FY2022 confirmed the Group's strength and resilience and above all, its ability to respond to unexpected challenges, and the management team in place is looking to continue to grow and develop the business from the current position of strength.

6. OPERATIONAL DEVELOPMENTS & ONGOING INVESTMENTS

The rapid move by management to implement a number of operational and cost efficiency measures to mitigate the impact of the COVID induced crisis on the businesses of the Group bore fruit. In fact, the results for the last financial year under review confirm that the measures adopted resulted in a particularly positive outcome from an operational and profitability perspective. Notwithstanding the focus on cash conservation efforts and other initiatives aimed at ensuring that the Group was well prepared to respond to the operational challenges that the pandemic brought about, the major investment in The Brewhouse continued.

During FY2022, the Group pursued further “green” investments principally in its plant and machinery and logistics operations as its continued focus on environmentally friendly initiatives intensifies. The major investment remains the restoration of the Farsons Old Brewhouse. With a cumulative investment to date of €14.5 million (financed from internal sources), it is planned that all facilities should be opened over the course of the current year. This historical industrial rehabilitation project will comprise a Farsons Brewery Visitor experience, a Microbrewery, a Brewpub, a Cisk bar, a restaurant, a retail brand store and multiple indoor and outdoor event areas for both business and leisure activities. The management of this investment will be entrusted to a newly incorporated subsidiary, The Brewhouse Company Limited.

Last year it was reported that preparations for the announced introduction of the Beverage Container Refund Scheme (BCRS) in the first half of 2022 continued at a steady pace. The Group is a founder member of the Malta Beverages Producers Association, which is one of three associations owning BCRS Limited. BCRS Limited will be the entity responsible for the operation of the deposit scheme and will be managed on a not-for-profit and lowest cost basis. The quest to achieve the highest environmental standards possible remains a key strategic objective of the Group and the commitment it is showing to this scheme is one such initiative. Indeed, the BCRS is expected to come into operation shortly.

Recognizing the potential for further growth in the food segment, the Board has approved an investment in the development of a site owned by the Company into a dedicated food distribution centre which will also house the administration of both Quintano and Food Chain. Planning and preliminary works are already underway and construction is expected to start early in 2023.

7. Market Trends and Overview

The European food and beverage industry represents the largest manufacturing sector in the European Union (EU) and therefore is a major contributor to Europe's economy with a turnover of €1,093 billion in 2021. It contributes approximately 1.9% to Europe's gross value added. It is estimated that the average household in Europe spends 21.5% of its income on food and beverage, making it the second largest household expenditure.

This sector is also generally competitive on a global scale as it produces high quality food and beverage items. Indeed, the EU is also the largest exporter of food and drink products in the world, which amounted to €145 billion in 2021, leaving a trade balance of €67 billion.[1]

The European Market for Beverages

The European beverage market has experienced sustainable growth in the past few years and this development can principally be attributed to the global perception of the high quality of European products and increasing incomes driving higher consumer demand for beverage products in emerging countries.

With other regions acknowledging the value of the high quality of EU products and adopting similar legal frameworks, this competitive edge may weaken in the coming period if no further action is taken. Possible initiatives to maintain or strengthen the competitive edge of the European industry can be categorised into strengthening the international trade position, supporting productivity, and improving the functioning of the supply chain.

The consumption of 'Soft Drinks' as well as 'Juices & Nectars' across Europe have seen a marginal decline in consumption over the past couple of years reflecting a shift in favour of beverages having a lower sugar content. No or low-calorie drinks now account for up to 30% of sales in many European markets.[2]

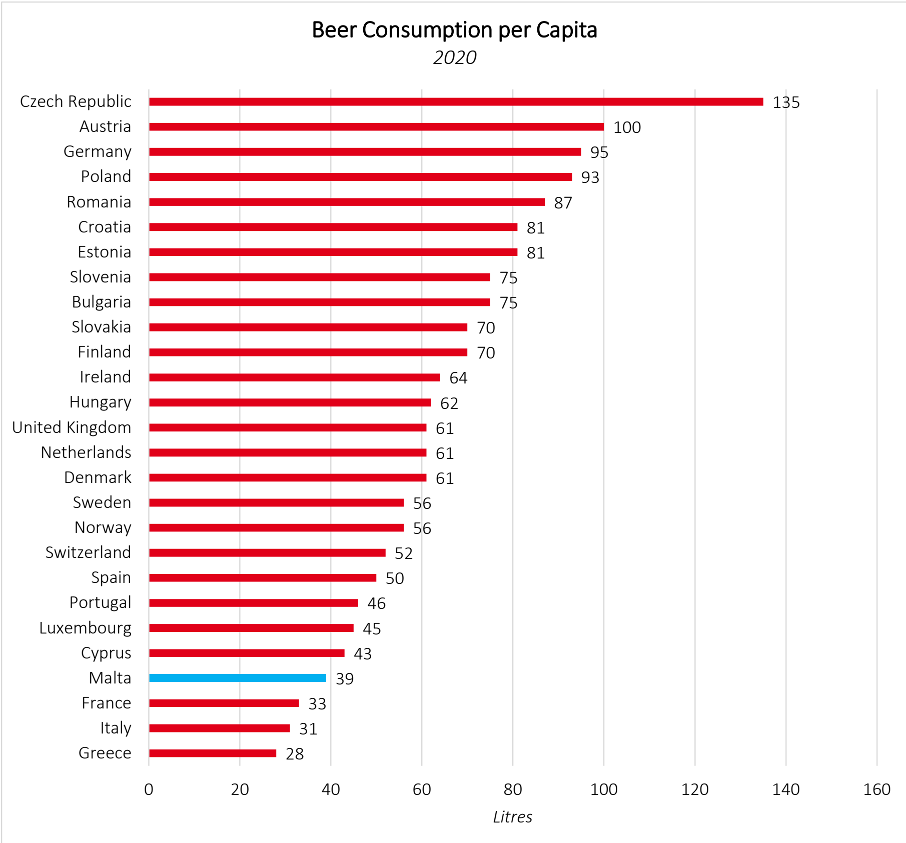
[1] *FoodDrinkEurope 2021, Data & Trends of the European Food and Drink Industry 2021, FoodDrinkEurope, https://www.fooddrinkeurope.eu/wp-content/uploads/2021/11/FoodDrinkEurope-Data-Trends-2021-digital.pdf*

[2] *UNESDA, Sales and Consumption: https://www.unesda.eu/consumption/*

The European Beer Market

Latest figures reported by the Brewers of Europe show that the production and consumption of beer in the European Union, the United Kingdom, Switzerland, Norway, and Turkey have grown considerably over the past years and peaked in 2018. However, both production and consumption figures registered a marginal reduction in 2019 and slid to an over 6-year low in 2020, largely affected by the pandemic.

The graph below shows beer consumption per capita in Europe by country. Malta ranked 24th (from amongst the 27 European countries for which data is available) with 39 litres of beer consumed per capita in 2020.[3]



Meanwhile, in absolute terms, the top five countries in terms of beer consumption in 2020 were Germany (78.7 million hectolitres), UK (40.9 m HL), Spain (36.3 m HL), Poland (34.7 m HL), and France (22.0 m HL). COVID-19 measures implemented by governments all over Europe have significantly impacted beer hospitality sales as they dropped by 42% in 2020. Historically, on-trade sales accounted for most beer sales in Mediterranean countries including Spain, Italy, Greece, Cyprus and Malta. The

3 Brewers of Europe, European Beer Trends: Statistics Report – 2021 Edition https://brewersofeurope.org/uploads/mycms-files/documents/publications/2021/european-beer-statistics-2020.pdf reduction in hospitality sales was partly offset by an 8% increase in off-trade sales Europewide, however, the total beer sales in Europe was 9% lower in 2020.[4]

While the official data for 2021 is not yet published, initial figures indicate that the European beer industry registered some growth but remains well below pre-pandemic levels.

The Food and Beverage Market in Malta

The overall growth experienced in the food and beverage market in Malta has been driven by the growth in Maltese GDP as the population became more affluent. The latest European Commission economic data shows that the Maltese economy rebounded strongly by 10.4% in 2021 and is expected to grow by a further 4.9% in 2022 and an additional 3.8% in 2023.[5]

Over the past years, the market conditions were also positively affected by the substantial growth in inbound tourism and an increasing population of foreign nationals. This trend was halted on the onset of the COVID-19 global pandemic, but going forward, the gradual recovery in the tourism sector coupled with the forecasted economic growth should contribute to the market resuming its growth trend.

During the pandemic, the beverage industry also experienced a shift in trends, such as new flavour experimentation caused by self-isolation, a bigger demand in ready-to-drink cocktails, and the demand for home consumption of beverages.

The shift towards healthier beverages continues to mould the trends in this sector. Awareness of the harms caused by excess sugar beverages has influenced consumer demands over the recent years, and this trend is expected to subsist in the future. Environmental consciousness also plays a key role in the shift in trends, as producers are seeking to make the packaging for their beverages using recyclable material and embark on enhanced waste management practices.

[4] *Brewers of Europe, Economic Report April 2021* https://brewersofeurope.org/uploads/mycms-files/documents/publications/2021/covid-impact-report-final.pd

[5] *European Commission, Summer 2022 Economic Forecast, available from:* https://economy-finance.ec.europa.eu/economic-surveillance-eu-economies/malta/economic-forecast-malta_en

PART B FINANCIAL REVIEW

The Company's financial year extends from 1 February to 31 January. Forecasts for financial year ending 31 January 2023 have been provided by management and approved by the Board of Directors. These forecasts have been compiled based on the best information that was available at the time of their preparation and include the assessments of management and of the Board of the forward impact of various factors on the Group's businesses. These include the best estimates of the adverse impact on the Group's business resulting from the continuing, albeit diminishing effects, of the COVID-19 pandemic as well as the effect of those emerging challenges outlined in section 5 above. Although vaccination rollouts across the globe (particularly in western nations) have led to a more controlled situation with respect to COVID-19, the pandemic has not yet been completely suppressed and as such a certain degree of uncertainty still prevails. Furthermore, the global challenges resulting from the conflict in Ukraine, inflationary pressures and supply chain dislocation combine to create further uncertainty. In view of the prevailing circumstances, readers of this FAS update should appreciate and take into account that the forecasts for FY2023 continue to come with a lesser degree of confidence and assurance than would normally be the case.

8. Income Statement

The table below presents the Group's income statement for the periods ending 31 January 2020, 2021 and 2022 along with the forecasts for financial year 2023.

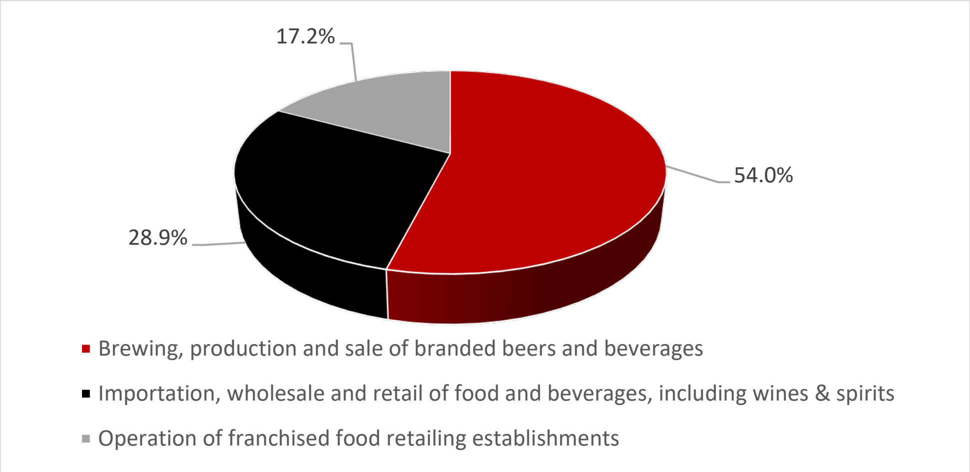
as at 31 January	*Actual* *2020* *€'000*	*Actual* *2021* *€'000*	*Actual* *2022* *€'000*	*Forecast* *2023* *€'000*
Revenue	103,491	73,016	91,768	115,701
Cost of Sales	(62,950)	(47,004)	(57,359)	(68,401)
Gross Profit	**40,541**	**26,012**	**34,409**	**47,300**
Selling & Distribution Costs	(12,602)	(8,912)	(10,655)	(13,057)
Administrative Expenses	(14,249)	(11,427)	(10,308)	(19,102)
Operating Profit	**13,690**	**5,673**	**13,446**	**15,142**
Depreciation & Amortisation & One-off Adjustments	*9,045*	*9,276*	*9,251*	*10,432*
EBITDA	***22,735***	***14,949***	***22,697***	***25,574***
Finance Costs	(1,370)	(1,246)	(1,282)	(985)
Profit before Tax	**12,320**	**4,427**	**12,164**	**14,157**
Tax Income/(Expense)	(451)	(1,094)	264	(1,944)
Profit for the Year	**11,869**	**3,333**	**12,428**	**12,213**
EPS – Earnings Per Share (€)[6]	**0.330**	**0.093**	**0.345**	**0.339**

FY2022 Review

After a decrease of almost 30% in Group revenue during FY2021, FY2022 saw a 26% recovery in total revenues. All business units generated marked improvements in turnover and profitability compared to the previous year's tough conditions. Turnover in the brewing and beverage production segment increased from €43.1 million in FY2021 to €51.3 million in the year under review (+18.8%). More importantly, profitability of this segment witnessed a very strong recovery, and profits effectively doubled from €4.9 million in FY2021 to €9.9 million in FY2022. Turnover in the importation of food and beverages business segment increased from €26 million in FY2021 to €31.9 million in FY2022. Profitability resumed nicely in this segment after a loss of €366,000 registered in FY2021. During FY2022, this segment generated a profit of €1.9 million. Lastly, turnover in the franchised food retailing operations increased from €11.7 million to €15.7 million while profit increased from €1.2 million to €1.6 million.

[6] *Adjusted to reflect the 1-for-5 bonus share issue effective 3 June 2022.*

FY2022 - Revenue by Segment



Brewing, production and sale of branded beers and beverages segment

Beer

Beer consumption was once again impacted during the year under review albeit not to the extent registered in FY2021. While recovery unfolded gradually in the second half of the financial year under review, the critical summer months during which multiple mass activities generate a strong component of overall sales and consumption, remained restricted by pandemic measures in force at the time. As such recovery was slower than originally hoped for. In terms of brands, Cisk Excel, to date the only local low carbohydrate lager available on the market, continues to be the fastest growing brand on the local beer market. The highlight of FY2022 for the Cisk portfolio was the launch of the (international prize-winning) variant Cisk 0.0%, an alcohol-free lager targeted at the growing base of beer consumers who wish to limit their alcohol consumption but still seek to consume a refreshing and great-tasting beer.

Beverages

For the second year running, the soft drinks market continued to benefit from the increase in supermarket sales, the switch to home entertainment and shifting lifestyles as families and individuals endeavoured to maintain a balance and adjust to new realities. The focus on health and wellness accelerated in 2021 and this was evident in the accelerated switch to no/low sugar variants. In keeping with this developing trend, all low/no-sugar brand variants – which include Diet Kinnie, Kinnie Zest, Pepsi Max and 7-Up Free, registered a higher growth rate over previous year than the full-sugar variants – this is in line with trends in many other markets in the developed world. The highlight of the year for the Kinnie brand was the launch of Kinnie Spritz – a light alcoholic aperitivo (4% alcohol by volume).

Exports

The financial year under review was a very positive one for exports. There were several positive developments in FY2022 that provided an encouraging turnaround after a very difficult FY2021. Exports of beer continued to grow especially in the Middle East were some of the Cisk variants (Cisk Excel, Cisk Strong and Cisk Super Strong) all reported a good performance and further growth potential in the markets in which they are exported. In Bahrain in particular, Cisk Excel is proving very popular both in the hospitality as well as in the retail segment of the market. Brand awareness continues in this important market through a consistent marketing campaign. The latest variant, Cisk 0.0% has also had a very encouraging start in exports as a high level of interest and response has already been registered. While Australia remained an attractive and buoyant market for export business during FY2022, exports to Asia, and Japan remained stable. In the meantime, the Company continues to explore new markets and Taiwan is one such market being considered in view of its strong beer segment. Italy also remains an important export market where sales are said to be recovering following a significant drop in FY2021.

IMPORTATION, WHOLESALE AND RETAIL OF FOOD AND BEVERAGES, INCLUDING WINES & SPIRITS SEGMENT

Despite the difficulties which continued to be encountered for most of FY2022 in view of the ongoing restrictions related to the pandemic especially during summer of 2021, the FBIC business continues to attract new brands to its ever-increasing portfolio of prestigious names. London Essence is the first such brand which offers a range of innovative premium tonics and mixers. It is reported that the market received these brands positively while perfectly complementing the extensive range of premium gins in FBIC's portfolio. In 2021, representation of Gruppo Campari was extended further through the introduction of Wild Turkey, a historic bourbon brand from Kentucky. In the water segment, the premium water brand Vittel was relaunched after a few years following significant supply shortages. In the wine segment, further brand representation was successfully concluded in the premium space with two new wineries being added to the portfolio: Domaine de L'Ile, a prestigious estate on the exclusive island of Porquerolles owned by the luxury goods company Chanel and Shafer Vineyards, and the pioneering Napa Valley winery, which helped establish the international reputation of Napa as a top wine-producing region.

While the pandemic has, as expected, also impacted the operations of Quintano, Brexit and supply shortages were also main causes for the challenging year faced by this business unit. Nevertheless, FY2022 registered encouraging growth in both sales and profitability over the previous year. On-line grocery purchases remained high, albeit not at the same levels registered during the peak of the pandemic in the previous year. Quintano also added new brands to its already extensive brand portfolio – De Cecco and Evian being two such brands. During FY2022, Quintano also took over representation of the Kraft Heinz Food service portfolio.

Operation of franchised food retailing establishments segment

The Food Chain business registered strong sales growth over the previous year. In May 2021, the new Burger King Drive-Thru restaurant in Paola was launched in conjunction with its new visual identity and livery. The number of Drive-Thru restaurants now increased to three including Burger King Qormi and KFC Mosta. A few weeks ago, the Food Chain business extended its franchise portfolio through the launch of Boost Juice, one of Australia's most famous and loved juice and smoothie brands. The first outlets were opened adjacent to existing restaurants in Sliema and Gzira while others are expected to follow later in 2022 and 2023.

FY2022 Performance

Overall, the strong performance described above resulted in a combined 32% improvement in gross profit (from €26 million in FY2021 to €34.4 million in FY2022). An overall containment in costs registered during FY2022 despite the encouraging recovery in business is also worth highlighting. In fact, selling, distribution and administration expenses, at a combined €21 million, translates into a reduction, as a percentage of revenues, from 27.9% to 22.8%.

After a major hit to operating profits and EBITDA (as depreciation and amortisation levels remained mostly unchanged at around €9.2 million) in FY2021, a near return to pre-pandemic levels of profitability was registered in FY2022. In fact, EBITDA actually fell marginally short of the FY2020 level of €22.7 million and just off the €23.2 million registered in FY2019. With finance costs practically unchanged at a low level of just under €1.3 million, Group profits before tax jumped by 174% to retouch the €12 million level following a drop to €4.4 million in FY2021. Group profit after tax amounted to €12.5 million compared to €3.3 million in FY2021, an increase of 273%. The tax income as opposed to charge for the year is the result of the redemption of unrecognised conversion tax credits. It is to be noted that, as at year end of FY2022, the Group had unrecognised investment tax and other credits with no expiry date amounting to €23.3 million.

FORECAST FY2023

As highlighted in the preamble to this part of the report, forecasts for FY2023 are once again prepared amid a continued elevated degree of uncertainty although a continuation of the improvements registered in FY2022 is expected. This results principally from a resumption of mass activities, events, increasing tourism numbers and an encouraging pick up in business generally following a very challenging two years. Whilst COVID has by no means been eradicated, its effects seem more manageable and contained. This has permitted a material degree of return to commercial normality thus allowing for a visible pick-up in economic activity. Indeed, turnover across all business lines is expected to improve during FY2023, especially as tourist arrivals accelerate in the most important summer months. As such, the forecasts assume that all activities, including village feasts, social events and the Farsons Beer Festival, will resume this year (many of which were cancelled over the past two years) and that no new pandemic related restrictions will inhibit the organisation of such activities and other mass events as well as the general functioning of all operations and entities forming part of the Group.

The FY2023 forecasts included in this FAS project total revenue for the year expected to increase to a new record of €115.7 million compared to €91.7 million in FY2022 (+26%). Cost of sales is also expected to increase by just over 19% to €68.4 million as the level of activity across all business lines strengthens. Gross profits are expected to improve by a more material 37.5% to reach a new all-time high of €47.3 million. This improvement is not only the result of a material pickup in business activity across all lines but also from the effectiveness of all operational and cost efficiency measures that were put in place over the years that has led to the creation of a more resilient, effective, and profitable group.

Operating profits are forecast to increase from €13.4 million to €15.1 million, with the operating profit margin expected to decline from 14.7% in FY2022 to 13.1% in FY2023. This decline reflects the impact of higher selling and distribution costs as well as general administrative expenses. Furthermore, a number of new Food Chain and Brewhouse outlets are forecast to open during 2022, and whereas they will contribute to increased turnover, it is not expected that they will contribute materially to profits during the start-up period. Finally, nonrecurring FY2022 credits not included in the FY2023 forecast include the discontinuation of the wage supplement scheme and the positive net movement on trade and other receivables provisions resulting from the partial release of the COVID related provision that had been established in FY2021.

Similarly, EBITDA is forecast to increase by 12.8%, from €22.7 million last year to a five-year high of €25.6 million. Nonetheless, the EBITDA margin is anticipated to contract to 22.1% in FY2023 from 24.7% in FY2022 for the same reasons disclosed above.

Finance costs are expected to drop marginally to just under €1 million for the year largely reflecting the full-year effect of the debt reduction in FY2022. Profit before tax is forecast to rise to €14.2 million or 16.4% - very much in line with the increase in EBITDA. Overall, the Group's profit after tax for FY2023 is expected to hit €12.2 million compared to €12.4 million in FY2022, a very marginal drop of €0.2 million on account of an expected tax charge of just under €2 million in FY2023 compared to a tax credit of €264,000 in FY2022.

9. CASH FLOW STATEMENT

as at 31 January	*Actual* *2020* *€'000*	*Actual* *2021* *€'000*	*Actual* *2022* *€'000*	*Forecast* *2023* *€'000*
Net cash generated from operating activities	14,180	24,544	25,883	21,155
Net cash used in investing activities	(10,624)	(7,516)	(13,160)	(11,305)
Free Cash Flow	**3,556**	**17,028**	**12,723**	**9,850**
Net cash generated from / (used in) financing activities	(7,479)	(1,676)	(14,504)	(8,421)
Net movement in cash & cash equivalents	**(3,923)**	**15,352**	**(1,781)**	**1,429**
Cash & cash equivalents at beginning of year	5,719	1,796	17,148	15,367
Cash & cash equivalents at end year	**1,796**	**17,148**	**15,367**	**16,796**

FY2022 REVIEW

The material net cash generated from operations during FY2022 once again confirms the Group's sound business and strong brand mix that generates solid cashflows throughout the year despite ongoing challenges from many fronts. At almost €26 million, cash generated registered an improvement over FY2021.

Following a reduction last year, net cash used in investing activities increased markedly from €7.5 million to €13.2 million principally on a resumption of certain capital expenditure projects (additions to PPE) that were temporarily put on hold in FY2021 in order to preserve cash. Nevertheless, given the strong operational cash flows, free cash flow remained buoyant at €12.7 million despite the higher capital spent on additions to PPE.

Net cash used in financing activities increased materially throughout the period under review. The combination of a marked improvement in business as well as last year's strong cash curtailment measures permitted the Group to 'finance' a marked reduction (repayment) of €10 million in bank borrowings with relative ease. Dividends also resumed, with interim payments of €3 million made during the period under review that also contributed to this cash outflow.

Notwithstanding the above, cash at year end remained material at €15.4 million.

FORECAST FY2023

The Company's net cash position for the year is forecast to improve, albeit marginally, compared to the previous year. The Company is expected to remain very much in control of its cash management processes and policies with the intention of continuing to maintain elevated cash levels even as business activity is returning to pre-pandemic levels barring unforeseen circumstances in the next few months.

Net cash generated from operating activities is forecast to reach €21.2 million in FY2023, a healthy result although lower than that of €25.8 million achieved in the previous year. This reduction in forecast net cash generation arises from working capital movements, including the discontinuation of tax and other deferral schemes that had been implemented by government during the pandemic period to enable businesses to better manage their cash flows. Repayment of these deferred liabilities are due to take place over a 30-month period starting in June 2022. Furthermore, higher levels of turnover together with a planned increase in inventory levels (resulting from supply chain uncertainty) will also result in higher working capital requirements.

At €11.3 million, cash used in investing activities is forecast to remain almost in line with the amount registered in FY2022, and includes the continued capital spend to be incurred in the completion of the old brewhouse project that is now nearing its completion (this investment is being funded from internal group cash generation). Net cash used in financing activities is expected to drop to €8.4 million compared to €14.5 million in FY2022 when bank loans amounted to €10 million were paid down. In FY2023, debt reduction by way of repayment of bank loans is only forecast to amount to a further €1.6 million whilst the bulk of the cash used in financing activities is attributed to the expected dividend payments to be affected throughout FY2023 including a €4 million dividend payment effected in June 2022.

The Group expects to end FY2023 with a positive overall net movement in cash of just under €1.5 million resulting in a year end cash figure of €16.8 million compared to €15.3 million last year.

10. STATEMENT OF FINANCIAL POSITION

as at 31 January	*Actual* ***2020*** *€'000*	*Actual* ***2021*** *€'000*	*Actual* ***2022*** *€'000*	*Forecast* ***2023*** *€'000*
Assets				
Non-Current Assets				
Property, Plant & Equipment	125,785	127,470	135,193	140,170
Intangible Assets	612	604	2,352	2,250
Deferred Tax Assets	8,195	7,565	7,486	7,486
Trade & Other Receivables	1,695	865	696	731
Total Non-Current Assets	136,287	136,504	145,727	150,637
Current Assets				
Inventories	16,772	13,752	16,341	16,668
Trade & Other Receivables	26,469	19,630	23,139	25,498
Current Tax Assets	5	5	5	5
Cash & Cash Equivalents	8,409	17,148	15,720	16,796
Total Current Assets	51,655	50,535	55,205	58,967
Total Assets	187,942	187,039	200,932	209,604
Equity and Liabilities				
Capital & Reserves				
Share Capital	9,000	9,000	9,000	10,800
Reserves	107,223	110,654	120,188	125,201
Total Equity	116,223	119,654	129,188	136,001
Non-Current Liabilities				
Trade & Other Payables	456	2,802	2,648	2,800
Lease Liabilities	4,965	4,394	6,811	8,361
Derivative Financial Instruments	273	156	45	-
Borrowings	32,994	33,328	24,081	22,532
Provision for other liabilities and charges	36	25	2	-
Total Non-Current Liabilities	38,724	40,705	33,587	33,693
Current Liabilities				
Provision for Other Liabilities & Charges	50	11	9	-
Trade & Other Payables	20,760	21,940	32,905	34,764
Lease Liabilities	1,426	1,253	1,479	1,300
Current Tax Liabilities	1,003	904	1,751	1,943
Derivative Financial Instruments	195	161	110	-
Borrowings	9,561	2,411	1,903	1,903
Total Current Liabilities	32,995	26,680	38,157	39,910
Total Liabilities	71,719	67,385	71,744	73,603
Total Equity & Liabilities	187,942	187,039	200,932	209,604
Net Asset Value per Share (€)[7]	3.228	3.324	3.589	3.778

[7] *Adjusted to reflect the 1-for-5 bonus share issue effective 3 June 2022.*

FY2022 Review

The Group's total asset base reached a new milestone by exceeding the €200 million mark. *Property, plant & equipment* (PPE) remains the single largest component of total assets (67.5%) and resumed its increase this year following a slower increase in FY2021 as capital expenditure programs had intentionally slowed down in the challenging year. As a certain degree of normality returned and previous cash conservation priorities had achieved desired results, further investment through capital expenditure on PPE resumed. Total current assets also increased, from €50.5 million to €55.2 million, principally on account of an upturn in business following the slowdown experienced in FY2021 that contributed to added trade receivables. Cash and cash equivalents as at year end remained elevated although marginally below the level of last year when conserving cash was a priority.

Total shareholders' equity increased by almost €10 million during FY2022 reflecting the retained profits for the year. On the liabilities side, while trade payables increased as business resumed and activity recovered during the year, Group borrowings (including the €20 million bond in issue) decreased from €35.8 million to €25.9 million at the end for FY2022 on account of a concerted decision to reduce bank loans. As a result, Group gearing decreased to an all-time low as highlighted below.

Below is a summary of the Group's funding mix (historic and forecast):

as at 31 January	*Actual* ***2020*** *€'000*	*Actual* ***2021*** *€'000*	*Actual* ***2022*** *€'000*	*Forecast* ***2023*** *€'000*
Borrowings				
Bank overdrafts & short-term borrowings	9,561	2,411	1,903	1,903
Bank Borrowings (long-term)	13,241	13,543	4,263	2,680
3.5% Bonds 2017 -2027	19,753	19,785	19,818	19,851
Lease Liabilities (IFRS16)	6,391	5,647	8,290	9,661
Total Borrowings	**48,946**	**41,386**	**34,274**	**34,095**
Cash & equivalents	(8,409)	(17,148)	(15,720)	(16,796)
Net Debt	**40,537**	**24,238**	**18,554**	**17,299**
Equity				
Share Capital	9,000	9,000	9,000	10,800
Revaluation & Other Reserves	49,409	49,409	49,409	49,409
Hedging Reserves	(304)	(206)	(100)	-
Retained Earnings	58,118	61,451	70,879	75,792
Total Equity	**116,223**	**119,654**	**129,188**	**136,001**
Total Net Funding	**156,760**	**143,860**	**147,742**	**153,300**

Gearing *(Net Debt / Total Net Funding)*	25.8%	16.8%	12.6%	11.3%

FORECAST FY2023

The forecasts for FY2023 factor in the completion of works on the old brewhouse project (set to be inaugurated later this year) and ongoing investments in line with the Company's program to continuously seek further operational efficiencies, increased innovation and digitalisation as well as the ongoing funding of additional investments that aim to generate further growth. The Company will continue to embrace environmentally friendly initiatives and investments in line with the Company's plans to become 'greener'.

The value of PPE for FY2023 is forecast to increase to €140.1 million and will account for 67% of total assets. The remaining components of non-current assets are not expected to vary materially from the levels recorded in FY2022. The total value of current assets is expected to increase from €55 to €59 million. The increase is largely forecast to be registered by trade receivables and is the result of the growth in business expected to be registered throughout this financial year. Cash conservation measures once again remain largely in force despite the improved, albeit still challenging, business outlook. In fact, cash levels are expected to remain elevated at just under €17 million.

On the liabilities side, total borrowings, including lease liabilities amounting to just under €10 million, are expected to remain unchanged following the drops registered in the previous year. In terms of current liabilities, the increase in trade and other payables also partly reflects the pick-up in business activity forecasted for this year over and above the government-assisted payment deferral arrangements and programs in force over the past two years that led to a higher level of payables. These were extended once more (at a reduced rate) earlier this year and remained valid until May (that is, for a total of four months of the current financial year). Payment of these deferred liabilities are due to take place over a 30-month period starting in June 2022 leading to an increase in net indebtedness and gearing to more "normalized" levels at the end of such period.

Total equity is forecast to increase to €136 million from €129 million in FY2022, an increase of €7 million representing retained earnings, net of the dividend payments paid out or expected to be paid out during the current financial year ending 31 January 2023.

11. Ratio Analysis

The following set of ratios have been computed by Rizzo Farrugia & Co. (Stockbrokers) Ltd using the figures extracted from annual reports as well as information provided by management.

Profitability Ratios

The below is a set of ratios prepared to assist in measuring a company's ability to generate profitable sales from its assets.

	Actual FY2020	*Actual FY2021*	*Actual FY2022*	*Forecast FY2023*
Gross Profit margin *(Gross Profit / Revenue)*	39.17%	35.63%	37.50%	40.88%
EBITDA margin *(EBITDA / Revenue)*	21.97%	20.47%	24.73%	22.10%
Operating Profit margin *(Operating Profit / Revenue)*	13.23%	7.77%	14.65%	13.09%
Net Profit margin *(Profit for the period / Revenue)*	11.47%	4.56%	13.54%	10.56%
Return on Equity *(Profit for the period / Average Equity)*	10.57%	2.83%	10.13%	9.68%
Return on Capital Employed *(Profit for the period / Average Capital Employed)*	7.56%	2.10%	7.56%	7.29%
Return on Assets *(Profit for the period / Average Assets)*	6.61%	1.78%	6.39%	6.14%

Over the year under review, the Group generated improved profitability margins and return on equity and assets on the back of a recovery in business relative to the previous challenging year. Ratios are in fact close to or indeed even stronger than those registered for FY2020, that is, prior to the pandemic. This confirms the Group overall strength and soundness. FY2023 profitability ratios point to a similarly sound picture although, with the exception of the gross profit margin that is expected to rise to just under 41%, a slight easing is anticipated across all measurements. This notwithstanding, the ratios remain comforting and positive.

LIQUIDITY RATIOS

The below is a set of ratios prepared to assist in measuring a Company's ability to meet its short-term obligations.

	Actual FY2020	*Actual FY2021*	*Actual FY2022*	*Forecast FY2023*
Current Ratio *(Current Assets / Current Liabilities)*	1.57x	1.89x	1.45x	1.48x
Cash Ratio *(Cash & cash equivalents / Current Liabilities)*	0.25x	0.64x	0.41x	0.42x

The Group's strong liquidity position, highly prudent approach and aggressive cash conservation measures in FY2021 provided the ideal foundations for the Group to maintain a highly liquid position such that all obligations can easily be met as they fall due. Although the ratios above 'deteriorated' during FY2022, these are still very healthy figures and the 'deterioration' is solely due to the careful management and timing of short term obligations. This is expected to stabilise in FY2023 and, while lower than the levels achieved in FY2020, the ability of the Company to generate adequate liquidity remains strong.

SOLVENCY RATIOS

The below is a set of ratios prepared to assist in measuring a Company's ability to meet its debt obligations.

	Actual FY2020	*Actual FY2021*	*Actual FY2022*	*Forecast FY2023*
Interest Coverage ratio *(EBITDA / Net finance costs)*	16.59x	12.00x	17.70x	25.98x
Gearing Ratio (1) *(Net debt / Total Equity)*	0.35x	0.20x	0.14x	0.13x
Gearing Ratio (2) *[Total debt / (Total Debt plus Total Equity)]*	29.63%	25.70%	20.97%	20.04%
Net Debt to EBITDA *(Net Debt / EBITDA)*	1.78x	1.62x	0.82x	0.68x

FY2022 saw solvency ratios re-strengthening to very solid levels. We reported last year that the Group had entered the most challenging period in its existence from a position of significant strength and it was this strength that led it out of it. The ratios for FY2022 provide material comfort with gearing reportedly at a 50-year low. The Group's ongoing ability to meet all its obligations remains very strong and FY2023 numbers indeed point towards a strong position becoming even stronger. The Company is operating on extremely prudent metrics with a level of indebtedness that is particularly low and therefore completely manageable at any time.

12. VARIANCE ANALYSIS

Group Income Statement *as at 31 January*	*Actual* ***2022*** *€'000*	*Forecast* ***2022*** *€'000*	*Variance* *%*
Revenue	91,768	91,734	-
Cost of Sales	(57,359)	(52,724)	*+8.8*
Gross Profit	**34,409**	**39,010**	*-11.8*
Selling & Distribution Costs	(10,655)	(12,981)	*-17.9*
Administrative Expenses	(10,308)	(14,993)	*-31.2*
Operating Profit	**13,446**	**11,036**	*+21.8*
Depreciation & Amortisation & One-off Adjustments	*9,251*	*8,261*	*+11.9*
EBITDA	*22,697*	*19,297*	*+17.6*
Finance Costs	(1,282)	(1,061)	*+20.8*
Profit before Tax	**12,164**	**9,975**	*+21.9*
Tax Income/(Expense)	264	(591)	*-144.7*
Profit for the Year	**12,428**	**9,384**	*+32.4*
EPS – Earnings Per Share (€)	**0.414**	**0.313**	

After accounting for the anticipated material reduction in business and results following the outbreak of the pandemic during 2020 and 2021, the forecasts for 2022, while still prepared in a prudent manner factoring in the possibility of extended uncertainty and uneven recovery trends, provided evidence of the beginnings of recovery as visibility was expected to return as the financial year under review unfolded.

Total revenue for FY2022 reached just under €92 million and almost precisely in line with the forecast figure. Actual cost of sales was however, almost 9% higher than forecast, resulting from higher costs than originally anticipated together with a variance in sales mix of products sold, causing gross profit for the year to come in almost 12% below forecast. As disclosed last year, the Group prioritised, amongst a number of initiatives, improved operational efficiency and stricter cost controls. This strategy proved highly successful as both selling and distribution costs as well as administrative expenses ended the year 18% and 31% respectively below the figures forecasted. Further variances arose as a result of the wage supplement scheme continuing for longer than was anticipated at the time of the preparation of the forecast, and as a result of the partial release of a precautionary COVID provision against receivables. As a result, operating profit registered a better-than-expected result while EBITDA levels also registered an improvement of just under 18% relative to forecasts. While finance costs were marginally higher (but not material in absolute terms) than forecast, Group profit before tax reached €12.2 million (or 22%) higher than the forecast level of €10 million. A material tax swing in the Company’s favour during 2022 arising from the redemption of unrecognised conversion tax credits, resulted in an improvement of just over 32% in the reported profit after tax for the year of €12.4 million compared to the €9.4 million forecast.

PART C LISTED SECURITIES

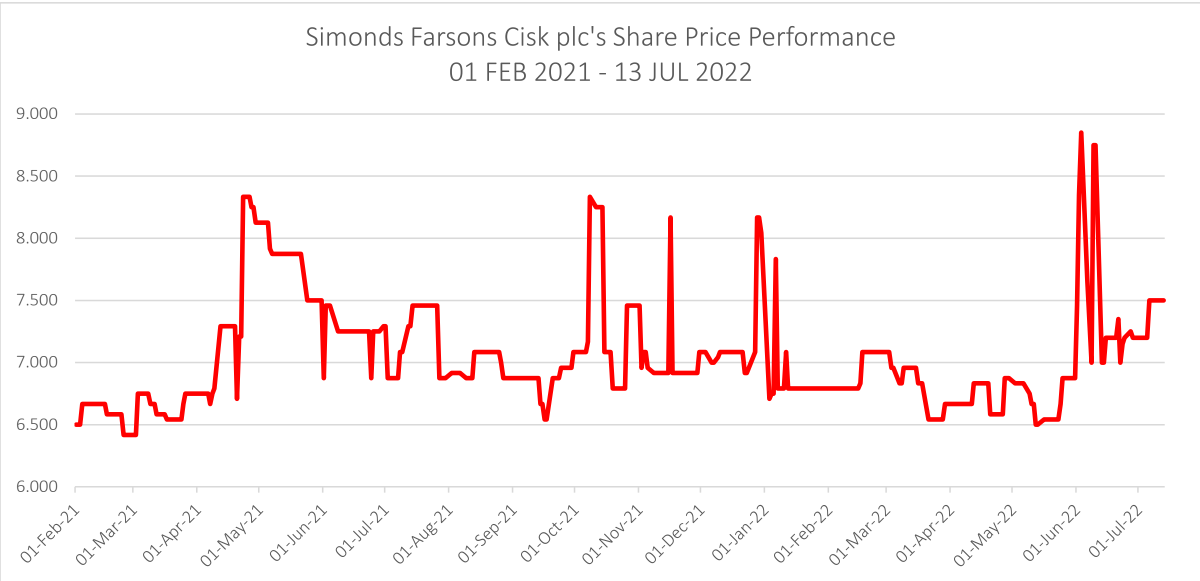
SHARES

SFC's shares have been listed on the Official List of the Malta Stock Exchange since 20 December 1995.

Issued Share Capital: 36,000,000 ordinary shares with a nominal value of €0.30 per share*

**On 25 May 2022 the Board of Directors of the Company resolved to recommend for the approval of the Annual General Meeting the capitalisation of €1.8 million from the Company's Retained Tax-Exempt Earnings for the purpose of issuing up to 6 million fully paid-up ordinary shares of a nominal value of €0.30 per share, representing one (1) bonus share for every five (5) shares held. The bonus shares are to be allotted to the members of the Company appearing on the Register of Members as at close of trading on the Malta Stock Exchange on 3 June 2022.*

ISIN:	MT0000070103
52 week high:	€8.33 (08/10/2021)
52 week low:	€6.542 (22/03/2022)
Closing price in 2021:	€8.042
Current price:	€7.500 *(as at 13 July 2022)*
Enterprise Value (EV)[8]:	€288.6 million
Price to Earnings (P/E) Ratio[9]:	21.74x



[8] Based on the market capitalisation as at 13 July 2022 and the figures extracted from the Statement of Financial Position as at 31 January 2022.

[9] Based on the share price as at 13 July 2022 and the earnings per share for the financial year ended 31 January 2022.

Debt Securities

SFC's listed debt securities comprise:

Bond:	€20,000,000 3.5% unsecured bonds
ISIN:	MT0000071234
Redemption:	13 September 2027 at par
Prospectus Date:	31 July 2017

PART D COMPARATIVES

The table below compares the Issuer to other listed debt on the local market having broadly similar maturities. The list excludes issues by financial institutions. The comparative set includes local groups whose assets, strategy and level of operations may vary significantly from those of the Issuer and are therefore not directly comparable. Nevertheless, the table below provides a sample of some comparatives:

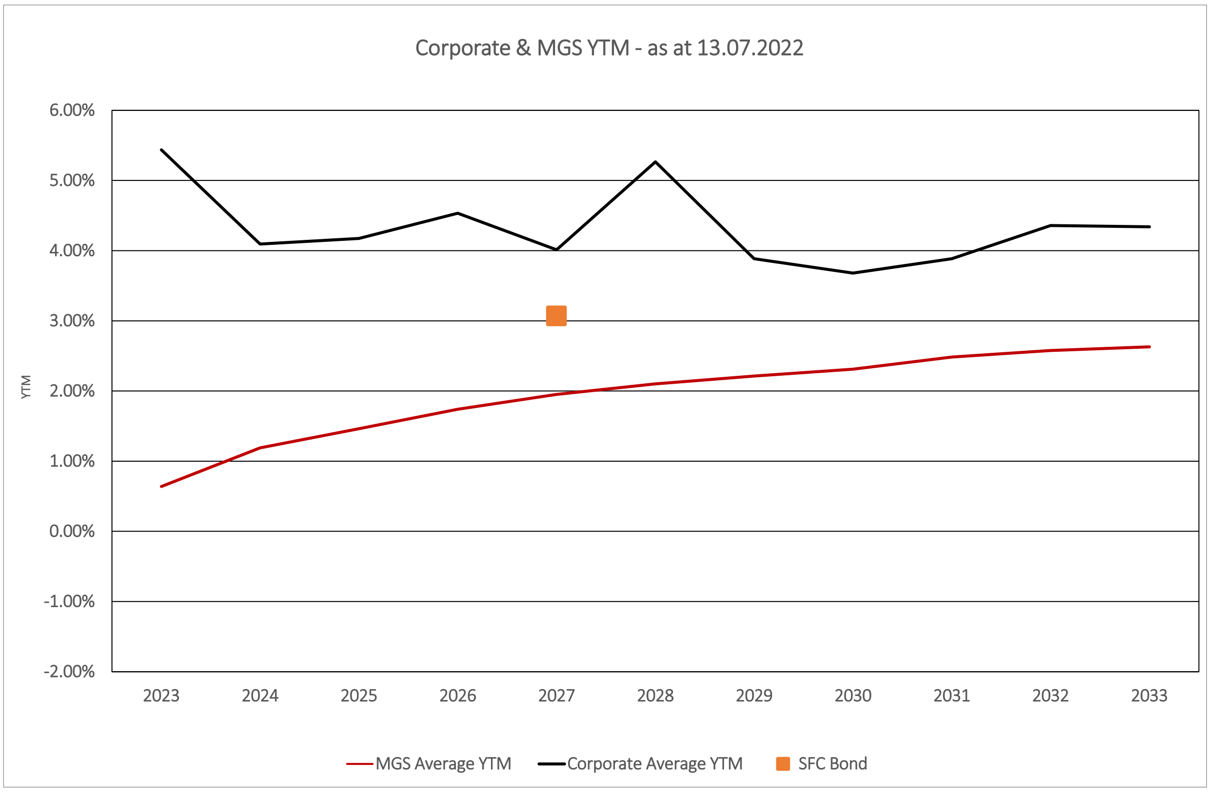
Bond Details	Outstanding Amount	Gearing Ratio*	Net Debt to EBITDA**	Interest Cover	YTM (as at 13.07.2022)
	(€)		*(times)*	*(times)*	
4.00% Eden Finance plc 2027	40,000,000	27.8%	5.7	3.6	3.88%
3.75% Tumas Investments plc 2027	25,000,000	19.7%	2.6	5.3	3.75%
3.5% Simonds Farsons Cisk plc 2027	20,000,000	7.4%	0.5	17.7	3.07%
3.75% Virtu Finance plc 2027	25,000,000	55.9%	57.5	0.7	3.54%
4.50% GHM plc 2027	15,000,000	85.1%	7.3	2.0	4.17%

Source: Yield to Maturity from rizzofarrugia.com, based on bond prices of 13.07.2022. Ratio workings and financial information quoted have been based on the financial statements of issuers (or their guarantors where applicable) as published for financial year ended 31 December 2021 (or later, as applicable).

**Gearing Ratio is calculated as: net debt / (net debt + equity)*

*** Net debt does not include lease liabilities*

The chart below compares the Simonds Farsons Cisk plc bond to other corporate bonds listed on the Malta Stock Exchange and benchmarked against the Malta Government Stock yield curve as at 13 July 2022.



At a coupon of 3.50% per annum, the Simonds Farsons Cisk plc 2027 bond yields 3.07% per annum to maturity. This is equivalent to approximately 112 basis points over the average yield to maturity of Malta Government Stock (MGS) maturing in 2027 and approximately 94 basis points below the average yield to maturity of corporate bonds maturing in 2027 (data correct as at 13 July 2022).

STATEMENT OF COMPREHENSIVE INCOME EXPLANATORY DEFINITIONS

Revenue	Total revenue generated by the company from its business activity during the financial year.
EBITDA	EBITDA is an abbreviation for earnings before interest, tax, depreciation and amortisation. It reflects the company's earnings purely from operations and is commonly used to analyse and compare profitability across companies as it eliminates effects of financing and accounting decisions which vary between companies in its computation.
EBIT	EBIT is an abbreviation for earnings before interest and tax. Similar to the above but factors in also depreciation and amortisation.
Depreciation and Amortisation	An accounting charge to compensate for the reduction in the value of assets and the eventual cost to replace the asset when fully depreciated.
Finance Income	Interest earned on cash bank balances and from the intra-group companies on loans advanced (if any).
Finance Costs	Interest accrued on debt obligations.
Net Profit	The profit after tax generated in one financial year from all operational as well as non-operational activities.

CASH FLOW STATEMENT EXPLANATORY DEFINITIONS

Cash Flow from Operating Activities	The cash used or generated from the company's principal operational business. activities.
Cash Flow from Investing Activities	The cash used or generated from the company's investments in new entities and acquisitions, or from the disposal of fixed assets.
Cash Flow from Financing Activities	The cash used or generated from financing activities including new borrowings, interest payments, repayment of borrowings and dividend payments.
Free Cash Flow (FCF)	FCF represents the amount of cash remaining from operations after deducting capital expenditure requirements.

Statement of Financial Position Explanatory Definitions

Assets	What the company owns which can be further classified into Current and Non-Current Assets.
Non-Current Assets	Assets, full value of which will not be realised within one year from the statement of financial position date. These usually comprise longer term investments such as property, plant, equipment and investment properties. They are capitalised rather than expensed meaning that the company allocates the cost of the asset over the number of years for which the asset will be in use.
Current Assets	Assets which are realisable within one year from the statement of financial position date. These usually comprise receivables, inventory (stock) as well as cash and cash equivalents.
Liabilities	What the company owes, which can be further classified in Current and Non-Current Liabilities.
Current Liabilities	All obligations which are due within one financial year. These usually comprise payables and short-term debt which may include bank borrowing and/or bonds.
Non-Current Liabilities	All obligations which are due after more than one financial year. Would typically include bank borrowing and bonds.
Equity	Equity is calculated as assets less liabilities, representing the capital owned by the shareholders, retained earnings, and any reserves and/or other equity components.

Profitability Ratios

EBITDA Margin	EBITDA as a percentage of total revenue.
Operating Profit Margin	Operating profit margin is operating profit achieved during the financial year expressed as a percentage of total revenue.
Net Profit Margin	Net profit margin is profit after tax achieved during the financial year expressed as a percentage of total revenue.
Return on Equity (ROE)	ROE measures the rate of return on the shareholders' equity of the owners of issued share capital, computed by dividing profit after tax by shareholders' equity.
Return on Assets (ROA)	ROA measures the rate of return to shareholders on assets and is computed by dividing profit after tax by total assets.

Liquidity Ratios

Current Ratio	The current ratio (or liquidity ratio) is a financial ratio that measures whether a company has enough resources to pay its debts over the next 12 months (current liabilities). It compares a company's current assets to its current liabilities.
Cash Ratio	Cash ratio is the ratio of cash and cash equivalents of a company to its current liabilities. It measures the ability of a business to repay its current liabilities by only using its cash and cash equivalents and nothing else.

Solvency Ratios

Interest Coverage Ratio	This is calculated by dividing a company's EBITDA of one period by the company's net finance costs of the same period.
Gearing Ratio	The gearing ratio indicates the relative proportion of shareholders' equity and debt (borrowings) used to finance a company's assets and is calculated by dividing a company's total debt by total debt plus shareholders' equity. The gearing ratio may also be calculated using net as opposed to total debt and can be calculated both as a ratio as well as a percentage.
Net Debt to EBITDA	This is the measurement of leverage calculated by dividing a company's interest-bearing borrowings net of any cash or cash equivalents by its EBITDA. The ratio provides an indication of how many years it would take for a company to pay back its debt in full assuming constant EBITDA and debt levels of the remaining years.

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.
Earnings per Share (EPS)	This is calculated by dividing the company's profit by the number of shares in issue.
Dividend Cover	This is calculated by dividing the EPS by the dividend per share.
Enterprise Value (EV)	EV measures the company's total value comprising its market capitalisation and net debt.
Price to Earnings (P/E)	The P/E ratio is a valuation multiple used to compare the company's share price with its EPS.

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