FINANCIAL ANALYSIS SUMMARY 2024

Bortex Group Finance p.l.c.

29 April 2024

Prepared by Calamatta Cuschieri Investment Services Limited

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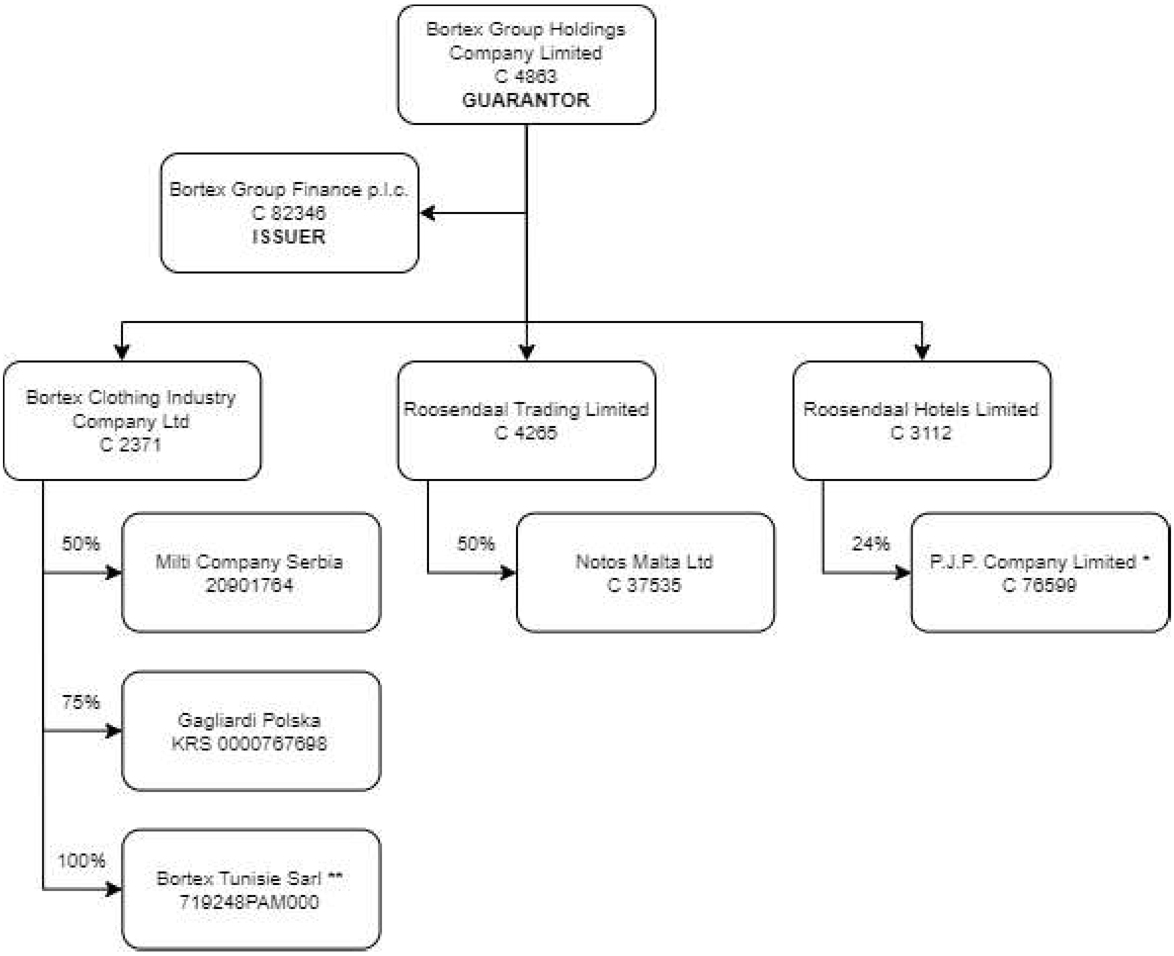
Part 1 - Information about the Group

1.1 Issuer's and Guarantor's Key Activities and Structure

The Group's summarised structure is as follows:



Ownership percentages are 100% unless otherwise indicated
* In liquidation.
** In administration

Bortex Group Finance p.l.c. (the "**Issuer**"), company registration number C 82346, is a public limited company registered in Malta on 30 August 2017. The Issuer is, except for one share held by Mr Peter Borg and another held by Ms Karen Borg, a wholly owned subsidiary of Bortex Group Holdings Company Limited (the "**Guarantor**"), which latter entity is the parent company of the "**Group**". The Issuer, which was set up and established to act as a finance company, has as at the date hereof an authorised and issued share capital of €250,000 divided into 250,000 ordinary shares of €1 each, all fully paid up.

The Guarantor is a private limited liability company incorporated and registered in Malta with company registration number C 4863. It was formerly known as Borchild Limited until 26 September 2017. The Guarantor is principally engaged, through several subsidiaries that operate in various jurisdictions, in the business of manufacturing garments for its own brand, Gagliardi, as well as for other private labels, retailing and distribution of garments in Malta as well as overseas, property development and management in addition to owning and managing hotels in Malta.

The authorised and issued share capital of the Guarantor is €46,587.46, divided into 20,000 ordinary shares having a nominal value of €2.329373 each. The ultimate beneficial owners of the Guarantor are Mr Peter Borg and Ms Karen Borg, in equal shares between them.

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 Peter Borg	Executive Director, rotating Chairperson
Ms Karen Borg	Executive Director, rotating Chairperson
Ms Christine Demicoli	Executive Director, Company Secretary
Dr Etienne Borg Cardona	Independent, non-executive Director
Mr Paul Darmanin	Independent, non-executive Director
Mr Joseph Cachia	Independent, non-executive Director

Dr Etienne Borg Cardona was appointed on 5th May 2023 to replace the outgoing Mr Mario Grech, an independent non-executive director who resigned from his position on 1st March 2023.

The business address of all of the directors of the Issuer is the registered office of the Issuer.

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 Peter Borg	Executive Director, rotating Chairperson
Ms Karen Borg	Executive Director, rotating Chairperson
Ms Christine Demicoli	Executive Director, Company Secretary
Ms Alexandra Borg	Executive Director
Mr Sam Borg	Executive Director
Mr David Debono	Executive Director

The business address of all of the directors of the Guarantor is the registered office of the Issuer.

The executive directors of the Issuer and the Guarantor, on the strength of their respective knowledge and experience in the applicable business interests of the Group to which they contribute directly, occupy the senior management and key executive positions across the Group. As of 31st October 2023, the average number of persons employed by the Group amounted to 155 (FY22: 156).

1.3 Major Assets owned by the Group

The Issuer is a special purpose vehicle set up to act as the financing company of the Group.

1.3.1 Bortex Clothing Industry Company Ltd

This subsidiary specializes in the manufacturing and sale of quality menswear. It owns warehouse properties, including the Bortex Warehouse in Zebbug and the Bortex Warehouses (A11 and A12) in Marsa. The Marsa warehouses are held under emphyteusis, indicating a long-term leasehold arrangement. These properties are primarily used for storage and distribution related to the clothing industry operations.

1.3.2 Roosendaal Trading Limited

This subsidiary primarily engages in retail operations, owning and operating three Bortex retail outlets in Sliema, Mosta, and Mriehel. Additionally, it rents nine retail outlets located in Sliema, St. Julian's, Mosta, Valletta, Kalkara, and Gozo.

Furthermore, in 2022, Roosendaal Trading Limited acquired a 50% shareholding in Notos Malta which operates the Lacoste shop at Tigné Point shopping mall and holds the sole license to distribute Lacoste within the Maltese market via wholesale channels.

1.3.2.1 Retail Outlets

This section will provide additional details on the retail stores owned by Roosendaal Trading Limited in Mosta and Mriehel, as well as the locations of newly added retail stores that the subsidiary rents.

1.3.2.1.1 Group's retail outlet, Mosta

The Group owns a 2-storey building in Constitution Street, Mosta, which is currently being used as one of the Group's retail outlets. It is built on a site area of 181m^2.

In 2021, the Group acquired the adjacent property and embarked on the development of both properties into a mixed-use commercial concept. This development was completed in 2023 and features a Bortex retail store, a coffee shop with outdoor seating, and 11 apartments spread across three additional floors which are available for rent.

For FY24, the intention is to retain and lease out the entire property, except for the space designated for the Bortex retail store.

1.3.2.1.2 Mixed-use complex, Mriehel

Following the provision of the Prospectus, during 2018, the Group completed the development of its Mriehel complex, which was constructed on a plot of land stretching over an area of approximately 438m² overlooking the Mriehel bypass that the Group had previously acquired.

As at the date of this Analysis, this mixed-use commercial complex is made up of 5 floors, with a retail outlet on levels 1 and 2, and office space which is leased to third parties on levels 3 to 5. This complex includes 3 levels of underground parking which are also leased. The retail outlet is currently being utilised by the Group as a clearance outlet.

1.3.2.1.3 Mercury Towers, St. Julain's

Roosendaal Trading Limited and Bluerock have recently collaborated to form Scale Operations Limited, a company registered in Malta with company registration number C 103603. Through their collaboration, they have devised the concept for a 'multi-brand concession partnership' at the new Mercury Mall in St. Julian's.

This initiative involves transforming one of the mall's levels, covering approx. 1,900m², into a prominent destination showcasing a curated selection of exclusive brands. The area is further augmented by a strong F&B concept.

1.3.2.1.4 Shoreline Mall, Kalkara

The Group's newest endeavour is a 400m² Bortex multi-brand store located within the recently launched Shoreline Mall in Smart City, Kalkara. The store curates an unparalleled selection of premium menswear, ladieswear and childrenswear brands, including apparel and accessories.

1.3.2.2 Corporate, hire and school wear divisions

Roosendaal Trading has undergone a successful and aggressive marketing strategy during FY23 which helped showcase significant growth in this area.

Operational performance - Manufacturing and Retail

	2021A	2022A	2023A	2024F
Revenue (€'000)	14,189	17,727	15,365	19,529
Gross operating profit (€'000)	2,373	2,186	1,945	2,582
Gross operating profit margin (%)	16.72%	12.33%	12.66%	13.3%

In FY23 the apparel sector achieved €15.4m in revenue, a decrease of 13.4% over last year. This performance was 12.3% less than the forecasted revenue as per last year's FAS dated 27th April 2023 which stood at €17.5m. Gross operating profit decreased by 11% and the GOP margin increased by 0.3% over last year.

In FY24 management anticipates an increase in revenue of 27.1% and increase in gross operating profit of 32.8% over FY23.

1.3.3 Roosendaal Hotels Limited

This subsidiary is the hospitality arm of the Group and owns and operates the 1926 Le Soleil Hotel & Spa, 1926 La Plage in Sliema as well as 1926 Le Parisot Boutique Hotel in Valletta.

1.3.3.1 1926 Le Soleil Hotel & Spa Sliema

Following the provisions of the prospectus during 2018, the Group completed the development of 1926 Le Soleil Hotel & Spa in Sliema. 1926 Le Soliel Hotel & Spa is a luxury hotel and spa hotel in a quiet residential area of Qui-Si-Sana seafront in Sliema. The hotel comprises a unique spa complete with an aquatonic pool and a fine dining restaurant. The establishment features 170 rooms, including 52 suites. 1926 La Plage is the hotel's private beach club located 200 metres away.

1.3.3.2 1926 Le Parisot Valletta

Following the provisions of the prospectus during 2018, the Group completed 1926 Le Parisot. This is a luxury boutique hotel located in St Paul's Street Valletta, consisting of 7 suites. Situated in the heart of the island's capital city, the hotel occupies a restored historic property and offers stylish suites, a rooftop terrace with views of the harbour.

1.3.3.3 Hotel Operations

In FY23 the hospitality segment completed its rebranding exercise which sees the roll out of the '1926 Collection' of hotels to include the current 1926 Le Soleil, 1926 Beach club, 1926 Le Parisot as well as the new hotels currently underway namely 1926 Les Bains and 1926 La Galerie in Sliema and Valletta respectively. It will also include a new gourmet restaurant 1926 Le GV.

During FY23 the hospitality sector invested heavily in digitalising its entire operation which resulted in a direct contribution to profitability.

1.3.3.4 Acquisitions in the hospitality sector

In FY23 Roosendaal Hotels acquired a period town house in Tony Nichol Street Sliema, which will be developed into a Spa Boutique hotel referred to above, namely 1926 Les Bains.
Roosendaal Hotels also acquired two commercial units at ground floor level in Tony Nichol Street Sliema which will be converted into a state-of-the-art gym as well as an additional office suite.

1.3.3.5 Luxury property development

Roosendaal Hotels completed the development of this block of 20 apartments plus 56 car spaces during 2021. All apartments have been sold whilst the Group retains the ground floor office suite as well as 26 car spaces.

Operational Performance - Hospitality

Hospitality[1]	2021A	2022A	2023A	2024F
Revenue (€'000)	3,147	5,694	7,331	6,872
Gross operating profit (€'000)	1,195	2,592	3,556	2,839
Gross operating profit margin (%)	37.97%	45.52%	48.51%	41.31%
Occupancy level	50.85%	74.44%	88.40%	77.20%
Average daily rate (ADR) (€)	95.80	118.41	128.38	137.58
Revenue per available room (Rev/PAR) (€)	48.71	88.14	113.43	106.33

In FY23 the two hotels achieved €7.3m in revenue, marking a strong 28.7% growth compared to the €5.7m recorded in FY22. This performance also surpassed the FY23 forecast revenue as per the previous FAS dated 27th April 2023 which stood at €6.2m by 19%. Additionally, the hotels saw a remarkable 37.2% increase in gross operating profit reaching €3.6m, which exceeded the forecasts in last year's FAS by 29%.

Occupancy levels experienced a notable 14% rise from FY22, surpassing expectations by 4%. Additionally, both the Average Daily Rate (ADR) and Revenue per Available Room (Rev/PAR) figures exceeded projections, surpassing expectations by €14.90 in ADR and €17.80 in REV/PAR respectively.

In FY24 management anticipates a decrease in revenue at 1926 Le Soleil of approximately €500K due to a deliberate decision to restrict inventory whilst the adjacent 1926 Les Bains is being built. During this time works on the afore mentioned flagship restaurant 1926 Le GV will also be underway. Revenue at 1926 Le Parisot is expected to reach previous years' levels.

[1] Previous FASs included figures relating solely to 1926 Le Soleil (previously Hotel 1926). This figure covers all hotels operated by the Group

In summary, the below table formulates the principal assets owned by the respective Group companies:

Owning Company	Name of Property and Location	Description	Ownership Status
Roosendaal Hotels Limited	1926 Le Soleil Hotel & Spa, Sliema	Hotel management & operation	100% owned
Roosendaal Hotels Limited	16 car spaces, Sliema	Investment property	100% owned
Roosendaal Hotels Limited	Ground floor of TEN apartments and 10 car spaces, Sliema	Hotel management & operation	100% owned
Roosendaal Hotels Limited	1926 Le Parisot Boutique Hotel, Valletta	Hotel management & operation	100% owned
Roosendaal Hotels Limited	6 Hail, Tony Nichol Street, Sliema	Investment property	100% owned
Roosendaal Hotels Limited	Subterrain of 8, Cosy, Tony Nichol Street, Sliema	Investment property	100% owned
Roosendaal Hotels Limited	A1 & A2, Paris Court, Tony Nichol Street, Sliema	Investment property	100% owned
Bortex Clothing Industry Company Ltd	Bortex Warehouse, Zebbug	Warehouse	100% owned
Bortex Clothing Industry Company Ltd	Bortex Warehouses (A11 and A12), Marsa	Warehouses	Emphytheusis
Roosendaal Trading Limited	Bortex Retail Outlet, Mosta	Retail outlet & 2 other commercial levels with own airspace	100% owned
Roosendaal Trading Limited	Bortex Retail Outlet, Tower Road, Sliema	Retail outlet	100% owned
Roosendaal Trading Limited	Bortex Retail Outlet, Mriehel	Retail outlet on the first 2 levels, 3 levels of commercial office space and 3 other basement levels	100% owned
Roosendaal Trading Limited	Bortex Retail Outlet, MIDI Complex, Sliema	Retail outlet	Rented
Roosendaal Trading Limited	Bortex Retail Outlet, Tigne Sliema	Retail outlet	Rented
Roosendaal Trading Limited	Bortex Retail Outlet, St. Julian's	Retail outlet	Rented
Roosendaal Trading Limited	Bortex Retail Outlet, Pama Shopping Complex, Mosta	Retail outlet	Rented
Roosendaal Trading Limited	Bortex Retail Outlet, The Plaza, Sliema	Retail outlet	Rented
Roosendaal Trading Limited	Bortex Retail Outlet, Valletta	Retail outlet	Rented
Roosendaal Trading Limited	Bortex Retail Outlet, Shoreline, Kalkara	Retail outlet	Rented
Roosendaal Trading Limited	Bortex Retail Outlet, Mercury, St. Julians	Retail outlet	Rented
Roosendaal Trading Limited	Bortex Retail Outlet, Victoria, Gozo	Retail outlet	Rented

1.4 Operational Developments

1.4.1 Manufacturing and Retail

During the year, the Group prioritized consolidating its private label manufacturing operations, particularly focusing on selected third-party clients. Concurrently, efforts were directed towards the development of the "Gagliardi" own label brand, along with the expansion of corporate, hire, and school wear divisions.

Plans for expanding the Gagliardi brand in overseas territories have been postponed due to the consequential impact of the COVID-19 pandemic. The Group has since shifted focus on optimizing the performance of existing stores.

The Group will also focus on optimizing the performance of newly launched locations, such as the Barlowes department store joint venture at Mercury Towers, and the Shoreline Mall outlet and newly renovated locations like the Mosta complex. Within the retail division, there's a concerted effort to enhance sales densities, efficiencies, and margins.

1.4.2 Hospitality

The Group will focus on a strategy of steady but selective growth in the hospitality sector and focusing on unique innovative concepts in niche markets.

1.4.2.1 1926 Les Bains – Luxury Spa Hotel

As aforementioned, work is underway on the development of a boutique spa hotel featuring 32 suites, each equipped with private spa facilities as well as a rooftop pool. This unparalleled concept will also house a new spa, 1926 L'Esprit de Thermes, which will offer a unique roman bathing experience. This new project is aligned with the sustainability and wellness ethos of the hospitality segment of the Group.

1.4.2.2 1926 La Galerie

The Group owns a property in Valletta which is currently being developed into a luxury five suite boutique hotel, also comprising of an art gallery. This project also brings a new concept to the tourism market.

1.4.2.3 1926 Le GV

This project consists of a state-of-the-art panoramic restaurant on the rooftop of 1926 Le Soleil as well as an infinity pool and deck area. It is expected to be completed by June 2024.

1.4.3 Liquidation

1.4.3.1 P.J.P Company Limited

Management confirmed that P.J.P. Company Limited, a subsidiary of Roosendaal Hotels Limited, is in liquidation as noted in the previous Financial Analysis Summary dated 27 April 2023.

1.4.3.2 The Group's Factory in Tunisia

As of the date of the analysis, the factory located in Tunisia ceased operations in May 2021, and Bortex Tunisie Sarl is now in administration under the management of an appointed liquidator. Subsequent to this closure, manufacturing activities have been outsourced to factories in Morocco, Turkey, and the Far East.

Part 2 - Historical Performance and Forecasts

The financial information in sections 2.1 to 2.3 is extracted from the audited financial statements of the Issuer for the financial years ended 31 October 2021, 2022 and 2023. The financial information in section 2.4 to 2.6 is extracted from the audited financial statements of the Guarantor for the financial years ended 31 October 2021, 2022 and 2023.

The forecasted financial information for the year ending 31 October 2024 has been provided by the Group's management. This financial information relates to events in the future and are based on assumptions which the Group 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 Issuer's Income Statement

Income Statement for the year ended 31 October	2021A	2022A	2023A	2024F
	€000s	€000s	€000s	€000s
Finance income	560	562	562	562
Finance costs	(502)	(503)	(504)	(503)
Net finance income	**58**	**59**	**59**	**59**
Administrative expenses	(51)	(57)	(58)	(58)
Profit before tax	**7**	**2**	**1**	**1**
Taxation	(3)	(1)	(18)	(9)
Profit / (loss) after tax	**4**	**1**	**(17)**	**(8)**

Ratio Analysis	2021A	2022A	2023A	2024F
Gross Profit Margin (Net finance income / Finance income)	10.4%	10.5%	10.5%	10.5%
Net Margin (Profit after tax / Finance income)	0.7%	0.2%	(3.0)%	(1.4)%

The Issuer has limited trading activity since it acts solely as a finance vehicle.

During FY23, finance income amounted to €562k whilst the finance costs amounted to €504k resulting in a net finance income of roughly €59k which has been very stable since FY21 increasing by just €1k. These reflect the 3.75% coupon incurred on the outstanding €12.75m bond issue along with its amortised costs.

The administrative expenses which consist of annual listing fees, compliance costs, and directors' and professional fees led to a profit before tax of €1k. Due to taxation, the Issuer incurred a loss of €17k during FY23.

The Issuer is forecasting similar movements in FY24F with a lower tax charge resulting in a lower loss after tax of €8k.

2.2 Issuer's Statement of Financial Position

Statement of Financial Position as at 31 October	2021A	2022A	2023A	2024F
	€000s	€000s	€000s	€000s
Assets				
Non-current assets				
Loans and receivables	12,497	12,497	12,497	12,497
Current assets				
Receivables	516	515	521	520
Cash and cash equivalents	314	347	363	365
Tax receivable	-	2	-	-
Total current assets	**830**	**864**	**883**	**885**
Total assets	**13,327**	**13,361**	**13,380**	**13,382**
Equity and liabilities				
Capital and reserves				
Share capital	250	250	250	250
Retained earnings	37	38	21	13
Total equity	**287**	**288**	**271**	**263**
Non-current liabilities				
Amortised bond issue	12,586	12,611	12,637	12,664
Current liabilities				
Current tax liabilities	3	-	11	9
Payables	7	15	16	-
Accrued bond interest	444	447	446	446
Total current liabilities	**454**	**462**	**473**	**455**
Total liabilities	**13,040**	**13,073**	**13,110**	**13,119**
Total equity and liabilities	**13,327**	**13,361**	**13,380**	**13,382**

In FY23 total assets amounted to €13.4m, remaining stable since FY21. They are split 93.4% loans and receivables with the rest being current receivables and cash and cash equivalents. This is not expected to differ in FY24.

The equity base decreased slightly to €271k in FY23 mainly due to lower retained earnings of €21k which is in line with the registered loss during FY23. For the same reason in FY24, the retained earnings are forecasted to be lower by €8k leading to a slight decline in the overall equity base.

On the liabilities side, the accumulated amortisation of the bond issue increased by €27k. This is expected to marginally increase over the lifetime of the bond as the issue costs are amortised.

The Issuer also recognised a current tax liability of €11k during FY23 which increased the total current liabilities to €473k. Both the current tax liabilities and the payables are expected to decrease in FY24 leading to a total decrease of €18k in current liabilities.

2.3 Issuer's Statement of Cash Flows

Cash Flow Statement for the year ended 31 October	2021A	2022A	2023A	2024F
	€000s	**€000s**	**€000s**	**€000s**
Cash flows from operating activities				
Cash generated from / (used in) operations	(55)	(49)	(67)	(74)
Interest paid	(475)	(475)	(479)	(475)
Interest received	537	562	562	562
Taxation paid	-	(5)	-	(11)
Net cash flows generated from / (used in) operating activities	**7**	**33**	**16**	**2**
Net cash flows used in investing activities	**-**	-	-	-
Net cash flows generated from financing activities	-	-	-	-
Movement in cash and cash equivalents	**7**	**33**	**16**	**2**
Cash and cash equivalents at start of year	307	314	347	363
Cash and cash equivalents at end of year	**314**	**347**	**363**	**365**

Due to the Issuer only being a finance company for the group, its trading activity is restricted, having no cash generated from investing or financing activities.

Cash generated from operating activities, however, decreased slightly when compared to FY22 mainly due to the loss incurred in FY23.

The overall cash position at the end of the year increased to €363k mainly due to the interest received which more than covered the cash used in operations and the interest paid. In FY24 the Issuers cash position is not expected to fluctuate drastically and remain relatively stable, increasing by €2k.

2.4 Group's Income Statement

Income Statement for the year ended 31 October	2021A	2022A	2023A	2024F
	€000s	€000s	€000s	€000s
Revenue	19,669	23,860	22,732	26,456
Cost of sales	(11,650)	(13,039)	(11,667)	(15,102)
Gross profit	**8,019**	**10,821**	**11,065**	**11,354**
Operating expenses (excl. depreciation)	(3,607)	(6,305)	(6,619)	(6,569)
Other income	1,414	354	1,114	635
EBITDA	**5,826**	**4,870**	**5,560**	**5,420**
Reported EBITDA	**5,826**	**4,870**	**5,560**	**5,420**
Loss from discontinued operations	(1,244)	-	-	-
Normalised EBITDA	**4,582**	**4,870**	**5,560**	**5,420**
Impairments	(297)	-	-	-
Depreciation and amortisation	(1,738)	(1,838)	(1,860)	(2,005)
EBIT	**2,547**	**3,032**	**3,700**	**3145**
Investment and other income	-	19	13	-
Finance loss	-	-	(21)	-
Finance income	27	26	-	-
Finance costs	(1,047)	(1,135)	(1,298)	(1,283)
Share of profit from associate	1	(16)	9	-
Profit before tax	**1,528**	**1,926**	**2,403**	**2,132**
Income tax	(448)	(20)	(367)	-
Profit after tax	**1,080**	**1,906**	**2,036**	**2,132**

Ratio Analysis - Profitability[2]	2021A	2022A	2023A	2024F
Growth in Revenue (YoY Revenue Growth)	(12.0)%	21.3%	(4.7)%	16.4%
Gross Profit Margin (Gross profit / Revenue)	40.8%	45.4%	48.7%	42.9%
EBITDA Margin (EBITDA / Revenue)	29.6%	20.4%	24.5%	20.5%
Operating (EBIT) Margin (EBIT / Revenue)	12.9%	12.7%	16.3%	12.9%
Net Margin (Profit after tax / Revenue)	5.5%	8.0%	9.0%	8.1%
Return on Common Equity (Net Income / Total equity)	3.6%	5.7%	5.3%	5.0%
Return on Assets (Profit after tax / Total assets)	1.7%	2.8%	2.7%	2.5%

Revenue

The Group primarily generates revenue from two main segments, these being apparel and hospitality, with property sales contributing minimally. Overall, there was a slight 4.7% decrease in total revenue compared to the previous year. Revenue in the apparel segment decreased from €17.7m to €15.4m representing a 13.3% decline. Revenue in the hospitality segment increased from €5.7m to €7.3m representing a 28.7% increase.

The decline in the apparel segment primarily stemmed from the restructuring and consolidation of private label operations, alongside reduced retail sales largely attributable to the Mosta outlet's eleven-month closure for redevelopment. Conversely, the increase in the hospitality revenue stemmed from an increase in occupancy of 14.0% and an increase in ADR of 8.4%. This growth was driven by successful brand enhancement, digitalisation efforts, increased focus on guest personalised experiences and elevation of overall quality.

Revenue from property sales was minimal at €36K in FY23, with no anticipated sales in FY24.

The Group expects a 16.4% overall revenue increase in FY24, driven by a forecast 27.1% increase in apparel segment revenue. This is offset by a 5.5% decrease in revenue from hotel operations attributable to the expansion of the Group's hotel portfolio as mentioned in section 1.3.3 of this analysis.

2 Ratio analysis may not agree to prior FASs, due to a change in the calculation methodology or rounding of figures

Segment Revenue	2021A	2022A	2023A	2024F
	€000s	€000s	€000s	€000s
Apparel	14,189	17,727	15,365	19,529
Hotel operations	3,050	5,693	7,331	6,927
Property sales	2,430	440	36	-
Total revenue	**19,669**	**23,860**	**22,732**	**26,456**

EBITDA and Net Profit

EBITDA in the apparel segment declined from €2.2m to €1.9m representing a decrease of 13.7%. In this segment, the profit margin increased from 12.4% to 12.7%. The cost of sales incorporates a net increase in stock provision amounting to €0.5m. Operating expenses excluding depreciation, increased slightly during FY23 from €6.3m to €6.6m.

EBITDA in the hospitality segment increased from €2.6m to €3.6m representing an increase of 37%. The profit margin in this segment increased from 45.6% to 48.5%.

There was a significant increase in other operating income, primarily driven by a €0.7m gain from the fair value of investment property during the year.

As a result, the Group achieved an EBITDA of €5.6m, 64.3% of which is coming from the hospitality segment whilst 35.7% is coming from retail and manufacturing. EBITDA for the year exceeded expectations by 10.5% and grew 14.2% compared to the previous year.

No impairment charges were incurred during the year, and depreciation and amortisation figures remained stable, resulting in a Group EBIT of €3.7m and a corresponding EBIT margin of 16.3%.

Both finance expenses and income tax payments increased compared to FY22. The profit after tax of the Group amounted to €2.0m which exceeds expectations by €0.1m and is €0.1m higher than the profit after tax in FY22.

The Group's GOP margin was 24.5% compared to 20.5% in the previous year, mainly due to the increase in the GOP margin in the hospitality segment from 45.6% to 48.5%. Similarly, the net margin of 9.0% was an improvement on the previous year of 8.0% for the same reason.

Looking ahead for FY24 the apparel segment anticipates a growth in revenue from €15.4m to €19.5m as well as an increase in EBITDA from €1.9m to €2.6m, representing an increase of 36.8%. The profit margin is anticipated to increase from 12.7% to 13.3%.

In the hospitality segment for 2024 revenues are expected to decline from €7.3m to €6.9m due to the restricted inventory during the development projects. EBITDA is expected to decline from €3.6m to €2.8m for the same reason. It is anticipated that there will be a 22.2% decrease in EBITDA and net profit margins are anticipated to decrease from 48.5% to 41.4% due to decreased scale economies.

Overall the Group's EBITDA is expected to decline from €5.6m to €5.4m, representing a decrease of 3.5%.

2.4.1 Variance Analysis

Income Statement	2023F	2023A	Variance
	€000s	€000s	€000s
Revenue	23,695	22,732	(963)
Cost of sales	(12,602)	(11,667)	935
Gross profit	**11,093**	**11,065**	**(28)**
Operating expenses (excl. depreciation and amortisation)	(6,288)	(6,619)	(331)
Other operating income / (expenses)	226	1,114	888
EBITDA	**5,031**	**5,560**	**529**
Depreciation and amortisation	(1,734)	(1,860)	(126)
EBIT	**3,297**	**3,700**	**403**
Investment and other income	-	13	13
Finance income	-	(21)	(21)
Finance costs	(1,382)	(1,298)	84
Share of profit from associate	-	9	9
Profit/(loss) before tax	**1,915**	**2,403**	**488**
Income tax	-	(367)	(367)
Profit/(loss) after tax	**1,915**	**2,036**	**121**

The forecast revenue of the apparel segment for FY23 was €17.5m. The actual revenue for the year was €15.3m, a decrease of 12.6%. The forecast EBITDA was €2.3m, whilst this segment reported an actual EBITDA of €1.9m, a decrease of 40%. This included an exceptional increase in the provision for inventories of €0.5m.

The hospitality segment on the other hand had forecasted revenue of €6.2m and achieved actual revenue of €7.3m, an increase of 17.8%. The actual EBITDA achieved was €3.6m as against forecasted EBITDA of €2.8m, an increase of 29%.

Overall Group's revenue decreased from the forecast €23.7m to the actual €22.7m, resulting in a 4.3% decrease. Group EBITDA for FY23 was €5.6m against the forecasted EBITDA of €5.0m.

Actual depreciation and amortisation charges were higher than forecast due to increased investment and revaluations carried out during the year.

Group Profit before tax was higher than forecasted by 25.5%. No provision for taxation was taken into consideration in the forecasts.

2.5 Group's Statement of Financial Position

Statement of Financial Position as at 31 October	2021A	2022A	2023A	2024F
	€000s	€000s	€000s	€000s
Assets				
Non-current assets				
Property, plant and equipment	36,712	37,729	46,451	55,422
Right-of-use assets	7,295	6,504	7,343	7,343
Investment property	3,220	3,557	6,044	6,044
Investment in associates	197	181	163	163
Investment in joint venture	-	5	492	492
Non-current financial assets	171	760	191	172
Loans receivable	646	646	-	-
	48,241	**49,382**	**60,684**	**69,636**
Current assets				
Inventories	11,544	11,155	11,821	10,348
Contract assets	66	67	170	170
Trade and other receivables	4,113	4,528	4,506	3,642
Current tax assets	8	13	1	1
Term placements	8	8	-	-
Cash and cash equivalents	3,328	2,640	3,535	3,810
	19,067	**18,411**	**20,033**	**17,971**
Total assets	**67,308**	**67,793**	**80,717**	**87,607**
Equity and liabilities				
Share capital	47	47	47	47
Revaluation reserve	11,685	11,620	17,621	17,621
Other reserves	704	704	704	704
Retained earnings	20,328	22,142	23,440	25,572
Non-controlling interest	14	18	23	23
Total equity	**32,778**	**34,531**	**41,835**	**43,967**
Non-current liabilities				
Deferred taxation	3,030	3,025	3,740	3,740
Lease liabilities	6,741	6,233	7,327	7,327
Borrowings	19,242	18,788	20,723	28,743
Other non-current liabilities	41	21	21	21
	29,054	**28,067**	**31,811**	**39,831**
Current liabilities				
Borrowings	986	1,080	3,097	1,513
Contract liabilities	90	-	-	-
Trade and other payables	4,232	3,984	3,744	2,202
Lease liabilities	161	123	94	94
Current tax liabilities	7	8	136	-
	5,476	**5,195**	**7,071**	**3,809**
Total liabilities	**34,530**	**33,262**	**38,882**	**43,640**
Total equity and liabilities	**67,308**	**67,793**	**80,717**	**87,607**

Ratio Analysis - Financial Strength	2021A	2022A	2023A	2024F
Gearing 1 (Net Debt / (Net Debt and Total Equity))	42.1%	40.6%	39.8%	43.5%
Gearing 2 (Total Liabilities / Total Assets)	51.3%	49.1%	48.2%	49.8%
Gearing 3 (Net Debt / Total Equity)	72.6%	68.3%	66.2%	77.0%
Net Debt / EBITDA	4.1x	4.8x	5.0x	6.2x
Current Ratio (Current Assets / Current Liabilities)	3.5x	3.5x	2.8x	4.7x
Quick Ratio ((Current Assets - Inventory) / Current Liabilities)	1.4x	1.4x	1.2x	2.0x
Interest Coverage 1 (EBITDA / Cash interest paid)	7.7x	4.2x	4.2x	4.3x
Interest Coverage 2 (EBITDA / Finance costs)	5.6x	4.3x	4.3x	4.2x

Total assets saw a €12.9m increase in FY23, primarily driven by a €8.7m rise in property, plant and equipment. This is made up of an additional investment of €3.8m net of depreciation, €1.7m reclassified to property held for investment and €6.4m revaluation of assets. There is also a gain of €0.7m on the fair value of investment property. The non-current loans receivable decreased by €0.6m due to a change in the terms, reclassifying them as current assets and including them in amounts owed by other related parties.

Out of the total €80.7m assets, current assets amount to €20.0m, mainly comprising €11.8m inventory, €4.5m trade and other receivables, and €3.5m cash and cash equivalents. All three asset categories have increased compared to FY22 levels.

Management anticipates an 8.5% increase in the Group's total asset base in FY24, primarily attributed to an estimated €9.0m increase in the property, plant, and equipment. Inventories are projected to slightly decrease in FY24.

Equity surged by €7.3m in FY23, largely due to the revaluation of land and buildings reflected in the revaluation reserve, alongside a €1.3m increase in the retained earnings. FY24 is expected to see a further increase in equity, mainly driven by a €2.1m rise in retained earnings.

Non-current liabilities constitute 81.8% of the total liabilities, primarily comprising €20.7m in borrowings relating mainly to the Issuer's outstanding bonds.

Although borrowings have increased compared to FY22, the Group has managed to reduce its leverage to 39.8% from 40.6% primarily due to a higher equity base.

The Group's current assets cover current liabilities by 2.8x, a decrease from FY22. This ratio is however anticipated to increase to 4.7x in FY24, mainly due to lower current borrowings and trade and other payables.

2.6 Group's Statement of Cash Flows

Cash Flow Statement for the year ended 31 October	2021A	2022A	2023A	2024F
	€000s	**€000s**	**€000s**	**€000s**
Cash flows from operating activities				
Cash generated from operations	5,892	4,636	3,988	4,923
Interest received	26	-	13	-
Interest paid	(754)	(1,157)	(1,312)	(1,275)
Net tax refund/(paid)	(156)	(28)	6	-
Net cash flows generated from operating activities	**5,008**	**3,451**	**2,695**	**3,648**
Cash flows from investing activities				
Purchase of property, plant and equipment	(1,254)	(2,414)	(5,536)	(2,459)
Additional investments in joint venture	-	(5)	(459)	-
Investment in FVOCI	-	(654)	-	-
Payments for investment in associate	-	-	799	-
Net cash flows used in investing activities	**(1,254)**	**(3,073)**	**(5,196)**	**(2,459)**
Cash flows from financing activities				
Repayments of bank borrowings	(8)	(902)	1,755	(558)
Movement of loans from shareholders	901	-	-	-
Dividends paid	(265)	(100)	(405)	(405)
Principal element of lease liabilities	(353)	(144)	(167)	-
Net cash flows generated from / (used in) financing activities	**275**	**(1,146)**	**1,183**	**(963)**
Movement in cash and cash equivalents	**4,029**	**(768)**	**(1,318)**	**226**
Cash and cash equivalents at start of year	**(671)**	**3,328**	**2,572**	**1,254**
Effects of currency translation on cash and cash equivalents	(30)	12	-	-
Cash and cash equivalents at end of year	**3,328**	**2,572**	**1,254**	**1,480**

Ratio Analysis - Cash Flows	2021A	2022A	2023A	2024F
Free Cash Flow (CFO prior to the payment of interest - Capex)	€ 4,508	€ 2,194	€ (1,529)	€ 2,464

In FY23 the cash generated from operating activities decreased by €0.8m primarily due to lower sales. However, management is forecasting higher cash generated from operations in FY24, with a projected 35.4% increase.

Net cash flows used in investing activities in FY23 increased to €5.2m, largely due to significant investments in property, plant and equipment. This was lower than management's previous projections due to timing differences. The forecasted €2.5m capital expenditure includes investments regarding the hotel expansion mentioned under section 1.4.2 of this analysis.

Net cash generated from financing activities was €1.2m, driven by increased bank borrowings of €1.8m. Additionally, dividends paid increased to €0.4m in FY23.

The Group's cash position decreased by €1.3m during the year, primarily due to a larger portion of the cash being used for investing activities, slightly offset by increased borrowing. Looking ahead to FY24, management anticipates a positive cash movement, increasing the Group's cash position to €1.5m by the end of the year.

Free Cash Flow was negative in FY23 due to significant investments in property, plant and equipment. Conversely this is expected to be positive in FY24 due to higher cash generated from operations and lower capital expenditures.

Part 3 - Key Market and Competitor Data

3.1 General Market Conditions

The Issuer 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. 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 Issuer's planning during development, this shall have an adverse impact on the financial condition of the Issuer and may therefore affect the ability of the Issuer to meet its obligations under the Bonds.

3.2 Malta Economic Update[3]

The Bank's Business Conditions Index indicates that in February 2024, annual growth in business activity marginally decreased and remained below its historical average, estimated since January 2000.

The European Commission confidence surveys show that sentiment in Malta decreased in February, standing well below its long-term average, estimated since November 2002. Sentiment mostly deteriorated in industry.

Additional data show that in month-on-month terms, price expectations decreased across almost all sectors. The strongest declines were recorded among consumers and in the construction sector. By contrast, price expectations in industry stood less negative compared with a month earlier.

In February, the European Commission's Economic Uncertainty Indicator (EUI) for Malta decreased compared with January, indicating lower uncertainty. Uncertainty fell mostly in the services sector, and to a lesser extent, among consumers.

In January, industrial production contracted on a year-on-year basis, while retail trade rose marginally on a year earlier.

Commercial and residential building permits in January were higher than a month earlier. While commercial permits were also higher when compared with a year ago, residential permits were lower on this basis. In February, the number of residential promise-of-sale agreements rose on a year earlier, as did the number of final deeds of sale.

The annual inflation rate based on the Harmonised Index of Consumer Prices (HICP) stood at 3.0% in February, down from 3.7% in the previous month. HICP excluding energy and food in Malta remained below the €area average. Inflation based on the Retail Price Index (RPI) decreased to 2.3%, the lowest rate since September 2021, mainly due to a month-on-month drop in food prices.

In January, Maltese resident's deposits increased above their level a year ago, following a few months of declines in the latter half of 2023. Growth over the year to January was mostly driven by balances belonging to households. By contrast, deposits held by financial intermediaries decreased. Meanwhile, annual growth in credit to Maltese residents increased at the same rate compared with a month earlier.

In January, the Consolidated Fund recorded a lower deficit compared to a year earlier. This reflects a rise in government revenue which outweighed an increase in government expenditure.

3.3 Retail[4]

According to latest data issued by the Central Bank of Malta, Confidence in the retail sector decreased but remained above its long-term average of 0.4. It stood at 14.7, down from 25.6 in the previous month. The recent fall in sentiment was largely driven by respondents' weaker assessment of sales over the past three months. At the same time, and in contrast to January, retailers now assessed their stocks of finished goods to be above normal levels. These developments were partly offset by a slight improvement in participants' expectations of business activity over the next three months.

3.4 Tourism

Comparison between the data of 2022 and 2023 provides valuable insights into the trajectory of the local tourism industry over the span of a single year, reflecting the pace and direction of recovery following the disruptions caused by the pandemic.

Inbound tourist arrivals experienced a notable surge from 2,287k in 2022 to 2,976k in 2023, marking an impressive increase of 30.1%. This significant uptick underscores the industry's robust recovery momentum and highlights the successful implementation of strategic initiatives aimed at rejuvenating tourism demand and stimulating visitor traffic.

Correspondingly, the metric of tourist guest nights witnessed a substantial growth, escalating from 16,600k in 2022 to 20,424k in 2023, reflecting a noteworthy increase of 21.9%. This surge in guest nights not only indicates a resurgence in tourist engagement but also underscores the sustained interest and participation in the local tourism offerings, contributing to the overall vibrancy of the sector.

3 Central Bank of Malta – Economic Update 03/2024

4 Central Bank of Malta – Economic Update 03/2024

However, amidst the recovery, there was a notable decline in the average length of stay, dropping from 7.3 days in 2022 to 6.8 days in 2023, representing a significant decrease of 6.8%. This decline may raise concerns regarding visitor engagement and expenditure patterns, necessitating a deeper examination into the underlying factors driving this trend and potential strategies to address it.

On the economic front, tourist expenditure exhibited a remarkable increase from €2,013m in 2022 to €2,671m in 2023, depicting a substantial surge of 32.7%. This surge in spending reflects the revitalization of tourism-related economic activities and underscores the sector's pivotal role in driving economic growth and employment.

Furthermore, the metric of tourist expenditure per capita demonstrated a modest increase, rising from €880 in 2022 to €898 in 2023, representing a marginal increment of 2.0%. While this increase reflects improved spending capacity and propensity among tourists, further analysis is required to discern the underlying factors influencing spending behaviour and patterns. The trends are also summarised in the following table, illustrating the number of tourist arrivals over the last four years:

Category[5]	2020	2021	2022	2023	2022 vs. 2023
Inbound tourists*	659	968	2,287	2,976	30.1%
Tourist guest nights*	5,227	8,390	16,600	20,424	21.9%
Avg. length /stay	7.9	8.7	7.3	6.8	(6.8)%
Tourist expenditure**	455	871	2,013	2,671	32.7%
Tourist exp. per capita (€)	691	899	880	898	2.0%

*in thousands
**in € millions

January-February 2024[6]

Inbound tourists for the first two months of 2024 amounted to 341k, an increase of 26.9% over the same period in 2023. Total nights spent by inbound tourists went up by 9.4%, surpassed 2.0m nights.

Total tourist expenditure was estimated at €224.2m, 20.5% higher than that recorded for 2023. Total expenditure per capita decreased to €657 from €692 in 2023.

The number of tourists visiting Gozo and Comino, including both same-day and overnight visitors, totalled 153k, or 44.9% of total tourists.

5 National Statistics Office, Malta

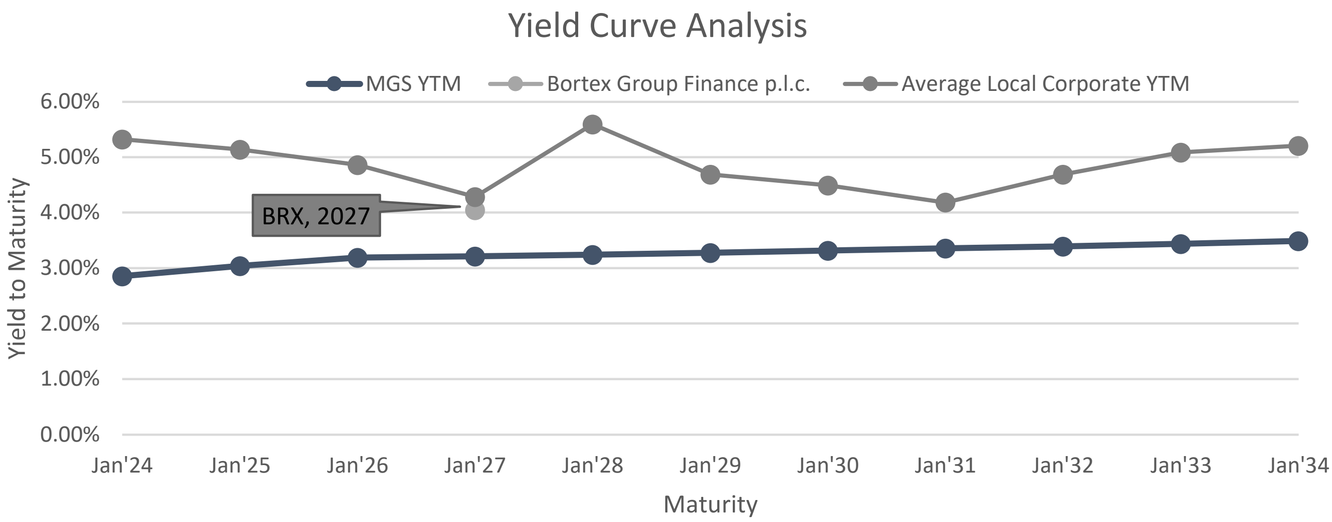
6 https://nso.gov.mt/inbound-tourism-february-2024/

3.5 Comparative Analysis

Security	Nom Value	Yield to Maturity	Interest coverage (EBITDA)	Total Assets	Total Equity	Total Liabilities / Total Assets	Net Debt / Net Debt and Total Equity	Net Debt / EBITDA	Current Ratio	Return on Common Equity	Net Margin	Revenue Growth (YoY)
	€000's	(%)	(times)	(€'millions)	(€'millions)	(%)	(%)	(times)	(times)	(%)	(%)	(%)
6% International Hotel Investments plc €2024	10,392	5.68%	0.7x	1,662.0	817.9	50.8%	41.9%	13.6x	0.8x	(0.3)%	(1.0)%	84.3%
5.75% International Hotel Investments plc Unsecured €2025	45,000	5.74%	0.7x	1,662.0	817.9	50.8%	41.9%	13.6x	0.8x	(0.3)%	(1.0)%	84.3%
4.35% Hudson Malta plc Unsecured €2026	12,000	4.68%	8.5x	63.8	12.8	80.0%	71.7%	6.6x	1.4x	1.6%	0.4%	27.4%
4% International Hotel Investments plc Secured €2026	55,000	3.99%	0.7x	1,662.0	817.9	50.8%	41.9%	13.6x	0.8x	(0.3)%	(1.0)%	84.3%
4% International Hotel Investments plc Unsecured €2026	60,000	4.09%	0.7x	1,662.0	817.9	50.8%	41.9%	13.6x	0.8x	(0.3)%	(1.0)%	84.3%
3.25% AX Group plc Unsec Bds 2026 Series I	15,000	3.65%	2.2x	422.8	248.2	41.3%	30.0%	12.0x	1.1x	(0.1)%	(0.7)%	8.1%
3.75% Mercury Projects Finance plc Secured €2027	11,500	4.87%	2.6x	179.4	37.2	79.3%	71.8%	15.1x	3.0x	24.1%	22.9%	666.2%
4.35% SD Finance plc Unsecured €2027 (xd)	65,000	4.26%	4.4x	376.1	152.2	59.5%	22.1%	2.1x	1.3x	8.4%	17.5%	75.4%
4% Eden Finance plc Unsecured €2027 (xd)	40,000	4.37%	4.8x	217.9	135.4	37.9%	25.3%	4.8x	0.8x	1.0%	3.5%	47.3%
4% Stivala Group Finance plc Secured €2027	45,000	3.99%	7.7x	396.6	249.3	37.1%	29.0%	5.6x	0.7x	10.8%	93.7%	91.5%
3.75% Bortex Group Finance plc Unsecured € 2027	12,750	4.05%	4.2x	67.8	34.5	49.1%	40.6%	4.9x	3.5x	5.7%	8.0%	21.3%
4% SP Finance plc Secured €2029 (xd)	12,000	4.24%	1.4x	36.8	13.4	63.5%	58.8%	15.9x	0.3x	(19.0)%	(70.4)%	0.0%
3.65% Stivala Group Finance plc Secured €2029	15,000	3.77%	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	3.75%	2.2x	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	4.25%	2.6x	179.4	37.2	79.3%	71.8%	15.1x	3.0x	24.1%	22.9%	666.2%
3.65% IHI plc Unsecured €2031	80,000	4.76%	0.7x	1,662.0	817.9	50.8%	41.9%	13.6x	0.8x	(0.3)%	(1.0)%	84.3%
5% Von der Heyden Group Finance plc Unsecured €2032	35,000	5.00%	0.9x	142.0	41.1	71.1%	65.4%	38.4x	2.1x	(2.7)%	(7.2)%	32.3%
5.85% AX Group plc Unsecured €2033	40,000	5.29%	2.2x	422.8	248.2	41.3%	30.0%	12.0x	1.1x	(0.1)%	(0.7)%	8.1%
6% International Hotel Investments plc 2033	60,000	5.17%	0.7x	1,662.0	817.9	50.8%	41.9%	13.6x	0.8x	(0.3)%	(1.0)%	84.3%
	Average	4.50%										

Source: Audited financial statements for FY22

* Last closing price as at 19/04/2024
**Average figures do not capture the financial analysis of the Issuer



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 illustrates on a stand-alone basis, the yield of Bortex Group Finance p.l.c. bond.

As at 19 April 2024, the average spread over the Malta Government Stocks (MGS) for corporates with maturity range of 2-9 years (2024-2033) was 129 basis points. The 3.75% Bortex Group Finance plc 2027 is currently trading at a YTM of 405 basis points, meaning a spread of 84 basis points over the equivalent MGS. This means that this bond is trading at a discount of 45 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.
Operating Profit (EBIT)	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.
Net Income	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.
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.
Current Liabilities	Obligations which are due within one financial year.

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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