FINANCIAL ANALYSIS SUMMARY 2022

TOGETHER GAMING

Together Gaming Solutions p.l.c.
27 June 2022

Prepared by Calamatta Cuschieri Investment Services Ltd

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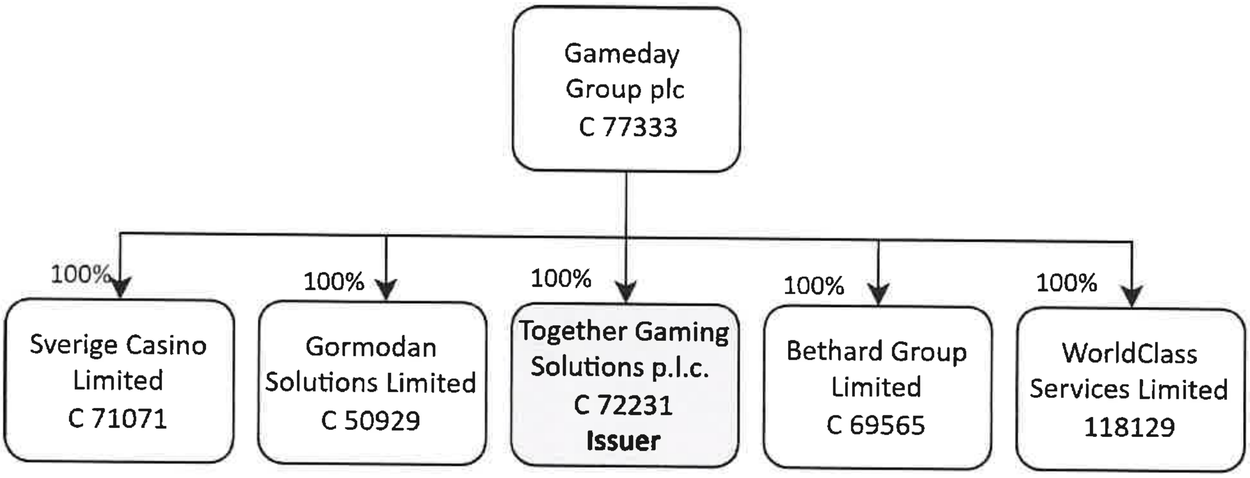
Part 1 Information about the Group

1.1 The Group's Key Activities and Structure

The Group structure is as follows:



The "**Group**" of companies consists of Together Gaming Solutions p.l.c. (the "**Issuer**" or "**TGS**"), Gameday Group plc acting as the "**Parent**" company of the Issuer, and the other fellow subsidiaries of the Group being: Sverige Casino Ltd, Bethard Group Limited, WorldClass Services Ltd, and Gormodan Solutions Limited. The principal activity of the Group is the provision of iGaming services including the development and establishment of arrangements with White Label Operators ("**WL Operators**").

For clarity's sake, White Label iGaming services are comprehensive gaming activity services provided to third-party operators that have a gaming brand but would prefer to obtain their gaming services such as odds feeds, payment options, as well as a gambling license, from another entity.

Gameday Group plc acts as the parent company of the Group. It is a public limited liability company incorporated and registered in Malta on 22 September 2016, with company registration number C 77333. The Parent company is held by several shareholders which, as of the date of the Analysis, totalled 60.

Together Gaming Solutions p.l.c. was incorporated on 14 September 2015 as a private limited liability company, registered in terms of the Companies Act with company registration number C 72231, and subsequently changed its status to a public company with effect from 31 January 2019.

The Issuer was originally intended to manage the Group's business-to-business ("**B2B**") operations (i.e. the offering of White Label Services to third-party White Label Operators for their own branded operations) but was relatively dormant before 2018, and this function was carried out by Bethard Group Limited.

As of the date of this Analysis, the Issuer has an authorised share capital of €30,000,000 divided into 30,000,000 ordinary shares of €1 each. The Issuer is, except for one ordinary share, a wholly owned subsidiary of the Parent, with a total issued share capital amounting to €20,580,000 divided into 20,580,000 ordinary shares of €1 each, all fully paid up.

Bethard Group Limited ("**Bethard**") is an iGaming company incorporated and headquartered in Malta with company registration number C 69565. Bethard used to operate an online sportsbook and casino website, providing iGaming services under its brand, the "**Bethard Brand**", to consumers in several jurisdictions including Malta, Spain, Sweden, and Ireland through licences it holds in said jurisdictions.

In 2021, as discussed below in this document, the Group decided to dispose of its business-to-customer business ("**B2C**"), also referred to as the Bethard brand, by selling it to Esports Entertainment Group ("**Esports Group**" or "**Acquirer**"), which is a U.S.-based, full-stack esports and online gambling company, maintaining offices in the U.S., the UK, and Malta. Bethard however retained some B2C licences, for the purposes of supporting the Issuer's B2B business and white label clients, with the exception being the Spanish licence which was transferred to the Esports Group.

WorldClass Services Limited was incorporated in Gibraltar on 29 November 2018. This entity has taken over all of the marketing and business development operations for the iGaming business that it operates with Bethard. Subsequent to the agreement with Esports Group, WorldClass Services Ltd still remained the Group's marketing arm and retained the development agreement it has in place with the Issuer.

Sverige Casino Limited is a joint venture between the Parent company and third parties. It operates its own branded gaming website, in which the Parent had a 50% holding until 2020. In 2021, the Group acquired the remaining 50% shareholding from the third parties. This company remains non-trading to date however there is an intention from Group management to commence operations in the near future.

The Group also owns Gormodan Solutions Limited - a dormant company that is currently in the process of liquidation. Gormodan has been put into dissolution on the 18th of April 2022, with the expectation that the process will be concluded within 3 months from this date.

In May 2021, the Issuer announced that the Group successfully concluded the sale of its B2C business to Esports Group. The sale follows a strategic decision by the Group to focus on its B2B operations, with the Issuer at the forefront of this new strategy. The transaction with the Esports Group is further discussed in section 1.4.

BHGDE Ltd was incorporated on 14 August 2018 for the purpose of applying for a regional gaming licence and eventually providing gaming services in Schleswig-Holstein, Germany. This subsidiary was sold off during FY21 with the previously mentioned B2B sale, hence it does not form part of the Group of companies at the time of the Analysis.

BHGES plc was incorporated on 6 December 2018 and carried out the Group's gaming operations in Spain. This subsidiary was also transferred to the Acquirer during FY21, hence it does not form part of the Group of companies at the time of the analysis.

1.2 Directors and Key Employees

Board of Directors - Issuer

As of the date of this Analysis, the board of directors of the Issuer is constituted of the following persons:

Name	Office Designation
Mr Erik Johan Sebastian Skarp	Non-executive Director and chairman
Mr Edward Licari	Non-executive Director
Mr Benjamin Delsinger	Executive Director
Mr Michael Warrington	Independent, non-executive director
Dr Kari Pisani	Independent, non-executive director
Mr David Bonett	Independent, non-executive director

The business address of all the directors of the Issuer is the registered office of the Issuer. Mr Edward Licari is the company secretary of the Issuer.

The sole executive director is responsible for the executive management of the Issuer and the Group, and together with other senior members of the executive team is responsible for the Issuer's and the other Group companies' day-to-day management.

The Issuer's average number of employees during FY21 amounted to 7 (FY20: 5). Despite having its own employees, the Issuer also relies on certain resources made available to it by entities within the Group. Additionally, it is the Group's intention to consolidate all local employment under the Issuer. This should be taking place by Q1 2023.

1.3 Major Assets owned by the Group

Acquisition of the iGaming assets by the Issuer

The Issuer was largely dormant prior to 2018, with this business being carried out by Bethard. In 2018, the Group began a restructuring process to change the Issuer's main function into the Group's B2B service provider and to establish the Issuer as the owner and licensor of the Group's key intellectual property assets, the **"iGaming assets"**.

In January 2018, the Issuer assumed all of Bethard's rights and obligations regarding all of the White Label Agreements that the latter had previously entered into with various WL Operators. As such, the Issuer became responsible for providing White Label Services to different iGaming operators.

On 29 April 2019, the Issuer received a B2B licence issued by the Malta Gaming Authority, which allowed it to provide gaming supply services to iGaming operators, such as the iGaming platform. Following the acquisition of the B2B licence on 30 April 2019, the Issuer was the recipient of the iGaming assets from Bethard for a purchase price of €42.3m.

iGaming assets

Until June 2021, the iGaming platform, the Bethard brand, and the IP Licensing Agreement used to constitute the major assets of the Group. As discussed further in 1.4 below, the Bethard brand was sold and is no longer part of the Group's assets. Similarly, with the Bethard sale, the Group has lost its access to revenues from the IP Licensing Agreement defined later in this section 1.3.

iGaming platform

The 'AleAcc' iGaming platform is a proprietary data-driven, full API, multi-currency, multi-skin, and multi-wallet software platform intended to serve as the core e-commerce system for any iGaming operator making use of it. The Group has invested heavily in the iGaming platform, which it wholly acquired in early 2018 (51% was acquired in 2015 and the remaining 49% was acquired in 2018). In 2016, following significant investment in the iGaming platform and its development into a high-end gaming platform, the Group began to offer the iGaming platform as a premium platform alternative to the third-party sportsbook and casino operators.

The iGaming platform is a highly flexible module-based system adapted to cater to the dynamic needs of today's casino and betting market, making it simple to increase functionality as demands change without impacting its capacity or reliability. The iGaming platform is currently provided to a wide range of iGaming operators including casino and sportsbook operators and is generally regarded to be a premium alternative to its competitors.

It generally takes 1 to 2 months for the iGaming platform to be completely installed for an iGaming operator, with business optimisation at the iGaming operator level typically taking place within a few hours of installation. It is therefore generally considered to offer a more efficient integration process when compared to other platform providers.

In line with improving its offering in 2021, the Group continued to invest in the iGaming platform solutions, with *circa* €912k spent as development costs in the past financial year. The developments mainly entail constant upgrades to the system to meet operators and industry requirements. The more recent new features would be an enhanced dashboard and further analytics features.

IP Licensing Agreement

The Issuer used to own the iGaming assets that it licensed to its subsidiary, WorldClass Services Limited. The agreement between these two Group companies was referred to as the IP Licensing Agreement. In return, the Issuer was compensated by WorldClass Services Limited. Following the sale of the Bethard brand, the Issuer no longer has access to this revenue stream and they will attempt to compensate by obtaining further B2B (WhiteLabel) and turnkey business in the following period.

Bethard Brand

As mentioned before, in 2019 the Group acquired ownership of the Bethard brand. Bethard is an iGaming brand that has a sports-oriented image, while still offering the availability of casino games. In 2018, Bethard appointed Zlatan Ibrahimović as the Brand Ambassador for three years. In 2021, a three year extension of the contract up to February 2024 was secured, yet presently a legal dispute between both parties exists and is being addressed, with the expectation that this is settled by the end of the year 2022.

In May 2021, the Group completed the aforementioned sale of Bethard to a third party called Esports Group. As a result of the transaction, the Bethard brand and all related domains and other assets were transferred from the Group to the Acquirer, and thus they do not form part of the Group's assets anymore. The brand ambassador agreement was also transferred from the Group to the Acquirer subject to specific conditions materialising.

The Group however retained its iGaming B2C licences held in Malta, Sweden and Ireland for the purposes of supporting the Issuer's B2B business and white label clients. As such, the Group continued to provide iGaming services to players on the third-party branded websites operated by WL Operators.

1.4 Operational Developments

As mentioned above, on 25 May 2021, the Issuer announced that the Group successfully concluded the sale of its B2C business to Esports Group.

The shares of Esports Group are listed on the Nasdaq exchange (Ticker: GMBL) with a market capitalisation of *circa* $17m as of May 2022. The shares of Esports Group lost a significant amount of their market capitalisation in the past year, possibly conditioned by negative results.

Management is constantly monitoring the financial situation of Esports Group and having discussions on their operational performance to ensure the viability of the contingent consideration payments due to the Group. Most of the payments are covered through the B2C gaming operations activity. However, should the Group see that such activity is not generating sufficient cash flow to repay the current amounts due, it will take the required course of action with Esports Group management to ensure repayment is done in line with the agreement.

The sale of the Bethard brand follows a strategic decision by the Group to focus on its B2B operations, with the Issuer at the forefront of this new strategy. In accordance with the agreement, the Issuer transferred all of its B2C assets (mainly the Bethard brand) to a newly incorporated Maltese company ("**NewCo**") wholly owned by the Parent. Following the transfer, the Group handed over all of its shares in NewCo to Esports Group, hence NewCo no longer forms part of the Group structure.

The Group also transferred its other B2C brand, Fastbet, to the Esports Group. This brand was launched in 2018 and is based on 'pay n play' technology, which is a quick and efficient method for users to deposit funds on the iGaming site. This method does not require the customer to open an account. Instead, the customer needs to solely deposit and play. Fastbet has a wide selection of casino and live casino games as well as betting opportunities for sports events all around the world.

Under the agreement entered into with the Acquirer, the Group earned the following amounts for the sale:

(i) initial fixed consideration of €16m;
(ii) additional variable consideration equal to 12% of non-gaming revenues generated (from the assets being transferred to NewCo) during the 2-year period following the conclusion of the sale; and
(iii) deferred conditional consideration of €7.6m to be paid through the issuance of listed common shares in Esports Group, subject to the satisfaction of certain conditions as set out in the agreement with the Acquirer. The consideration received by the Group under items (i) and (ii) was paid to the Issuer as payment for the sale of Bethard brand.

Additionally, as part of the above agreement, the Group entered into a non-compete clause with the Acquirer for the first 2 years; from 2021 to 2023. However, Bethard still continues to provide support services to the Acquirer to carry on the B2C activities. After the above specified period, Bethard does not exclude the possibility of launching its B2C gaming business again.

In the first months after the agreement took effect, Bethard and the Issuer managed the Esport Group acquisition through a white label agreement. After new licences are obtained in the name of Esports Group, a turnkey agreement will replace the previous one between Esports Group and the Issuer.

1.5 COVID-19 impact on the Group's operational and financial performance

The Issuer continued to closely follow the global developments following the outbreak of the COVID-19 pandemic and its potential impact on its business in 2021.

In 2021, positive trends took place in the broader gaming industry, however extensive regulations to safeguard vulnerable players, given the restrictive measures imposed by Governments to restrict excessive online gambling during the pandemic also continued to negatively impact gaming companies' top lines.

Casino revenues of the Group increased from 61% of the total revenue in H220; to 63% in H121. Even though the regulations have continued to be stringent, casino activity showed a positive recovery, as the company shifted its focus on less restrictive markets. Following the sale of the Bethard brand, casino revenues understandably decreased in H221. However, this impact needs to be treated separately from the effects of COVID-19 on the Group.

1.6 Subsequent events after the reporting period: Conflict in Ukraine

The Ukraine-Russia conflict gave rise to no direct operational exposure for the Group in either country. The Group does not have outsourced operations or development staff in Ukraine, where a risk of service interruption exists. However, global economic uncertainties as a consequence of the armed conflict could keep on suppressing the overall economic and gaming activity. The Group's management is actively monitoring events in the region and will assess any impact as they arise.

Part 2 Historical Performance and Forecasts

The Issuer's historical financial information for the years ended 31 December 2019 to 31 December 2021, in addition to the financial forecast for the year ending 31 December 2022, are set out below in sections 2.1 to 2.3 of this Analysis. Historical information is based on audited financial statements, while the forecast data for FY22 has been provided by company management.

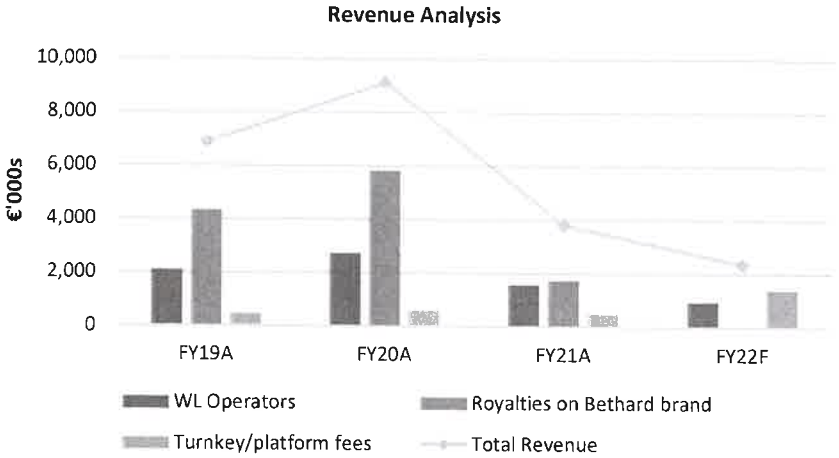
2.1 Issuer's Income Statement

Income Statement for the year ended 31 December	2019A	2020A	2021A	2022F
	€000s	€000s	€000s	€000s
Revenue	6,899	9,124	3,811	2,350
Cost of sales	(4,835)	(6,686)	(2,578)	(1,100)
Gross profit	**2,064**	**2,438**	**1,233**	**1,250**
Administrative expenses	(669)	(1,146)	(917)	(1,750)
Net impairment loss on financial assets	(507)	(303)	46	-
EBITDA	**888**	**989**	**362**	(500)
Depreciation and amortisation	(1,481)	(2,309)	(2,496)	(2,445)
EBIT	**(593)**	**(1,320)**	**(2,134)**	**(2,945)**
Finance costs	(618)	(640)	(970)	225
Loss before tax	**(1,211)**	**(1,960)**	**(3,104)**	**(870)**
Taxation	424	616	(1,040)	(3,590)
Loss after tax	**(787)**	**(1,344)**	**(4,144)**	**(3,590)**

Ratio Analysis[1]	2019A	2020A	2021A	2022F
Profitability				
Growth in Revenue (YoY Revenue Growth)	n/a	32.3%	-58.2%	-38.3%
Gross Profit Margin (Gross Profit / Revenue)	29.9%	26.7%	32.4%	53.2%
EBITDA Margin (EBITDA / Revenue)	12.9%	10.8%	9.5%	-21.3%
EBIT Margin (EBIT / Revenue)	-8.6%	-14.5%	-56.0%	-125.3%
Net Margin (Profit for the year / Revenue)	-11.4%	-14.7%	-108.7%	-152.8%
Return on Common Equity (Net Income / Total Equity)	-3.9%	-7.0%	-25.0%	-28.3%
Return on Assets (Net Income / Total Assets)	-1.4%	-2.6%	-9.9%	-11.0%

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

The chart below analyses the different revenue components of the Issuer:



The different revenue segments of the Group are displayed in the following manner:

- Revenue generated through the White Label Services provided to White Label Operators, which include a mix of set-up fees, operational fees, and business development fees.
- Royalty income generated on the licensing of the Bethard brand (as described in further detail above under section 1.3).
- Turnkey fees generated on the use of the iGaming platform by the Group's B2C brands and WL Operators (as described in further detail above under section 1.3).

Until FY20 the Issuer's revenue has predominantly comprised of royalties generated from the Bethard brand and revenue generated from services provided to the WL Operators as well as by turnkey operators in the form of turnkey fees.

In FY21, total revenue amounted to €3.8m (FY20: €9.9m) reflecting the sale of the Bethard brand which in FY20 generated 64% of Group revenues. As the brand was sold in May last year, the Group ceased to receive the Bethard royalties and only a fraction was reflected in the whole calendar year. Thus, Bethard royalties only contributed 45.4% to the top line of TGS in FY21.

More specifically, the Issuer's revenue was lower across all its revenue streams in FY21. In the last year, the Issuer generated €1.7m from royalties earned on the Bethard brand (FY20: €5.8m), €1.6m revenue from WL Operators (FY20: €2.7m), and €0.5m from turnkey fees (FY20: €0.6m). A further detailed explanation of the Issuer's performance is found below and the variance analysis between the actual and projections for FY21 is discussed in detail in section 2.1.1.

Additionally, even though the disposal of the Bethard brand had an impact on short-term profitability, it generated initial proceeds of €16.2m as the Issuer refocused its efforts on generating third-party B2B revenue in order to drive future growth.

From an operational point of view, a key metric in the gaming industry is the Gross Gaming Revenue (**"GGR"**). It reflects the difference between the amount of money players wager, minus the amount that they win. The total GGR from WL Operators stood at €17.7m and €10.6m in FY20 and FY21, respectively. Thus, TGS generated a 40% lower GGR in FY21 than a year earlier. The main reason for this is COVID-related restrictive regulations in FY21, especially in the markets where the Group is present. This is in line with the *circa* 40% lower revenue generated from the WL operator revenue stream. Market-related impacts are further discussed in Part 3 of the Analysis.

Looking at the Issuer's financial projections, TGS is expecting a further drop in revenues in FY22 to €2.4m (FY21: €3.8m). The main reason for the drop is the missing Bethard revenue stream. The Group does not have access to royalty income anymore, while it was still generating revenues from Bethard until its sale in June 2021. Consequently, the royalties generated by Bethard that contributed €1.7m to the top line will have zero contribution in FY22. The Group is also expecting €0.6m lower revenues from White Label operators in FY22 because they envisage further regulatory impact in the coming year affecting white labels operating on their MG license. On the other hand, TGS is projecting a substantial, €0.9m increase in turnkey/platform fee revenues in FY22 as this business line is projected to pick up.

As per discussions with management, in the following period, the Group will be focusing on driving further B2B (White Label) and turnkey business to make up for these lost revenues. Revenue growth is anticipated to take its pace to reach sustainable levels, and TGS envisages that such levels will be reached by 2023.

Additionally, during the first 6-months of FY21, the Bethard Brand was owned by the Issuer on which it earned a GGR royalty fee of 10% and a 2% platform/turnkey fee of the GGR. Whereas, during the remaining 6-month period, Bethard was owned by Esports Group, on which the Issuer earned a fee equal to 12% of the NGR.

The Issuer's revenue also consists of turnkey fees that comprise operational charges to the users of the iGaming platform. The fees are calculated at 2% of the GGR generated by the Group's B2C brands and WL Operators operating on the platform. Based on the 2% turnkey fee, the Issuer expects to generate €1.4m from platform fees during FY22 (FY21: €0.5m).

The cost of sales is mainly made up of marketing costs and platform costs (which include ongoing maintenance costs). These exclude actual costs incurred in connection with the further development of the platform as these costs are capitalised. The cost of sales amounted to €6.7m in FY20, while in FY21 these stood at €2.6m. The substantial decrease in the cost of sales mainly stemmed from the lower brand awareness marketing costs in FY21, amounting to 1.3m compared to €5m in FY20.

The reason for the substantial decrease in the cost of sales is that at the start of the pandemic, the Group and the Company took drastic decisions in reducing costs across the board and limiting marketing investments. In FY21, management remained cautious in terms of costs and investments in order to safeguard cash flows. Additionally, the Brand Ambassador fees that had substantially decreased in FY21 when compared to FY20, still heavily impacted the H121 cost of sales in a positive manner.

As a result, the Group reported a gross profit of €2.4m and €1.2m in FY20 and FY21 respectively. Thus, in terms of margins, the Issuer improved its gross profit margin in FY21, from 26.7% in FY20 to 32.4% in FY21, and further expects to improve it to 53.2% in FY22.

Administrative expenses reflect the costs incurred in the day-to-day running operations of the Issuer. In FY20, administrative costs amounted to €1.1m, decreasing to €0.9m in FY21. The €0.2m reduction mostly resulted from the favourable foreign exchange rate movements and marginally from other operating expenses.

In FY22, administrative costs are forecasted at €1.75m, an increase of €0.8m over FY21. This increase in costs mainly reflects the residual key operational costs that were previously borne by the Issuer, such as specific employee costs which are shifting gradually from Bethard to TGS. Any previous costs which were shared between Bethard and the Issuer, going forward will solely be borne by TGS.

Since gross profit decreased at a faster pace than administrative expenses did, the Group's EBITDA margin deteriorated: while it had a 10.8% margin in FY20, in FY21 it was 9.5% in FY21. TGS expects this ratio to further deteriorate in FY22 by showing a negative margin as EBITDA in FY22 is expected to be negative.

Depreciation and amortisation are predominantly based on the amortisation of the iGaming platform, which has an estimated useful life of 7 years. The Bethard Brand is not amortised on the basis of it having an indefinite useful life. The depreciation and amortisation charge in FY21 increased to €2.5m from €2.3m in FY20. In terms of projections, depreciation and amortisation in FY22 are forecasted to remain largely at the same level compared to FY21.

In FY19, TGS issued a €20m bond at an annual coupon of 5.9%. As announced by the Issuer, €8.2m of this issue was subscribed by Bethard Group Ltd (which was wholly owned by the Parent). Bethard Group Limited agreed with the Issuer to waive the interest cost on the bonds subscribed by itself. During FY21, Bethard Group Limited disposed of €3m of the TGS bonds. As a consequence, less interest was waived in FY21 than a year earlier, leading to a higher interest payout in the last year. Thus, finance costs increased from €0.6m to €0.9 in FY21.

In FY21, the Issuer reported a loss before tax of €3.1m (FY20: €2.0m) followed by a tax expense of €1.0m (FY20: €0.6m tax credit). The €1.6m additional negative impact to the bottom line mainly resulted from a derecognition of €1m deferred tax assets following an internal tax analysis. In FY22, the Issuer is forecasting a loss before tax of €3.6m and no tax expense. Therefore, the loss before tax and loss after tax are expected to be the same in FY22.

2.1.1 Issuer's Variance Analysis

Income Statement	2021A	2021F	Variance
	€000s	€000s	€000s
Revenue	5,811	3,811	(2,000)
Cost of sales	(2,605)	(2,578)	27
Gross profit	**3,206**	**1,233**	**(1,973)**
Administrative expenses	(1,575)	(917)	658
Net impairment loss on financial assets	(120)	46	166
EBITDA	**1,511**	**362**	**(1,149)**
Depreciation and amortisation	(2,331)	(2,496)	(165)
EBIT	**(820)**	**(2,134)**	**(1,314)**
Finance costs	(900)	(970)	(70)
Loss/(profit) before tax	**(1,720)**	**(3,104)**	**(1,384)**
Income tax	602	(1,040)	(1,642)
Loss/(profit) after tax	**(1,118)**	**(4,144)**	**(3,026)**

The Issuer reported revenue of €3.8m in FY21, which resulted in a negative variance of €2m when compared to previous forecasts. More specifically, most of the variance stemmed from the difference between the forecasted and the actual revenue of royalties that the Group earned on its Bethard brand. The forecasted revenue was €3.3m and the actual revenue earned was €1.7m from this revenue stream. Revenue from the turnkey fees was also below previous forecasts: €0.4m less revenue was generated than it had been previously projected. Revenues of WL Operators were largely in line with previous projections at €1.6m in FY21.

Management explained that the variance in revenue originated from the transfer of the Bethard brand assets in FY21. As a result of the sale, (i) the 10% royalty fee of Gross Gaming Revenue attached to Bethard brand, received by the Issuer from WorldClass Services Limited, as well as (ii) the minimum net royalty fee of three and a half percent (3.5%) and (iii) the license fee of two percent (2%) of the GGR generated by the Bethard iGaming business were no longer applicable following the sale.

The €0.4m variance in the revenue generated from the turnkey fees is predominantly due to the extensive regulatory impacts that negatively affected the whole industry as well as the Issuer itself.

The cost of sales incurred during FY21 is in line with forecasts at €2.6m. They were mainly split as follows: €1.3m on brand awareness marketing costs and other €1.3m platform costs.

Administrative expenses incurred during FY21 amounted to €0.9m vs. €1.6m as forecasted. As per management, the fees for the sale of the brand were forecasted to be around €0.6m which were initially expected to be borne at the Issuer level, however, given the way the sale was re-structured, it was absorbed and ultimately paid by the parent company.

Net impairment losses turned out to be negative in FY21 i.e. a €46k contributor to the bottom line during FY21 while they had been forecasted to amount to *circa* positive €120k i.e. a loss. Management communicated that the decrease in the overall impairment losses was a result of the high recoverability of trade receivables that took place during FY21, as a consequence of a decrease in trade and other receivables, therefore the expected credit loss adjustments were reversed downwards.

In terms of depreciation and amortisation, these were largely in line with expectations at €2.5m vs €2.3m as forecasted. The moderate increase in depreciation and amortization was the result of the further focus on the capitalization and improvements of the platform, which in turn increased these charges accordingly.

Finance costs were also close to previous forecasts with €900k vs. €970k as projected. The €70k difference stems from the fact that following the sale of the TGS bonds, the first 2 and a half months of bond interest which were due to Bethard Group Limited were not waived off.

Income taxes/credits deviated significantly from previous forecasts. The Group forecasted a tax credit of €0.6m while the actual income tax was an expense of €1m. As per management, after concluding an internal deferred tax asset analysis, the Group was of the view that the most prudent approach would be to derecognise the existing deferred tax assets of €1m as of 31 December 2021, thus resulting in an equivalent tax expense for the year ending FY21.

Based on the considerations discussed above, the Issuer reported a loss before tax of €3.1m, which deviated negatively by €1.4m from the forecast. Overall, the Issuer recognised a loss after tax of €4.1m for FY21, which represents a €3m negative variance from the previously forecasted loss after tax of €1.1m.

2.2 Issuer's Statement of Financial Position

Statement of Financial Position as at 31 December	2019A	2020A	2021A	2022F
	€000s	€000s	€000s	€000s
Assets				
Non-current assets				
Intangible assets	38,961	37,333	10,885	9,085
Right-of-use of assets	158	-	265	223
Property, plant and equipment	7	11	8	5
Deferred tax asset	424	1,040	-	-
Total non-current assets	**39,550**	**38,384**	**11,158**	**9,313**
Current assets				
Trade and other receivables	14,801	7,713	9,921	4,241
Cash and cash equivalents	781	536	15,605	15,100
Total current assets	**15,582**	**8,249**	**25,526**	**19,341**
Total assets	**55,132**	**46,633**	**36,684**	**28,654**
Equity and liabilities				
Capital and reserves				
Share capital	20,580	20,580	20,580	20,580
Reserves	(603)	(1,946)	(6,091)	(9,681)
Total equity	**19,977**	**18,634**	**14,489**	**10,899**
Non-current liabilities				
Borrowings	19,678	19,764	19,843	14,657
Lease liabilities	76	-	141	188
Total non-current liabilities	**19,754**	**19,764**	**19,984**	**14,845**
Current liabilities				
Trade and other payables	15,317	8,235	2,079	2,863
Lease liabilities	84	-	132	47
Total current liabilities	**15,401**	**8,235**	**2,211**	**2,910**
Total liabilities	**35,155**	**27,999**	**22,195**	**17,755**
Total equity and liabilities	**55,132**	**46,633**	**36,684**	**28,654**

Ratio Analysis[2]	2019A	2020A	2021A	2022F
Financial Strength				
Gearing 1 (Net Debt / Net Debt and Total Equity)	48.8%	50.8%	23.7%	n/a
Gearing 2 (Total Liabilities / Total Assets)	63.8%	60.0%	60.5%	62.0%
Net Debt / EBITDA	21.5x	19.4x	12.5x	0.4x
Current Ratio (Current Assets / Current Liabilities)	1.0x	1.0x	11.5x	6.6x
Interest Coverage (EBITDA / Cash interest paid)	1.4x	1.5x	0.4x	n/a

In FY21, the Issuer's total assets amounted to €36.7m (FY20: €46.6m). They mainly comprise intangible assets and cash, representing 29.7% and 42.5% of the total assets respectively in FY21 (FY20: 80.1%). The intangible assets stand for the iGaming assets owned by the Issuer. They amounted to 10.9m in FY21 following a substantial drop (FY20:37.3m). Cash and cash equivalents amounted to €15.6m in FY21 after a substantial increase from the previous year (FY20: €0.5m). This increase represents the proceeds received from the sale of Bethard group to Esports Group. Trade and other receivables amounted to €9.9m (FY20: €7.7m), out of which €8.6m relates to amounts due from related parties, which is unsecured, interest-free, and repayable on demand.

Deferred tax assets in FY21 deviated from the forecast in the previous FAS as management conducted an internal tax asset analysis and decided that the most prudent approach would be the derecognition of the said assets in line with professional advice. Moreover, trade receivables also deviated from the previous forecast materially as an intra-company receivable of € 5.5m was netted off against an intra-company payable before year-end. Hence an equivalent variation is visible between the previous forecast and the actual current liabilities.

In FY21, the Issuer's total liabilities stood at €22.2m (FY20: €28m), out of which €19.8m represents the outstanding bonds while trade and other payables amounted to €2.1m (FY20: €8.2m). The substantial drop year-on-year in payables is related to the Issuer settling previous marketing accruals equivalent to SEK 70m to a third party who was holding a minority share in the parent thus an indirect shareholding in the Issuer as well. This balance was fully settled on 10 February 2021.

Total equity decreased to €14.9m in FY21 from €18.6m in FY20, which reflects the loss for the year under review as the Issuer's share capital remained unchanged at €20.6m. As a result of the lower than projected net income figure for FY21, the actual reserves figure of negative €6.1m deviated materially from projections of negative €3.1m in the previous version of this document.

In FY22 the total assets are expected to decrease further to €28.7m. The reduction is projected to stem from both intangibles as well as trade and other receivables: they are expected to decrease to €9.1m and €4.2m respectively.

The forecasted reduction in the equity balance for FY22 reflects the expected loss for the year as further explained above. Non-current liabilities are expected to be reduced to €14.7m as borrowings are to decrease, while current liabilities are projected to increase to €2.9m as payables are expected to increase. Moreover. following the company restructuring exercise borrowings decreased by circa €5m reflecting the cancellation of bonds that were previously held by Bethard. Also, as per company management, the increase in payables was the result of the Issuer taking over creditors from Bethard following the gradual shift of expenses to TGS, therefore this increase automatically increases trade and other payables of the Group.

The ratios explaining the Issuer's financial strength have reduced explanatory power in this case as the sale of the Bethard brand inflated cash levels are having a distorting effect. Possibly the interest coverage ratio is best placed to able to describe the reduced cash generating ability of TGS as a consequence of the sale of Bethard. This ratio was lower from 1.5x to 0.4x from FY20 to FY21, and given the projected negative EBITDA for FY22 it would result in a negative ratio, hence it has been excluded from the table.

The current ratio was heavily distorted as the numerator has been inflated with the one-time significant cash inflow. However, the reduction in payables and the consequent smaller denominator of this ratio was a valid positive impact as the Issuer did settle its previous marketing accruals with a third party. Therefore, this ratio incorporated both a distorting and a real positive effect as it increased from 1.0x to 11.5x from FY20 to FY21. Additionally, on a positive note, Gearing 2 ratio displays a fairly constant level of assets-to-liabilities on the Issuer's balance sheet.

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

2.3 Issuer's Statement of Cash Flows

Statement of Cash Flows for the year ended 31 December	2019A	2020A	2021A	2022F
	€000s	€000s	€000s	€000s
Cash flows from operating activities				
Operating profit before working capital changes	887	989	362	(500)
Working capital movements	476	150	1,224	1,491
Interest paid	(403)	(694)	(871)	(873)
Net cash flows generated from operating activities	**960**	**445**	**715**	**118**
Cash flows from investing activities				
Disposal of intangible asset	-	-	15,552	2,442
Loans to related parties	-	-	-	(2,800)
Payments for additions to intangible assets	(414)	(616)	(913)	(600)
Payments for additions to property, plant, and equipment	(7)	(7)	-	-
Net cash flows generated from/(used) in investing activities	**(421)**	**(623)**	**14,639**	**(958)**
Cash flows from financing activities				
Issue of share capital	79	-	-	-
Interest Income from finance income	-	-	-	525
Principal elements of lease payments	(29)	(67)	(144)	(54)
Net cash flows generated from/(used in) financing activities	**50**	**(67)**	**(144)**	**471**
Movement in cash and cash equivalents	**589**	**(245)**	**15,210**	**(369)**
Cash and cash equivalents at the start of the year	192	781	536	15,605
Loss allowance on cash and cash equivalents	-	-	(141)	(136)
Cash and cash equivalents at end of year	**781**	**536**	**15,605**	**15,100**

Ratio Analysis[3]	2019A	2020A	2021A	2022F
Cash Flow	€000s	€000s	€000s	€000s
Free Cash Flow (Net cash from operations - Capex)	€539	€(178)	€(198)	€(482)

In FY21, the Issuer generated €0.3m cash from operating activities before working capital changes (FY20: €1m). The working capital movements of €1.2m cash inflows were mainly the result of higher receivables than payables increase in FY21.Importantly to point out, that the positive working capital deviation from the forecasted FY21 figures, reflect an intra-group settlement which the company did not include in the forecasted figures for 2021. Bond interest payments were also higher in FY21 at €0.9m (FY20: €0.7m) due to the lower waived interest payments as the result of some of the TGS bond sales. This has been discussed in section 2.1 of the Analysis. Operating profit before working capital changes materially deviated from previous projections due to the lower-than-expected Bethard revenues, in line with the agreed parameters of the transaction.

Additionally, TGS had a significant increase in investing activities due to the one-time cash inflow originating from the sale of Bethard. It also utilised €0.9m in capital expenditure (FY20: €0.6m), which mainly relates to further developments performed on the iGaming platform. Thus, TGS had €14.6m cash inflows from investing activities in FY21. (FY20: €0.6m outflow). The disposal of intangible

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

assets also materially deviates from previous forecasts. Senior management confirmed that at the time of the preparation of the previous FAS, there were assurances that the transaction would be concluded, hence forecasts were based on the previous structure and revenues.

Cash flows from financing activities were immaterial with €0.1m outflows in FY21, originating from the principal element of lease payments.

Overall, the Issuer increased its cash reserves by €15.2m of during FY21 (FY20: decrease in cash reserves of €0.2m), with a cash reserve balance of €15.6m as of year-end (FY20: €0.5m).

The Issuer is projected to have a negative €0.5m cash flow from operating activities in FY22. Following working capital movements, and interest payments that will be due for the bond, the cash flow from operating activities is expected to be a €0.1m net cash inflow.

Additionally, the disposal of the Bethard is expected to generate a further €2.4m cash inflow from investing activities in FY22 after the €15.6m one-time cash payment in FY21. Also, €2.8m worth of loans is projected to be repaid, bringing the net cash flow from investing activities to a circa €1m outflow figure.

TGS expects to generate €0.5m of interest income in FY22. The source of this income is through financial market investments from the Group's available excess cash amount. As per management, an investment committee is being set up to manage a reasonable return for these investments. As other items impact cash flows from financing activities in an immaterial manner, a net cash inflow of €0.5m is projected in FY22.

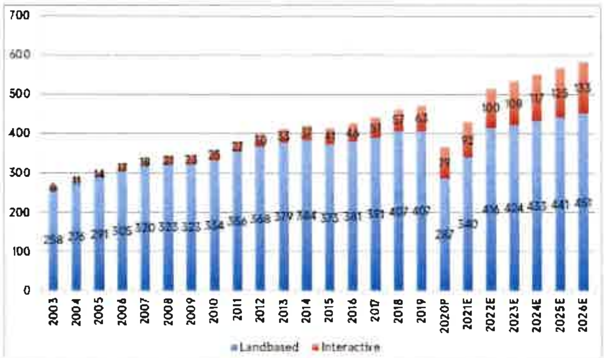
As such, the cash position of TGS in FY22 is expected to remain at largely similar levels to FY21 with €15.1m cash and cash equivalents at the end of FY22.

Part 3 Key Market and Competitor Data

3.1 General Market Conditions[4]

The gaming industry is in general divided into two main categories, namely the land-based gaming and the online gaming (also referred to as the iGaming) sectors. The most popular sub-segments of online gaming are online sports betting, casino games, and online poker. The market is typically valued in terms of Gross Gaming Revenue, which is defined as total wagers or bets, less total winnings (or provision thereof) before the payment of any gaming-related taxes.

Global Total Gambling Gross Win by Channel (US$bn)



Source: H2 Gambling Capital June 2021

As shown in the chart above, in present-day, land-based gaming represents the majority of the GGR generated by the gaming industry, more specifically, in 2019 it represented *circa* 87% of the total GGR. As a consequence of COVID-19 and the confinement measures taken globally, we can observe a significant drop in the GGR of land-based gaming during 2020. On the other hand, the pandemic accelerated the growth trend of the online gaming sector across a number of countries as people were forced to stay at home and opted to gamble online.

COVID-related restrictions on land-based gaming have resulted in a significant shift from retail land-based gaming to online gaming, with expected growth in the GGR generated by iGaming of 59% from $63b in 2019 to $79b in 2022. Additionally, projections currently indicate that the iGaming industry should keep growing at a relatively fast pace. H2 Gambling Capital expects a 9% growth rate in 2022, with the growth rate gradually decreasing to 6% by 2026.

In general, iGaming has expanded in the 2010s mainly as the result of technological innovation, ease of access to the internet and broadband data as well as the widespread use of smartphones and portable devices, increasing the number of players worldwide. Looking into the future, the roll-out of 5G technologies is also expected to enhance network coverage and faster streaming, allowing the demand for cloud gaming to grow. The adoption of gaming platforms such as e-sports is also driving the iGaming market forward. Thus, we can conclude that eSports is expected to continue gaining market share in the following period.

As for projected market shares, we can conclude from the chart that land-based gaming is expected to constitute a decreasing portion of the global total gambling revenues, by having only a 77% market share by 2026. On the other hand, global online gaming is projected to continuously grow in the following years and reach a 23% share of all gambling activities globally from its 13.4% market in 2019 in just four years.

As the iGaming market is gaining favourable momentum across the world, the United States is expected to obtain a larger market share in the coming years and promising markets are also developing in other parts of the world, particularly in Asia and South America. In the US, an increasing number of states are proposing new laws related to gambling in an attempt to move the stagnant legislation that currently prohibits many forms of gambling in the country.

The iGaming industry is highly regulated which is a relatively new phenomenon in many jurisdictions, including several of the Issuer's key markets. The pace of regulatory development varies from one jurisdiction to another, with different approaches adopted between countries but the continuing and increased regulation of the global iGaming market is a decisive trend. As such, they can have both positive and negative impacts on the iGaming market: while increased oversight places more burden on operators and affiliates (for example, through the imposition of licensing requirements or operational restrictions, as well as the taxation of gaming activities), it also helps reduce the stigma around iGaming. If Gaming becomes a more socially accepted activity, it could in turn lead to a larger overall global market. The Issuer expects the net effect of regulations to be positive for the market in the long term.

Established operators within the online gaming industry may benefit from a fragmented and regulated market. New entrants demand a strong financial presence and branding, together with having sufficient and adequate resources to endure complex regulations, rigid fees, and operating in a price-sensitive environment. Therefore, White Label Operators generally aim to partner with established companies, already owning the necessary licences and technology in order to avoid all necessary barriers to entry.

[4] H2 Gambling Capital - Global Gambling Data / Regulatory Intelligence June 2021 Industry Comment / Posting Schedule

These partnerships benefit existing gaming operators by generating additional volume through their website, increasing their negotiating power, and obtaining new information on potential new markets. In fact, this is the niche market that the Issuer (and the Group) is targeting through its online gaming offering.

The European iGaming Market[5]

The European Gaming and Betting Association released a report in December 2021 that contains up-to-date information about the Gaming industry. According to the report, the total European gambling market in 2020 was worth €81.1bn, after a significant drop from c. €100.6 bn in 2019. The drop occurred mostly in land-based revenues as a consequence of COVID-related closures impacting that gambling sub-segment.

In 2020, online gambling accounted for €30.5b (37.6%), and land-based gambling accounted for €50.6b (62.4%) in GGR, which is a substantial change in percentage terms from 2019 when online only had a 26% market share (and land-based a 74%). Thus, similar processes to global processes are noticeable on the European scale as well.

The report used for this analysis still presents 2021 figures as forecasts, however, it still has a lot of explanatory power for last year's figures. The total GGR was still expected to be at relatively depressed values due to the effects of the pandemic with a YoY increase of 7.5% but still lagging behind 2019 figures by 13.4%.

Looking further into the future, both the total European gambling market as a whole and the market share of online gambling are expected to grow steadily. The total market is expected to grow to €126bn and the online market share is projected to reach 41.2% of Europe's gross gaming revenue by 2026.

Sports betting continues to be the most popular online gambling activity, with a 40% share of Europe's online revenue and worth €11b in gross gaming revenue in 2020. This was followed by casino games (34%), lottery (17%), poker (5%), bingo (3%), and other/skill gaming (1%).

Additionally, there is a shift to mobile online gaming in Europe. In 2020, 51.3% of Europe's online bets were placed from a desktop computer, down from 55.4% in 2019. In a similar fashion, 48.7% of bets were placed from mobile devices in 2020, up from 44.6% in 2019. This trend is expected to continue, with mobile betting expected to reach reaching a 61% market share of all online bets by 2025.

[5]https://www.egba.eu/uploads/2021/12/European-Online-Gambling-Key-Figures-2021-Edition.pdf

3.2 Comparative analysis

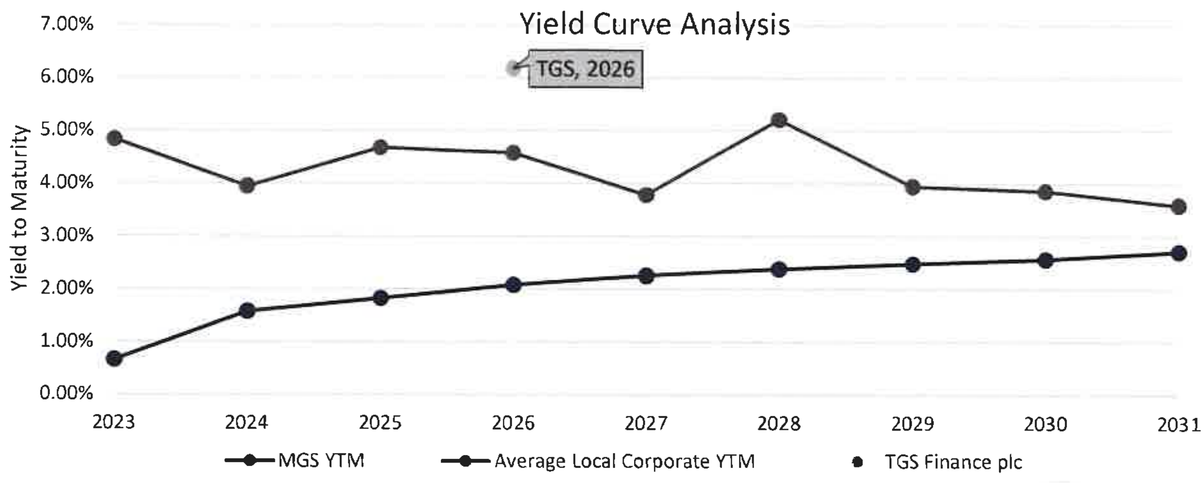
The purpose of the table below compares the debt issuance of the Issuer to other debt instruments. Additionally, we believe that there is no direct comparable company related to the Issuer and as such we included a variety of issuers with different maturities. More importantly, we have included different issuers with similar maturity to the Issuer. One must note that given the material differences in profiles and industries, the risks associated with the Group's business and that of other issuers is therefore different.

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)	Last Closing Price *
	€000's	(%)	(times)	(€'millions)	(€'millions)	(%)	(%)	(times)	(times)	(%)	(%)	(%)	
5.75% International Hotel Investments plc Unsecured € 2025	45,000	5.14%	1.0x	1,695.2	838.2	50.6%	41.2%	23.6x	1.5x	-3.8%	-23.5%	40.6%	101.60
5.1% 6PM Holdings plc Unsecured € 2025	13,000	5.02%	0.8x	0.1	(18.5)	-21901.2%	37.4%	(16.1)x	(.0)x	-0.1%	0.0%	-100.0%	100.21
4.5% Hili Properties plc Unsecured € 2025	37,000	4.00%	1.5x	208.7	110.9	46.9%	32.3%	10.6x	4.7x	3.7%	38.5%	6.5%	101.50
5.25% Central Business Centres plc Unsecured € 2025 S2T1 (xd)	3,000	4.94%	2.0x	58.2	23.6	59.4%	54.7%	21.3x	1.2x	15.5%	227.7%	19.1%	101.00
4.35% Hudson Malta plc Unsecured € 2026	12,000	4.06%	10.9x	59.0	12.6	78.7%	68.5%	4.2x	1.5x	11.5%	3.4%	0.0%	101.00
5.9% Together Gaming Solutions plc Unsec Call Bds €2024-2026	**14,762**	**6.18%**	**0.4x**	**36.7**	**14.5**	**60.5%**	**22.6%**	**11.7x**	**11.5x**	**-25.0%**	**-108.8%**	**-58.2%**	**99.00**
4% MIDI plc Secured € 2026	50,000	3.94%	0.9x	225.7	102.4	54.6%	38.6%	30.5x	2.8x	0.5%	5.9%	234.4%	100.23
4% International Hotel Investments plc Secured € 2026	55,000	3.98%	1.0x	1,695.2	838.2	50.6%	41.2%	23.6x	1.5x	-3.8%	-23.5%	40.6%	100.05
3.9% Plaza Centres plc Unsecured € 2026	5,680	3.90%	3.3x	38.6	26.8	30.5%	14.8%	2.8x	2.7x	1.9%	20.4%	-7.4%	100.00
5% Dizz Finance plc Unsecured € 2026	8,000	5.19%	3.5x	72.1	4.8	93.4%	91.3%	14.2x	0.7x	-34.8%	-11.0%	40.8%	99.25
4.8% Mediterranean Maritime Hub Finance plc Unsecured € 2026	15,000	4.79%	0.8x	38.4	2.9	92.6%	88.1%	22.2x	0.7x	-48.2%	-13.1%	-5.7%	100.00
3.75% Premier Capital plc Unsecured € 2026	65,000	3.32%	9.1x	317.7	68.7	78.4%	71.6%	2.5x	1.1x	56.4%	8.5%	27.1%	101.75
4% International Hotel Investments plc Unsecured € 2026	60,000	4.12%	1.0x	1,695.2	838.2	50.6%	41.2%	23.6x	1.5x	-3.8%	-23.5%	40.6%	99.50
3.25% AX Group plc Unsec Bds 2026 Series I	15,000	3.27%	3.0x	369.8	237.1	37.0%	25.1%	6.8x	0.9x	0.8%	5.4%	23.3%	99.90
3.75% Mercury Projects Finance plc Secured € 2027	11,500	3.75%	0.3x	113.0	34.6	69.4%	47.4%	99.5x	1.8x	-19.6%	-117.0%	-75.1%	100.00
4.35% SD Finance plc Unsecured € 2027	65,000	4.23%	0.3x	328.5	131.5	60.0%	30.3%	43.7x	1.2x	-1.6%	-12.2%	-70.9%	100.50
4% Eden Finance plc Unsecured € 2027	40,000	3.88%	3.7x	193.5	109.3	43.5%	28.6%	5.9x	1.1x	0.9%	4.3%	86.6%	100.50
4.4% Central Business Centres plc Unsecured € 2027 S1/17 T1 (xd)	6,000	4.40%	2.0x	58.2	23.6	59.4%	54.7%	21.3x	1.2x	15.5%	227.7%	19.1%	100.01
3.75% Tumas Investments plc Unsecured € 2027	25,000	3.75%	4.9x	232.1	139.2	40.0%	19.7%	2.6x	4.4x	2.8%	11.6%	-1.4%	100.00
4% Stivala Group Finance plc Secured € 2027	45,000	3.58%	0.5x	363.0	235.4	35.1%	26.7%	33.8x	0.9x	5.3%	82.2%	28.2%	102.00
3.75% Virtu Finance plc Unsecured € 2027	25,000	3.72%	(1.8)x	198.7	80.3	59.6%	44.2%	(12.2)x	0.7x	-7.6%	-24.2%	-17.0%	100.11
3.75% Bortex Group Finance plc Unsecured € 2027	12,750	3.75%	6.3x	67.3	32.8	51.3%	42.1%	5.0x	3.5x	3.6%	5.5%	-12.0%	100.00
****Average**		4.22%											

Source: Latest available audited financial statements.

** Last price as at 14/06/2022*

***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 the Issuer 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 Issuer's existing yields of its outstanding bonds.

As of 15 June 2022, the average spread over the Malta Government Stocks (MGS) for corporates with a maturity range of 4-5 (2026-2027) years was 251 basis points. The 5.9% TGS Finance PLC Bonds 2026 are currently trading at a YTM of 618 basis points, meaning a spread of 411 basis points over the equivalent MGS. This represents a premium of 160 basis points in comparison to the market

Part 4 Glossary and Definitions

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

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

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

Balance Sheet	
Total Assets	What the Group/Company owns which can de further classified into Non-Current Assets and Current Assets.
Non-Current Assets	Assets, full value of which will not be realised within the forthcoming accounting year
Current Assets	Assets which are realisable within one year from the statement of financial position date.

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

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

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

Calamatta Cuschieri

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