FINANCIAL ANALYSIS SUMMARY 2023

Together Gaming Solutions p.l.c.

26 June 2023

Prepared by Calamatta Cuschieri Investment Services Limited

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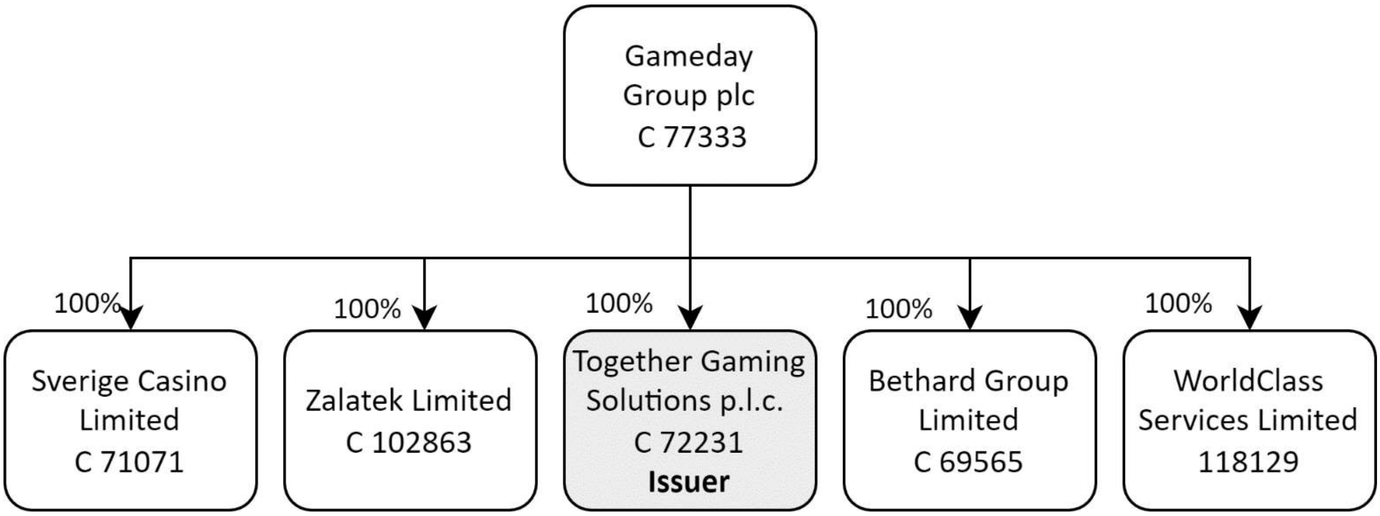
Part 1 Information about the Group

1.1 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, through 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, 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**"), 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. Consequently, in Q1 2023, the Group took the strategic decision to re-purchase the Bethard Brand from Esports Group. The re-purchase is further discussed in part 1.4. of this analysis

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 remained the Group's marketing arm in 2022 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.

Zalatek Ltd was registered in July 28 2022 with company registration number C 102863 as a subsidiary focusing on Latin American markets was also a subsidiary of the Group.

Gormodan Solutions Limited that was part of the Group's companies was put into dissolution on the 18th of July 2022.

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 Frank Heinanen	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 5 (FY21: 7). Despite having its own employees, the Issuer also relies on certain resources made available to it by entities within the Group. Also, the original intention of TGS to consolidate all local employment under the Issuer has been revised. Instead, with the re-acquisition of Prozone Limited as the B2C arm of the company, TGS plans to migrate the B2C team from Bethard to Prozone Limited.

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 part 1.4 below, the Bethard brand was sold in 2021 and it did not form part of the Group's assets in 2022. Consequently, with the Bethard sale, the Group has lost its access to revenues from the IP Licensing Agreement defined later in this section 1.3. Subsequently, in Q1 2023 the Group's management took the strategic decision to repurchase the Bethard brand from Esports Group.

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

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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 their commitment to improving their offerings, Together Gaming Solutions continued to invest in their iGaming platform solutions in 2021, with approximately €912k spent as development costs in the financial year FY21. These investments primarily focused on constant upgrades to the system to meet the requirements of operators and the industry. Notable recent additions included an enhanced dashboard and further analytics features.

According to the financial statements, similar investments were made in 2022, with a total investment of €1 million. However, during the latter part of 2022, TGS encountered a dispute with the developers who have claimed copyright over the platform's development. This led TGS to file a court claim in Sweden to resolve the issue. The developers had been providing their services to TGS for eight years prior to this dispute. The outcome of this claim is expected to be determined in 2023.

IP Licensing Agreement

The Issuer previously owned the iGaming assets that it licensed to its subsidiary, WorldClass Services Limited, through an agreement known as the IP Licensing Agreement. Under this agreement, WorldClass Services Limited compensated the Issuer for the use of the licensed assets. However, due to the sale of the Bethard brand, the Issuer did not have access to this particular revenue stream in FY22.

With the Group's reacquisition of the Bethard brand in 2023, this revenue stream became available once again. As a result, the Group regained the ability to generate revenue from the licensing of its iGaming assets through the renewed IP Licensing Agreement with its subsidiary, WorldClass Services Limited. Management expects that the reacquisition of the Bethard brand allows the Group to leverage this revenue stream and further contribute to its overall financial performance in 2023 and beyond.

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. The Brand included Bethard, Fastbet as well as the Betlive domains. The agreement with the Brand Ambassador was terminated by a court ruling following a dispute which emerged between the parties involved. As a result, TGS was entitled to a refund of the annual payment made upon the extension of the agreement. However, it was also ruled that any payments made for services related to the initial agreement, whether delivered or not, had to be honoured.

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 did not form part of the Group's assets in 2022.

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 in 2022. As such, during last year, the Group continued to provide iGaming services to players on the third-party branded websites operated by WL Operators.

In Q1 2023 the Group's management reacquired the Bethard brand from Esports Group. The reacquisition is discussed further in section 1.4 below.

1.4 Operational Developments

Following the sale of Bethard, in 2022, the Group had intended to invest a portion of the proceeds from the disposal of the Brand into marketing activities. The objective was to expedite the growth of B2B services. However, the planned investment did not materialize as originally intended.

According to the Group's financial statements, the B2B market in 2022 presented challenges as the consequence of ongoing regulatory developments. These regulatory changes influenced the decision of not to proceed with the planned investment. The lack of suitable investment opportunities within the B2B space prompted management to explore alternative avenues for growth.

On 14 February 2023, TGS provided a loan of €1.8m to Gameday Group plc to partially finance the re-acquisition of Bethard's business, which had been sold in March 2021 for an consideration of €16M, an additional variable equal to 12% of the net gaming revenues generated from the brand and a deferred conditional consideration of €7.6million. The execution was fulfilled through the re-acquisition of Prozone Limited. The purchase consideration amounted to approximately €9.5m. This figure consisted of various components, including Prozone Limited's liabilities totalling around €1.2m, a payment of approximately €6.5m owed by Esports Entertainment Group, Inc. as per the original share purchase agreement dated 2021, a €1.7m of cash proceeds payable to the selling company upon closing and a €150k cash holdback that may be retained by the purchaser if liabilities exceed the agreed amounts in the purchase agreement.

Despite not planned the Group's strategic decision to re-purchase the Bethard Brand was seen by management as an opportunistic opportunity and is aligned to the management's strategy of seeking alternative avenues for expansion given the lack of options in B2B services. Management is of the view that the re-acquisition of the brand provides the Group with an attractive alternative opportunity to accelerate its growth plans and achieve its objectives by tapping back into direct customer revenues, consequently addressing the shortfall in the short-to-medium-term. Management also believes that the downturn in the B2C business that it had envisaged in 2021 has substantially been absorbed by Bethard as reflected in the difference between the selling price in 2021 and repurchase price in 2023. Moreover, despite the unfavourable market conditions, management is also of the view that it has the capacity to overturn the probable inefficiencies that have led the business to become unprofitable between 2021 and 2022. This should be achieved through efficient management practices, of which benefits should be reflected in 2024 and beyond.

1.5 Conflict in Ukraine and its impact on the Group's operational and financial performance

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 geopolitical tensions could keep on suppressing the overall economic activity. The Group's management is actively monitoring events in the region and will assess any impact, if any.

Part 2 Historical Performance and Forecasts

The Issuer's historical financial information for the years ended 31 December 2020 to 31 December 2022, in addition to the financial forecast for the year ending 31 December 2023, 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 FY23 has been provided by company management.

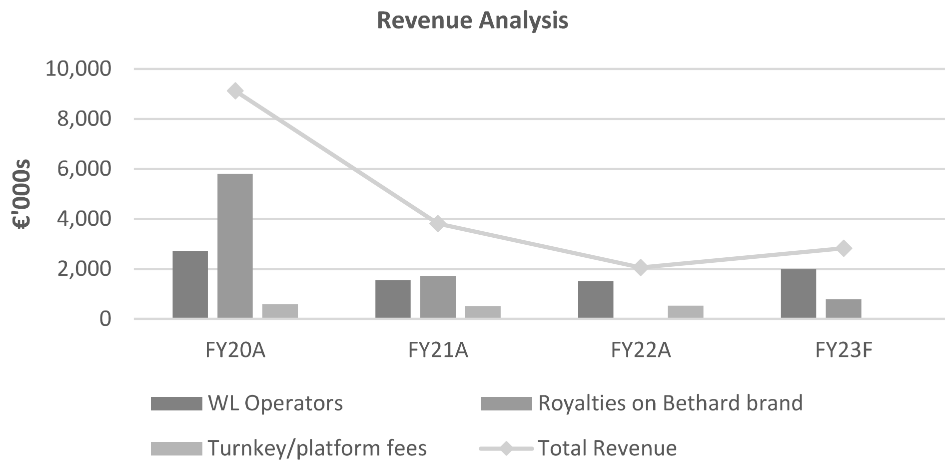
2.1 Issuer's Income Statement

Income Statement for the year ended 31 December	2020A	2021A	2022A	2023F
	€000s	€000s	€000s	€000s
Revenue	9,124	3,811	2,053	2,824
Cost of sales	(6,686)	(2,578)	(745)	(2,387)
Gross profit	**2,438**	**1,233**	**1,308**	**437**
Administrative expenses	(1,146)	(917)	(822)	(1,143)
Net impairment loss on financial and contract assets	(303)	46	(254)	-
EBITDA	**989**	**362**	**232**	**(706)**
Depreciation and amortisation	(2,309)	(2,496)	(2,581)	(2,582)
EBIT	**(1,320)**	**(2,134)**	**(2,349)**	**(3,288)**
Finance costs	(640)	(970)	(954)	(868)
Finance income	-	-	-	139
Lease interest expense	-	-	-	(16)
Other income	-	-	368	-
Profit / (loss) before tax	**(1,960)**	**(3,104)**	**(2,935)**	**(4,033)**
Taxation	616	(1,040)	-	-
Profit / (loss) tax	**(1,344)**	**(4,144)**	**(2,935)**	**(4,033)**

Ratio Analysis[1]	2020A	2021A	2022A	2023F
Profitability				
Growth in Revenue (YoY Revenue Growth)	32.3%	-58.2%	-46.1%	37.6%
Gross Profit Margin (Gross Profit / Revenue)	26.7%	32.4%	63.7%	15.5%
EBITDA Margin (EBITDA / Revenue)	10.8%	9.5%	11.3%	-25.0%
EBIT Margin (EBIT / Revenue)	-14.5%	-56.0%	-114.4%	-116.4%
Net Margin (Profit for the year / Revenue)	-14.7%	-108.7%	-143.0%	-142.8%
Return on Common Equity (Net Income / Total Equity)	-7.0%	-25.0%	-22.5%	-42.0%
Return on Assets (Net Income / Total Assets)	-2.6%	-9.9%	-9.0%	-13.4%

[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 segregated as follows:

- Revenue generated through the White Label Services, 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).

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.

In FY21, the Issuer's revenue was lower across all its revenue streams. Revenue generation was €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).

In FY22 the Issuer's revenue was lower compared to FY21. This difference was mainly due to the remaining royalty fees earned in 2021 from Bethard, which were not earned in 2022 given the sale of the brand.

A further detailed explanation of the Issuer's performance is found below, while the variance analysis between actual and projections for FY22 is discussed in detail in section 2.1.1.

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 €10.6m and €6.3m in FY21 and FY22, respectively. Thus, TGS generated a 40% drop in GGR for FY22 relative to 2021. The main reason is the more stringent regulatory environment and the lack of investment opportunities in the B2B sector.

Despite the disposal of the Bethard brand had an impact on short-term profitability in FY21 and FY22, it generated initial proceeds of €16.2m, proceeds which the company planned to focus its efforts the B2B business. Nonetheless, given the more stringent market and regulatory environment, management concluded that they should depend on visible revenue streams and opted in changing course and return to its original business model.

Looking at the Issuer's financial projections, TGS is expecting only a slight increase in its revenues for FY23, targeting €2.8m (FY22: €2.1m). This includes revenue from WL Operators, with operating fees of around 0.2m. The revenue from the Bethard Group turnkey standard is estimated to reach €0.8m. Additionally, the mark-ups on WL MGA are estimated to be €0.3m. The recharged WL operators' profits are anticipated to be €1.6m.

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A number of unfavourable events contributed to the envisaged pessimistic revenue projections for the Group:

- Firstly, the Group has faced increasing challenges in B2B marketing within the gaming industry, including intense competition, regulatory constraints, and limited availability of payment solutions.

- With regards to revenues from the WL operators, the consolidation of gaming activities by one of the primary white-label operators to only two sites in 2023 led to reduced operating fees generated by TGS, as fewer sites meant lower leasing and operating fees. Additionally, the reduction in volumes and the imposition of minimum fees in the white-label (WL) operations directly affected the mark-ups generated by TGS through its MGA and SGA white-label activities, resulting in lower fees in 2023.

- Regarding the revenue from the turnkey standard, some unfavourable events also unfolded. As previously discussed, in January 2023, a contraction in the B2B business prompted TGS to seize the opportunity to regain ownership of B2C assets from Esports Entertainment Group, aiming to secure immediate revenues in the short term. However, the acquired B2C assets required immediate enhancements, and the termination of the agreement with a sportsbook provider led to the integration of an existing sportsbook provider of a lower standard. The ongoing process of onboarding a premium sportsbook provider is expected to be completed by the end of September 2023. These factors, along with short-term administrative costs associated with acquiring new licenses, have delayed the expected revenues from this segment. It is anticipated that revenues will pick up in Q423.

- On the other hand, the mark-ups on WL MGA have been impacted by a temporary situation where gaming activity was split between two different company licenses, resulting in duplicated license structures and associated minimum volume fees. Also, improvements to the casino website offering have been implemented to enhance player conversions, with a new website scheduled to be launched in the third quarter.

Nonetheless, management believes that the re-acquisition of Bethard also opens the door for potential strategic partnership opportunities that would see the Group's revenue grow exponentially in the coming years. In this regard, management is actively engaging in strategic discussions to explore additional avenues for revenue growth.

The cost of sales of the Group is mainly made up of marketing 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. It amounted to €0.7m in FY22, while in FY21 they stood at €2.6m and at €6.7m in FY20. The substantial decrease stemmed both from the lower marketing and platform costs in FY22, €0.6m and €0.1m respectively. The same figures amounted to €1.3m both for platform and marketing costs in FY21. The reduction in platform costs can be explained by a shift in focus towards back-end development and improvement of the asset rather than maintenance and recurring development expenses. Furthermore, the company decided to discontinue its Swedish back-end team and transferred the backend production to Serbia, resulting in lower operating costs.

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. Subsequently, the €1.2m FY22 decrease in marketing costs was due to the termination of the marketing agreement with former brand ambassador.

As a result, the Group reported a gross profit of €1.3m in FY22 (FY21: €1.2m). In terms of margins, the Issuer improved its gross profit margin from 32.4% FY21 to 63.7% in FY22

In FY23, the company anticipates a significant increase in cost of sales, reaching €2.4m. This rise is primarily attributed to the projected profits paid to WL operators, that are expected to amount to €1.6m. While these costs started at €0.3m in January, they are projected to gradually decrease to €0.1m per month as TGS shifts its focus towards generating revenues directly through its B2C channels. Furthermore, platform costs are expected to stabilize at slightly lower levels during the second half of FY23, thanks to the cost reduction measures implemented in FY22. Overall, the projected platform costs for FY23 are approximately €0.8m.

As a result of the above, in FY23, the Gross Profit Margin is projected to be substantially lower at 15.5%

Administrative expenses reflect the costs incurred in the day-to-day running operations of the Issuer. In FY22, administrative costs amounted to €0.8m, a €0.1m reduction when compared to FY21 mostly resulting from lower wages and salaries. In FY23, administrative costs are forecasted to increase to €1.1m. This increase is attributed to various factors, including unforeseen unrealized exchange losses.

Net impairment on financial assets for FY22 was a €0.3m loss, mainly due to the increase in loss allowance on trade receivables recognised in profit and loss during the year. Management pointed out that some of their White Label partners faced financial difficulties and thus provisions for doubtful debts was imperative.

Importantly to point out is that the Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of sales generated in forty-two months. The corresponding historical credit losses experienced within this period form part of loss allowances.

The Group's EBITDA margin improved from FY21 to FY22, from 9.5% to 11.3%. This is a shy improvement when compared to the gross margin, mainly due to the lower revenues generated in FY22. Similar to the gross margin, TGS expects this ratio to further deteriorate in FY23 to --25% due to the slower expected revenue growth, and mainly due to the higher projected cost of sales.

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 FY22 increased to €2.6.m from €2.5m in FY21. Projections indicate that it is expected to remain at similar levels in FY23.

In FY22, finance costs have remained stable and are projected to remain stable in FY23. In FY22 the Group also earned €0.4m legal compensation, which was reported under other income. The compensation was awarded for the marketing fees paid in relation to its former brand ambassador agreement.

In FY23, the Group projects to earn €139k in finance income. This income will consist of short-term investment opportunities that yield a reasonable return in the interim. The Group plans to utilize its current cash resources by investing in instruments which offer attractive returns following the recent rise in interest rates. These investments serve as temporary means of generating income.

In FY22, the Issuer reported a loss before tax of €2.9m (FY21: €3.1m loss) Last year no tax expense was incurred therefore profit after tax equals profit before tax for FY22. In FY23, the Issuer is forecasting a loss before tax of €4m and no tax expense.

2.1.1 Issuer's Variance Analysis

Income Statement for the year ended 31 December	2022F	2022A	Variance
	€000s	€000s	€000s
Revenue	2,350	2,053	(297)
Cost of sales	(1,100)	(745)	355
Gross profit	**1,250**	**1,308**	**58**
Administrative expenses	(1,750)	(822)	928
Net impairment loss on financial assets	-	(254)	(254)
EBITDA	**(500)**	**232**	**732**
Depreciation and amortisation	(2,445)	(2,581)	(136)
EBIT	**(2,945)**	**(2,349)**	**596**
Other income	-	368	368
Finance costs	(870)	(954)	(84)
Profit / (loss) before tax	**(3,815)**	**(2,935)**	**880**
Income tax	-	-	-
Profit / (loss) after tax	**(3,815)**	**(2,935)**	**880**

The Issuer reported revenue of €2.1m in FY22, which resulted in a negative variance of €0.3m when compared to previous forecasts. Management explained that the variance stemmed from three sources. Firstly, one of their main clients Mozebra, who had 10 active brands, decided to consolidate and focus all efforts onto two brands Supernopea & Turbovegas. This has resulted in a reduction in the number of brands they are currently working with. Secondly, selective clients chose to move onto unregulated setups rather than on Malta Gaming Authority / Swedish Gaming Authority setups as per the latest trend in the market of WLs. This presented a challenge for the company given that the provision of services in unregulated setups was and is not aligned to its risk appetite. Thirdly, as pointed out earlier, stringent regulation conditioned revenue streams, namely in the Finnish market. Indeed, many of their White labels found it difficult to venture into new markets following the new restrictions imposed by a number of Payment Service Providers in Finland.

The cost of sales incurred during FY22 at €0.7m was also lower than the projected €1.1m. The main reason for the variance is the lower than expected in revenues that entail lower cost of sales. In addition, during the year more back-end development, (i.e. an improvement to the IP) rather than maintenance and recurring development expenses to the use of the platform took place.

Administrative expenses incurred during FY22 amounted to €0.8m vs. €1.8m as forecasted. As per management, the Group's initial intention was to consolidate all local employment under the Issuer, however, the possibility of a potential buyback hindered the Group from acting on its previous plans.

Net impairment losses had a €0.3m negative contribution to the bottom line while none was projected. As previously mentioned, according to the Group's management some of their White Label partners entered into financial difficulties and doubt about the recoverability of certain receivables necessitated additional loss allowances.

Depreciation and amortisation projections were largely in line with actuals at €2.5m forecasted vs. €2.6m. The moderate increase was mainly due to the fact that further investment was done in intangible assets, thus driving an inevitable slight increase in depreciation charges.

Finance costs were also close to previous forecasts with €954k vs. €870k as projected.

The Issuer reported a loss after tax of €2.9m, which positively deviated by €0.9m from the forecast.

2.2 Issuer's Statement of Financial Position

Statement of Financial Position as at 31 December	2020A	2021A	2022A	2023F
	€000s	€000s	€000s	€000s
Assets				
Non-current assets				
Intangible assets	37,333	10,885	9,386	7,356
Right-of-use of assets	-	265	223	169
Property, plant and equipment	11	8	5	2
Deferred tax asset	1,040	-	-	
Total non-current assets	**38,384**	**11,158**	**9,614**	**7,527**
Current assets				
Trade and other receivables	7,713	9,921	4,291	6,127
Cash and cash equivalents	536	15,605	14,971	10,979
Total current assets	**8,249**	**25,526**	**19,262**	**17,106**
Total assets	**46,633**	**36,684**	**28,876**	**24,633**
Equity and liabilities				
Capital and reserves				
Share capital	20,580	20,580	20,580	20,580
Reserves	(1,946)	(6,091)	(9,026)	(12,943)
Total equity	**18,634**	**14,489**	**11,554**	**7,637**
Non-current liabilities				
Borrowings	19,764	19,843	14,658	14,683
Lease liabilities	-	141	187	141
Total non-current liabilities	**19,764**	**19,984**	**14,846**	**14,824**
Current liabilities				
Trade and other payables	8,235	2,079	2,428	2,125
Lease liabilities	-	132	48	47
Total current liabilities	**8,235**	**2,211**	**2,476**	**2,172**
Total liabilities	**27,999**	**22,195**	**17,322**	**16,996**
Total equity and liabilities	**46,633**	**36,684**	**28,876**	**24,633**

Ratio Analysis[2]	2020A	2021A	2022A	2023F
Financial Strength				
Gearing 1 (Net Debt / Net Debt and Total Equity)	50.8%	23.7%	-0.7%	33.8%
Gearing 2 (Total Liabilities / Total Assets)	60.0%	60.5%	60.0%	69.0%
Net Debt / EBITDA	19.4x	12.5x	(0.3)x	(5.5)x
Current Ratio (Current Assets / Current Liabilities)	1.0x	11.5x	7.8x	7.9x
Interest Coverage (EBITDA / Cash interest paid)	1.5x	0.4x	0.2x	(0.8)x

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

In FY22, the Issuer's total assets amounted to €28.9m (FY21: €36.6m). They mainly comprised intangible assets and cash, representing 32.5% and 51.8% of the total assets respectively in FY22 (FY21: 72.2% altogether). The intangible assets stand for the iGaming assets owned by the Issuer. They amounted to 9.4m in FY22 (FY21: €10.8m). following a substantial drop from FY20 due to the Bethard brand sale. The difference between FY22 and FY21 is mainly due to the €2.5m amortisation charge incurred on this line item. Cash and cash equivalents amounted to €15m in FY22 (FY21: €15.6m). The Group's cash substantially increased from FY20 to FY21 due to the proceeds received from the sale of Bethard group to Esports Group. Trade and other receivables amounted to €4.3m (FY21: €9.9m). The substantial decrease occurred due to the fact that the Group performed an intra-group restructuring exercise, more specifically the Parent company settled an outstanding amount with the Issuer through the resale of the Issuer's bonds with an amount of €5.2m. Hence an equivalent variation is visible in current liabilities as the Issuer released those liabilities from its balance sheet.

In FY22, the Issuer's total liabilities stood at €17.3m (FY21: €22.2m), out of which €14.7m represents the remaining outstanding bonds, following the above-mentioned restructuring exercise and the cancellation of bonds. Trade and other payables amounted to €2.4m (FY21: €2.1m). Within payables, the main differences between the two financial years can be attributed to a €0.2m increase in trade payables and a €0.4m increase in amounts owed to fellow subsidiaries, partially offset by a 0.3m reduction in accruals and deferred income.

Total equity decreased to €11.6m in FY22 from €14.5m in FY21, which reflects the loss for the year under review as the Issuer's share capital remained unchanged at €20.6m.

In FY23 the total assets are expected to decrease further to €24.6m. The reduction is projected to stem from lower projected cash levels, partially offset by the increase in trade and other receivables: they are expected to amount to €11m and €6.1m respectively. The reduction in cash levels can mainly be attributed to the €1.6m cash proceeds due to Esports Group for Bethard.

The forecasted reduction in the equity balance for FY23 reflects the expected loss for the year as further explained above. Non-current liabilities are expected to be stable at €14.8m as no major movement is expected in the company borrowings or in lease liabilities.

The analysis of the balance sheet ratios provides further insight into the financial position of the Group. The Gearing 1 ratio, which indicates the net debt position, was negative in FY22, indicating that the Group had a negative net debt. This signifies a favourable financial position. The Gearing 2 ratio, which examines the asset-liability ratio and long-term funding, indicates a stable position without any significant funding issues for the Group.

In FY23, due to the reduction in cash levels, the Gearing 1 ratio is projected to increase namely due to lower cash and equity levels. Gearing 2 ratio is projected to show a higher leveraged position in FY23 given the projected lower asset base.

The Net debt/EBITDA ratio for FY22 is negative, primarily attributed to the negative net debt position discussed earlier. In FY23, the negative projected EBITDA will inevitably condition negatively the gearing multiple.

Looking at the current ratio (current assets / current liabilities) the sale of the Bethard brand conditioned positively to strong metric. The ratio of the Group was at 11.5x in FY21, 7.8x in FY22 and is expected to be at 7.9x in FY23. Despite lower than previous years, the projected ratio shows a healthy picture in terms of TGS being able to meet its short-term obligations.

The interest coverage ratio of 0.2x in FY22 and the -0.8x projected in FY23 reflect the weak and projected negative EBITDA. However, importantly to point out that the company has a solid cash position on its balance sheet to fulfil its obligations.

2.3 Issuer's Statement of Cash Flows

Statement of Cash Flows for the year ended 31 December	2020A	2021A	2022A	2023F
	€000s	€000s	€000s	€000s
Cash flows from operating activities				
Operating profit before working capital changes	989	362	591	(474)
Working capital movements	150	1,224	211	(446)
Interest paid	(694)	(871)	(871)	(868)
Net cash flows used in/(generated from) operating activities	**445**	**715**	**(69)**	**(1,788)**
Cash flows from investing activities				
Additions on intangible asset	-	15,552	-	(480)
Loans to related parties	-	-	-	-
Payments for the acquisition of intangible assets	(616)	(913)	(1,001)	-
Payments for additions to property, plant and equipment	(7)	-	-	-
Interest Income from Investing activities	-	-	-	139
Investments in Prozone Limited	-	-	-	(1,800)
Net cash flows used in investing activities	**(623)**	**14,639**	**(1,001)**	**(2,141)**
Cash flows from financing activities				
Issue of share capital	-	-	-	
Borrowings	-	-	-	
Principal elements of lease payments	(67)	(144)	(81)	(64)
Movement in related parties' balances	-	-	438	-
Movement in shareholder balances	-	-	72	-
Net cash flows generated from financing activities	**(67)**	**(144)**	**429**	**(64)**
Movement in cash and cash equivalents	**(245)**	**15,210**	**(641)**	**(3,993)**
Cash and cash equivalents at start of year	781	536	15,605	14,972
Loss allowance on cash and cash equivalents	-	(141)	8	-
Cash and cash equivalents at end of year	**536**	**15,605**	**14,972**	**10,979**

Ratio Analysis[3]	2020A	2021A	2022A	2023F
Cash Flow	**€000s**	**€000s**	**€000s**	**€000s**
Free Cash Flow (Net cash from operations - Capex)	(178)	(198)	(1,070)	(1,788)

In FY22, the Issuer generated €0.6m cash from operating activities before working capital changes (FY21: €0.4m). The working capital movements of €0.2m cash inflows were mainly the result of higher receivables than payables increase in FY22, more specifically due to the €0.3m impairment on financial and contract assets that is added back to arrive at the operating cash flow figure.
Bond interest payments were in line with FY22 figures at €0.9m. Thus, cash flow from operating activities in FY22 was negative €0.1m (FY21: €0.7m).

In FY23 TGS is projected to generate a negative operating cash flow before working capital changes of €0.5m. This is mainly driven by the projected operating loss in FY23.

In addition, the Group foresees a negative impact on working capital in FY23. There is an expected €0.7m decrease in trade payables, offset by a €0.2m decrease in trade receivables. Consequently, the Group anticipates a negative working capital balance of €0.4m, leading to a projected cash outflow of €0.9m from operating activities.

As part of investing cash flows TGS in FY22 reported an outflow of just over €1m reflecting costs related the platform development. CFI in FY22 amounted to an outflow of €1m.

In FY23 the Group projects a capital expenditure on the acquisition of intangible assets of €0.5m, in relation to the

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

improvement of the Groups intangible asset, the Aleacc platform. Also, the Group expects to generate an interest income of €0.1m from its investing activities as any idle cash will be invested into 90-day treasury bills or Malta Government Stocks. Additionally, €1.8m cash payment to Esports was loaned to TGS by the parent company. The loan is expected to be repaid in 2024 although it carries the possibility of being delayed until 2026. As it is not probable that the repayment will occur in FY23, this has been excluded from projections.

Cash flows from financing activities contributed with €0.4m to the cash flow balances of TGS. The Group had €0.1m of cash outflows towards the repayment of principal elements of lease payments. This was offset by a €0.4m cash inflow of related parties' balances and a €0.1m cash inflow of shareholder balances. Per management's comment they relate to the normal cash management operations of the firm.

In FY23 cash flows from financing activities are projected to be immaterial with €0.1m outflows.

Overall, cash of the Issuer decreased by €0.6m of during FY22 (FY21: increase in cash reserves of €15.2m), with a cash reserve balance of €15m as of year-end (FY21: €15.6m).

The overall cash movement in FY22 is in line with the Group's previous projections; however, there are some differences in the composition. In the initial projections, a cash inflow of €2.4m was expected from the disposal of intangible assets, which specifically referred to the contingent revenue share consideration to be received as a percentage of the revenues generated by the sold assets. This cash inflow did not materialise. On the other hand, the projected €2.8m cash outflow for loans to related parties did not materialize.These loans were intended to be provided to WLs to invest in revenues, indirectly contributing to TGS's revenues. However, due to the WL's activities being beyond TGS' risk appetite, the investments were not made. Projected cash for FY23 is expected to decrease by €4m to €11m by the end of FY23.

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.

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.

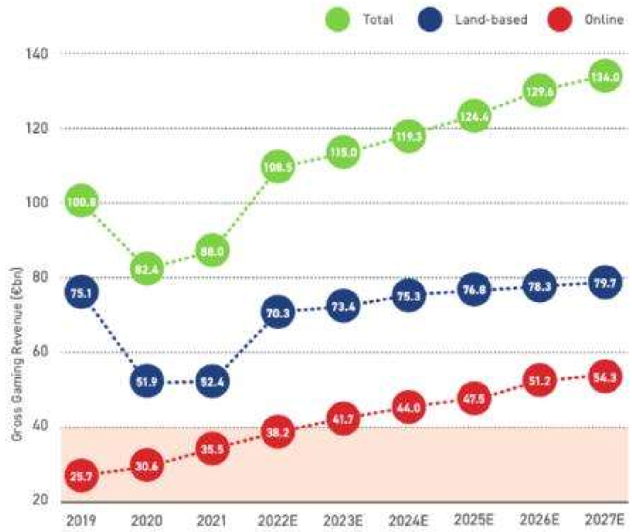
Established operators within the online gaming industry may benefit from a fragmented and regulated market. New entrants demand a strong financial presence and branding, together with having sufficient and adequate resources to endure complex regulations, rigid fees, and operating in a price-sensitive 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 2022 that contains up-to-date information about the Gaming industry. Last year, Europe's gambling market experienced stabilization and reached a gross gaming revenue (GGR) of €108.5 billion. This represents an 8% increase compared to pre-pandemic levels in 2019 and a 23% rise compared to 2021. The growth was primarily driven by the reopening of land-based gambling venues following the pandemic.



In 2020, online gambling accounted for €30.6b (37.1%), and land-based gambling accounted for €51.9b (62.9%) in GGR. Land-based gross gaming revenue increased by 35.5% to €70.3 billion in 2022, accounting for 64.8% of the total gambling revenue in Europe. This significant increase in land-based revenue reflects the resumption of operations and the return of customers to physical gambling establishments.

On the other hand, online gambling revenue saw an 8% increase to €38.2 billion in gross gaming revenue, representing 35.2% of Europe's total gambling revenue. The online gambling sector continued to demonstrate steady growth and maintained a significant share of the market. These figures indicate a positive recovery for the European gambling industry in 2022, with both land-based and online segments contributing to the overall revenue growth.

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, and at a higher pace when compared to land-based gaming revenue. The total market is expected to grow to €134bn by 2027 and the online market share is projected to reach 40.5% of Europe's gross gaming revenue by 2027.

In 2022, casino games emerged as the leading category in terms of online gambling revenue, accounting for 39% of the total. Sports and other betting activities followed closely behind, representing 35% of the online revenue. The popularity of lottery remained significant, contributing 18% to the online gambling market. Poker accounted for a 4% share of the online gambling revenue, while bingo and other/skill gaming activities each held a 3% and 1% share, respectively. These figures reflect the shifting landscape of online gambling preferences in Europe in 2022, with casino games taking the lead but sports betting still remaining a popular choice among online gamblers.

Indeed, there has been a notable shift towards mobile online gaming in Europe. In 2022, 53% of Europe's online bets were placed from a mobile device, reflecting an increase from the 51% recorded in 2021. This shift indicates that more online bets are now being placed from mobile phones than from desktop computers. This trend towards mobile gaming has been observed in recent years, and it is expected to continue. Projections indicate that by 2026, mobile devices will account for an even larger share of online bets, reaching approximately 64%. The convenience and accessibility of mobile devices, such as smartphones and tablets, have played a significant role in driving this shift. The ability to place bets on the go and enjoy online gaming experiences from the palm of their hands has attracted a growing number of users to mobile platforms. As the trend towards mobile online gaming continues to evolve, it is expected to reshape the online gambling landscape, with more emphasis on optimizing platforms and experiences for mobile users.

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[5] https://www.egba.eu/uploads/2023/02/230203-European-Online-Gambling-Key-Figures-2022.pdf

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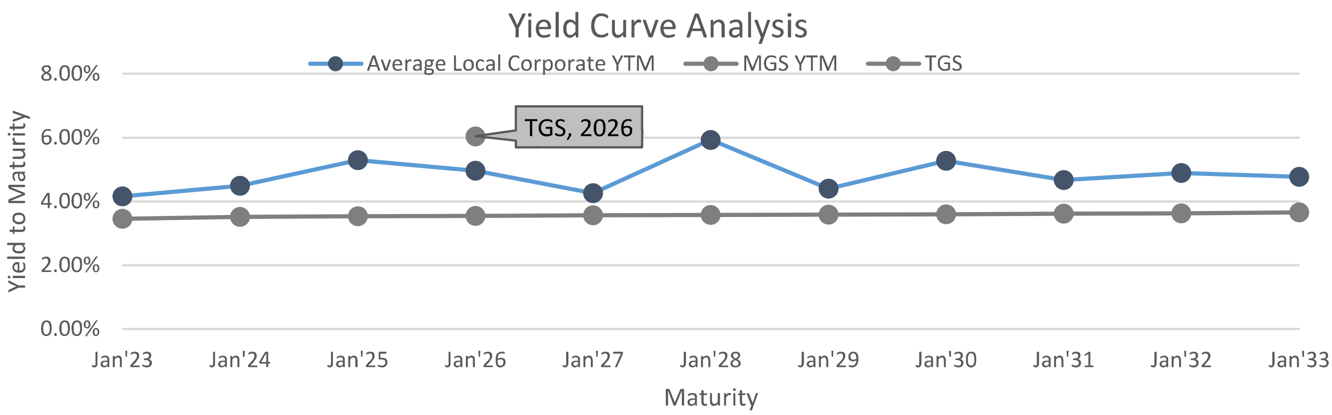
3.2 Comparative analysis

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)
	€000's	(%)	(times)	(€'millions)	(€'millions)	(%)	(%)	(times)	(times)	(%)	(%)	(%)
5.75% International Hotel Investments plc Unsecured € 2025	45,000	5.56%	0.7x	1,662.0	817.9	50.8%	36.2%	10.7x	0.8x	-0.3%	-1.0%	84.3%
5.1% 6PM Holdings plc Unsecured € 2025	13,000	5.61%	(.4)x	0.0	(20.1)	-111905.6%	36.0%	26.7x	(.0)x	6.6%	0.0%	0.0%
4.5% Hili Properties plc Unsecured € 2025	37,000	5.19%	2.0x	256.4	124.9	51.3%	46.3%	12.5x	0.7x	5.1%	48.8%	48.6%
5.25% Central Business Centres plc Unsecured € 2025 S2T1	2,985	4.82%	1.3x	58.2	23.8	59.1%	55.3%	18.6x	0.7x	0.8%	10.0%	19.9%
4.5% MedservRegis plc Unsecured € 2026	21,982	6.50%	2.2x	151.7	60.4	60.2%	47.0%	6.1x	2.1x	0.9%	0.8%	123.7%
5.75% MedservRegis plc Unsecured USD 2026	9,148	7.92%	2.2x	151.7	60.4	60.2%	47.0%	6.1x	2.1x	0.9%	0.8%	123.7%
4.35% Hudson Malta plc Unsecured € 2026	12,000	4.34%	8.5x	63.8	12.8	80.0%	71.7%	6.6x	1.4x	1.6%	0.4%	27.4%
4.25% CPHCL Finance plc Unsecured € 2026	40,000	3.96%	1.6x	1,807.8	875.4	51.6%	41.2%	13.8x	0.8x	-0.4%	-1.3%	85.6%
5.9% Together Gaming Solutions plc Unsec Call Bds €2024-2026	14,762	6.04%	0.3x	28.9	11.6	60.0%	-0.8%	(.4)x	7.8x	-22.5%	-143.0%	-46.1%
4% MIDI plc Secured € 2026	50,000	4.07%	(.4)x	231.9	101.3	56.3%	41.9%	(67.7)x	3.0x	-2.2%	-66.6%	-63.7%
4% International Hotel Investments plc Secured € 2026	55,000	4.35%	0.7x	1,662.0	817.9	50.8%	36.2%	10.7x	0.8x	-0.3%	-1.0%	84.3%
3.9% Plaza Centres plc Unsecured € 2026	5,680	4.57%	6.1x	36.8	26.6	27.7%	13.3%	2.1x	1.8x	2.7%	25.1%	12.4%
5% Dizz Finance plc Unsecured € 2026	8,000	5.33%	1.0x	84.6	12.4	85.4%	79.9%	13.9x	0.9x	-21.4%	-8.9%	13.6%
4.8% Mediterranean Maritime Hub Finance plc Unsecured € 2026	15,000	5.30%	0.9x	37.3	2.3	93.9%	89.6%	14.1x	0.8x	-69.2%	-10.4%	22.4%
3.75% Premier Capital plc Unsecured € 2026	65,000	4.39%	22.5x	370.0	100.8	72.8%	61.7%	2.1x	0.8x	48.1%	7.6%	31.6%
	*Average	5.14%										

Source: Latest available audited financial statements.
Last price as at 23/06/2023
**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 23 June 2023, the average spread over the Malta Government Stocks (MGS) for corporates with a maturity range of 2 and 3 (2025-2026) years was 159 basis points. The 5.9% TGS Finance PLC Bonds 2026 are currently trading at a YTM of 604 basis points, meaning a spread of 249 basis points over the equivalent MGS. This represents a premium of 90 basis points in comparison to the market

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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.

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