Company Announcement

Date of Announcement: 21st June 2024
Reference: MRF 88

The following is a company announcement issued by Mariner Finance p.l.c pursuant to the Listing Rules as issued by the Listing Authority in accordance with the provisions of the Financial Markets Act (Chapter 345 of the Laws of Malta) as they may be amended from time to time.

Quote

The Board of Directors of Mariner Finance p.l.c. wishes to inform the general public that the updated Financial Analysis Summary of the Company have been approved.

A copy of the signed Financial Analysis Summary is attached herewith and is also available for viewing on the Company's website www.mfplc.com.mt.

UNQUOTE

Kevin Saliba
Company Secretary

21st June 2024

FINANCIAL ANALYSIS SUMMARY

21 JUNE 2024

ISSUER

MARINER FINANCE P.L.C.

(C 31514)

Prepared by:

MZ INVESTMENTS

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The Board of Directors
Mariner Finance p.l.c.
37, Triq Ċensu Tabone
St Julian's STJ 1018
Malta

21 June 2024

Dear Board Members,

Financial Analysis Summary

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

The purpose of this Analysis is that of summarising key financial information appertaining to Mariner Finance p.l.c. (the "**Issuer**", "**Group**", or "**Mariner Finance**"). The data is derived from various sources or is based on our own computations as follows:

(a) Historical information for the most recent three financial years ended 31 December 2021, 31 December 2022, and 31 December 2023 has been extracted from the respective audited consolidated annual financial statements.

(b) The forecast information for the financial year ending 31 December 2024 has been provided by the Issuer.

(c) Our commentary on the financial performance, cash flows, and financial position of Mariner Finance is based on explanations provided by the Group.

(d) The ratios quoted in this Analysis have been computed by applying the definitions set out in Part 4 – Explanatory Definitions of this report.

(e) Relevant financial data in respect of the companies included in Part 3 – Comparative Analysis of this Analysis has been extracted from public sources such as websites of the companies concerned, financial statements filed with the Malta Business Registry, as well as other sources providing financial information.

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

Yours faithfully,

Evan Mohnani
Head of Corporate Broking

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PART 1 – INFORMATION ABOUT THE GROUP

1. KEY ACTIVITIES

Mariner Finance is the parent, holding, and finance company of SIA Baltic Container Terminal ("**BCT**") through SIA Mariner Finance Baltic ("**MFB**") which also acts as a finance vehicle for BCT. The latter is engaged in the development and operation of a sea terminal, and in the provision of port and related services, in the port of Riga, Latvia, over which it holds a concession licence expiring in March 2047.

Apart from its investment in BCT through MFB, the Issuer also owns, operates, and leases the **Merkela Building** which is a five-storey commercial and office building having a gross floor area of circa 3,300 sqm located Merkela Street, Riga, Latvia.

2. DIRECTORS AND SENIOR MANAGEMENT

The Group's Board of Directors comprises the following seven individuals who are entrusted with the overall development, direction, oversight, and strategic management of Mariner Finance:

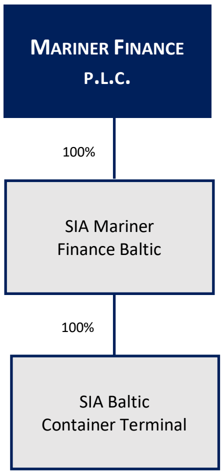
Marin Hili	Chairman
Edward Hili	Chief Executive Officer
Michela Borg	Non-Executive Director
Kevin Saliba	Non-Executive Director and Company Secretary
Ian Micallef	Non-Executive Director
Lawrence Zammit	Independent Non-Executive Director
Anthony Busuttil	Independent Non-Executive Director

The Chief Executive Officer is responsible for the day-to-day management of the Group and is assisted by a number of senior executives who have extensive experience and knowhow in the field. The Group's Senior Management team is composed of the following individuals:

Marin Hili	Chairman
Aldis Zieds	Assistant Chairman
Gerard Sammut	Chief Executive Officer
Dmitrijs Kiselevs	Chief Operating Officer & Information Technology Director
Dzintars Vigulis	Terminal Manager

3. ORGANISATIONAL STRUCTURE

As a holding company, Mariner Finance is economically dependent on the operations and performance of its subsidiaries. The organisational structure of the Group is illustrated in the diagram below:



4. SIA BALTIC CONTAINER TERMINAL

BCT is a private limited liability company which was incorporated and registered in Latvia on 26 March 1996. It commenced its activities on 1 May 1996 following the restructuring of the state-owned company Riga Trade Port. BCY operates at the Riga Free Port No. 48 under a port concession license issued by the Riga Free Port Authority. Apart from its license, BCT owns all the yards within the boundaries of the BCT terminal (excluding the quay), together with all underlying communications, covered rail ramps, as well as 32,000 sqm of warehousing facilities, surrounding parking, and paved areas.

The Freeport of Riga is a regional port that services cargo vessels operating in the Baltic region. BCT's infrastructure covers an area of circa 570,000 sqm strategically situated on an island at the mouth of river Daugava (which runs through the centre of Latvia's capital, Riga, which is the largest city in the Baltic region) with favourable navigation all year round with no tide to influence its operations. The terminal enjoys optimum connectivity by rail and road to all major cities of the four countries that border Latvia: namely, Belarus, Estonia, Lithuania, and Russia.

BCT has an annual container handling capacity of around 450,000 Twenty-Foot Equivalent Units ("**TEUs**")[1] and provides the following principal services:

i) *Quay-side operations* – the berthing of vessels for the loading/unloading of containerised cargo using five ship-to-shore gantry cranes. Quay operations are supported by a variety of

[1] TEU is the standard measure for a container transporting goods and is widely used to calculate how many containers a ship can carry, or a port can deal with. In other words, it is a unit of measurement used to determine cargo capacity for container ships and terminals. This measurement is derived from the dimensions of a 20-feet shipping container as standard containers can either be 20-feet or 40-foot in length.

yard and interface equipment including eight reach stackers, six rail-mounted gantries, as well as various tractors, trailers, and forklifts. Quay-side operations are the core business of BCT as they typically represent over 60% of the company's revenues.

ii) *Yard operations* – the terminal has a container storage yard with a capacity of circa 20,000 TEUs. In addition, the yard has 500 reefer points which serve as electrical outlets for the storage of temperature-controlled containers.

iii) *Gate and rail operations* – comprise the transfer of containers between the container terminal and inland road and rail networks. BCT has direct access to both road and rail networks and operates its own rail handling facility which can service up to 64 rail platforms simultaneously.

iv) *Warehousing* – the terminal has circa 20,400 sqm of covered warehousing space for the storage of general cargo. The warehouse facilities have direct access to the rail and road networks for a more efficient distribution of cargo. In January 2020, BCT extended its warehousing facilities by a further 11,000 sqm.

v) *Ancillary activities* – these comprise a wide range of value-added services that are provided at the container terminal through an optimised integrated logistics chain and a container freight station. In addition, BCT provides engineering services for the repair of damaged containers.

As an important node within the region's logistics network, BCT's clients include shipping lines, freight forwarders, third-party logistics service providers, liner agents, inland carriers such as road haulage companies, as well as end-customers. The container terminal services some of the world's largest shipping lines which call directly at the terminal as well as other shipping lines that use common feeder services. These include Maersk Line, Compagnie Maritime d'Affretement–Campagnie Generale Maritime, Mediterranean Shipping Company, Unifeeder, Cosco (including Orient Overseas Container Line), Evergreen, ONE and HMM. BCT has strong relationships with all major shipping lines and their local representatives and strives to maintain good relations with both existing and potential clients.

4.1 FINANCIAL HIGHLIGHTS

Following the drop in revenues and profitability recorded in **FY2021**, largely reflecting the significant disruptions brought about by the COVID-19 pandemic including the noticeable shortage of containers especially in the first half of the year, BCT registered improved performances in FY2022 and FY2023. In fact, revenues surged by 32.27% in **FY2022** to €19.47 million (FY2021: €14.72 million) amid growth across all lines of business. Furthermore, the volume of containers handled by BCT increased by 15.59% year-on-year to 325,456 TEUs compared to 281,568 TEUs in FY2021.

The higher level of business also translated into stronger profitability, with EBITDA and operating profit increasing by 41.99% and 60.96% to €10.36 million (FY2021: €7.30 million) and €8.20 million (FY2021: €5.10 million) respectively. BCT also achieved superior profit margins with the EBITDA and operating profit margins climbing by 365 basis points and 752 basis points to 53.23% and 42.15% respectively.

Moreover, the profit for the year increased by 64.49% to €7.90 million (FY2021: €4.80 million) which, in turn, translated into a margin of 40.57% compared to 32.62% in the prior year.

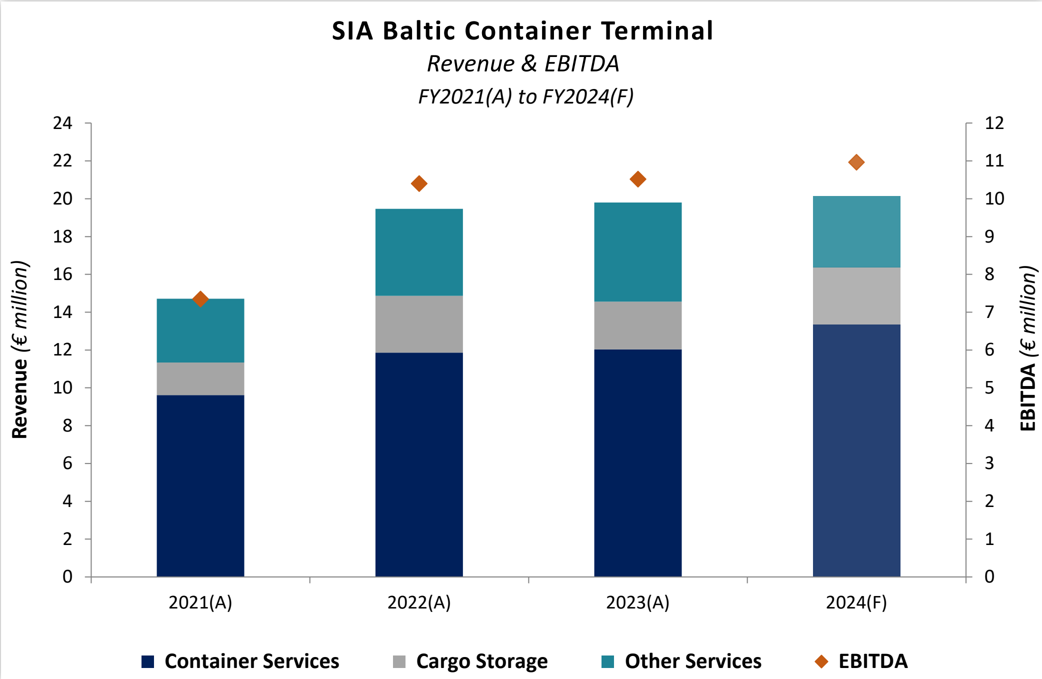
SIA Baltic Container Terminal Key Performance Indicators for the financial year 31 December	**2021 Actual €'000**	**2022 Actual €'000**	**2023 Actual €'000**	**2024 Forecast €'000**
Container services	*9,621*	*11,862*	*12,033*	*13,350*
Cargo storage	*1,714*	*3,002*	*2,523*	*3,022*
Other services	*3,382*	*4,602*	*5,244*	*3,760*
Total Revenue	**14,717**	**19,466**	**19,800**	**20,132**
EBITDA	7,297	10,361	10,520	10,962
Operating Profit	5,097	8,204	8,374	8,686
Net profit	4,801	7,897	7,533	7,751
Profitability Ratios				
EBITDA margin (%)	49.58	53.23	53.13	54.45
Operating profit margin (%)	34.63	42.15	42.29	43.15
Net profit margin (%)	32.62	40.57	38.05	38.50
Industry KPIs				
TEUs	281,568	325,456	321,512	326,543
Average no. of container moves per hour	24.00	21.00	21.00	21.00
Revenue per TEU (€)	52.27	59.81	61.58	61.65
EBITDA per TEU (€)	25.92	31.84	32.72	33.57
Operating profit per TEU (€)	18.10	25.21	26.05	26.60
Net profit per TEU (€)	17.05	24.27	23.43	23.74

In **FY2023**, BCT registered further growth as revenues increased by 1.72% to €19.80 million. The growth in income from container (+1.44% to €12.03 million) and other services (+13.95% to €5.24 million) offset the drop in revenues from cargo storage as the latter contracted by almost 16% to €2.52 million compared to €3.00 million in the prior year. During the year, BCT handled a marginally lower volume of containers as this declined by 1.21% to 321,512 TEUs.

Although EBITDA and operating profit trended higher to €10.52 million (+1.53%) and €8.37 million (+2.07%) respectively, the net profit for the year contracted by 4.61% to €7.53 million amid an increase in net finance costs and tax charges. Moreover, in view of the reduction in net profit and the growth in revenues, the net profit margin slid by 252 basis points to 38.05%.

For **FY2024**, BCT is expecting a further marginal increase in revenues to €20.13 million as the projected growth in income from container services (+10.94% to €13.35 million) and cargo storage (+19.78% to €3.02 million) is anticipated to outweigh the decline in other services to €3.76 million (-28.30%). BCT is estimating that it will handle 326,543 TEUs in FY2024 which would represent a year-on-year growth of 1.56%.

In terms of profitability, BCT is expecting year-on-year increases in EBITDA (+4.20% to €10.96 million), operating profit (+3.73% to €8.69 million), and net profit (+2.89% to €7.75 million) despite the estimated increases in depreciation charges and net finance costs. As a result, BCT's profitability margins are anticipated to improve, reflecting the company's efforts at maximising its operational efficiencies as well as its ability to command higher tariffs as a result of its strong position in the market.



5. MERKELA BUILDING

Mariner Finance owns, operates, and leases the Merkela Building which has a net rentable area of around 2,480 sqm and is situated at a major intersection point in the central part of Riga within the main retail and commercial area of the city. In terms of a local grading system, the building is classified as Class B commercial/office space. The carrying value of the Merkela Building remained unchanged year-on-year in FY2023 at €4.38 million.

The Issuer has an agreement with McDonald's Latvia for the lease of an area measuring 626 sqm which represents around 25% of the building's total net rentable area. This lease agreement expired in 2023 but was successfully renewed until August 2038, with a corresponding adjustment to the rental rate, which is now based on a percentage of sales, subject to an inflation-adjusted minimum amount, whichever is the highest.

The remaining area of the commercial property is leased for the long-term up to 10 years to two other tenants operating in the accommodation sector. Each of these lease agreements specifies a fixed rental charge per square metre that increases on a yearly basis in line with inflation.

In terms of financial performance, rental income dropped sharply to €0.27 million in **FY2021** reflecting the negative impact of the COVID-19 pandemic and the related discounts and assistance provided to tenants. Revenues returned to historical levels in **FY2022** and **FY2023** and amounted to €0.43 million and €0.46 million respectively, albeit the average occupancy level trended marginally lower to 61% after improving from 60% in FY2021 to 63% in FY2022.

6. MARKET OVERVIEW

6.1 ECONOMIC ANALYSIS – LATVIA[2]

Latvia is located on the south-east coast of the Baltic Sea in the centre of the Baltic States – namely, Estonia, Latvia, and Lithuania. It represents the financial hub of the three nations and its favourable geopolitical environment provides excellent business opportunities for bordering countries and the EU at large.

Diplomatic relations with Russia have been disrupted since February 2022 following Russia's invasion of Ukraine and the subsequent sanctions enforced by the international community which effectively cut-off Russia from most Western production inputs.

In its most recent economic assessment of Latvia, the European Commission noted that in 2023, real GDP contracted by 0.3% due to weak private consumption and exports, whereas investment and public consumption expenditure showed strong growth. The labour market remained strong in 2023, with above-inflation wage growth of 12.6% supporting real disposable incomes.

Growth is expected to pick up in 2024 as real disposable income growth accelerates and households' purchasing power strengthens. Public expenditure is set to remain strong, particularly through additional financing for healthcare and research. Additionally, EU-funded investments, including those financed by the EU Recovery and Resilience Facility, are projected to pick up in 2024. Goods exports and imports are expected to slowly recover in 2024. However, services exports are not expected to recover before 2025 as the impact of loss of transport services export to Russia will be felt throughout 2024. In 2025, growth is forecast to pick up to 2.6% driven by domestic demand. The tight labour market is set to drive solid wage growth, supporting further expansion of real private consumption as inflation declines. Investments are expected to remain particularly strong, supported by EU-fund inflows and easing financial conditions. Export growth is projected to recover, in line with a general improvement in demand from main trading partners.

The labour market slightly loosened up in the last quarter of 2023 due to the temporary contraction of the economy in the second and third quarters of the year. The unemployment rate increased slightly, and the number of job vacancies fell. However, the labour market is expected to slightly tighten in 2024 and 2025 on the back of increasing demand and labour shortages caused by falling supply due to ageing. After reaching 12.6% in 2023, nominal wage growth is set to stay strong in 2024 and 2025, supported by labour market tightness and increases in minimum wage and in public wages.

[2] **Source:** European Commission, '*European Economic Forecast Spring 2024*', 15 May 2024.

Key Economic Indicators	2021	2022	2023	2024	2025
<u>Latvia</u>					
Real GDP growth *(%, year-on-year)*	6.70	3.00	(0.30)	1.70	2.60
Inflation *(%, year-on-year)*	3.20	17.20	9.10	1.60	2.00
Unemployment (%)	7.60	6.90	6.50	6.50	6.30
General government balance *(% of GDP)*	(7.20)	(4.60)	(2.20)	(2.80)	(2.90)
Gross public debt *(% of GDP)*	44.40	41.80	43.60	44.50	46.30
Current account balance *(% of GDP)*	(3.90)	(4.80)	(3.60)	(2.80)	(2.60)
<u>Euro area (20)</u>					
Real GDP growth *(%, year-on-year)*	5.90	3.40	0.40	0.80	1.40
Inflation *(%, year-on-year)*	2.60	8.40	5.40	2.50	2.10
Unemployment (%)	7.80	6.80	6.60	6.60	6.50
General government balance *(% of GDP)*	(5.20)	(3.70)	(3.60)	(3.00)	(2.80)
Gross public debt *(% of GDP)*	96.60	92.40	90.00	90.00	90.40
Current account balance *(% of GDP)*	3.70	1.00	2.90	3.20	3.20

A decline in energy prices fuelled a rapid decrease of inflation as from H2 2023. The annual inflation fell to 0.9%in Q1 2024. Combined with a broad-based slowdown in other price categories, inflation is set to reach 1.6% in 2024 and 2.0% in 2025. Inflation excluding unprocessed food and energy is expected to remain above headline inflation, driven by services and processed food prices.

In 2023, the general government deficit stood at 2.2% of GDP, down from 4.6% in 2022. The decline was driven by better-than-expected revenue, the phasing-out of most pandemic-related support measures, and the lower fiscal cost of measures put in place to mitigate the impact of high energy prices (which dropped by 0.6 percentage points to 1.0% of GDP). At the same time, wage increases for administration and medical personnel, additional financing for oncology, science and research, as well as public investment for defence and internal security drove expenditure growth upwards.

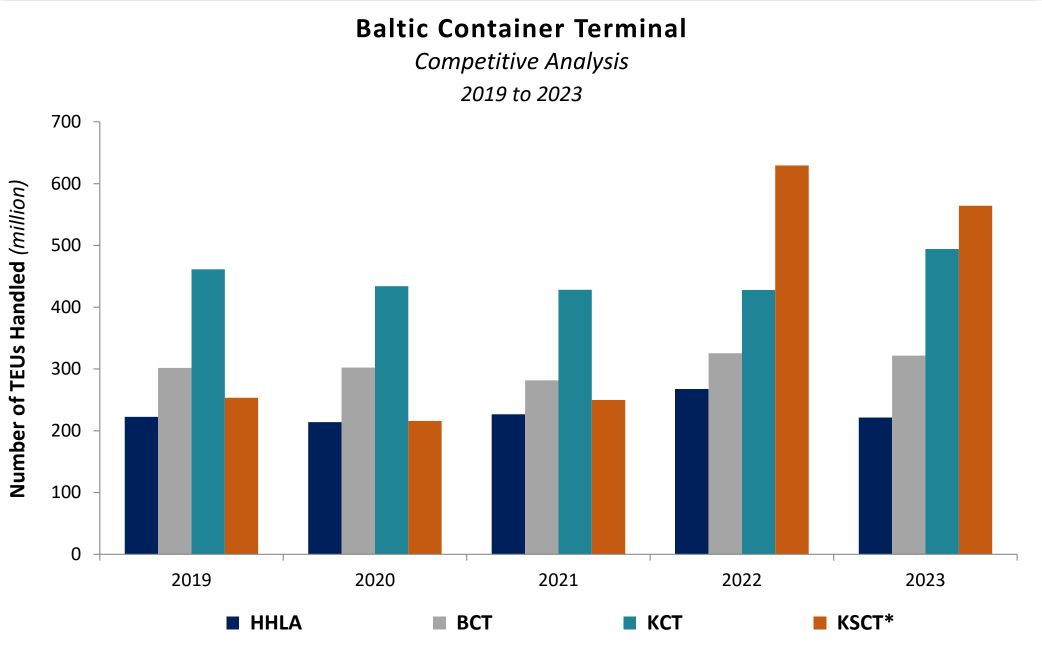
In 2024, the government deficit is projected to increase to 2.8% of GDP. The impact of the complete phasing-out of energy-related measures by the end of 2023 will be more than offset by additional expenditure on public wage increases for teachers and administration, healthcare, education, as well as supplementary payments to pensioners. Development of technical infrastructure on the country's border will contribute to an increase in public investment expenditure. The introduction of corporate income tax advance payments from the financial sector, an increase in the rates for several excise products, and additional dividend payments from state owned companies are expected to yield a moderate increase in revenue.

In 2025, the government deficit is forecast to increase slightly to 2.9% of GDP, based on unchanged policies. While both revenue and expenditure are expected to grow somewhat above nominal GDP, expenditure growth is set to slightly surpass revenue growth mainly due to the strong upward trend of EU-funded investment and the related national co-financing of EU projects. The debt-to-GDP ratio reached 43.6% in 2023 and is forecast to increase to 44.5% in 2024 and 46.3% in 2025 due to positive stock-flow adjustment and budget deficits.

6.2 BCT'S COMPETITIVE LANDSCAPE

Latvia has three main ports located in Liepaja, Riga, and Venstpils which are mainly involved in the transit of cargo. Out of the three ports, the Freeport of Riga by far outstrips the two other main ports in terms of container-handling facilities. Furthermore, within the Freeport of Riga, BCT is the only specialised container terminal as the two other terminals – namely Riga Central Terminal and Riga Universal Terminal – only handle a relatively small volume of containerised cargo because their activity is more focused on the handling of general and bulk cargoes. In view of this, BCT is considered as the only specialised container terminal within the Freeport of Riga as it is much better equipped than competitors in terms of technology, operating systems (including a state-of-the-art container-tracking system), infrastructure, superstructure, and workforce.

As such, BCT's principal competitors comprise specialised container terminals located in neighbouring countries. These include Klaipeda Container Terminal ("**KCT**") and Klaipeda Smelte Container Terminal ("**KSCT**") in Klaipeda, Lithuania; HHLA Muuga ("**HHLA**") in Tallinn, Estonia; Palokangas-EU Container Terminal and Mussalo Container Terminal within HaminaKotka Port, Finland; and container terminals within the Port of St Petersburg, Russia.



* Part of KSCT's traffic is transit cargo, some of which is also shipped to and from BCT.

KCT, KSCT, and HHLA represent the most direct form of competition to BCT due to their similar geographical locations, hinterland markets, inland connections, geopolitical environment, and general terminal facilities. In 2023, KSCT and HHLA registered a decline in the volume of containers handled as their throughput stood at 564,314 TEUs (-10.36%) and 221,403 TEUs (-17.30%) respectively. On the other hand, the volume of containers handled by KCT in 2023 amounted to 494,062 TEUs, representing a year-on-year growth of 15.50%.

PART 2 – PERFORMANCE REVIEW

7. FINANCIAL ANALYSIS

The historical information is extracted from the audited consolidated annual financial statements of Mariner Finance for the financial years ended 31 December 2021, 31 December 2022, and 31 December 2023.

The forecasts have been provided by the Issuer and are based on future events and assumptions which the Group believes to be reasonable. Accordingly, the actual outcome may be adversely affected by unforeseen circumstances and the variation between forecasts with actual results may be material.

Mariner Finance p.l.c. **Income Statement** **for the financial year 31 December**	**2021** **Actual** **€'000**	**2022** **Actual** **€'000**	**2023** **Actual** **€'000**	**2024** **Forecast** **€'000**
BCT	*14,717*	*19,466*	*19,800*	*20,132*
Property rental	*270*	*431*	*455*	*416*
Total revenue	**14,987**	**19,897**	**20,255**	**20,548**
Net operating expenses	(7,739)	(9,456)	(9,716)	(9,587)
EBITDA	**7,248**	**10,441**	**10,539**	**10,961**
Depreciation and amortisation	(2,252)	(2,200)	(2,152)	(2,283)
Operating profit	**4,996**	**8,241**	**8,387**	**8,678**
Net finance costs	(2,097)	(2,210)	(2,157)	(2,371)
Profit before tax	**2,899**	**6,031**	**6,230**	**6,307**
Taxation	(267)	(330)	(642)	(434)
Profit for the year	**2,632**	**5,701**	**5,588**	**5,873**
Other comprehensive income:				
Revaluation, net of deferred tax	-	3,685	-	-
Total comprehensive income	**2,632**	**9,386**	**5,588**	**5,873**

Mariner Finance p.l.c. Key Financial Ratios	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Forecast
EBITDA margin (%) *(EBITDA / revenue)*	48.36	52.48	52.03	53.34
Operating profit margin (%) *(Operating profit / revenue)*	33.34	41.42	41.41	42.23
Net profit margin (%) *(Profit after tax / revenue)*	17.56	28.65	27.59	28.58
Return on equity (%) *(Profit after tax / average equity)*	5.10	9.89	8.98	9.44
Return on assets (%) *(Profit after tax / average assets)*	2.60	4.94	4.33	4.69
Return on invested capital (%) *(Operating profit / average equity and net debt)*	5.10	7.37	6.72	7.16
Interest cover (times) *(EBITDA / net finance costs)*	3.46	4.72	4.89	4.62

INCOME STATEMENT

In **FY2021**, the Group's revenues dropped by 7.52% to €14.99 million amid a noticeable shortage of containers in the first half of the year and the simultaneous sharp increase in freight and shipping prices following the major industry disruptions brought about by the COVID-19 pandemic. During the year, the amount of TEUs handled by BCT dropped by almost 7% to 281,568 TEUs. Furthermore, BCT's key profit metrics trended lower amid tighter margins as well as a reduction in EBITDA, operating profit, and net profit per TEU.

After accounting for net operating expenses of €7.74 million and depreciation and amortisation charges of €2.25 million, Mariner Finance reported an operating profit of just under €5 million which translated into an operating profit margin of 33.34% and a return on invested capital of 5.10%. The interest cover improved to 3.46 times as the 9.02% drop in EBITDA to €7.25 million was outweighed by the lower incidence of net finance costs which contracted to €2.10 million.

Overall, the Group posted a net profit of €2.63 million which translated into a return on equity of 5.10% and a return on assets of 2.60%.

In **FY2022**, the Group reported a strong rebound in business as total revenues surged by 32.76% to €19.90 million. BCT handled a record volume of containers throughout the year (325,456 TEUs) as business was boosted by the post COVID-19 pandemic recovery whilst the Russia-Ukraine conflict led to more containers passing through Riga rather than taking the Russian route. Coupled with the higher level of tariffs charged, revenues generated by BCT grew by 32.27% to €19.47 million (FY2021: €14.72

million) while the company also posted significantly stronger profitability when compared to the 2021 financial year.

In view of the sharp increase in business, the Group's net operating expenses rose by 22.19% to €9.46 million. Nonetheless, given the stronger growth in revenues, EBITDA grew by 44.05% to €10.44 million whilst the EBITDA margin improved to 52.48% from 48.36% in FY2021. The interest cover also strengthened materially to 4.72 times.

Depreciation and amortisation charges amounted to €2.20 million, thus leading to an operating profit of €8.24 million which translated into an operating profit margin of 41.42% and a return on invested capital of 7.37%. After accounting for net finance costs of €2.21 million and a tax charge of €0.33 million, Mariner Finance reported a net profit of €5.70 million which translated into a net profit margin of almost 28.65% (FY2021: 17.56%), a return on equity of 9.89%, and a return on assets of 4.94%.

Total revenues increased by 1.80% in **FY2023** to €20.26 million whilst EBITDA also trended marginally higher to €10.54 million albeit the relative margin eased to 52.03%. The growth in EBITDA coupled with the 2.40% decline in net finance costs to €2.16 million led the interest cover to strengthen further to 4.89 times.

The 2.75% increase in net operating costs to €9.72 million was partly offset by a 2.18% reduction in depreciation and amortisation charges to €2.15 million. Although the Group reported a 3.30% increase in pre-tax profit to €6.23 million, the profit for the year trended marginally lower year-on-year to €5.59 million amid an increase in tax charges to €0.64 million.

For **FY2024**, the Group is expecting to register a pre-tax profit of €6.31 million which would be a year-on-year increase of 1.24%. The improved profitability is anticipated to be driven by an anticipated growth in revenues of 1.45% to €20.55 million as well as a drop of 1.33% in net operating expenses to €9.59 million despite the forecasted increases in depreciation and amortisation charges (+6.09% to €2.28 million) and net finance costs (+9.92% to €2.37 million).

EBITDA and operating profit are estimated to trend higher by 4.00% and 3.47% to €10.96 million and €8.68 million respectively. The corresponding EBITDA and operating profit margins are also anticipated to improve in FY2024 to 53.34% and 42.23% respectively. Similarly, the return on invested capital is expected to edge higher to 7.16% from 6.72% in FY2023, whilst the interest cover is anticipated to weaken slightly to 4.62 times.

Overall, Mariner Finance is forecasting a profit for the year of €5.87 million which would translate into a margin of 28.58% (FY2023: 27.59%) and a return on equity and on assets of 9.44% (FY2023: 8.98%) and 4.69% (FY2023: 4.33%) respectively.

Mariner Finance p.l.c. Statement of Cash Flows for the financial year 31 December	2021 Actual €'000	2022 Actual €'000	2023 Actual €'000	2024 Forecast €'000
Net cash from operating activities	4,432	7,843	5,959	5,949
Net cash used in investing activities	(4,009)	(4,565)	(25,991)	(5,740)
Net cash from / (used in) financing activities	(510)	(3,088)	19,593	(312)
Net movement in cash and cash equivalents	**(87)**	**190**	**(439)**	**(103)**
Cash and cash equivalents at beginning of year	727	640	830	391
Cash and cash equivalents at end of year	**640**	**830**	**391**	**288**
Capital expenditure	435	951	3,331	6,535
Free cash flow	**3,997**	**6,892**	**2,628**	**(586)**

STATEMENT OF CASH FLOWS

In **FY2021**, net movement in cash and cash equivalents amounted to a negative €0.09 million. Net cash from operating activities contracted by 28.1% to €4.43 million reflecting the year-on-year decrease in container volumes handled by BCT. Similarly, net cash used in investing activities was lower on a comparable basis by almost 48% to €4.01 million and mainly comprised net amounts of €3.65 million advanced to the Group's parent company and a related party, as well as capital expenditure amounting to €0.44 million. Net cash used in financing activities amounted to €0.51 million. This amount included lease liability payments of €0.70 million and net drawdown of bank loans amounting to €0.19 million.

In **FY2022**, net cash from operating activities increased by €3.41 million to €7.84 million reflecting the significant growth in business. Cash outflows for investing activities amounted to €4.56 million and comprised net purchases of property, plant, and equipment ("**PPE**") amounting to €0.95 million and net loans advanced to the Group's parent company amounting to €3.61 million.

Net cash used in financing activities amounted to €3.09 million on account of repayment of bank loans amounting to €2.39 million and lease obligations of €0.70 million. Overall, Mariner Finance ended the 2022 financial year with cash and cash equivalents of €0.83 million compared to €0.64 million as at 31 December 2021.

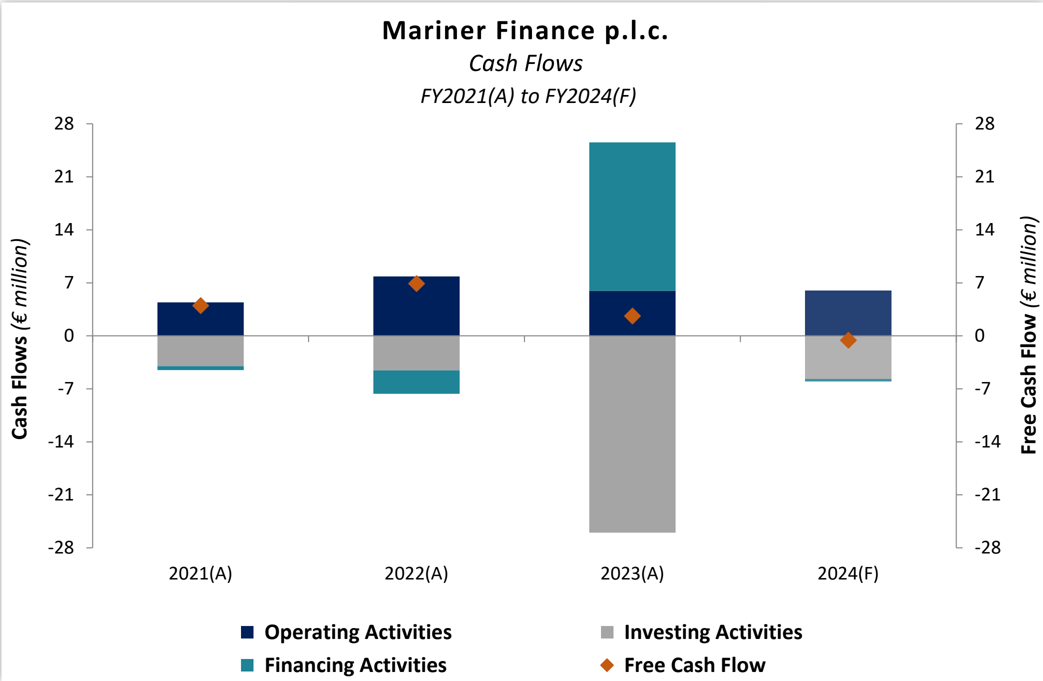
In aggregate, the Group generated €25.55 million in net cash from its operating (€5.96 million) and financing activities (€19.59 million) in **FY2023**. The former was negatively impacted by unfavourable changes in working capital (-€2.08 million) whilst the latter was boosted by the proceeds from the issue of new bonds (€19.20 million).

Net cash used in investing activities amounted to almost €26 million and mostly comprised loans to parent company (net amount of €23.63 million) as well as purchase of PPE amounting to €3.33 million. These were partly offset by a cash inflow of €1.04 million in relation to grants received from a European

Union investment fund. During FY2023, BCT started the reconstruction and extension of the berth KS by over 57 metres which will allow BCT's terminal to accept bigger ships of up to 340 metres in length.

For **FY2024**, the Group is expecting to generate net cash inflows of €5.95 million which includes adverse movements in working capital of €5.51 million. On the other hand, net cash outflows in relation to investing and financing activities are estimated to amount to €5.74 million and €0.31 million respectively. The latter is anticipated to comprise proceeds from bank borrowings (€5.89 million) and the payment of dividends (€5.70 million) and lease obligations (€0.50 million).

Overall, Mariner Finance is expecting to end the 2024 financial year with a cash balance of €0.29 million compared to €0.39 million as at 31 December 2023.



Mariner Finance p.l.c. Statement of Financial Position as at 31 December	2021 Actual €'000	2022 Actual €'000	2023 Actual €'000	2024 Forecast €'000
ASSETS				
Non-current assets				
Intangible assets	13,703	13,661	13,623	13,563
Property, plant and equipment	43,569	46,320	48,349	52,988
Investment property	4,443	4,466	4,469	4,469
Right-of-use assets	7,938	7,611	7,285	6,958
Loans receivable	27,970	31,850	35,733	36,288
	97,623	**103,908**	**109,459**	**114,266**
Current assets				
Loans receivable	414	422	14,436	1,112
Inventories	455	340	285	341
Trade and other receivables	3,216	22,814	5,058	4,777
Cash and cash equivalents	640	830	391	288
	4,725	**24,406**	**20,170**	**6,518**
Total assets	**102,348**	**128,314**	**129,629**	**120,784**
EQUITY				
Equity and reserves				
Called up share capital	500	500	500	500
Other equity and reserves	17,470	21,155	21,155	21,155
Retained earnings	34,960	40,660	40,449	40,619
	52,930	**62,315**	**62,104**	**62,274**
LIABILITIES				
Non-current liabilities				
Bonds	34,789	53,876	36,313	36,369
Bank borrowings	42	65	1,297	6,394
Lease liability	5,604	2,373	4,287	3,679
Other non-current liabilities	301	270	1,759	1,762
	40,736	**56,584**	**43,656**	**48,204**
Current liabilities				
Bonds	-	-	17,652	-
Bank borrowings	5,720	3,375	3,135	8,255
Lease Liability	700	3,231	651	755
Other current liabilities	2,262	2,809	2,431	1,296
	8,682	**9,415**	**23,869**	**10,306**
Total liabilities	**49,418**	**65,999**	**67,525**	**58,510**
Total equity and liabilities	**102,348**	**128,314**	**129,629**	**120,784**
Total debt	*46,855*	*62,920*	*63,335*	*55,452*
Net debt	*46,215*	*62,090*	*62,944*	*55,164*
Invested capital (total equity plus net debt)	*99,145*	*124,405*	*125,048*	*117,438*

Mariner Finance p.l.c. Key Financial Ratios	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Forecast
Net debt-to-EBITDA (times) *(Net debt / EBITDA)*	6.38	5.95	5.97	5.03
Net debt-to-equity (times) *(Net debt / total equity)*	0.87	1.00	1.01	0.89
Net gearing (%) *(Net debt / net debt and total equity)*	46.61	49.91	50.34	46.97
Debt-to-assets (times) *(Total debt / total assets)*	0.46	0.49	0.49	0.46
Leverage (times) *(Total assets / total equity)*	1.93	2.06	2.09	1.94
Current ratio (times) *(Current assets / current liabilities)*	0.54	2.59	0.85	0.63

STATEMENT OF FINANCIAL POSITION

Total assets as at the end of **FY2021** amounted to €102.35 million. Year-on-year, the primary movements included an increase of €3.84 million in loans receivable to €28.38 million and a decrease of €1.43 million in PPE to €43.57 million.

Total liabilities decreased by €0.64 million year-on-year to €49.42 million mainly on account of a reduction of €0.70 million in lease liabilities to €6.30 million. On the other hand, total equity increased to €52.93 million reflecting the net profit recorded for the year. In view of the marginal drop in net debt to €46.22 million and the expansion in the Group's equity base, the net gearing ratio and the net debt-to-equity ratio eased to 46.61% and 0.87 times respectively.

During **FY2022**, the Group's asset base grew by 25.4% to €128.31 million mainly on account of: (i) the higher amounts of current trade and other receivables (+€19.60 million to €22.81 million) reflecting the proceeds that were to be received from the new bonds issued in late 2022; (ii) loans receivables (+€3.89 million to €32.27 million); and (iii) PPE (+€2.75 million to €46.32 million) which included an uplift of €3.69 million in the carrying value of the Group's property.

The Issuer's equity base expanded by 17.73% to €62.32 million on account of the increase in retained earnings (+€5.70 million to €40.66 million) and revaluation reserves (+€3.69 million to €13.05 million) which resulted in other equity and reserves to increase to €21.16 million.

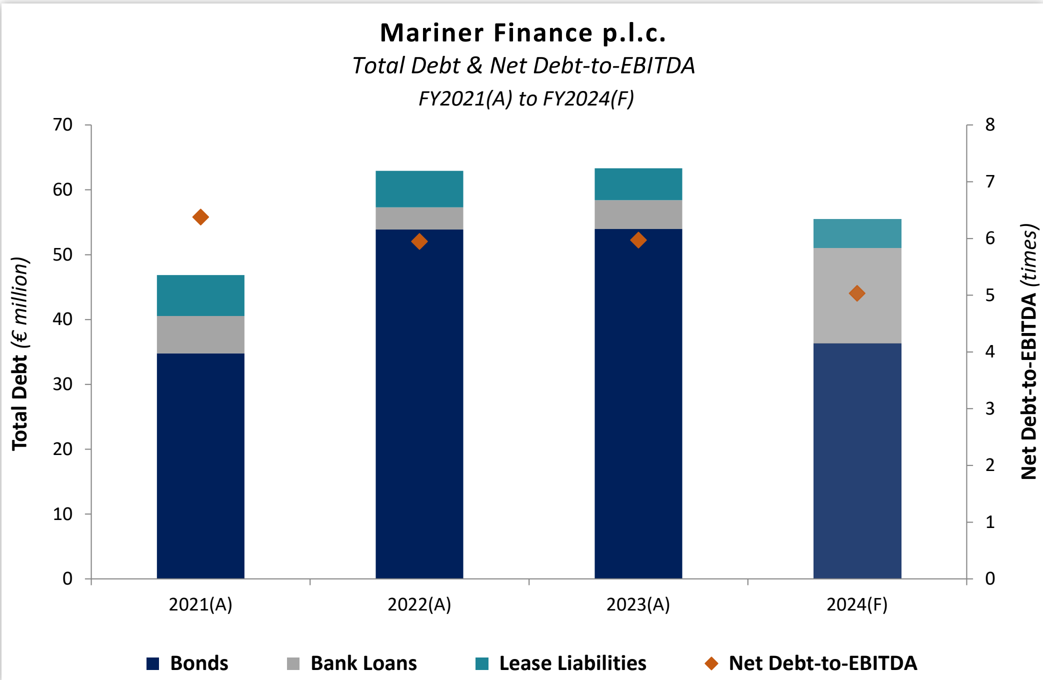
Total liabilities increased by €16.58 million to just under €66 million as total debt rose to €62.92 million from €46.86 million as at the end of 2021. As such, the debt metrics of the Group deteriorated when compared to the 2021 financial year. Conversely, given the upsurge in EBITDA, the net debt-to-EBITDA multiple eased to 5.95 times compared to 6.38 times in FY2021.

Total assets increased by 1.02% to €129.63 million in **FY2023** as the notable reduction in trade and other receivables to €5.06 million and, to a much lesser extent, in cash and right-of-use assets were marginally outweighed by the higher levels of loans receivable and PPE. As such, most of the proceeds received from the new bonds issued in late 2022 were temporarily advanced to the Group's parent company.

Total liabilities also increased marginally to €67.53 million as total debt rose by just 0.66% to €63.34 million whilst other liabilities expanded by 33.27% to €4.19 million. Accordingly, the Group's principal debt metrics remained relatively unchanged year-on-year, with the net debt-to-equity ratio and the net gearing ratio at 1.01 times (31 December 2022: 1 times) and 50.34% (31 December 2022: 49.91%) respectively.

Total assets are expected to contract by 6.82% to €120.78 million in **FY2024** largely reflecting the reduction in loans receivable and trade and other receivables to €37.40 million and €4.78 million respectively. On the other hand, PPE is anticipated to increase by 9.59% to almost €53 million reflecting the Group's strong commitment to continuous investments in its port terminal operations.

Total liabilities are also estimated to decrease year-on-year to €58.51 million amid a reduction in total debt to €55.45 million and other current liabilities to €1.30 million. As the Group's equity base is forecasted to remain virtually unchanged at €62.27 million, the net debt-to-equity ratio and the net gearing ratio are anticipated to trend lower to 0.89 times and 46.97% respectively. Likewise, the net debt-to-EBITDA multiple (5.03 times compared to 5.97 times in FY2023), the debt-to-assets ratio (0.46 times compared to 0.49 times as at 31 December 2023), and the leverage ratio (1.94 times compared to 2.09 times as at the end of FY2023) are all expected to strengthen year-on-year.



8. VARIANCE ANALYSIS

The following is an analysis of the major variances between the forecast financial information for the year ended 31 December 2023 included in the Analysis dated 28 June 2023, and the audited consolidated annual financial statements for the year ended 31 December 2023.

Mariner Finance p.l.c. **Income Statement** **for the financial year 31 December**	**2023** **Actual** **€'000**	**2023** **Forecast** **€'000**	
BCT	*19,800*	*18,747*	***(1)***
Property rental	*455*	*498*	
Total revenue	**20,255**	**19,245**	
Net operating expenses	(9,716)	(9,089)	***(2)***
EBITDA	**10,539**	**10,156**	
Depreciation and amortisation	(2,152)	(2,149)	
Operating profit	**8,387**	**8,007**	
Net finance costs	(2,157)	(2,200)	
Profit before tax	**6,230**	**5,807**	
Taxation	(642)	(305)	***(3)***
Profit for the year	**5,588**	**5,502**	***(4)***
Total comprehensive income	**5,588**	**5,502**	

Mariner Finance reported a net profit of €5.59 million which was 1.56% higher than the forecasted figure of €5.50 million ***(4)***. The better-than-expected revenues generated by BCT ***(1)*** was partly offset by the higher level of net operating expenses ***(2)*** and tax charges ***(3)*** which, in aggregate, amounted to €10.36 million compared to the forecasted figure of €9.39 million.

Mariner Finance p.l.c. **Statement of Cash Flows** **for the financial year 31 December**	**2023** **Actual** **€'000**	**2023** **Forecast** **€'000**	
Net cash from operating activities	5,959	9,071	***(1)***
Net cash used in investing activities	(25,991)	(5,269)	***(2)***
Net cash from / (used in) financing activities	19,593	(2,646)	***(3)***
Net movement in cash and cash equivalents	**(439)**	**1,156**	
Cash and cash equivalents at beginning of year	830	830	
Cash and cash equivalents at end of year	**391**	**1,986**	***(4)***
Capital expenditure	3,331	9,662	
Free cash flow	**2,628**	**(591)**	

The Group ended the 2023 financial year with a cash balance of €0.39 million compared to the forecasted figure of €1.99 million ***(4)***. Although Mariner Finance generated €19.59 million in cash from financing activities compared to the expected negative movement of €2.65 million ***(3)***, the amount of net cash consumed in relation to investing activities exceeded forecasts by €20.72 million ***(2)***. Moreover, throughout the year, the Issuer generated a lower level of net cash from operating activities as these amounted to €5.96 million compared to the estimated figure of €9.07 million ***(1)***.

Meanwhile, the material variances between the actual and forecast Statement of Financial Position as at 31 December 2023 were as follows:

(1) Total assets amounted to €129.63 million compared to the estimated figure of €130.04 million ***(5)***. The marginal negative variance of €0.41 million mostly emanated from the relatively lower values of PPE ***(1)*** and cash ***(4)*** which outweighed the higher-than-expected amounts of loans receivable ***(2)*** and trade and other receivables ***(3)***.

(2) Total liabilities stood at €23.87 million as at the end of FY2023 compared to the estimated figure of €20.68 million ***(7)***. The negative variance of almost €0.5 million was driven by the lower level of debt ***(8)*** which was partly offset by the higher levels of other current and non-current ***(6)***.

Mariner Finance p.l.c. Statement of Financial Position as at 31 December	2023 Actual €'000	2023 Forecast €'000	
ASSETS			
Non-current assets			
Intangible assets	13,623	13,631	
Property, plant and equipment	48,349	54,191	*(1)*
Investment property	4,469	4,466	
Right-of-use assets	7,285	7,285	
Loans receivable	35,733	44,712	*(2)*
	109,459	**124,285**	
Current assets			
Loans receivable	14,436	420	*(2)*
Inventories	285	341	
Trade and other receivables	5,058	3,008	*(3)*
Cash and cash equivalents	391	1,986	*(4)*
	20,170	**5,755**	
Total assets	**129,629**	**130,040**	*(5)*
EQUITY			
Equity and reserves			
Called up share capital	500	500	
Other equity and reserves	21,155	21,155	
Retained earnings	40,449	40,365	
	62,104	**62,020**	
LIABILITIES			
Non-current liabilities			
Bonds	36,313	36,281	
Bank borrowings	1,297	6,911	
Lease liability	4,287	3,638	
Other non-current liabilities	1,759	510	*(6)*
	43,656	**47,340**	
Current liabilities			
Bonds	17,652	17,684	
Bank borrowings	3,135	678	
Lease Liability	651	732	
Other current liabilities	2,431	1,586	*(6)*
	23,869	**20,680**	
Total liabilities	**67,525**	**68,020**	*(7)*
Total equity and liabilities	**129,629**	**130,040**	
Total debt	*63,335*	*65,924*	*(8)*
Net debt	*62,944*	*63,938*	
Invested capital (total equity plus net debt)	*125,048*	*125,958*	

PART 3 – COMPARATIVE ANALYSIS

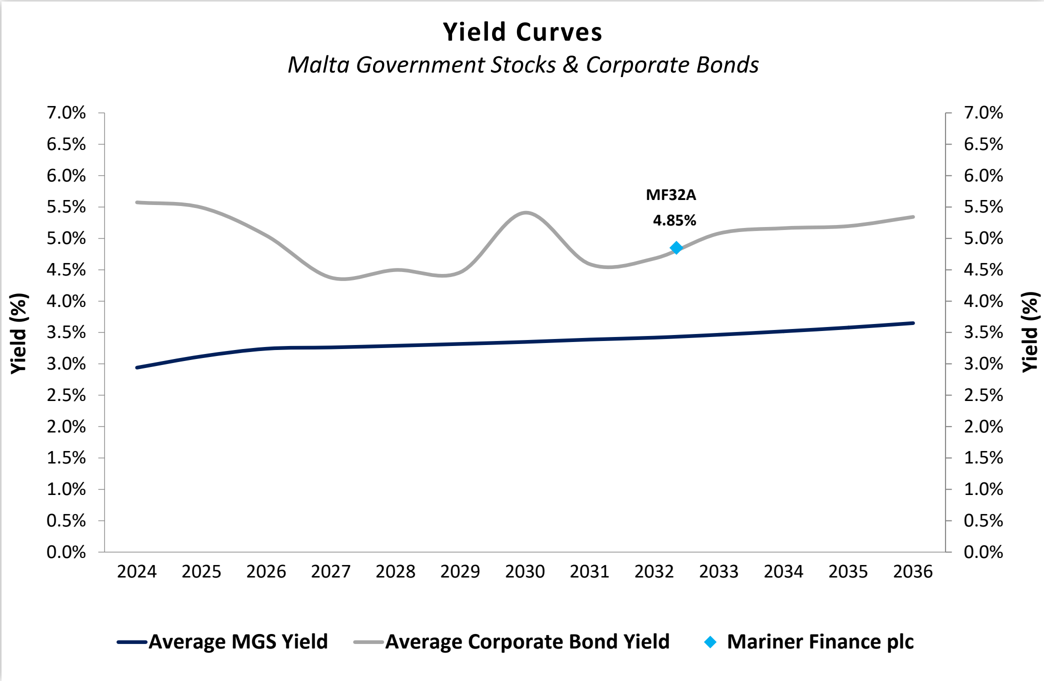
The Table below provides a comparison between the Group and its bonds with other debt issuers and their respective debt securities listed on the Regulated Main Market (Official List) of the Malta Stock Exchange. Although there are significant variances between the activities of the Group and those of other debt issuers (including different industries, principal markets, competition, capital requirements etc.), and material differences between the risks associated with the Group's business/es and those of other debt issuers, the comparative analysis illustrated in the Table below serves as an indication of the relative financial strength and creditworthiness of the Group.

Comparative Analysis*	Amount Issued	Yield-to-Maturity / Worst	Interest Cover	Net Debt-to-EBITDA	Net Gearing	Debt-to-Assets
	(€'000)	*(%)*	*(times)*	*(times)*	*(%)*	*(times)*
5.00% Hal Mann Vella Group p.l.c. Secured 2024	30,000	3.81	2.21	9.47	51.49	0.43
4.25% Best Deal Properties Holding p.l.c. Secured & Guaranteed 2024	1,267	4.17	57.57	9.38	69.21	0.64
5.75% International Hotel Investments p.l.c. Unsecured 2025	45,000	5.75	1.61	10.49	43.07	0.41
5.10% 6PM Holdings p.l.c. Unsecured 2025**	13,000	6.86	16.04	0.65	17.79	0.20
4.50% Hili Properties p.l.c. Unsecured & Guaranteed 2025	37,000	4.11	1.80	8.70	46.06	0.45
4.35% Hudson Malta p.l.c. Unsecured & Guaranteed 2026	12,000	4.63	5.64	6.37	77.20	0.60
4.25% CPHCL Finance p.l.c. Unsecured & Guaranteed 2026	40,000	4.25	1.45	11.49	43.52	0.41
4.00% International Hotel Investments p.l.c. Secured 2026	55,000	3.99	1.61	10.49	43.07	0.41
5.00% Dizz Finance p.l.c. Unsecured & Guaranteed 2026	8,000	4.99	2.27	8.24	80.39	0.57
3.75% Premier Capital p.l.c. Unsecured 2026	65,000	4.38	10.89	2.16	65.14	0.57
4.00% International Hotel Investments p.l.c. Unsecured 2026	60,000	5.34	1.61	10.49	43.07	0.41
3.25% AX Group p.l.c. Unsecured 2026	15,000	3.33	1.24	21.28	39.42	0.36
3.90% Gap Group p.l.c. Secured & Guaranteed 2024-2026	16,702	3.89	n/a	3.15	52.66	0.56
4.00% Hili Finance Company p.l.c. Unsecured & Guaranteed 2027	50,000	3.62	4.60	4.44	69.59	0.61
4.35% SD Finance p.l.c. Unsecured & Guaranteed 2027	65,000	4.26	4.68	1.74	22.08	0.26
4.00% Eden Finance p.l.c. Unsecured & Guaranteed 2027	40,000	4.04	5.43	4.21	26.73	0.24
5.25% Mediterranean Investments Holding p.l.c. Unsecured & Guaranteed 2027	30,000	5.24	5.42	2.67	20.40	0.19
4.00% Stivala Group Finance p.l.c. Secured & Guaranteed 2027	45,000	3.99	5.67	4.17	22.93	0.21
4.75% Best Deal Properties Holding p.l.c. Secured & Guaranteed 2025-2027	15,000	5.06	57.57	9.38	69.21	0.64
4.75% Gap Group p.l.c. Secured & Guaranteed 2025-2027	23,000	4.74	n/a	3.15	52.66	0.56
3.85% Hili Finance Company p.l.c. Unsecured & Guaranteed 2028	40,000	4.27	4.60	4.44	69.59	0.61
5.85% Mediterranean Investments Holding p.l.c. Unsecured & Guaranteed 2028	20,000	5.19	5.42	2.67	20.40	0.19
5.75% PLAN Group p.l.c. Secured & Guaranteed 2028	12,000	4.62	7.37	9.26	54.58	0.48
3.65% Stivala Group Finance p.l.c. Secured & Guaranteed 2029	15,000	3.78	5.67	4.17	22.93	0.21
3.80% Hili Finance Company p.l.c. Unsecured & Guaranteed 2029	80,000	4.87	4.60	4.44	69.59	0.61
3.75% AX Group p.l.c. Unsecured 2029	10,000	3.75	1.24	21.28	39.42	0.36
5.25% Best Deal Properties Holding p.l.c. Secured & Guaranteed 2024	15,000	4.98	57.57	9.38	69.21	0.64
6.25% GPH Malta Finance p.l.c. Unsecured & Guaranteed 2030	18,144	6.24	1.73	7.63	94.01	0.75
3.65% International Hotel Investments p.l.c. Unsecured 2031	80,000	4.69	1.61	10.49	43.07	0.41
3.50% AX Real Estate p.l.c. Unsecured 2032	40,000	5.10	2.04	12.44	49.30	0.45
5.00% Mariner Finance p.l.c. Unsecured 2032	36,930	4.85	4.89	6.08	50.77	0.50
5.85% AX Group p.l.c. Unsecured 2033	40,000	5.19	1.24	21.28	39.42	0.36
6.00% International Hotel Investments p.l.c. Unsecured 2033	60,000	5.34	1.61	10.49	43.07	0.41
4.50% The Ona p.l.c. Secured & Guaranteed 2028-2034	16,000	4.63	3.09	16.34	74.89	0.65
5.50% Juel Group p.l.c. Secured & Guaranteed 2035	32,000	5.20	3.35	11.26	55.24	0.51

As at 15 May 2024

***** The financial ratios pertain to Idox p.l.c..***

Sources: Malta Stock Exchange
M.Z. Investment Services Limited
Most recent audited annual financial statements except for Juel Group p.l.c. (FY2024 forecast, as included in the Financial Analysis Summary dated 6 June 2023).



The closing market price as at 15 May 2024 for the **5.00% Mariner Finance p.l.c. unsecured bonds 2032** (MF32A) was 101.00%. This translated into a yield-to-maturity ("YTM") of 4.85% which was 17 basis points above the average YTM of 4.68% of other local corporate bonds maturing in the same year. The premium over the corresponding average Malta Government Stock yield of equivalent maturity stood at 143 basis points.

PART 4 – EXPLANATORY DEFINITIONS

Industry Key Performance Indicators	
Average number of container moves per hour	Gauges the overall level of operating efficiency of a port terminal and shows how many containers are moved in an hour.
Revenue per TEU	Calculated by dividing the amount of revenue generated by a port terminal by the total number of TEUs handled. A higher figure indicates that the port terminal is recording higher levels of income for every TEUs handled.
EBITDA per TEU	Calculated by dividing the EBITDA generated by a port terminal by the total number of TEUs handled. A higher figure indicates that the port terminal is generating higher levels of EBITDA for every TEUs handled.
Operating profit per TEU	Calculated by dividing the operating profit generated by a port terminal by the total number of TEUs handled. A higher figure indicates that the port terminal is generating higher levels of operating profit for every TEUs handled.
Net profit per TEU	Calculated by dividing the net profit generated by a port terminal by the total number of TEUs handled. A higher figure indicates that the port terminal is generating higher levels of net profit for every TEUs handled.

Income Statement	
Revenue	Total income generated from business activities.
EBITDA	Earnings before interest, tax, depreciation, and amortisation. It is a metric used for gauging operating performance excluding the impact of capital structure. EBITDA is usually interpreted as a loose proxy for operating cash flows.
Adjusted operating profit / (loss)	Profit (or loss) from core operations, excluding movements in the fair value of investment property, share of results of associates and joint ventures, net finance costs, and taxation.
Operating profit / (loss)	Profit (or loss) from operating activities, including movements in the fair value of investment property but excluding the share of results of associates and joint ventures, net finance costs, and taxation.
Share of results of associates and joint ventures	Share of profit (or loss) from entities in which the company does not have a majority shareholding.
Profit / (loss) after tax	Net profit (or loss) registered from all business activities.

Profitability Ratios	
EBITDA margin	EBITDA as a percentage of revenue.
Operating profit margin	Operating profit (or loss) as a percentage of total revenue.
Net profit margin	Profit (or loss) after tax as a percentage of total revenue.
Return on equity	Measures the rate of return on net assets and is computed by dividing the net profit (or loss) for the year by average equity.
Return on assets	Measures the rate of return on assets and is computed by dividing the net profit (or loss) for the year by average assets.
Return on invested capital	Measures the rate of return from operations and is computed by dividing operating profit (or loss) for the year by the average amount of equity and net debt.

Statement of Cash Flows	
Net cash from / (used in) operating activities	The amount of cash generated (or consumed) from the normal conduct of business.
Net cash from / (used in) investing activities	The amount of cash generated (or consumed) from activities related to the acquisition, disposal, and/or development of long-term assets and other investments.
Net cash from / (used in) financing activities	The amount of cash generated (or consumed) that have an impact on the capital structure, and thus result in changes to share capital and borrowings.
Free cash flow	Represents the amount of cash generated (or consumed) from operating activities after considering any amounts of capital expenditure.

Statement of Financial Position	
Non-current assets	These represent long-term investments which full value will not be realised within the next twelve months. Such assets, which typically include property, plant, equipment, and investment property, are capitalised rather than expensed, meaning that the amortisation of the cost of the asset takes place over the number of years for which the asset will be in use. This is done instead of allocating the entire cost to the accounting year in which the asset was acquired.
Current assets	All assets which could be realisable within a twelve-month period from the date of the Statement of Financial Position. Such amounts may include development stock, accounts receivable, cash and bank balances.
Non-current liabilities	These represent long-term financial obligations which are not due within the next twelve months, and typically include long-term borrowings and debt securities.
Current liabilities	Liabilities which fall due within the next twelve months from the date of the Statement of Financial Position, and typically include accounts payable and short-term debt.
Total equity	Represents the residual value of the business (assets minus liabilities) and typically includes the share capital, reserves, as well as retained earnings.

Financial Strength / Credit Ratios	
Interest cover	Measures the extent of how many times a company can sustain its net finance costs from EBITDA.
Net debt-to-EBITDA	Measures how many years it will take a company to pay off its net interest-bearing liabilities (including lease liabilities) from EBITDA, assuming that net debt and EBITDA are held constant.
Net debt-to-equity	Shows the proportion of net debt (including lease liabilities) to the amount of equity.
Net gearing	Shows the proportion of equity and net debt used to finance a company's business and is calculated by dividing net debt by the level of invested capital.
Debt-to-assets	Shows the degree to which a company's assets are funded by debt and is calculated by dividing all interest-bearing liabilities (including lease liabilities) by total assets.
Leverage	Shows how many times a company is using its equity to finance its assets.
Current ratio	Measures the extent of how much a company can sustain its short-term liabilities from its short-term assets.