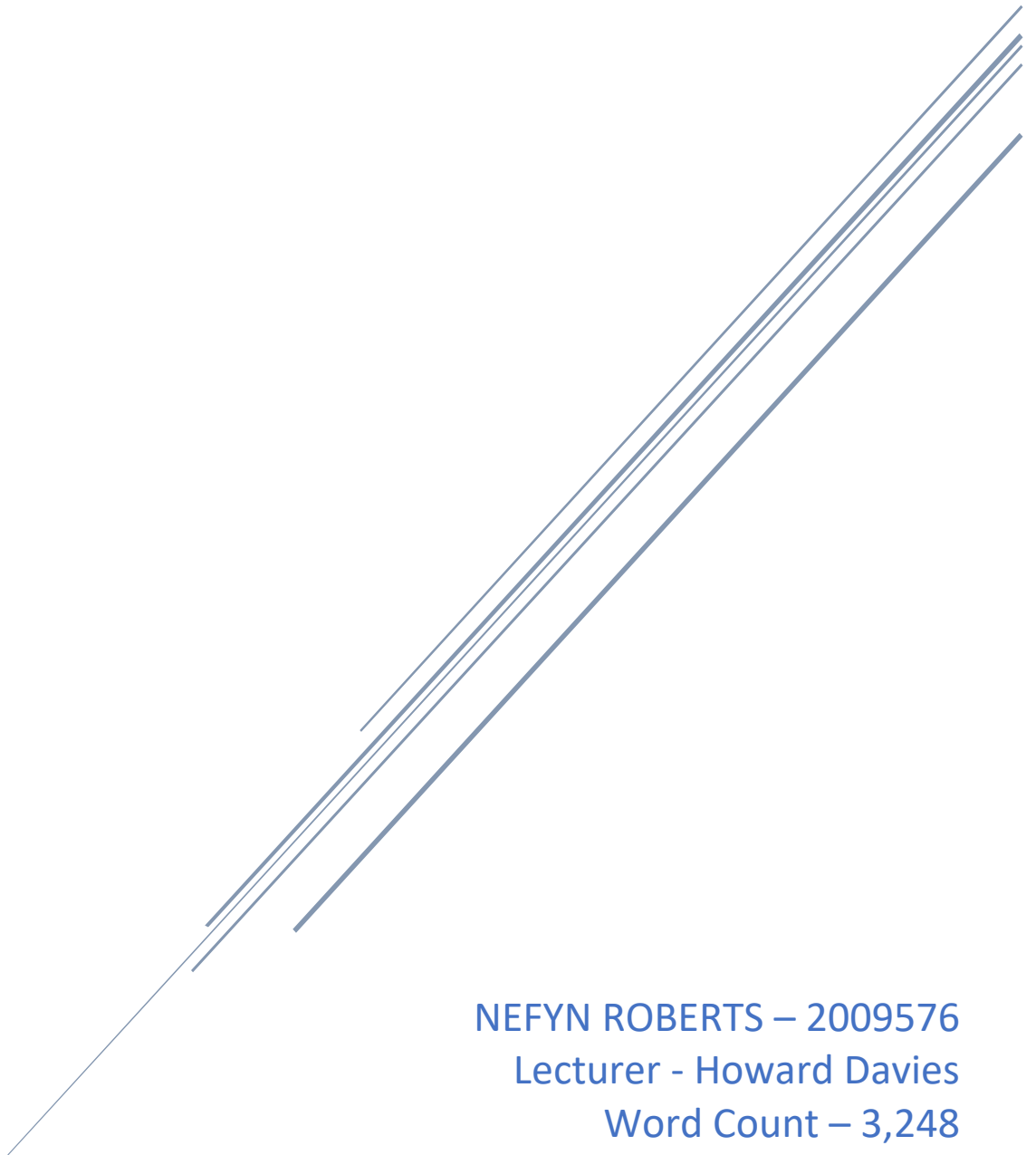


Financial Management & Planning

Aston Martin



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Executive Summary.

The financial health of Aston Martin can be considered to be poor, but generally improving. They are positioned in a highly competitive premium brand automotive market, in which it can be difficult to maintain pace and profitability amongst so many competitors. The financial impact of Covid-19 has certainly affected their income in 2020, although there were signs of improvements and growth in 2021. However, the company still failed to return a profit in 2021 and may have been impacted by the materials and chip shortages that affected so many other OEMs. The overleveraged position of the company and lack of operating profit compared to outgoings will make the company a risky venture for most investors.

Introduction

This report is looking into the financial statements of Aston Martin from 2020 to 2021 in order to determine the viability of a potential joint venture with them to the value of £5m.

A range of ratios will be used to analyse the financial strength of Aston Martin between the period of 2020 and 2021. The context of these ratios plus the pros and cons of using them will be weighed up in relation to the results. The overall picture and future outlook of the company will also be considered in the decision making for this investment proposal.

Ratio Analysis

A range of ratio analysis tools will be used to provide a picture of Aston Martins financial performance between 2020 and 2021.

Profitability Ratios

Profitability Ratios are used to provide an overview of the general health a business (McLaney & Atrill, 2019)

	Year	2021	Trend	2020
Profitability Ratios Formula	Gross Margin %	↑ 31.38%	↘	↓ 18.16%
	Operating Profit/Loss %	↑ -6.98%	↘	↓ -52.78%
	Net Profit/Loss %	↑ -4.75%	↘	↓ -43.71%
	Return on Assets	↑ -6.66%	↘	↓ -14.69%
	Return on Equity	↑ -28.66%	↘	↓ -51.05%

Table 1, Profitability Ratios

Gross Margin Ratio

Shows how much money a company is making by comparing its Gross Profit against its revenue. By turning it into a ratio the year-by-year performance of a company can be compared against itself or competitors. For manufacturers a healthy Gross Profit Margin is generally considered to be between 50 to 70% (bdc, 2023).

Pros

- An easy and quick calculation to show a company's financial health.
- Useful for comparison against competitors.

Cons

- Does not included all costs
- Measures only profitability ignoring other factors within the company.

The automotive industry is a very competitive and has particularly tight margins, the industry standard tends to be around 10-20%, although luxury brands are expected to be higher (CSI Market, 2023). In this context Aston Martins Gross Margin Ratio of 18.16% 2020 and 31.38% 2021 can be considered healthy.

Operating Profit/Loss Ratio

Shows how much company is making by diving the net operating profit/loss by the revenue.

Pros

- Shows how efficiently a company generate profits through core activities.
- Useful for comparison against competitors.

Cons

- Cannot be used to compare between businesses different industries.

In the case of Aston Martin, as they are making an operating loss the ratio shows a negative result, -50.52% in 2020 and -6.98% in 2021. Comparatively this is a poor performance when compared to other high-end automotive companies (Companies Market Cap, 2023). This loss would indicate that the COGS and SG&A of Aston Martin are too high, relative to their revenue and operating profit margin, however the trend is at least heading in the right direction and it is worth noting that this period was significantly affected by global events such as the Covid-19 pandemic and the subsequent supply chain issues such as the semi-conductor shortages (Belhadi, et al., 2021).

Net Profit/Loss Ratio

The net profit/loss ratio takes into account interest and taxes (Accounting Tools, 2022).

Pros

- Can be used by investors to assess overheads compared to sales profits.
- An important indicator of a business's financial health.

Cons

- Can be influenced by asset sales to distort overall profits.

For Aston Martin, due to them making an overall loss they actually received a tax credit. This improved the outlook for the year; however, they still recorded a loss, -41.45% and -4.75% for 2020 and 2021 respectively.

Return on Assets (ROA)

For the return on assets the profit/loss for the year is divided by total assets.

"A ROA of over 5% is generally considered good and over 20% excellent" (Hargrave, 2022).

ROA can be a poor metric for digital companies however for manufacturers such as Aston Martin it can be a good indication towards the financial health of the company.

Pros

- Can indicate if a company uses their assets efficiently for profit.

Cons

- Cannot be used across industries

For the period of 2020 to 2021 a ROA of -14.69% and -6.66% respectively can be considered poor performance.

Return on Equity (ROE)

The ROE takes into account the profit/loss for the year against the shareholders equity (Fernando, 2022).

Pros

- Can be used to gauge how efficiently a business generates profits

Cons

- The metric cannot be used to analyse a company or compare against competitors when negative.

For AM it was a poor year with -51.05% for 2020 and -28.66% in 2021.

Liquidity Ratios

Liquidity Ratios will be used to provide and acid test for Aston Martins finances. These metrics can be used to assess the company's ability to pay their debts without needing to raise capital from external sources (Hayes, 2022).

	Year		2021	Trend	2020
Liquidity Ratios	Current Ratio	↓	0.96	↗	1.10
	Quick Ratio	↓	0.74	↗	0.84
	Cash Ratio	↓	0.46	↗	0.61

Table 2, Liquidity Ratios

Current Ratio

The Current Ratio measures the businesses' ability to pay off their short-term debts (liabilities) by dividing them from their current resources (assets). If a company has a ratio of 1.5 then it would mean that they have 1.5 times more assets than liabilities to cover any debts in an emergency (Hayes, 2022).

Pros

- Helps investors determine the company's ability to cover debts and compare to peers.

Cons

- Incorporates assets that cannot be readily liquidated
- Hard to compare businesses in different industries.

In the case of Aston Martin, they achieve a positive current ratio in 2020, however the ratio then drops to 0.96 in 2021. Perhaps reduced due to the effects of the pandemic.

Quick Ratio

The Quick Ratio, also known as the acid test, is similar to the current ratio, however it ignores inventory from the assets. The quick ratio is likely to understate a company's liquidity however it does provide a more accurate picture of a company's assets in the event of liquidation as the goods would need to be sold within a short time frame (Folger, 2022).

Pros

- Considered more conservative than the current ratio as it doesn't need to sell inventory or gain new financing to cover debts.

Cons

- Doesn't consider future cash injection into the company through sales or loans.

In the case of Aston Martin, the quick ratio presents a broadly negative picture, with 0.84 for 2020 and 0.74 for 2021. In this instance if the company was forced to liquidate it would not

be able to fulfil its debts.

Cash Ratio

The Cash Ratio measures a company's immediate liquidity by dividing their cash reserves against their liabilities (CFI Team, 2022). Although there is no ideal number a ratio between 0.5 and 1 is considered to be good (Kenton, 2022). Whilst a ratio greater than 1 is a healthy position to be in, generally companies do not hold on to that level of cash, instead choosing to invest the money to grow the company further.

Pros

- More conservative than other ratios as it considers only liquid assets.
- Can be a good comparison tool with competitors.

Cons

- Is of limited use when looking over a short period.

For Aston Martin 2020 can be considered good at 0.61, however investors may be concerned by 2021 which shows a ratio of reduction to 0.46.

Activity (efficiency) Ratios

Activity Ratios are metrics that can show how efficiently a business can use their assets and resources (McLaney & Atrill, 2019).

	Year	2021	Trend	2020
Activity Ratios	Days Sales Outstanding (DSO)	 243.53		 349.85
	Inventory Turnover (IT)	 3.72		 2.41
	Days Payable Outstanding (DPO)	 354.90		 427.47

Table 3, Activity Ratios

Days Sales Outstanding

The Days Sales Outstanding or DSO Ratio shows how many days it takes a business to collect payments for their sales (Kenton, 2022). A higher DSO figure can indicate cash flow problems within a business, a low DSO (typically 45 days or less) shows that a company is recouping their money quickly for it to be reinvested.

Pros

- Shows how quickly a business can get its money back.

Cons

- Can only be used to company's companies in similar industries.

For Aston Martin it took almost a calendar year in 2020 to recoup their sales, the picture did improve in 2021 with almost a 100-day reduction, however 243.5 days is still considered to be very high.

Inventory Turnover

The Inventory Turnover or IT Ratio shows the time it takes in a year for a company to sell and re-stock their items. A good inventory ratio is considered to be between 5 and 10,

meaning a company would re-stock their inventory every 1 to 2 months (Jenkins, 2022). However, this number can be dependent on the industry and the expense of the item.

Pros

- Can help identify if a company has sufficient stock turnover when compared to rivals.

Cons

- Can only be used when comparing similar companies.

In the case of Aston Martin, they replaced their stock 2.41 times in 2020 and 3.72 times in 2021. Whilst these ratios are low it is worth noting that luxury cars are expensive items that typically have a lower turnover rate. The trend is also moving upwards indicating an increase in sales and turnover in 2021.

Days Payable Outstanding

The Days Payable Outstanding Ratio (DPO) refers to the time that it takes a business to pay their creditors (typically Bills and Invoices). The ratio can be calculated in a quarterly or in this case annual basis (Hayes, 2022).

Pros

- Can enable the business to track cash within the company with greater granularity.

Cons

- Only good for comparison with direct competitors, there is no specified good DPO figure.

For Aston Martin it shows that it takes them as a business over a year to pay the creditors in 2020 (427.47 days) and almost a year (354.90 days) in 2021. Whilst the trend is improving it such a large DPO can be indicative of an inability to pay and a cash shortfall within the company.

Leverage (Gearing) Ratios

Leverage Ratios are used to show a business's financial leverage in terms of their equity, liabilities and assets (McLaney & Atrill, 2019). They can be used to indicate if a business can adhere to their financial obligations by showing how much of their capital comes from debt.

	Year	2021	Trend	2020
Leverage Ratios	Gearing Ratio	 65.91%		 70.15%
	Debt / Equity Ratio	 330.42%		 247.57%
	Long term Debt / Equity Ratio	 180.07%		 134.91%
	Interest Coverage	 -0.65		 -3.92

Table 4, Leverage Ratios

Gearing Ratio

The Gearing Ratio allows the shareholders equity to be compared to company debt to show the companies financial stability and the amount of leverage they have. The optimal ratio is generally considered to be between 25-50% (Kenton, 2022).

Pros

- Can be used by borrowers to assess risk when providing loans.

Cons

- “Could reflect a risky financial structure, but not necessarily a poor financial state.” (IG, 2023)

With Aston Martin they show a gearing ratio of 70.15% in 2020 and 65.91% in 2021.

Typically, companies with >50% gearing are considered to be over leveraged, this means the company is at greater financial risk in a sales downturn or if market conditions change to higher interest rates (Boyte-White, 2021).

Debt / Equity Ratio (D/E)

The Debt / Equity Ratio shows to what extent a company can cover its debts (Shopify, 2022). A higher D/E ratio indicates a business that is having difficulties paying off debts. A high D/E could put potential investors off from investing in a company (Fernando, 2022).

Pros

- Can be indicative of residual profit and risk for lenders.

Cons

- Can be industry specific and volatile based on a short time period.

For Aston Martin, the D/E in 2020 was 247.57% whilst in 2021 it increased to 330.42%. This large D/E would be concerning to both potential investors and lenders as it suggests difficulties in paying off debts.

Long term Debt / Equity Ratio

The long-term debt to equity ratio is used to determine the leverage that a company has taken on over a period of time (Accounting Tools, 2022). If the business is highly leveraged, then the ratio will be greater (Fernando, 2022).

Pros

- Provides clearer view of the businesses long term financial health and risk.

Cons

- May not accurately reflect recent events or businesses that do not rely on borrowing.

The Long-term debt/equity ratio for AM also shows a highly leveraged and increasingly so company, in 2020 it is 134.92% but rises to 180.07% in 2021.

Interest Coverage

The interest Coverage measures how readily a company can pay the interest on their outstanding debts. Typically, a minimum ratio of 1.5 is considered to be acceptable. If the ratio is below this, the lender may consider them to be at risk of defaulting (Hayes, 2022).

Pros

- Can be a useful comparison against competitors.

Cons

- The EBIT and EBITDA do not include tax expenses.

At -0.65% in 2021 and -3.76% in 2020 AM could be considered high risk by lenders, whilst this picture is improving it would mean the company is at risk of higher interest rates from lenders due to the risk of default/liquidation.

Investor Ratios

Investor Ratios are used to show the individual share performance of a company, this can include the profits, dividends and assets. These ratios can reflect the performance and market share price of a business and can be used to show the returns to shareholders (McLaney & Atrill, 2019).

	Year	2021	Trend	2020
Investor Ratios	Earnings per share (EPS)	 -0.66		 -2.81
	Dividend Cover	#DIV/0!		#DIV/0!
	Price per earnings ratio	 -11.29		 -4.44
	Dividend Yield Ratio	0%		0%

Table 5, Investor Ratios

Earnings Per Share

For the Earnings per share (EPS) the company's annual profit is divided by the amount of shares within the business. This metric can show much money a company makes per share and can be used for estimated the value of a business. Comparing the EPS of businesses within a similar industry can be used to determine the success and value of a business (Fernando, 2022).

Pros

- Shows the profit per share after liabilities.

Cons

- Doesn't fully capture the company performance as it doesn't take into account the share's price.

With Aston Martin, the EPS was -2.69 in 2020 and -0.66 in 2021, this was due to poor performance of the company in these years which resulted in a net annual loss.

Dividend Cover

The Dividend cover divides the net income (profit after tax) against the dividend proposed. Generally, a higher dividend cover ratio is better (CFI Team, 2022). A ratio greater than 1 indicated shareholders will receive a dividend, above 2 is considered good.

Pros

- A useful tool for investors to determine dividend payment.

Cons

- Net income is not cash flow.
- Not a good indicator of risk in the future.

For Aston Martin, due to them making a loss in both 2020 and 2021 they did not have a dividend for each year.

Price per Earning Ratio

The Price to earnings ratio or P/E can indicate how much money an investor can expect to invest in a company in order to receive an amount of earnings from the company. For example, if the ratio is 10x1 then the investor would pay £10 to receive £1 back (Murphy, 2023). A higher multiple typically higher growth.

Pros

- Helps investors determine a company's potential growth.

Cons

- Subjective
- Shares can be overvalued.

For Aston Martin the P/E is negative for both 2020 (-4.64) and 2021 (-11.29), this is due to them posting a loss for both financial years.

Dividend Yield Ratio

The Dividend Yield Ratio is used to show how much a company will pay out in dividend for each year relative to the businesses stock price (Fernando, 2022).

Pros

- A useful tool for investors to determine how profitable a venture may be from their investment.

Cons

- A high dividend yield can sometimes limit a company's potential growth.
- Start ups may post lower dividends than more mature companies but this is not indicative of future company health.

In the case of Aston Martin, this value is zero % for both years due to their being no profit made.

Summary of Findings

The financial health of Aston Martin can be considered to be poor in most metrics. In their profitability ratios they display a loss in every metric bar gross margin %. This would indicate that the expenses of the business exceed the revenue generated. Their Liquidity ratios could also be considered sub-par, again negative results are displayed in each key metric suggesting difficulties in the company meeting its financial obligations. The activity ratios also suggest that the company does not efficiently use its assets. The leverage ratios show a company that could be considered to be worryingly over-leveraged. The investor ratios highlight that Aston Martin would be a poor investment, the share price has steadily dropped since the company went public, losing 80% of their value (Winton, 2022) and the poor performance has led to no dividend between 2020 and 2021.

There are also limitations to the ratios themselves, in most instances they are only useful when comparing directly against competitors. This can make decisions making more difficult for outside investors if they have a diverse portfolio, for instance a tech company cannot be readily compared against and automotive one.

The financial health of Aston Martin can be considered to be improving (despite the drop in share price/value), in most metrics 2021 shows better financial health than 2020 and the revenue almost doubled. However, these are 'improvements' whilst still posting an overall loss.

There is some cause for optimism post takeover, compared to recent history the company does set out a vision of a more profitable future as referenced by Lawrence Stroll in their Annual report; "We have already delivered on many of our promises. Our core business has performed to plan in its first full year of new leadership, with our largest number of retail sales made by our dealers since 2007, despite the challenging global backdrop of COVID-19." (Aston Martin Lagonda, 2021).

The Formula One team has improved brand exposure globally "70,000,000 Average global TV audience per Grand Prix in 2021" (Aston Martin Lagonda, 2021). The commercial value of the formula one team could become more significant thanks to the increasing popularity of the sport following the Liberty Media takeover, Liberty Media bought the rights to formula one in 2017 for £6.4bn whilst the value is now reported to be closer to £16bn (McEvoy, 2023). With more OEMs and teams planning to enter formula one for the 2026 season (Mitchell-Malm, 2023), this could become a valuable saleable asset for the company or revenue stream via increased sponsorship.

The release of the DBX SUV in 2020 (Brodie, 2020) could also herald a key change for the company and its portfolio. This type of high-end SUV has been released by similar premium and niche Automotive brands in recent years (Bentley, Rolls Royce, Lamborghini) and other OEMs (Ferrari and Lotus) are set to release SUVs in the near future, such is the demand for these vehicles.

However, it is still too soon to tell if this will be a successful and profitable long-term venture for Aston Martin. Whilst the SUV will diversify their portfolio, accounting for 20% of Sales in 2021 (Aston Martin Lagonda, 2021), the quantity of competitor premium SUV's coming into the market could lead to saturation which would impact sales and stock turnover and profitability.

Given the current financial health of the company and lack of profitability in the years covered and also historically the historical instability of the company which includes 7 bankruptcies (Korn, 2018), it can still be considered a risk to invest in this company. Recent news of the financial health of AM only confirms this conclusion this further (add source).

Conclusions and Recommendations.

In conclusion, it is not recommended on proceeding with Aston Martin in a joint venture for a project valuing £5m at this time. Whilst there are signs that Aston Martins value will grow thanks to its formula one team and the increasing popularity of the sport, and their revenue increasing from 2020 to 2021. It is still at moment considered too much of a risk. The recommendation of this report is to wait until Aston Martin address their financial issues by reducing their costs and increasing their stock turnover and the profitability of their vehicles.

If they are able to succeed in their plans for growth, as Stroll's vision sets out in their annual report, then the project may become mutually beneficial. However, for now, it is considered to be too much of a risky venture.

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021			2020		
		Adjusted £m	Adjusting items* £m	Total £m	Adjusted £m	Adjusting items* £m	Total £m
Revenue	3	1,095.3	–	1,095.3	611.8	–	611.8
Cost of sales		(751.6)	–	(751.6)	(500.7)	–	(500.7)
Gross profit		343.7	–	343.7	111.1	–	111.1
Selling and distribution expenses		(84.8)	–	(84.8)	(79.6)	–	(79.6)
Administrative and other operating expenses		(333.2)	(2.2)	(335.4)	(256.4)	(98.0)	(354.4)
Operating loss	4	(74.3)	(2.2)	(76.5)	(224.9)	(98.0)	(322.9)
Finance income	7	2.3	34.1	36.4	33.1	6.9	40.0
Finance expense	8	(173.7)	–	(173.7)	(107.6)	(75.5)	(183.1)
Loss before tax		(245.7)	31.9	(213.8)	(299.4)	(166.6)	(466.0)
Income tax credit	9	16.2	8.3	24.5	22.6	32.9	55.5
Loss for the year		(229.5)	40.2	(189.3)	(276.8)	(133.7)	(410.5)
(Loss)/profit attributable to:							
Owners of the Group				(191.6)			(419.3)
Non-controlling interests				2.3			8.8
				(189.3)			(410.5)
Other comprehensive income							
Items that will never be reclassified to the Income Statement							
Remeasurement of Defined Benefit liability	25			3.8			(59.1)
Taxation on items that will never be reclassified to the Income Statement	9			(1.0)			12.3
Effect of change in rate in taxation	9			6.0			–
Items that are or may be reclassified to the Income Statement							
Foreign currency translation differences				2.3			0.8
Fair value adjustment – cash flow hedges	22			(0.3)			6.6
Amounts reclassified to the Income Statement – cash flow hedges	22			(4.3)			9.7
Taxation on items that may be reclassified to the Income Statement	9			1.2			(3.1)
Other comprehensive income/(loss) for the year, net of income tax				7.7			(32.8)
Total comprehensive loss for the year				(181.6)			(443.3)
Total comprehensive (loss)/income for the year attributable to:							
Owners of the Group				(183.9)			(452.1)
Non-controlling interests				2.3			8.8
				(181.6)			(443.3)
Earnings per ordinary share							
Basic loss per share	11			(165.9p)			(543.0p)
Diluted loss per share	11			(165.9p)			(543.0p)

All operations of the Group are continuing.

* Adjusting items are defined in note 2 with further detail shown in note 5.

The notes on pages 159 to 210 form an integral part of the Financial Statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2021

	Notes	31 December 2021 £m	31 December 2020 £m
Non-current assets			
Intangible assets	12	1,384.1	1,336.8
Property, plant and equipment	14	355.5	389.6
Right-of-use lease assets	15	76.0	71.4
Trade and other receivables	17	2.1	0.9
Other financial assets	19	0.5	0.1
Deferred tax asset	9	156.4	106.5
		1,974.6	1,905.3
Current assets			
Inventories	16	196.8	207.4
Trade and other receivables	17	243.4	177.9
Income tax receivable		1.5	0.2
Other financial assets	19	7.3	14.6
Cash and cash equivalents	18	418.9	489.4
		867.9	889.5
Total assets		2,842.5	2,794.8
Current liabilities			
Borrowings	22	114.3	113.5
Trade and other payables	20	721.0	578.9
Income tax payable		5.5	1.2
Other financial liabilities	21	34.8	83.3
Lease liabilities	15	9.7	9.3
Provisions	24	19.9	22.1
		905.2	808.3
Non-current liabilities			
Borrowings	22	1,074.9	971.3
Trade and other payables	20	9.8	7.5
Lease liabilities	15	93.7	93.7
Provisions	24	19.0	16.8
Employee benefits	25	78.7	92.5
Deferred tax liabilities	9	0.8	0.6
		1,276.9	1,182.4
Total liabilities		2,182.1	1,990.7
Net assets		660.4	804.1
Capital and reserves			
Share capital	26	11.6	11.5
Share premium		1,123.4	1,108.2
Merger reserve		143.9	144.0
Capital redemption reserve		9.3	9.3
Capital reserve		6.6	6.6
Translation reserve		2.7	0.4
Hedge reserves	22	6.7	10.9
Retained earnings		(662.4)	(503.1)
Equity attributable to owners of the group		641.8	787.8
Non-controlling interests		18.6	16.3
Total shareholders' equity		660.4	804.1

The Financial Statements were approved by the Board of Directors on 22 February 2022 and were signed on its behalf by

TOBIAS MOERS
CHIEF EXECUTIVE OFFICER
COMPANY NUMBER: 11488166

KENNETH GREGOR
CHIEF FINANCIAL OFFICER

Return on Equity Aston Martin				
Year	2021	Trend	2020	
Revenue	↑ 1,095.30	↘	↓ 611.8	
COGS	↑ 751.60	↘	↓ 500.70	
SG&A (Selling, General & Admin Expenses)	↑ -420.2	↘	↓ -434	
Interest + Tax Credit	↓ 24.5	↗	↑ 55.5	
Gross Profit	↑ 343.7	↘	↓ 111.1	
Operating Profit (Loss)	↑ -76.5	↘	↓ -322.9	
Net Profit Margin (Loss)	↑ -52	↘	↓ -267.4	
Profit for the year (Loss)	↑ -189.3	↘	↓ -410.5	
Finance income/expenses	↑ -137.3	↘	↓ -143.1	
Total Assets	↑ 2842.5	↘	↓ 2794.8	
Shareholders Equity	↓ 660.4	↗	↑ 804.1	
Current Assets	↓ 867.9	↗	↑ 889.5	
Current Liabilities	↑ 905.2	↘	↓ 808.3	
Inventories / Stock	↓ 196.8	↗	↑ 207.4	
Trade and Other Receivables	↑ 245.5	↘	↓ 178.8	
Trade and Other Payables	↑ 730.8	↘	↓ 586.4	
Cash and Cash Equivalents	↓ 418.9	↗	↑ 489.4	
Interest Paid	↑ 118	↘	↓ 82.3	
Fixed Assets (non current assets)	↑ 1974.6	↘	↓ 1905.3	
Long Term Liabilities (non current liabilities)	↑ 1276.9	↘	↓ 1182.4	
Total Liabilities	↑ 2182.1	↘	↓ 1990.7	
Assets Less Liabilities	↓ 660.4	↗	↑ 804.1	
Ordinary Shares (million) (10p shares so 1.16 = 116)	↑ 116	↘	↓ 115	
Retained Earnings (Equity)	↑ 660.4	↘	↓ 503.1	
Total borrowing	↑ 1189.2	↘	↓ 1084.8	
Market Value per Share. (GBX)	↓ 744.68	↗	↑ 1248.03	
Market Value per Share. (GBP)	↓ 7.45	↗	↑ 12.48	
Year	2021	Trend	2020	
Profitability Ratios Formula	Gross Margin %	↑ 31.38%	↘	↓ 18.16%
	Operating Profit/Loss %	↑ -6.98%	↘	↓ -52.78%
	Net Profit/Loss %	↑ -4.75%	↘	↓ -43.71%
	Return on Assets	↑ -6.66%	↘	↓ -14.69%
	Return on Equity	↑ -28.66%	↘	↓ -51.05%
Liquidity Ratios	Current Ratio	↓ 0.96	↗	↑ 1.10
	Quick Ratio	↓ 0.74	↗	↑ 0.84
	Cash Ratio	↓ 0.46	↗	↑ 0.61
Activity Ratios	Days Sales Outstanding (DSO)	↓ 243.53	↗	↑ 349.85
	Inventory Turnover (IT)	↑ 3.72	↘	↓ 2.41
	Days Payable Outstanding (DPO)	↓ 354.90	↗	↑ 427.47
Leverage Ratios	Gearing Ratio	↓ 65.91%	↗	↑ 70.15%
	Debt / Equity Ratio	↑ 330.42%	↘	↓ 247.57%
	Long term Debt / Equity Ratio	↑ 180.07%	↘	↓ 134.91%
	Interest Coverage	↑ -0.65	↘	↓ -3.92
Investor Ratios	Earnings per share (EPS)	↑ -0.66	↘	↓ -2.81
	Dividend Cover	#DIV/0!	↘	#DIV/0!
	Price per earnings ratio	↓ -11.29	↗	↑ -4.44
	Dividend Yield Ratio	0%	↘	0%