



Case Study 2: TBML in the Global Textiles Market

These case studies are for illustration purposes only.

Information submitted to Malta SS LTD

Malta Fabrics Ltd Overview

- Shareholder: Mr Agius (Sole Shareholder)
- Nominee Shareholders: Engaged Malta SS Ltd for legal privacy and discretion

Main Activities:

- Tobacco Stores: Operates 5 retail locations in Malta, focused on import and sale of tobacco
- Textile Trade: Purchases and exports textiles to Sudanese clients

Workforce:

- Employees: 9 staff members
- Key Personnel: Mr Agius as textile designer (only employee in textiles)

Accounting:

- Mr Agius manages accounting, including VAT returns

Malta Fabrics Ltd: Red Flags

159 responses



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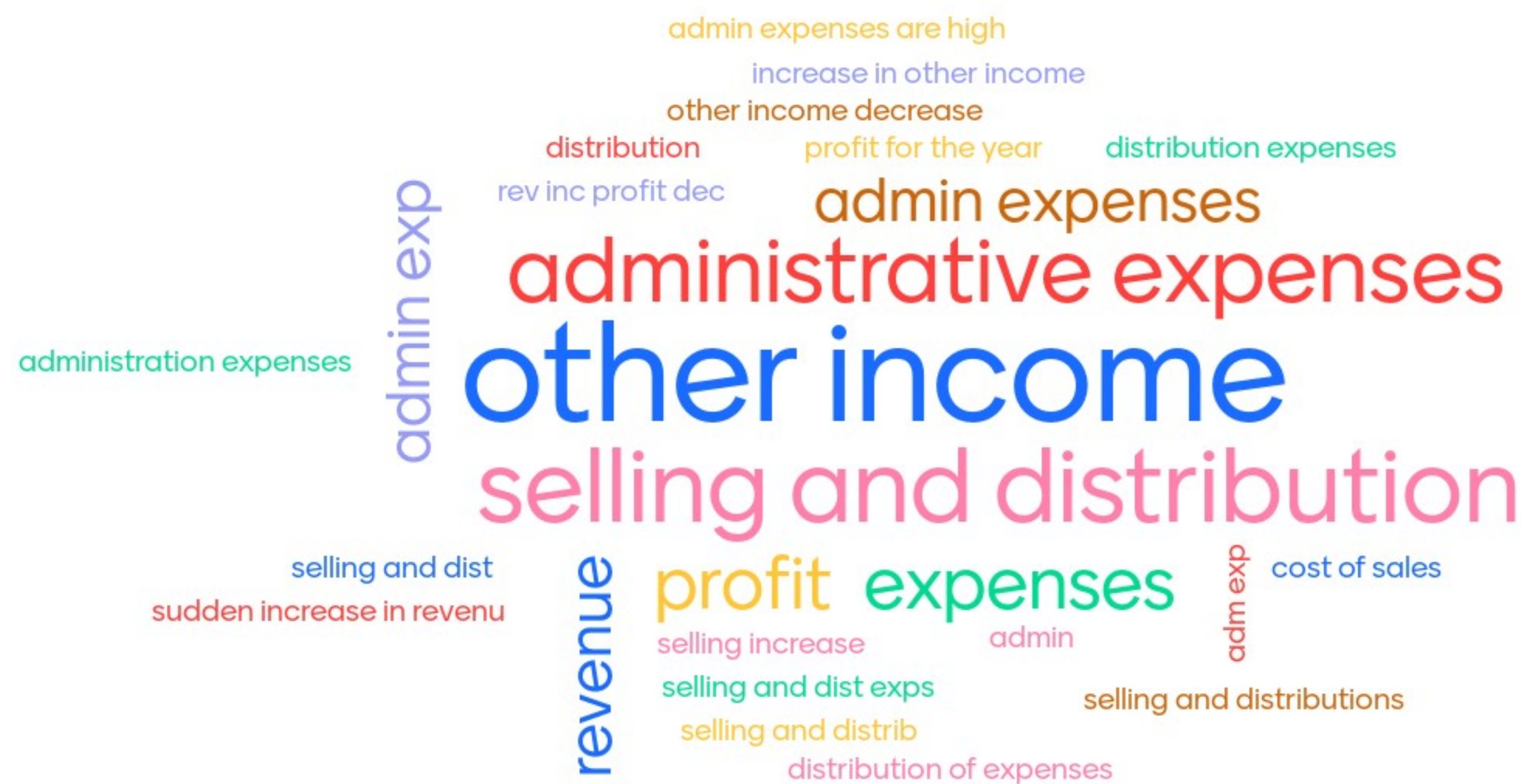
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Malta Fabrics Ltd: Last Submitted P/L

88 responses



	2021	2020
Revenue	521,140.00	380,245.00
Cost of Sales	- 265,282.00	- 217,190.00
Gross Profit	255,858.00	163,055.00
Other Income	75,401.00	119,546.00
Administrative Expenses	- 175,965.00	- 170,112.00
Selling and Distribution Expenses	- 106,540.00	- 45,962.00
Profit for the year before taxation	48,754.00	66,527.00

Further information gathered by Malta SS LTD

- Significant discrepancies between the credits stated in the KYC documents and the declared revenue - Disclosed as Other income

Information gathered by the FIAU

Legitimate business

- Tobacco business - 5 Stores, normal financial activity, adequate employed personnel
- Legitimate purchase of textiles from local and European suppliers

Suspicious Financial Activity

- Textiles business = 70% of the company's total operations - Other income?
- Cash deposits = 64% of the credits - Exports?
- In 2020, Malta Fabrics Ltd received EUR 150,000 from Sudan Solutions Ltd

Pattern of Suspicious Transactions in Textiles

- Low profit margins (4% vs. the industry average of 22%) and significant sales variance
- Sudan nationals transferred funds to Malta Fabrics Ltd with vague narratives like "Payment for shirts", "Clothes invoices" and "loan repayment". These amounted to 20% of the company's credits.

Basis Year	Total Sales	Sales in Textiles	Variance from the year before
2017	2,109,786.00	1,680,850	N/A
2018	2,290,324.00	1,892,091	13%
2019	2,941,824.00	2,410,684	27%
2020	1,437,943.00	1,111,538	-54%
2021	846,605.00	461,077	-59%

Cash deposits may be linked to textiles trade.

Where is the value ultimately ending up, and what role does Malta Fabrics Ltd play in this process?

Layering in TBML

Terrorist financing

Sudan

Sudan

Possible terrorist
financing

Sudan

Sudan

Mr. Agius UBO

Where is the value ultimately ending up, and what role does Malta Fabrics Ltd play in this process?

Value is ending up in
Sudan

Sudan TF

Make it funds legitimate

Sudan

Sudan

Sudan, layering

Potential TF

Tf

Where is the value ultimately ending up, and what role does Malta Fabrics Ltd play in this process?

Layering - FT

Possible TF (Sudan)

Placement

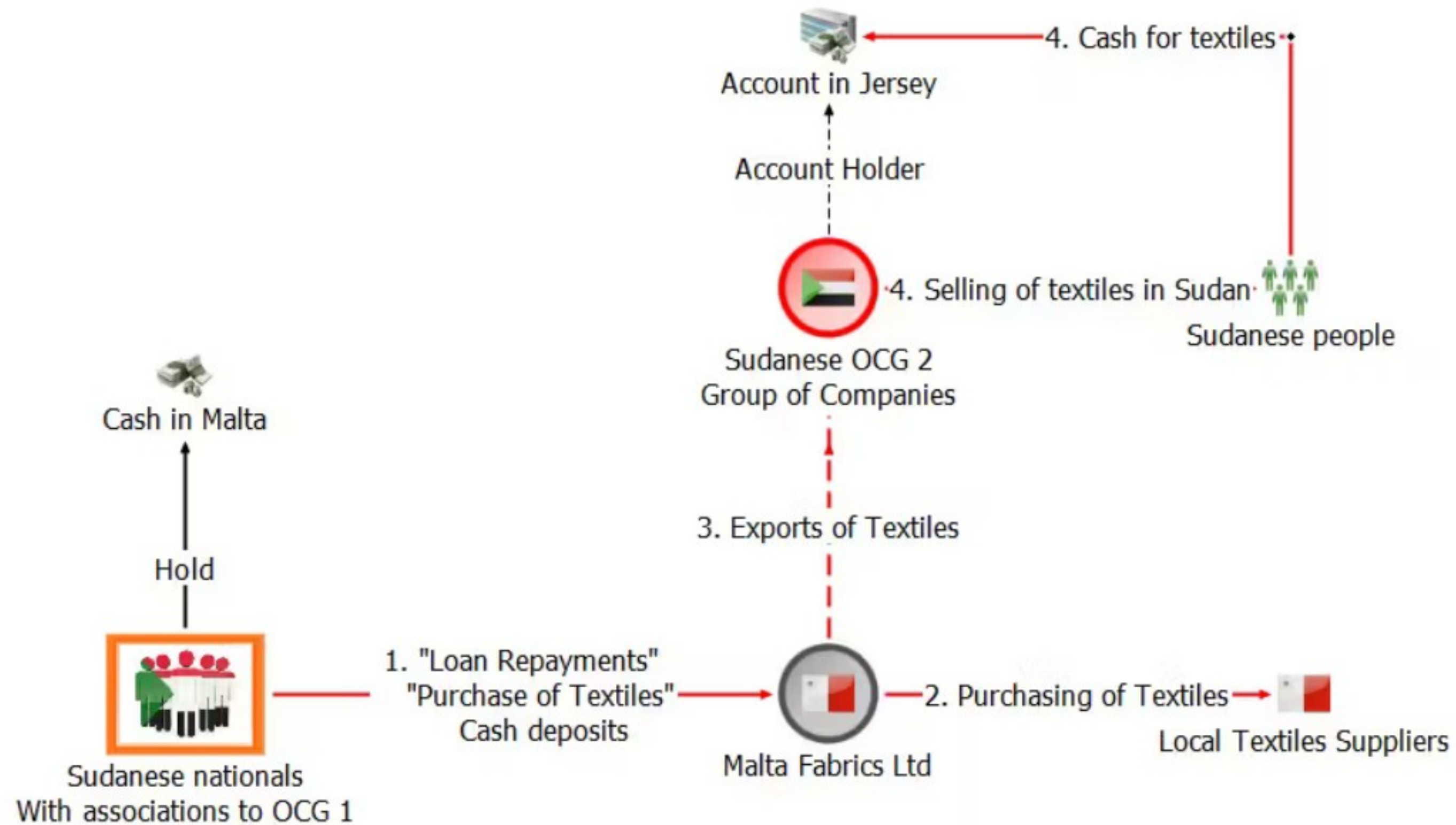
Layerin stage, sudan.

Sudan which may be
indicative to TF

UBO

Mr Agius UBO and
accountant, possible tax
evasion and carousel fraud

Aiding Sudanese customers
to layer cash deposits locally
from these clients for possibly
non existent transactions



PMML in International Controller Networks



That's a wrap!

Thank you for attending & being participative here today.