

CPHCL FINANCE P.L.C.

Interim Financial Statements (Unaudited)  
For the six-month period 1 March 2025 to  
31 August 2025

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## **Directors' report**

The directors present their report together with the unaudited interim financial statements of CPHCL Finance Plc (the 'Company') for the six month period 1 March 2025 to 31 August 2025.

### **Basis of preparation**

The published figures have been extracted from the unaudited financial statements for the six months from 1 March 2025 to 31 August 2025 and its comparative period in 2024. The comparative Statement of Financial Position as at 28 February 2025 has been extracted from the audited financial statements for the year then ended. This report is being published in terms of Capital Market Rule 5.74 issued by the Malta Financial Services Authority and has been prepared in accordance with the applicable Capital Market Rules and the International Accounting Standard 34, 'Interim Financial Reporting'. In terms of Capital Market Rule 5.75.5, the Directors are stating that this Half-Yearly Report has not been audited or reviewed by the auditors of the Company.

During the year under review, the Board approved a change of year-end from February to December. The current financial year will cover a ten-month period from 1 March 2025 to 31 December 2025.

### **Principal activities**

The principal activity of the Company is to finance the ownership, development, operation and financing of hotels, resorts and leisure facilities, forming part of CPHCL Group, of which it is a member.

The Company is a special purpose vehicle set up for financing transactions of CPHCL Group. It raised such finance mainly through the issue of bonds, which are quoted on the Malta Stock Exchange and guaranteed by the parent company, CPHCL Company Limited, to whom the proceeds from their issue have been advanced.

### **Review of the business**

During the six-month period ended 31 August 2025, the Company registered a profit of €3,506.

In the first six months of the year, CPHCL Group reported an increase in revenues compared to the previous year. EBITDA conversion for the Group was lower on account of new hotels which are still in their early post-opening phases and thereby diluting EBITDA contribution. Adjusted EBITDA after removing these properties would have been stable at 14%, notwithstanding the continued inflationary pressures on payroll and other costs.

### **State of Affairs and Outlook**

The Group is projecting an increase in revenues and EBITDA for the year mainly on account of the first full year of operations of several new hotels.

Management remains focused on maintaining discipline on all operating costs whilst offering a quality service. Capex remains tightly controlled. The Group remains focused on a growth strategy but is also actively assessing opportunities to sell non-core or fully mature assets. The Group divested of 75% of its shareholding in the Malta Fairs and Conventions Centre Limited (MFCC) in July and is also expecting the sale of a significant portion of a hotel before the end of the financial year. The net proceeds will be deployed towards reducing the overall debt of the group, as well as a combination of dividends and further investment opportunities.

The Group has sufficient liquidity and financial resources to meet payment obligations including the Company's bond interest payments as they arise throughout the course of 2026. The directors therefore

consider the going concern assumption in the preparation of the Half Yearly Report as appropriate as at the date of authorisation for issue.

As at the date of these financial statements the €40 million 4.25% bond is classified as a current liability as it is due for redemption on 12<sup>th</sup> April 2026. It is the intention of the Company to issue a bond to replace the maturing bond and raise further capital to fund new projects.

## Directors

The following have served as directors of the Company during the period under review:

Mr Frank Xerri de Caro (Chairman)  
Mr Mario P. Galea  
Mr Alfred Camilleri  
Mr Jean Pierre Schembri  
Ms Rachel Stilon

In accordance with the Company's Articles of Association, the present directors remain in office.

On behalf of the board,



Mr Frank Xerri de Caro  
Chairman



Mr Mario Galea  
Director

Registered Office:  
22, Europa Centre  
John Lopez Street  
Floriana FRN 1400  
Malta

30 October 2025

## Interim statement of profit or loss

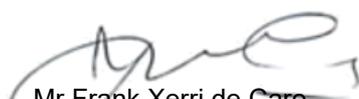
	<b>Period from 1 March 2025 to 31 August 2025 €</b>	Period from 1 March 2024 to 31 August 2024 €
Finance income	<b>894,944</b>	890,000
Finance costs	<b>(850,000)</b>	(850,000)
Net interest earned	<b>44,944</b>	40,000
Administrative expenses	<b>(25,707)</b>	(24,286)
Profit before tax	<b>19,237</b>	15,714
Tax expense	<b>(15,731)</b>	(14,000)
Profit after tax for the period	<b>3,506</b>	1,714

## Interim statement of financial position

	Notes	31 August 2025 €	28 February 2025 €
<b>ASSETS</b>			
<b>Non-current</b>			
Loans owed by parent company	3	-	39,910,000
Total non-current assets		-	39,910,000
<b>Current</b>			
Loans owed by parent company	3	39,910,000	-
Receivables		1,129,750	1,983,897
Cash and cash equivalents		78,226	79,826
Total current assets		41,117,976	2,063,723
<b>Total assets</b>		<b>41,117,976</b>	<b>41,973,723</b>
<b>EQUITY</b>			
Share capital		250,000	250,000
Retained earnings		31,251	27,745
Total equity		281,251	277,745
<b>Non-current liabilities</b>			
Bonds in issue	2	-	40,000,000
Total non-current liabilities		-	40,000,000
<b>Current liabilities</b>			
Bonds in issue		40,000,000	-
Payables		836,725	1,695,978
Total current liabilities		40,836,725	1,695,978
<b>Total liabilities</b>		<b>40,836,725</b>	<b>41,695,978</b>
<b>Total equity and liabilities</b>		<b>41,117,976</b>	<b>41,973,723</b>

The notes on pages 7 to 8 are an integral part of these condensed interim financial statements.

The condensed interim financial statements on pages 3 to 8 were approved by the board of directors, authorised for issue on 30 October 2025 and signed on its behalf by:

  
Mr Frank Xerri de Caro  
Chairman

  
Mr Mario Galea  
Director

### Interim statement of changes in equity

	Share capital €	Retained earnings €	Total €
<b>At 1 March 2024</b>	<b>250,000</b>	<b>24,032</b>	<b>274,032</b>
Profit for the period	-	1,714	1,714
Total comprehensive income for period	-	1,714	1,714
<b>At 31 August 2024</b>	<b>250,000</b>	<b>25,746</b>	<b>275,746</b>
<b>At 1 September 2024</b>	<b>250,000</b>	<b>25,746</b>	<b>275,746</b>
Profit for the period	-	1,999	1,999
Total comprehensive income for period	-	1,999	1,999
<b>At 29 February 2025</b>	<b>250,000</b>	<b>27,745</b>	<b>277,745</b>
<b>At 1 March 2025</b>	<b>250,000</b>	<b>27,745</b>	<b>277,745</b>
Profit for the period	-	3,506	3,506
Total comprehensive income for period	-	3,506	3,506
<b>At 31 August 2025</b>	<b>250,000</b>	<b>31,251</b>	<b>281,251</b>

## Interim statement of cash flows

	<b>Period from 1 March 2025 To 31 August 2025 €</b>	Period from 1 March 2024 To 31 August 2024 €
<b>Cash flows from operating activities</b>		
Cash used in operating activities	<b>(46,728)</b>	(37,858)
Tax paid	<b>(34,872)</b>	(27,882)
Net cash used in operating activities	<b>(81,600)</b>	(65,740)
<b>Cash flows from investing activities</b>		
Interest received	<b>1,780,000</b>	1,781,944
Net cash generated from investing activities	<b>1,780,000</b>	1,781,944
<b>Cash flows from financing activities</b>		
Interest paid	<b>(1,700,000)</b>	(1,700,000)
Net cash used in financing activities	<b>(1,700,000)</b>	(1,700,000)
<b>Net change in cash and cash equivalents</b>	<b>(1,600)</b>	16,204
<b>Cash and cash equivalents at beginning of period</b>	<b>79,826</b>	61,544
<b>Cash and cash equivalents at end of period</b>	<b>78,226</b>	77,748

## Notes to the financial statements

### 1. Summary of significant accounting policies

The accounting policies applied by the Company are consistent with those disclosed in the financial statements for the year ended 28 February 2025.

### 2. Bonds in issue

	Interest rate	Repayable by	31 August 2025 €	29 February 2025 €
Bond V	4.25%	12 April 2026	<b>40,000,000</b>	40,000,000
			<b>40,000,000</b>	40,000,000

The bond issue costs have been borne by the parent company. The payment of this bond and interest thereon is guaranteed by the parent company which has bound itself jointly and severally with the Company.

### 3. Related party transactions

#### Finance income

	Period from 1 March 2025 to 31 August 2025 €	Period from 1 March 2024 To 31 August 2024 €
Interest charged on loans owed by parent company	<b>894,944</b>	890,000

#### Loans owed by parent company

	Security	Interest rate	Repayable by	31 August 2025 €	28 February 2025 €
Loan VI	None	4.45%	5 April 2026	<b>39,910,000</b>	39,910,000

The loan is to be fully repaid by 5 April 2026.

This loan ranks pari passu, without any priority or preference within all other present and future unsecured and unsubordinated obligations of the parent company, to which the loan has been advanced.

No loss allowance has been recognised based on the 12-month expected credit loss.

**Receivables**

	<b>31 August 2025</b>	28 February 2025
	€	€
<b>Current</b>		
Amounts owed by parent company	<b>406,203</b>	376,953
Accrued interest income	<b>721,889</b>	1,606,944
	<b>1,128,092</b>	1,983,897

The Company is a subsidiary of CPHCL Company Limited. The Company's related parties include its parent company, fellow subsidiaries, key management personnel (the directors) and all other parties forming part of the Corinthia Group of Companies.

**4. Events after the end of the reporting period**

No adjusting or significant non-adjusting events have occurred between the end of the reporting period and the date of authorisation by the board.

We confirm that to the best of our knowledge:

- the interim financial statements give a true and fair view of the financial position of CPHCL Finance Plc as at 31 August 2025, and of its financial performance and its cashflows for the six-month period then ended in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting (International Accounting Standard 34 – Interim Financial Reporting), and
- The interim Directors' Report includes a fair review of the information required in terms of Capital Market Rules 5.81 to 5.85.



**Frank Xerri de Caro**

Chairman



**Mario Galea**

Director

30 October 2025