
FINANCIAL ANALYSIS SUMMARY

12 November 2025

ISSUER

CPHCL FINANCE P.L.C.

(C 25104)

GUARANTOR

CPHCL COMPANY LIMITED

(C 257)

Prepared by:



MZ INVESTMENTS



MZ INVESTMENTS

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The Board of Directors
CPHCL Finance p.l.c.
22, Europa Centre
Floriana FRN 1400
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12 November 2025

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 in the following pages and which is being forwarded to you together with this letter.

The purpose of the financial analysis is that of summarising key financial data appertaining to CPHCL Finance p.l.c. (the "**Issuer**") and CPHCL Company Limited (the "**Guarantor**" or "**Corinthia Group**" or "**Group**"). The data is derived from various sources or is based on our own computations as follows:

- (a) Historical financial data has been extracted from the audited financial statements of: (i) the Issuer for the financial years ended 28 February 2023, 29 February 2024 and 28 February 2025; and (ii) the Guarantor for the financial years ended 31 December 2022, 31 December 2023 and 31 December 2024.
- (b) The forecast data for the years ending 31 December 2025 and 31 December 2026 in relation to the Issuer and the Guarantor has been provided by management.
- (c) Our commentary on the results of the Guarantor and on its financial position is based on the explanations provided to us by management.
- (d) The ratios quoted in this Analysis have been computed by applying the definitions set out in Part 5 – Explanatory Definitions of this report.
- (e) Relevant financial data in respect of the companies included in Part 4 – 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.

This Analysis is meant to assist investors by summarising the more important financial information of the Group. This Analysis does not contain all data that is relevant to investors and is meant to complement, and not replace, the contents of the full Prospectus. Furthermore, it 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, and no representation or warranty is provided in respect of the reliability of the information contained in the Prospectus. As with all investments, investors are encouraged to seek professional advice before investing in the Issuer's securities.

Yours faithfully,

Evan Mohnani
Head of Corporate Broking

M.Z. Investment Services Limited is regulated by the Malta Financial Services Authority and licensed to conduct investment services business in terms of the Investment Services Act (Cap. 370 of the Laws of Malta). MZ Investments is a member of the Malta Stock Exchange and an enrolled Tied Insurance Intermediary for MAPFRE MSV Life p.l.c. under the Insurance Distribution Act (Cap. 487 of the Laws of Malta).

Company Registration Number: C 23936 | VAT Number: MT 1529 8424

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PART 1 – INFORMATION ABOUT THE ISSUER AND GUARANTOR

1. ISSUER'S KEY ACTIVITIES

The principal activity of CPHCL Finance p.l.c. (the “**Issuer**”) is to finance the ownership, development, operation and financing of hotels, resorts and leisure facilities, forming part of the Corinthia Group, of which it is a member.

The Issuer is not engaged in any trading activities but is involved in raising funds, mainly through the issue of bonds, and advancing same to its parent company CPHCL Company Limited as and when the demands of its business or the demands of a particular project so require. Accordingly, the Issuer is economically dependent on the operations, performance and prospects of the Corinthia Group.

2. DIRECTORS OF THE ISSUER

The Issuer is managed by a Board comprising five directors who are entrusted with its overall direction and management. The Board members of the Issuer as at the date of this report are included hereunder:

Frank Xerri de Caro	Chairman and Non-Executive Director
Alfred Camilleri	Non-Executive Director
Mario P. Galea	Non-Executive Director
Jean Pierre Schembri	Executive Director
Rachel Stilon	Executive Director

3. GUARANTOR'S KEY ACTIVITIES

CPHCL Company Limited (“**CPHCL**” or the “**Guarantor**”) is the parent company of the Corinthia Group and is principally engaged, directly or through subsidiaries and associated entities, in investments that are predominantly focused on the ownership, development and operation of mixed-use real estate developments that consist mainly of hotels, residences, offices, retail and commercial areas, as well as project management, industrial and event catering, in various countries.

4. DIRECTORS OF THE GUARANTOR

The Guarantor is managed by a Board consisting of six directors entrusted with its overall direction and management, including the establishment of strategies for future development. In the execution of the strategic direction, investment and management oversight of the Corinthia Group, the Board is assisted by the Chief Executive Officer and Senior Management of the operating business entities within the Corinthia Group.

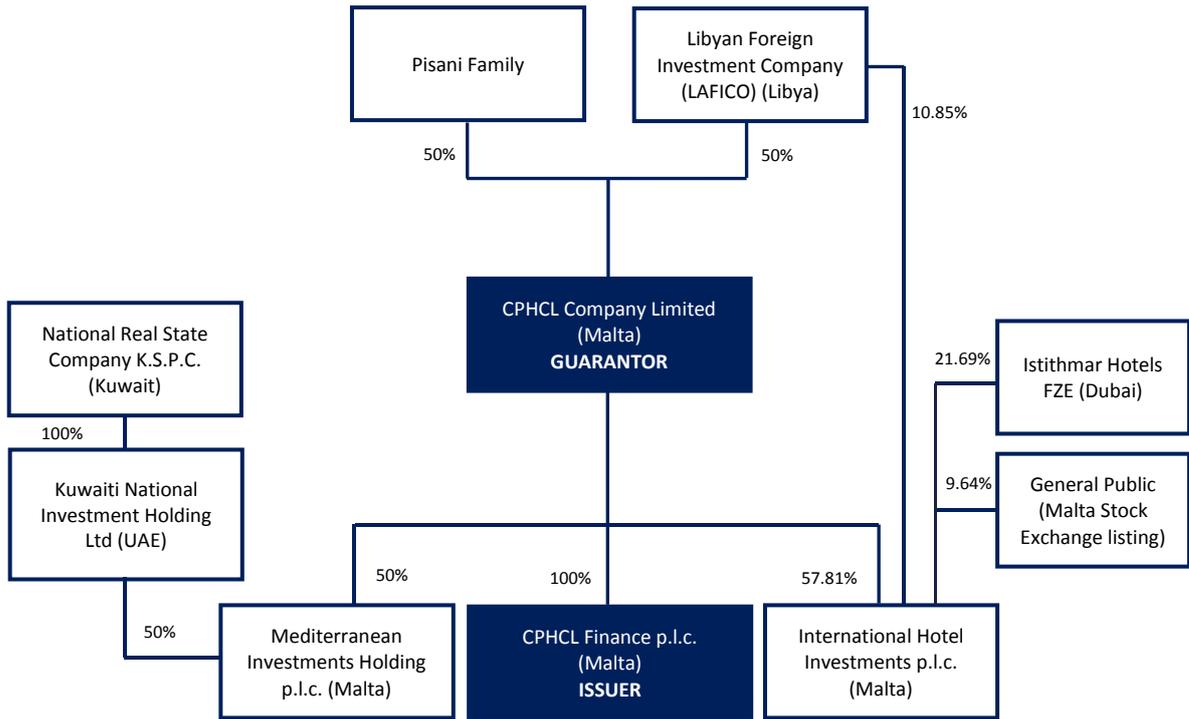
The Board members of the Guarantor as at the date of this report are included hereunder:

Alfred Pisani	Chairman and Executive Director
Moussa A. Atiq Ali	Vice Chairman and Non-Executive Director
Joseph Pisani	Executive Director
Victor Pisani	Executive Director
Samer Abuajaja	Non-Executive Director
Ibraheem Ayad Najeh	Non-Executive Director

The weekly average number of employees engaged with the companies forming part of the Corinthia Group during FY2024 amounted to 3,353 persons (FY2023: 3,270 persons).

5. CORINTHIA GROUP ORGANISATIONAL STRUCTURE & PRINCIPAL ASSETS

The diagram below illustrates the principal subsidiaries and associates within the organisational structure of the Corinthia Group.



The table on the following page provides a list of the principal assets and operations owned by the respective Corinthia Group companies.

CPHCL Company Limited
Principal Assets and Operations

	Location	% ownership	No. of hotel rooms	2022 Asset value €'000	2023 Asset value €'000	2024 Asset value €'000
CPHCL Company Limited						
Owned and managed hotels						
Verdi Budapest, Aquincum	Hungary	100	310	23,602	20,638	17,819
Ramada Plaza Tunis Hotel	Tunisia	100	309	14,581	14,308	13,616
Other operations						
CPHCL Investments (UK) Limited	United Kingdom	100	n/a	n/a	n/a	n/a
Danish Bakery Limited	Malta	65	n/a	6,585	5,465	6,004
Malta Fairs and Conventions Centre Limited	Malta	25	n/a	n/a	n/a	n/a
Quality Talent Limited	Malta	100	n/a	n/a	n/a	n/a
Swan Laundry and Drycleaning Co. Limited	Malta	100	n/a	n/a	n/a	n/a
Palazzo Leone Limited	Malta	100	n/a	n/a	n/a	n/a
Palace Landscaping Limited	Malta	100	n/a	n/a	n/a	n/a
CPHCL Concierge Limited	Malta	100	n/a	n/a	n/a	n/a
CPHCL & Attard Brothers Limited	Malta	50	n/a	n/a	n/a	n/a
The Valletta Bridge Limited	Malta	50	n/a	n/a	n/a	n/a
International Hotel Investments p.l.c.						
Owned and managed hotels						
Corinthia Hotel London	UK	50	283	512,990	536,218	580,091
Corinthia Hotel Lisbon	Portugal	100	515	108,615	119,091	143,988
Corinthia Hotel Budapest	Hungary	100	414	119,632	116,025	112,600
Corinthia Grand Hotel Astoria Brussels	Belgium	50	126	47,897	82,118	124,709
Radisson Blu Resort & Spa Golden Sands	Malta	100	329	62,455	68,000	91,001
Corinthia Hotel Tripoli	Libya	100	300	67,135	65,400	70,888
Corinthia Hotel St George's Bay	Malta	100	248	36,384	56,039	55,562
Corinthia Hotel St Petersburg	Russia	100	388	71,830	53,458	56,945
Radisson Blu Resort St Julian's	Malta	100	252	34,028	46,000	45,069
Verdi St George's Bay Marina	Malta	100	200	28,977	34,800	34,239
Corinthia Palace Hotel & Spa	Malta	100	147	32,717	31,482	31,223
Owned hotel – leased to third parties						
Grand Hotel Prague Towers	Czech Republic	100	539	89,438	87,980	90,300
Managed hotels						
Panorama Hotel Prague	Czech Republic	n/a	441	n/a	n/a	n/a
Vivaldi Malta, powered by Verdi Hotels	Malta	n/a	263	n/a	n/a	n/a
Verdi Gzira Promenade	Malta	n/a	106	n/a	n/a	n/a
The Surrey Corinthia Hotel New York	USA	n/a	100	n/a	n/a	n/a
Corinthia Grand Hotel Du Boulevard Bucharest	Romania	n/a	35	n/a	n/a	n/a
Corinthia Hotel & Residences Doha (2025)	Qatar	n/a	110	n/a	n/a	n/a
Corinthia Hotel Rome (2026)	Italy	n/a	60	n/a	n/a	n/a
Corinthia Hotel & Residences Riyadh (2027)	Saudi Arabia	n/a	85	n/a	n/a	n/a
Corinthia Hotel Maldives (2027)	Maldives	n/a	77	n/a	n/a	n/a
Corinthia Hotel & Residences Dubai (2028)	United Arab Emirates	n/a	125	n/a	n/a	n/a
Investment properties						
Tripoli Commercial Centre	Libya	100	n/a	75,344	83,260	86,300
St Petersburg Commercial Centre	Russia	100	n/a	52,484	38,316	36,829
Corinthia Oasis	Malta	100	n/a	28,657	30,817	48,200
Site in Tripoli	Libya	100	n/a	29,500	29,500	29,500
Craven House, London (office building)	United Kingdom	100	n/a	9,020	11,333	11,675
Pinheiro Chagas Residences	Portugal	100	n/a	5,908	6,386	3,342
Mediterranean Investments Holding p.l.c.						
Principal assets						
Palm City Residences	Libya	50	n/a	272,568	272,568	272,617
Palm Waterfront	Libya	50	n/a	8,976	9,016	9,055
Medina Tower	Libya	37.5	n/a	8,084	7,845	8,526
Total			5,762	1,747,407	1,826,063	1,980,098

A description and analysis of the operational activities of each of International Hotel Investments p.l.c. and Mediterranean Investments Holding p.l.c. is included in their respective financial analysis reports which are available on their respective websites: www.corinthiagroup.com and www.mihplc.com.

PART 2 – MARKET TREND INFORMATION

6. ECONOMIC ANALYSIS

6.1 EUROPE ¹

Real GDP growth in 2025 is projected at 1.1% in the EU and 0.9% in the euro area - broadly the same rates attained in 2024 - largely impacted by increased tariffs and the heightened uncertainty caused by the recent abrupt changes in US trade policy and the unpredictability of the tariffs' final configuration. Despite these challenges, EU growth is expected to rise to 1.5% in 2026, supported by continued consumption growth and a rebound of investment. Growth in the euro area is projected to reach 1.4% in 2026. Disinflation is anticipated to proceed more swiftly than expected in autumn, with new disinflationary factors from ongoing trade tensions outweighing higher food prices and stronger short-term demand pressures. After averaging 2.4% in 2024, headline inflation in the euro area is expected to meet the ECB target by mid-2025 – earlier than previously anticipated - and to average 1.7% in 2026.

The modest GDP growth achieved in 2024 still led to further employment expansion. The job intensity of growth has begun to decline from high levels and is expected to normalize further over the forecast horizon, with employment expanding by about 1% cumulatively over 2025 and 2026. As the labour force expands more modestly, the EU unemployment rate is projected to decline to a new historic low of 5.7% in 2026. Tight labour markets and improving productivity are set to drive further wage growth. After increasing by 5.3% in 2024, growth in nominal compensation per employee is expected to slow to 3.9% in 2025 and 3.0% in 2026. On aggregate in the EU, this year, real wages should fully recover the purchasing power losses accrued since mid-2021, though in a few Member States the recovery in real wages is still lagging behind.

Continued gains in employment and wages, along with decelerating inflation and a slight decline in net interest payments, support a further increase in household gross disposable income. However, the drop in consumer confidence in March, and more markedly in April, suggests that consumption might continue to be restrained by precautionary saving motives. This is in addition to efforts to rebuild wealth buffers eroded by inflation and a decline in real estate valuations. Consequently, the saving rate is expected to decline more gradually than previously thought, from 14.8% in 2024 to 14.2% in 2026. Real private consumption is forecast to grow by 1.5% this year, with a strengthening anticipated in 2026. In contrast, growth of public consumption is projected to slow to 1.7% in 2025.

An escalation of trade tensions between the EU and the US could depress GDP and rekindle inflationary pressures. Intensified trade tensions between the US and other major trading partners could also have ripple effects on the EU economy. Recent market stress episodes have highlighted the potential for contagion from non-bank financial institutions, which - if affecting the banking sector - could impair credit flows. Persistent inflation in the US, potentially due to tariff-induced supply shocks, might compel the Federal Reserve Bank to tighten monetary policy again, leading to adverse spillovers on global financial conditions and EU external demand.

On the upside, the trade deal between the US and China agreed on 12 May 2025, which set tariffs significantly lower than assumed in this forecast, can be seen as a positive upside risk to the baseline projections, though possibly weakening some of the disinflationary pressures. A reduction in EU-US trade tensions, along with renewed momentum in trade negotiations with other countries and regions, would support EU growth. Moreover, external headwinds could prompt faster progress on EU structural reforms, especially in the Single Market and the Savings and Investment Union. Germany's planned increase in infrastructure and defence spending could support economic activity, lifting growth in Germany and in the EU. Additional defence spending, leveraging on the Stability and Growth Pact's flexibility, might also stimulate economic activity – albeit as a secondary benefit to the primary goal of enhanced security for the EU as a whole. Lastly, the increasing frequency of climate-related disasters underscores a persistent downside risk. Without stronger climate adaptation and mitigation efforts, the economic and fiscal costs of such events are likely to rise, further undermining resilience and growth.

6.2 RUSSIA ²

After two years of unexpectedly strong growth, the Russian economy is forecast to cool off considerably in 2025 and 2026. Despite historically high interest rates, inflation continued increasing in recent months but is expected to decelerate going forward. Further war-related spending paired with depressed oil and gas receipts, as well as declining tax receipts due to the projected economic deceleration, are expected to widen the budget deficit over the forecast horizon. Accordingly, Russian public debt is also forecast to increase until 2026.

The Russian economy continued expanding at a faster-than-expected pace in 2024, against the background of strong investment and robust private consumption. The war-driven expansion carried on but has been dented by Western sanctions, which have partially disrupted key sectors such as energy, finance, and technology, contributing to higher inflation, supply chain bottlenecks, and growing pressure on the government budget. In early 2025, clear signs of a slowdown have been emerging. Real wage growth, which supported household expenditure, slowed to 3.2% in February 2025, its lowest value in almost two years. High inflation and the protracted high-interest rate environment, with which the Central Bank has been trying to curb price growth, also hamper private consumption. Private investment in civilian sectors without access to government subsidised loans is similarly suffering under the impact of the needed tight monetary policy stance.

High-frequency indicators are pointing towards a cooling of economic activity. Industrial production y-o-y growth and business confidence slumped in the first months of 2025 to values last seen in early 2023. In March, the Manufacturing PMI fell to 48.2 points into contractionary territory and its lowest value since April 2022. On the household side, retail sales growth dropped to 2.2% y-o-y in February and March, its lowest value since March 2023. Consumer confidence fell for its third consecutive quarter in Q1 2025.

¹ **Source:** European Commission, 'European Economic Forecast – Spring 2025', 19 May 2025, available at: https://economy-finance.ec.europa.eu/economic-forecast-and-surveys/economic-forecasts/spring-2025-economic-forecast-moderate-growth-amid-global-economic-uncertainty_en

² **Source:** European Commission, 'European Economic Forecast – Spring 2025', 19 May 2025, available at: https://economy-finance.ec.europa.eu/economic-forecast-and-surveys/economic-forecasts/spring-2025-economic-forecast-moderate-growth-amid-global-economic-uncertainty_en

Over the forecast horizon private consumption and investment growth are projected to ease substantially, with a slight uptick in 2026 as the inflation and interest rate environment becomes more benign for both investors and consumers. Public investment and subsidised private investment in war-related sectors are expected to buoy aggregate investment and prevent it from contracting, despite the high interest rates. Government consumption growth is set to decrease over the forecast horizon but outperform other GDP components as it is carried by war-related spending. In the external sector, the deteriorating global economic and foreign trade environment is expected to depress export and import growth.

Overall, GDP growth is projected to decelerate from 4.3% in 2024 to 1.7% in 2025 and further to 1.2% in 2026.

6.3 LIBYA³

Libya's economic performance in 2024 was shaped by internal political instability and disruptions in oil production. The forced contraction in activities related to the extraction, production, and processing of crude oil, natural gas, and refined petroleum products, following the August 2023 dispute over central bank leadership, led to an overall decline in real output. Although government spending continued to support non-oil sectors, this was not sufficient to offset the loss in hydrocarbon-related activity. With the resolution of the leadership dispute, oil production has since recovered and is now approaching 1.4 million barrels per day, providing a more stable foundation for growth.

Official inflation stood at close to 2% in 2024. However, this figure is influenced by widespread subsidies⁴ and methodological shortcomings in price measurement. Recent improvements to the CPI, including broader geographical coverage and updated weighting, are expected to enhance the accuracy of future inflation data.

Preliminary estimates point to fiscal and current account deficits in 2024, as government spending continued to rise amid declining oil revenues caused by the shutdown of oil production and exports. The current account balance is estimated to have contracted sharply in 2024 due to the drop in hydrocarbon exports, while imports remained broadly unchanged. Although international reserves stayed at a comfortable level – partly supported by the revaluation of the CBL's gold holdings – concerns over reserve pressure prompted the central bank to devalue the Libyan dinar by about 13% in early April 2025 and implement tighter foreign exchange restrictions.

The banking sector has successfully increased capital and enhanced its financial soundness metrics. In late 2022, the CBL instructed banks to increase their capital to meet Basel II regulatory requirements, and the majority of banks met their targets in 2024 resulting in a doubling of paid-in capital. Additionally, banks' financial soundness indicators have strengthened, with significant improvements in non-performing loan ratios. Private sector credit growth remained strong in 2024, primarily in the form of personal loans to retail customers and salary advances to public employees, whereas corporate financing was limited.

The economic outlook is dominated by developments in the oil sector. Real GDP growth is projected to rebound in 2025, primarily driven by an expansion of oil production, before moderating in the medium term. Non-hydrocarbon growth is set to remain around its 2021-2024 average of between 5% and 6% in the near term, supported by sustained government spending. The current account and fiscal balances are slated to remain under pressure over the medium term, driven by projected lower oil prices and continued demands for the government to spend its entire revenues. The outlook is however subject to considerable uncertainties and risks are tilted to the downside, particularly from domestic political instability, oil price volatility, intensifying regional conflicts, and deepening geo-economic fragmentation.

In its latest assessment, the IMF is recommending Libya to undertake a comprehensive set of reforms aimed at improving fiscal discipline, monetary stability, governance, and private sector development. At the top of the agenda is the unification of the national budget, which would help prioritise spending and reinforce fiscal credibility. In the short term, authorities are urged to avoid increasing current expenditures and instead focus on building capacity for better public financial management.

To preserve long-term fiscal sustainability and fairness across generations, the IMF also recommends gradual reforms to wages and energy subsidies, alongside efforts to boost non-oil revenues. On monetary policy, Libya is encouraged to reduce the gap between official and parallel exchange rates by phasing out the foreign exchange tax and easing currency restrictions. The CBL is also expected to create a proper domestic monetary policy framework, including a clear policy interest rate, to help stabilise the dinar and improve financial intermediation.

While acknowledging that steps have been taken to inject new currency and promote financial inclusion, the IMF emphasises that the country must implement further measures with a view to curbing cash hoarding and rebuilding trust in the banking sector. Enhancing transparency, promoting financial literacy, and strengthening the anti-money laundering and counter-terrorism financing framework are also seen as essential for financial stability.

To diversify its economy, the IMF is urging Libya to support private sector development through business regulation reforms, improved access to finance, and enhanced security. Furthermore, the IMF highlights that governance reform is critical. While some progress has been made – such as publishing audit reports and launching an anti-corruption strategy – serious vulnerabilities remain, particularly in the management of state-owned enterprises, public spending, and the rule of law. Addressing these weaknesses are seen as vital for the country to foster a more robust and diversified economy going forward.

³ **Source:** International Monetary Fund, 'Libya: Staff Concluding Statement of the 2025 Article IV Mission', 16 April 2025 (<https://www.imf.org/en/News/Articles/2025/04/15/mcs-04162025-libya-staff-concluding-statement-of-the-2025-article-iv-mission>).

⁴ Subsidised goods and services account for around one-third of the CPI.

6.4 TUNISIA⁵

Since the sharp COVID-19 contraction in 2020 (-9%), Tunisia's growth has remained moderate. After a rebound in 2021 (4.3%) and 2022 (2.7%), growth was 0% in 2023 and reached 1.4% in 2024. Recovery has been shaped by drought, global financing uncertainty, and subdued demand. On the external front, Tunisia saw positive developments in 2024. Tourism revenues rose by 8.3% and remittances by 11.2%, helping to offset a 7.5% rise in the merchandise trade deficit. As a result, the current account deficit narrowed from 2.3% to 1.7% of GDP.

While the fiscal deficit eased to 6.3% of GDP in 2024, it remains higher than the 2019 level (2.9%). Public debt rose from 67.8% of GDP in 2019 to 81.2% in 2024, with gross financing needs increasing from 7.9% to 16.0%, largely due to debt amortisation. Although foreign direct investment increased by 4.4% in 2024, it covered a fifth of the combined current account and public external debt obligations. Authorities relied more on domestic sources, including a TND 7 billion (US\$2.3 billion) Central Bank loan in 2024 and 2025, covering about a quarter of 2024's needs.

Inflation has moderated, falling from 10.4% in February 2023 to 5.9% in March 2025, supported by easing global prices, lower demand, and a high policy rate. Nonetheless, it remains slightly above the pre-COVID average (5.3%), with food inflation at 7.8%, affecting lower-income households the most. The unemployment rate rose slightly to 16% in Q3 2024 (from 15.8% in 2023), while labour force participation remains about 1.2 percentage points below pre-COVID levels.

⁵ Source: World Bank Group, 25 April 2025

<https://www.worldbank.org/en/country/tunisia/overview#:~:text=Since%20the%20sharp%20COVID%2D19,financing%20uncertainty%2C%20and%20subdued%20demand.>

PART 3 – GROUP PERFORMANCE REVIEW

7. FINANCIAL INFORMATION RELATING TO CPHCL FINANCE P.L.C.

The following financial information is extracted from the audited financial statements of the Issuer for the years ended 28 February 2023, 29 February 2024 and 28 February 2025.

During the current year, the Issuer announced that it changed its accounting year end from 28 February to 31 December. The forecast financial information for the year ending 31 December 2025 has been provided by management of the Company and is for a 10-month period but based on a full year for comparability purposes. The projected financial statements are based on future events and assumptions which the Issuer believes to be reasonable.

CPHCL Finance p.l.c.					
Income Statement					
For the financial year ended	28 Feb '23	29 Feb '24	28 Feb '25	31 Dec '25	31 Dec '26
	Actual	Actual	Actual	Forecast	Projection
	€'000	€'000	€'000	€'000	€'000
Finance income	1,760	1,780	1,780	1,780	2,363
Finance costs	(1,700)	(1,700)	(1,700)	(1,700)	(2,250)
Administrative expenses	(37)	(46)	(48)	(50)	(52)
Profit before tax	23	34	32	30	61
Taxation	(21)	(28)	(28)	(28)	(39)
Profit for the year	2	6	4	2	22
Total comprehensive income	2	6	4	2	22

CPHCL Finance p.l.c.					
Statement of Cash Flows					
For the financial year ended	28 Feb '23	29 Feb '24	28 Feb '25	31 Dec '25	31 Dec '26
	Actual	Actual	Actual	Forecast	Projection
	€'000	€'000	€'000	€'000	€'000
Net cash used in operating activities	(49)	(83)	(64)	(102)	(106)
Net cash from investing activities	1,750	1,761	1,782	1,780	2,363
Net cash used in financing activities	(1,700)	(1,700)	(1,700)	(1,700)	(2,250)
Net movement in cash and cash equivalents	1	(22)	18	(22)	7
Cash and cash equivalents at beginning of year	83	84	62	80	58
Cash and cash equivalents at end of year/period	84	62	80	58	65

CPHCL Finance p.l.c. Statement of Financial Position					
As at	28 Feb '23	29 Feb '24	28 Feb '25	31 Dec '25	31 Dec '26
	Actual	Actual	Actual	Forecast	Projection
	€'000	€'000	€'000	€'000	€'000
ASSETS					
Non-current assets					
Loans owed by parent company	39,910	39,910	39,910	-	44,910
	39,910	39,910	39,910	-	44,910
Current assets					
Loans owed by parent company	-	-	-	39,910	-
Receivables	1,927	1,993	1,984	1,984	1,984
Other assets	20	19	-	-	-
Cash and cash equivalents	84	62	80	58	65
	2,031	2,074	2,064	41,952	2,049
Total assets	41,941	41,984	41,974	41,952	46,959
EQUITY					
Capital and reserves					
Called up share capital	250	250	250	250	250
Retained earnings	18	24	28	24	46
	268	274	278	274	296
LIABILITIES					
Non-current liabilities					
Bonds	40,000	40,000	40,000	-	45,000
	40,000	40,000	40,000	-	45,000
Current liabilities					
Bonds	-	-	-	40,000	-
Payables	1,673	1,710	1,696	1,678	1,663
	1,673	1,710	1,696	41,678	1,663
Total liabilities	41,673	41,710	41,696	41,678	46,663
Total equity and liabilities	41,941	41,984	41,974	41,952	46,959

The Issuer is a fully owned subsidiary of CPHCL, the parent company of the Corinthia Group, and is principally engaged to act as a finance company.

There were no material movements in the statement of financial position as at 28 February 2025 compared to the prior year. Loans owed by parent company were unchanged at €39.9 million, whilst outstanding bonds amounted to €40 million. During the year under review, the Issuer registered total comprehensive income of €3,713 compared to €5,552 in FY2024.

No material transactions and, or movements are being projected for the 10-month period ending 31 December 2025, except for the reclassification of the loans owed by the parent and the bonds to current assets and current liabilities respectively. The 10-month forecast for 2025 has been adjusted to reflect a normalised 12-month financial year.

In Q4 2025, the Issuer intends to issue a new 10-year bond offering amounting to €45 million to refinance the maturing bonds and for capital expenditure purposes of the Group. Accordingly, amounts on-lent to the Issuer's parent company are projected to increase by €5 million to €45 million and will be accounted for in Q1 2026.

8. FINANCIAL INFORMATION RELATING TO CPHCL COMPANY LIMITED

The financial information provided hereunder is extracted from the audited consolidated financial statements of CPHCL for each of the years ended 31 December 2022 to 31 December 2024. The projected financial information for the years ending 31 December 2025 and 31 December 2026 has been provided by management of the company.

THE GROUP'S OPERATIONS IN LIBYA AND RUSSIA

Note 5 to the 2024 financial statements explains the significant uncertainties and judgments surrounding the valuation of the Group's assets in Libya that have a bearing on the projected cash flows from the relative operations, and which are in turn influenced by the timing of a recovery in the country. Different plausible scenarios may impact the financial performance of the Libya operations and the valuation of related assets in a significant matter. This matter is considered to be of fundamental importance to stakeholders because of the potential impact that this uncertainty may have on the valuation of the Group's assets in Libya and the recoverability of certain debtors, which as at 31 December 2024 were carried at €298.2 million and €3.8 million respectively (2023: €286.2 million and €2.4 million respectively).

The same note to the 2024 financial statements also describes the prevailing circumstances in Russia and the higher element of uncertainty in carrying out a valuation assessment of the Group's assets in Russia. In February 2022, a military conflict erupted between Russia and Ukraine with consequential international sanctions being imposed on Russia. The situation regarding these sanctions and any counter sanctions that Russia itself has imposed on the international community is continuously developing. The consequences these sanctions could have on the Group are difficult to determine. The Group has engaged international legal advisers to assist in managing the situation that the sanctions may have brought about.

The Group owns a hotel in St Petersburg with an adjoining Commercial Centre which have been in operation for a number of years. Both the hotel and the Commercial Centre have remained operational, but the future effects on operational incomes are difficult to determine and depend on the duration of this conflict. Apart from business disruptions which may influence the valuation of the hotel and commercial centre, this situation increased the volatility of the Rouble exchange rate and may impact the amount reported in the Group's financial statements. As at 31 December 2024, the Group's assets in Russia were carried at €100.1 million (2023: €97.9 million).

PROJECTIONS

The projected financial information relates to events in the future and is based on assumptions which the Group believes to be reasonable. However, the actual outcome may be adversely affected by unforeseen situations and the variation between forecast and actual results may be material.

CPHCL Company Limited					
Consolidated Statement of Comprehensive Income					
For the financial year 31 December	2022	2023	2024	2025	2026
	Actual	Actual	Actual	Forecast	Projection
	€'000	€'000	€'000	€'000	€'000
Revenue	270,345	326,893	348,660	386,698	412,999
Costs of providing services	(141,987)	(171,858)	(177,591)	(201,193)	(198,360)
Gross profit	128,358	155,035	171,069	185,505	214,639
Marketing and administrative expenses	(56,067)	(72,059)	(83,860)	(95,072)	(94,387)
Other operating costs	(20,290)	(23,158)	(24,533)	(23,827)	(26,356)
EBITDA	52,001	59,818	62,676	66,606	93,896
Depreciation and amortisation	(31,634)	(30,092)	(30,497)	(33,320)	(35,869)
Adjustments in the value of property and intangible assets	(7,827)	6,698	17,913	-	-
Gain / (loss) on exchange	425	(1,480)	871	2,469	(8)
Other net income / (expenses)	(100)	(1,680)	(115)	16	-
Operating profit	12,865	33,264	50,848	35,771	58,019
Share of profit of equity accounted investments	5,317	6,360	6,834	6,966	8,730
Finance income	563	1,251	1,576	242	242
Finance costs	(31,885)	(42,511)	(47,905)	(45,583)	(45,798)
Movement in value of financial assets	(3,640)	(1,541)	57	(245)	(245)
Other	15,398	(2,077)	(1,599)	13,085	-
Profit / (loss) before tax	(1,382)	(5,254)	9,811	10,236	20,948
Taxation	(2,051)	(5,817)	(4,415)	1,447	(8,017)
Profit / (loss) for the year	(3,433)	(11,071)	5,396	11,683	12,931
Other comprehensive income / (expense)					
Gross surplus on revaluation of hotels and other assets	2,959	58,999	74,394	-	-
Share of other comprehensive income of equity accounted investments	230	266	212	-	-
Other effects, currency translation differences and tax	(23,897)	(31,478)	(2,627)	30,663	(20,008)
Total comprehensive income / (expense) for the year	(24,141)	16,716	77,375	42,346	(7,077)

CPHCL Company Limited Key Financial Ratios	FY2022 Actual	FY2023 Actual	FY2024 Actual	FY2025 Forecast	FY2026 Projection
Gross profit margin (%) (Gross profit / revenue)	47.48	47.43	49.06	47.97	51.97
EBITDA margin (%) (EBITDA / revenue)	19.24	18.30	17.98	17.22	22.74
Operating profit margin (%) (Operating profit / revenue)	4.76	10.18	14.58	9.25	14.05
Net profit margin (%) (Profit after tax / revenue)	(1.27)	(3.39)	1.55	3.02	3.13
Return on equity (%) (Profit after tax / average equity)	(0.39)	(1.25)	0.58	1.18	1.28
Return on assets (%) (Profit after tax / average assets)	(0.19)	(0.60)	0.27	0.57	0.62
Return on invested capital (%) (Operating profit / average invested capital)	0.85	2.15	3.08	2.12	3.39
Interest cover (times) (EBITDA / net finance costs)	1.66	1.45	1.35	1.47	2.06

INCOME STATEMENT

Total revenue for **FY2023** amounted to €326.9 million, an increase of €56.6 million (+21%) compared to the prior year (FY2022: €270.3 million) and +4% over FY2019's aggregate revenue. The year-on-year growth in revenue is primarily reflective of the post-pandemic positive trend in travel.

The Group's operating costs increased by €48.7 million (or 22%) year-on-year due to an increase in personnel and salaries, energy bills, food cost and other operational costs. In 2023, the Group incurred pre-opening costs amounting to €1.9 million relating to the openings in Rome and Brussels. As such, EBITDA increased by €7.8 million (or 15%) year-on-year to €59.8 million (FY2022: €52.0 million), which is 85% of EBITDA achieved in FY2019. As a result, the Group's EBITDA margin decreased from 19% in FY2022 to 18% in FY2023.

Results from operating activities increased by €20.4 million from the prior year to €33.3 million, mainly on account of adjustments in value of Group properties and intangibles (FY2023: gain of €6.7 million; FY2022: loss of €7.8 million). During the year, the Group recognised an uplift of €7.9 million on the Tripoli Commercial Centre, offset by a decrease in fair value on the St Petersburg investment property of €1.7 million.

Finance costs increased by €10.6 million year-on-year to €42.5 million on account of an increase in debt levels and higher interest rates on variable loans. As a result, interest cover weakened from 1.66 times in FY2022 to 1.45 times in FY2023. The Group's share of net profit of associates and joint ventures, principally relating to Mediterranean Investments Holding p.l.c., contributed €6.4 million to the Group's profitability (FY2022: €5.3 million).

The item "Other" primarily comprises currency exchange differences. In 2023, the Group reported an exchange loss of €2.0 million compared to a gain on exchange of €15.6 million a year earlier. The positive movement in exchange differences in the prior year was mainly related to the St Petersburg property and to the repayment of the bank loan on this property in May 2022. This repayment had eliminated future exchange rate volatility from the income statement on this loan.

In consequence of the foregoing, the Group reported a loss for the year of €11.1 million (FY2022: loss of €3.4 million). During the current year, the Group recognised uplifts on the London hotel amounting to €17.3 million, on the Corinthia Hotel Lisbon of €12.2 million and €37.5 million on its Malta properties, on account of continued recovery and improved operational performance. These uplifts were offset by fair value losses recognised on the two properties in Hungary amounting in total to €8 million, following the delay in recovery for this operation due to inflationary pressures including a hike in energy prices.

The Group recorded a combined currency translation loss of €19.9 million relative to a loss of €25.3 million registered in 2022. The weakening of the Rouble in 2023 relative to the Euro resulted in a loss on translation of the investment in Russia. This was partially offset by gains on the Pound Sterling in relation to the Group's operations in London. "Other effects and tax" also includes deferred tax of €15.3 million arising on revaluation of hotel properties.

The Group's total comprehensive income for FY2023 amounted to €16.7 million compared to a total comprehensive expense of €24.1 million registered in 2022.

Revenue in **FY2024** increased by €21.8 million (+7%) year-on-year to €348.7 million on account of further improvement in the hospitality business. During the year, the Group commenced operation of the newly developed Corinthia Hotel Brussels and CHL added to its hotel management portfolio in Q4 2024 The Surrey Corinthia Hotel New York, a third-party owned hotel. In consequence, gross profit increased by €16.03 million from the prior year.

EBITDA in FY2024 was marginally higher by €2.9 million from FY2023's figure and amounted to €62.7 million. EBITDA margin remained relatively unchanged at *circa* 18%. It is observed that the Group's EBITDA was adversely affected by *circa* €6.1 million of pre-opening costs which are one-off in nature. These costs consist of expensed payroll and marketing costs incurred by the Group in anticipation of hotel openings in Brussels and Rome.

In FY2024, the Group recognised net uplifts on its investment properties amounting to €11.6 million. These related mainly to an uplift of €5.4 million on land held in Malta, €3.0 million on the Tripoli Commercial Centre, an uplift of €2.6 million on the Prague property and an uplift of €1.1 million on the St. Petersburg Commercial Centre, offset by a decrease in fair value of €0.3 million on the apartments in Lisbon and €0.2 million on the offices in London. The uplift on the land held in Marsa was recognised pursuant to a promise of sale agreement which was signed in February 2025.

Furthermore, an amount of €6.5 million was also recognised in relation to an impairment reversal on the Corinthia Hotel Tripoli. This was partially offset by an impairment of €0.2 million on the office block in London.

The Group's share of net profit of associates and joint ventures amounted to €6.8 million (FY2023: €6.4 million). This primarily relates to MIH p.l.c. through its principal subsidiary company Palm City Limited, owner of the Palm City Residences in Libya.

Higher borrowings and interest rates adversely impacted finance costs by €5.4 million to €47.9 million (FY2023: €42.5 million). Notwithstanding, interest cover weakened only marginally from 1.45 times in FY2023 to 1.35 times in FY2024.

The Group recorded a profit after tax for the year of €5.4 million compared to a loss of €11.1 million in FY2023.

During the reviewed year, the Group also recognised significant fair value uplifts across several properties amounting to €74.4 million (FY2023: €59.0 million). These include an increase of €27.7 million on the Lisbon hotel, €15.4 million on the Corinthia Hotel London, €12.0 million on the Radisson Golden Sands Hotel, €9.3 million on the Corinthia Oasis, €8.3 million on the Corinthia Hotel St. Petersburg and €6.3 million on the Prague property. These gains were partially offset by a €3.0 million fair value loss on the property in Hungary, €0.9 million on the Thermal Hotel Aquincum and €0.6 million on the Ramada Plaza Tunis.

The Group recorded a combined currency translation gain of €13.3 million in Other Comprehensive Income, relative to a loss of €19.7 million registered in FY2023. The strengthening of the Pound Sterling in 2024, relative to the reporting currency of the Group, which is the Euro, resulted in a gain on translation of the investment in London. This was partially offset by the weakening of the Rouble in relation to the Group's operations in Russia.

The Group registered total comprehensive income of €77.4 million in FY2024 compared to a gain of €16.7 million in FY2023.

The estimates for the projected financial years as presented in this document assume that the carrying values of hotel and investment properties will not be revalued upwards or impaired, and therefore no adjustment has been made as to possible uplifts or impairments in value of assets which can materially affect the consolidated income statement and the balance sheet values.

For **FY2025**, the Group is projecting an 11% (+€38.0 million) increase in revenue to €386.7 million, mainly on account of the first full year of operations of the Corinthia Grand Hotel Astoria Brussels and The Surrey Corinthia Hotel New York, and 10 months' operational activity of the 2 hotels in Beverly Hills. The revised projections assume that the Group will sell a significant portion of the Corinthia Hotel Lisbon at the end of the financial year and therefore, the projections comprise a full year's operating results of said hotel.

FY2025 is expected to mark the inclusion of the Corinthia Grand Hotel Du Boulevard Bucharest and the Corinthia Hotel & Residences Doha to the Group's hospitality portfolio, while the commencement of operations of the Corinthia Hotel Rome has been postponed to Q1 2026.

Direct, indirect and other operating costs are projected to amount to €320.1 million, an increase of €34.1 million (+12%) from the prior year. EBITDA margin is expected to decrease by 1 percentage point to 17% (FY2024: 18%) as EBITDA is projected to increase year-on-year by €3.9 million (+6%) to €66.6 million. In contrast, interest cover is forecasted to improve to 1.47 times compared to 1.35 times in the prior year.

Since no adjustments in fair value of assets are being assumed (FY2024: net gains of €17.91 million), projected operating profit is expected to decrease y-o-y by €15.0 million, from €50.8 million in FY2024 to €35.8 million.

Share of profit of equity accounted investments is anticipated to remain relatively stable at *circa* €7.0 million, while net finance costs are expected to decrease by €2.6 million to €45.3 million.

'Other' is projected to amount to €13.1 million and mainly comprises net gains from the proposed sale of a significant portion of the Corinthia Hotel Lisbon and 75% shareholding in Malta Fairs and Conventions Centre Limited (MFCC).

Overall, the Group anticipates a net profit of €11.7 million in FY2025, compared to a net profit of €5.4 million in FY2024. Total comprehensive income is projected to amount to €42.3 million (FY2024: €77.4 million), after accounting for the release of deferred tax on revaluation of disposed assets (primarily on account of the Lisbon property) and other effects.

Revenue in **FY2026** is projected to amount to €413.0 million, an increase of €26.3 million (+7%) from a year earlier. In particular, the projected growth in revenue generated from hotel operations is expected to amount to €14.9 million, on account of new operations (mainly Corinthia Hotel Brussels and Corinthia Hotel Rome) and better performance from the other properties, net of the removal of the Corinthia Hotel Lisbon following its sale in FY2025. Revenue from management of third party owned hotels is expected to increase y-o-y by €4.8 million to €26.2 million.

EBITDA is anticipated to increase by €27.3 million (+41% y-o-y) mainly on the expectation that the newer properties will achieve positive results (as opposed to losses in the prior year) and Group operating costs will be curtailed. Furthermore, pre-opening costs are not expected to feature in FY2026. Accordingly, EBITDA margin should improve from 17% in FY2025 to 23% in FY2026, while interest cover should strengthen from 1.47 times in FY2025 to 2.06 times in FY2026.

Overall, the Group expects to register total comprehensive expense of €7.1 million compared to total comprehensive income of €42.3 million in FY2025 (which comprised one-off transactions, including the sale of the Lisbon property and MFCC).

CPHCL Company Limited					
Statement of Cash Flows					
For the financial year 31 December					
	2022	2023	2024	2025	2026
	Actual	Actual	Actual	Forecast	Projection
	€'000	€'000	€'000	€'000	€'000
Net cash from operating activities	47,815	58,119	55,611	64,300	103,009
Net cash from / (used in) investing activities	(41,063)	(51,956)	(65,607)	114,996	(56,974)
Free cash flow	6,752	6,163	(9,996)	179,296	46,035
Net cash from / (used in) financing activities	(71,236)	17,413	(13,161)	(125,576)	(96,468)
Net movement in cash and cash equivalents	(64,484)	23,576	(23,157)	53,720	(50,433)
Cash and cash equivalents at beginning of year	138,264	66,629	92,643	73,793	128,526
Effect of translation to the presentation currency	(7,151)	2,438	4,307	1,013	-
Cash and cash equivalents at end of year	66,629	92,643	73,793	128,526	78,093

STATEMENT OF CASH FLOWS

Net cash flows from operating activities principally relate to the hospitality operations of the Group. In 2024, operations across the Group's properties continued to improve compared to the prior year, but due to working capital movements, net cash inflows from operating activities were lower on a comparable basis by €2.5 million to €55.6 million (FY2023: €58.1 million).

In the projected years (2025 and 2026), net cash from operating activities are expected to increase by €47.4 million (in aggregate), from €55.6 million in FY2024 to €103.0 million in FY2026.

In FY2024, net cash used in investing activities amounted to €65.6 million. Expenditure on the Corinthia Hotel Brussels and other Group properties amounted to €72.0 million and key money payments related to The Surrey Corinthia Hotel New York. Cash inflows of €3.0 million relate to the disposal of the Pinheiro Chagas apartments, while dividend and interest receivables amounted to €5.1 million (in aggregate).

Net cash inflows from investing activities are forecasted to amount to €115.0 million in FY2025. During the year, the Group expects to dispose of a significant portion of the Corinthia Hotel Lisbon and 75% shareholding in MFCC, resulting in a net cash inflow of *circa* €150 million. Dividend and interest receivable are estimated to amount to €7.1 million. On the expenditure side, ongoing costs relating to the Corinthia Grand Hotel Astoria Brussels and other projects are projected to amount to €41.3 million.

Net cash outflows from investing activities in FY2026 are estimated at €57.0 million. Capital expenditure includes €39.0 million earmarked for general upkeep and renovation of existing properties, while €9.4 million shall be applied to develop a new purpose-built facility for Danish Bakery and to finance new acquisitions. In FY2026, the Group expects to conclude the sale of a site in Marsa and thereby receive €11.3 million in net proceeds.

Financing activities principally comprise movement in bank and other borrowings, issuance of debt securities, payment of leases and dividends, and interest paid. In FY2024, net cash outflows amounted to €13.2 million compared to net cash inflows of €17.4 million in the previous year. During the reviewed year, net drawdowns from bank loans and related party loans amounted to €40.8 million (FY2023: €38.2 million), while lease obligations and interest payments amounted to €48.2 million (FY2023: €43.0 million) in aggregate. In FY2024, the Group redeemed €10.4 million of bonds (FY2023: net proceeds from issue of bonds amounted to €26.0 million).

Net cash used in financing activities in FY2025 and FY2026 is projected to amount to €221.1 million (in aggregate) and shall comprise net repayment of borrowings (mainly bank facilities, bonds and related party loans) of €51.6 million, payment of lease obligations of €8.5 million and interest payable of €119.2 million.

CPHCL Company Limited					
Statement of Financial Position					
As at 31 December	2022	2023	2024	2025	2026
	Actual	Actual	Actual	Forecast	Projection
	€'000	€'000	€'000	€'000	€'000
ASSETS					
Non-current assets					
Intangible assets	9,033	9,463	9,941	8,658	8,324
Investment property	185,624	179,377	261,451	264,294	281,173
Property, plant and equipment	1,299,101	1,383,567	1,300,471	1,313,628	1,301,797
Right-of-use assets	15,402	18,628	16,423	23,165	93,345
Deferred tax assets	36,166	37,766	45,605	45,956	45,697
Investments in associates and joint ventures	104,704	108,103	111,920	139,186	144,315
Financial assets at fair value through profit or loss	5,373	3,411	3,411	3,784	14,875
Other financial assets at amortised cost	9,117	6,120	6,412	6,396	6,396
Trade and other receivables	1,539	687	11,173	11,012	11,012
	1,666,059	1,747,122	1,766,807	1,816,079	1,906,934
Current assets					
Inventories	17,030	16,755	21,341	18,971	24,769
Trade and other receivables	42,789	45,042	54,344	55,910	72,379
Tax assets	283	2,300	759	612	262
Financial assets at fair value through profit or loss	3,607	386	160	87	87
Assets placed under trust management	77	77	77	77	77
Assets held for sale	102	62	162,386	15,055	55
Cash and cash equivalents	77,657	101,398	83,238	138,477	87,921
Other current assets	153	110	87	236	236
	141,698	166,130	322,392	229,425	185,786
Total assets	1,807,757	1,913,252	2,089,199	2,045,504	2,092,720
EQUITY					
Capital and reserves					
Called up share capital	20,000	20,000	20,000	20,000	20,000
Retained earnings	253,271	249,002	261,431	293,595	305,453
Other reserves	135,677	142,157	170,620	208,310	188,168
Non-controlling interest	466,477	480,772	517,255	489,747	490,955
	875,425	891,931	969,306	1,011,652	1,004,576
LIABILITIES					
Non-current liabilities					
Bank borrowings	291,819	345,006	385,609	387,390	377,559
Bonds	311,106	336,492	292,079	211,720	301,107
Lease liabilities	15,018	17,943	16,479	20,401	94,331
Other financial liabilities	33,577	34,685	35,846	18,725	30,421
Deferred tax liabilities	101,471	119,763	143,996	115,323	108,905
Other non-current liabilities	12,626	10,489	28,677	25,209	19,082
	765,617	864,378	902,686	778,768	931,405
Current liabilities					
Bank borrowings	48,757	32,597	40,890	14,140	23,287
Bank overdraft	11,028	8,755	9,445	9,951	9,828
Bonds	9,985	10,362	44,953	115,000	-
Lease liabilities	2,214	2,889	2,388	5,079	8,342
Other financial liabilities	113	91	5,500	6,747	-
Trade and other payables	92,702	99,578	110,222	96,388	101,378
Current tax liabilities	1,916	2,671	3,809	7,779	13,904
	166,715	156,943	217,207	255,084	156,739
Total liabilities	932,332	1,021,321	1,119,893	1,033,852	1,088,144
Total equity and liabilities	1,807,757	1,913,252	2,089,199	2,045,504	2,092,720

CPHCL Company Limited Key Financial Ratios	FY2022 Actual	FY2023 Actual	FY2024 Actual	FY2025 Forecast	FY2026 Projection
Net debt-to-EBITDA (times) (<i>Net debt / EBITDA</i>)	12.42	11.49	11.96	9.77	8.06
Net debt-to-equity (times) (<i>Net debt / total equity</i>)	0.74	0.77	0.77	0.64	0.75
Net gearing (%) (<i>Net debt / net debt and total equity</i>)	42.46	43.52	43.62	39.14	42.97
Debt-to-assets (times) (<i>Total debt / total assets</i>)	0.40	0.41	0.40	0.39	0.40
Leverage (times) (<i>Total assets / total equity</i>)	2.07	2.15	2.16	2.02	2.08
Current ratio (times) (<i>Current assets / current liabilities</i>)	0.85	1.06	1.48	0.90	1.19

STATEMENT OF FINANCIAL POSITION

Total assets in **FY2023** amounted to €1,913 million, an increase of €105.5 million from a year earlier. The principal movements during the year included the following:

- (i) Investment property decreased by €6.2 million year-on-year, on account of currency translation losses amounting to €12.6 million mainly due to a weaker Russian Rouble versus the Euro, which was partly mitigated by net fair value uplifts of €6.4 million (primarily Tripoli Commercial Centre +€7.9 million; St Petersburg Commercial Centre -€1.7 million).
- (ii) Property, plant, and equipment increased by €84.5 million (net of depreciation charge) and consisted of various refurbishment programmes and development expenditure on the Corinthia Hotel Brussels project. Also included is a net uplift in fair value of hotel properties of €59.0 million.
- (iii) Cash balances were higher compared to FY2022 by €23.7 million as explained further in the commentary on the cash flow statement below.

Total liabilities increased by €89.0 million year-on-year, which movement emanated primarily from changes in borrowings and other financial liabilities.

Total debt increased by €65.2 million to €788.7 million (FY2022: €723.5 million). In view of the increased borrowings, the Group's gearing ratio increased by 2 percentage points to 44%, while net debt-to-EBITDA decreased from 12.4 times in 2022 to 11.5 times in 2023.

During the year, other current liabilities (mainly comprising trade and other payables) increased on a comparable basis by €7.6 million. The current ratio for FY2023 improved to 1.06 times compared to 0.85 times in the prior year.

Deferred tax liabilities (in non-current liabilities) increased by €16.2 million year-on-year on account of the net uplifts in carrying value of Group properties.

In **FY2024**, total assets increased by 175.9 million to €2,089.2 million primarily due to the following:

- i) Investment property increased year-on-year by €82.1 million, reflecting the reclassification of the Grand Hotel Prague Towers (formerly Corinthia Hotel Prague) from PPE to investment property and the deduction of the Lisbon apartments pursuant to part disposal and the remaining units reclassified to current assets as held-for-sale. Furthermore, the plot of land in Marsa was also reclassified to held-for-sale on account of the promise of sale agreement entered into in February 2025. An increase of €11.6 million refers to a change in fair value, while adverse currency translation differences amounted to €2.4 million.
- ii) Property, plant and equipment decreased year-on-year by €83.1 million. In FY2024, development costs in connection with Corinthia Grand Hotel Astoria Brussels and improvements to other properties (comprising renovation and refurbishment projects) amounted to €80.1 million. Uplifts in carrying value of various properties amounted to €74.4 million, and reversal of net impairment losses amounted to €6.3 million. The Prague hotel, having a carrying value of €93.8 million, was reclassified from property, plant and equipment to investment property. Furthermore, the Lisbon hotel valued at €144.0 million was reclassified to assets held for sale in current assets. Depreciation charge for the year amounted to €26.8 million.
- iii) The year-on-year increase in 'trade and other receivables' (non-current assets) of €10.5 million mainly represents key money related to The Surrey Corinthia Hotel New York.
- iv) An increase in inventories and trade and other receivables (current assets) of €13.8 million is reflective of the continued increase in operating activities.
- v) The movement in cash and cash equivalents is explained in the commentary on the cash flow statement above.

vi) Assets classified as held for sale relate to the Lisbon hotel, Pinheiro Chagas Residences and a land plot in Marsa.

Total liabilities rose by €98.6 million year-on-year, primarily driven by an increase in total debt of €44.4 million and deferred tax of €24.2 million.

As at 31 December 2024, the Group's bank borrowings totalled €435.9 million, reflecting an increase of €49.5 million compared to the previous year, while debt securities decreased by €9.9 million to €337.0 million. Additionally, other financial liabilities and lease liabilities increased by €4.6 million. The Group's net gearing ratio remained stable at 44%, while net debt-to-EBITDA increased from 11.5 times in 2023 to 12.0 times in 2024.

The significant changes in the projected statement of financial position as at 31 December **2025** compared to the prior year are as follows:

- i) 'Assets classified as held for sale' (-€147.3 million, y-o-y): a significant portion being the Corinthia Hotel Lisbon which is expected to be sold in 2025.
- ii) 'Investments in associates and joint ventures' (+€27.3 million, y-o-y): mainly represents an investment by the Group in a new company being formed with the new owner of the Corinthia Lisbon as part of the sale structure, thereby retaining partial ownership as highlighted earlier.
- iii) 'Right-of-use assets' (+€6.8 million, y-o-y): relates to the inclusion of the two hotels in Beverly Hills.

As at 31 December 2025, the Group's total debt is projected to total €789.2 million, down by €44.0 million from a year earlier. An amount of €155 million in bonds is being reclassified as current liabilities due to their maturity in FY2026. The Group's net gearing ratio is expected to decrease by *circa* 5 percentage points to 39%, while net debt-to-EBITDA ratio is anticipated to improve from 12 times in 2024 to 10 times in 2025.

The significant changes in the projected statement of financial position as at 31 December **2026** compared to the prior year are as follows:

- i) The increase of €70.1 million in right-of-use assets mainly relates to Corinthia Hotel Rome.
- ii) Financial assets is projected to increase by €11.1 million to €14.9 million and refers to a reclassification from receivables connected to The Surrey, New York.
- iii) The y-o-y decrease in 'assets held for sale' relates to the disposal of the plot of land in Marsa.

As at 31 December 2026, the Group's total debt is projected to total €844.8 million, an increase of €55.6 million y-o-y, mainly on account of an increase in lease liabilities (+€77.2 million). The Group's net gearing ratio is expected to increase by *circa* 4 percentage points to 43%, but in contrast net debt-to-EBITDA ratio is anticipated to improve from 10 times in 2025 to 8 times in 2026.

9. DEBT SECURITIES ISSUED BY RELATED COMPANIES

CPHCL owns 57.81% and 50% of International Hotel Investments p.l.c. and Mediterranean Investments Holding p.l.c. respectively. Below is a list of outstanding debt securities:

Debt Securities - International Hotel Investments p.l.c.				
Security ISIN	Security	Symbol Code	Amount Outstanding	Market Price*
MT0000111303	4.00% International Hotel Investments p.l.c. Secured 2026	IH26A	€ 55,000,000	99.50%
MT0000111311	4.00% International Hotel Investments p.l.c. Unsecured 2026	IH26B	€ 60,000,000	97.00%
MT0000111337	3.65% International Hotel Investments p.l.c. Unsecured 2031	IH31A	€ 80,000,000	92.00%
MT0000111345	6.00% International Hotel Investments p.l.c. Unsecured 2033	IH33A	€ 60,000,000	101.60%
MT0000111352	5.30% International Hotel Investments p.l.c. Unsecured 2035	IH35A	€ 35,000,000	100.00%
			€ 290,000,000	

* As at 31 October 2025

Debt Securities - Mediterranean Investments Holding p.l.c.				
Security ISIN	Security	Symbol Code	Amount Outstanding	Market Price*
MT0000371303	5.25% Mediterranean Investments Holding p.l.c. Unsecured & Guaranteed 2027	MI27A	€ 30,000,000	100.00%
MT0000371311	5.85% Mediterranean Investments Holding p.l.c. Unsecured & Guaranteed 2028	MI28A	€ 20,000,000	100.50%
			€ 50,000,000	

* As at 31 October 2025

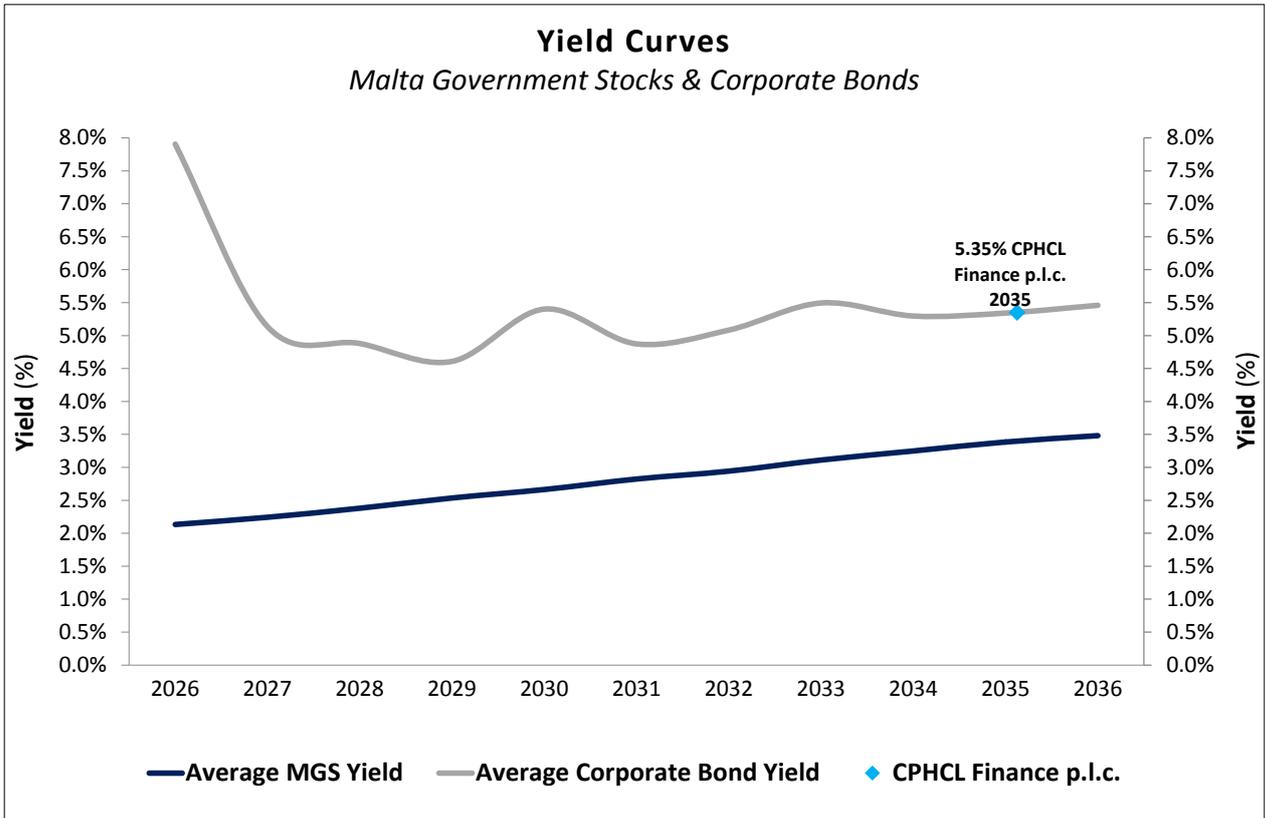
PART 4 – COMPARATIVE ANALYSIS

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 (€'000)	Yield-to-Maturity / Worst (%)	Interest Cover (times)	Net Debt-to-EBITDA (times)	Net Gearing (%)	Debt-to-Assets (times)
4.35% Hudson Malta p.l.c. Unsecured & Guaranteed 2026	12,000	4.24	4.93	4.63	73.87	0.55
4.25% CPHCL Finance p.l.c. Unsecured & Guaranteed 2026	40,000	8.75	1.35	11.96	43.62	0.40
4.00% International Hotel Investments p.l.c. Secured 2026	55,000	4.65	1.46	11.17	43.36	0.40
5.00% Dizz Finance p.l.c. Unsecured & Guaranteed 2026	8,000	21.81	1.96	9.84	84.18	0.55
3.75% Premier Capital p.l.c. Unsecured 2026	65,000	5.76	12.23	2.16	69.41	0.59
4.00% International Hotel Investments p.l.c. Unsecured 2026	60,000	6.84	1.46	11.17	43.36	0.40
3.25% AX Group p.l.c. Unsecured 2026	15,000	4.08	3.09	7.54	42.13	0.37
4.00% Hili Finance Company p.l.c. Unsecured & Guaranteed 2027	50,000	6.36	4.88	4.34	67.75	0.57
4.35% SD Finance plc Unsecured & Guaranteed 2027	65,000	5.05	5.41	2.98	30.68	0.33
4.00% Eden Finance p.l.c. Unsecured & Guaranteed 2027	40,000	5.42	4.55	6.93	28.64	0.26
5.25% Mediterranean Investments Holding p.l.c. Unsecured & Guaranteed 2027	30,000	5.23	5.81	2.45	20.10	0.19
4.00% Stivala Group Finance p.l.c. Secured & Guaranteed 2027	45,000	5.10	4.46	5.18	21.99	0.20
4.75% Best Deal Properties Holding p.l.c. Secured & Guaranteed 2025-2027	13,626	4.75	110.36	8.31	74.19	0.73
4.75% Gap Group p.l.c. Secured & Guaranteed 2025-2027	21,340	4.74	n/a	1.04	26.65	0.33
3.85% Hili Finance Company p.l.c. Unsecured & Guaranteed 2028	40,000	4.87	4.88	4.34	67.75	0.57
5.85% Mediterranean Investments Holding p.l.c. Unsecured & Guaranteed 2028	20,000	5.64	5.81	2.45	20.10	0.19
5.75% PLAN Group p.l.c. Secured & Guaranteed 2028	12,000	5.02	2.48	14.28	51.39	0.46
5.75% Best Deal Properties Holding p.l.c. Secured & Guaranteed 2027-2029	15,000	5.09	110.36	8.31	74.19	0.73
5.00% Hili Finance Company p.l.c. Unsecured & Guaranteed 2029	80,000	4.84	4.88	4.34	67.75	0.57
3.65% Stivala Group Finance p.l.c. Secured & Guaranteed 2029	15,000	4.24	4.46	5.18	21.99	0.20
3.80% Hili Finance Company p.l.c. Unsecured & Guaranteed 2029	80,000	4.82	4.88	4.34	67.75	0.57
3.75% AX Group p.l.c. Unsecured 2029	10,000	4.02	3.09	7.54	42.13	0.37
6.25% GPH Malta Finance p.l.c. Unsecured & Guaranteed 2030	18,144	6.24	3.04	5.78	92.42	0.82
5.25% ACMUS p.l.c. Secured 2028-2030	19,000	5.12	4.49	22.77	72.48	0.70
5.35% MM Star Malta Finance p.l.c. Secured & Guaranteed 2029-2031	35,000	5.66	1.48	9.51	70.42	0.65
3.65% International Hotel Investments p.l.c. Unsecured 2031	80,000	5.22	1.46	11.17	43.36	0.40
3.50% AX Real Estate p.l.c. Unsecured 2032	40,000	4.77	2.87	8.01	51.84	0.47
5.35% Best Deal Properties Holding p.l.c. Unsecured 2032	7,000	5.15	110.36	8.31	74.19	0.73
5.80% GPH Malta Finance plc Unsecured & Guaranteed 2032	15,000	5.78	3.04	5.78	92.42	0.82
5.00% Mariner Finance p.l.c. Unsecured 2032	36,930	4.75	4.00	5.48	45.91	0.45
5.85% AX Group p.l.c. Unsecured 2033	40,000	5.33	3.09	7.54	42.13	0.37
6.00% International Hotel Investments p.l.c. Unsecured 2033	60,000	5.74	1.46	11.17	43.36	0.40
4.50% The Ona p.l.c. Secured & Guaranteed 2028-2034	16,000	4.54	2.35	12.72	77.11	0.69
5.35% Hal Mann Vella Group p.l.c. Secured 2031-2034	23,000	5.13	2.69	7.13	47.59	0.42
5.30% International Hotel Investments p.l.c. Unsecured 2035	35,000	5.30	1.46	11.17	43.36	0.40
5.50% Juel Group p.l.c. Secured & Guaranteed 2035	32,000	5.26	15.06	23.23	58.68	0.48
5.35% CPHCL Finance p.l.c. Unsecured & Guaranteed 2035	45,000	5.35	1.35	11.96	43.62	0.40

*As at 31 October 2025

Sources: Malta Stock Exchange, M.Z. Investment Services Limited, and the most recent audited annual financial statements of the respective Issuers and, or Guarantors, except for MM Star Malta Finance p.l.c. and ACMUS p.l.c. (FY2025[F]).



The new **5.35% CPHCL Finance p.l.c. unsecured and guaranteed bonds 2035** have been priced in line with the average yield-to-maturity of 5.34% of other local corporate bonds maturing in the same year as at 31 October 2025. The premium over the corresponding average Malta Government Stock yield of equivalent maturity (3.38%) stood at 197 basis points.

PART 4 – EXPLANATORY DEFINITIONS

INCOME STATEMENT

<i>Revenue</i>	Total income generated from business activities.
<i>EBITDA</i>	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.
<i>Adjusted operating profit / (loss)</i>	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.
<i>Operating profit / (loss)</i>	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.
<i>Share of results of associates and joint ventures</i>	Share of profit (or loss) from entities in which the company does not have a majority shareholding.
<i>Profit / (loss) after tax</i>	Net profit (or loss) registered from all business activities.

PROFITABILITY RATIOS

<i>EBITDA margin</i>	EBITDA as a percentage of revenue.
<i>Operating profit margin</i>	Operating profit (or loss) as a percentage of total revenue.
<i>Net profit margin</i>	Profit (or loss) after tax as a percentage of total revenue.
<i>Return on equity</i>	Measures the rate of return on net assets and is computed by dividing the net profit (or loss) for the year by average equity.
<i>Return on assets</i>	Measures the rate of return on assets and is computed by dividing the net profit (or loss) for the year by average assets.
<i>Return on invested capital</i>	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

<i>Net cash from / (used in) operating activities</i>	The amount of cash generated (or consumed) from the normal conduct of business.
<i>Net cash from / (used in) investing activities</i>	The amount of cash generated (or consumed) from activities related to the acquisition, disposal, and/or development of long-term assets and other investments.
<i>Net cash from / (used in) financing activities</i>	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.
<i>Free cash flow</i>	Represents the amount of cash generated (or consumed) from operating activities after considering any amounts of capital expenditure.

STATEMENT OF FINANCIAL POSITION

<i>Non-current assets</i>	<i>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.</i>
<i>Current assets</i>	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.

<i>Non-current liabilities</i>	These represent long-term financial obligations which are not due within the next twelve months, and typically include long-term borrowings and debt securities.
<i>Current liabilities</i>	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.
<i>Total equity</i>	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

<i>Interest cover</i>	Measures the extent of how many times a company can sustain its net finance costs from EBITDA.
<i>Net debt-to-EBITDA</i>	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.
<i>Net debt-to-equity</i>	Shows the proportion of net debt (including lease liabilities) to the amount of equity.
<i>Net gearing</i>	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.
<i>Debt-to-assets</i>	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.
<i>Leverage</i>	Shows how many times a company is using its equity to finance its assets.
<i>Current ratio</i>	Measures the extent of how much a company can sustain its short-term liabilities from its short-term assets.