

CPHCL

FINANCE p.l.c

Company Announcement

The following is a company announcement issued by CPHCL Finance p.l.c. - C25104, pursuant to the Capital Markets Rules as issued by the Malta Financial Services Authority.

Half-Yearly Financial Report

The Board of Directors of CPHCL Finance p.l.c. has approved the attached Half-Yearly Financial Report for the period 1 March to 31 August 2024.

This report can also be viewed on: [Financial-Statements-1-March-2024-to-31-August-2024.pdf](#)



Rachel Stilon
Company Secretary

Encl.

21 October 2024

CPHCL FINANCE P.L.C.

**Interim Financial Statements (Unaudited)
For the six-month period 1 March 2024 to
31 August 2024**

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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 2024 to 31 August 2024.

Basis of preparation

The published figures have been extracted from the unaudited financial statements for the six months from 1 March 2024 to 31 August 2024 and its comparative period in 2023. The comparative Statement of Financial Position as at 29 February 2024 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.

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 the Corinthia Group of Companies, of which it is a member.

The Company is a special purpose vehicle set up for financing transactions of the Corinthia Group of Companies. It raised such finance mainly through the issue of bonds, which are quoted on the Malta Stock Exchange and guaranteed by 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 2024, the Company registered a profit of €1,714.

In the first six months of the year, the Corinthia Group's hotels reported an increase in revenues compared to the previous year. EBITDA conversion was also better compared to the same period in 2023 notwithstanding continued inflationary pressures on payroll and other costs. Significant pre-opening costs are also being incurred in advance of the opening of several new Corinthia hotels. Higher finance costs were incurred on account of an increase in debt levels and base rate increases.

State of Affairs and Outlook

Most of the hotels within the group are performing better than last year. Management remains focused on maintaining discipline on all operating costs whilst offering a quality service. Capex remains tightly controlled. The company remains focused on a growth strategy but is also actively assessing opportunities to sell non-core or fully mature assets. 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 2025. 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.

Directors

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

Mr Frank Xerri de Caro (Chairman)

Dr Joseph J. Vella

Mr Mario P. Galea

Mr Alfred Camilleri

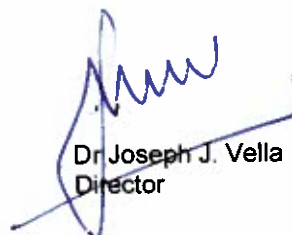
Ms Rachel Stilon

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



Dr Joseph J. Vella
Director

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

21 October 2024

Interim statement of profit or loss

	Period from 1 March 2024 to 31 August 2024 €	Period from 1 March 2023 to 31 August 2023 €
Finance income	890,000	890,000
Finance costs	(850,000)	(850,000)
Net interest earned	40,000	40,000
Administrative expenses	(24,286)	(22,203)
Profit before tax	15,714	17,797
Tax expense	(14,000)	(14,000)
Profit after tax for the period	1,714	3,797

Interim statement of financial position

	Notes	31 August 2024 €	29 February 2024 €
ASSETS			
Non-current			
Loans owed by parent company	3	39,910,000	39,910,000
Total non-current assets		39,910,000	39,910,000
Current			
Receivables		1,321,142	1,993,360
Other financial assets		18,870	18,870
Cash and cash equivalents		77,748	61,544
Total current assets		1,417,760	2,073,774
Total assets		41,327,760	41,983,774
EQUITY			
Share capital		250,000	250,000
Retained earnings		25,746	24,032
Total equity		275,746	274,032
Non-current liabilities			
Bonds in issue	2	40,000,000	40,000,000
Total non-current liabilities		40,000,000	40,000,000
Current liabilities			
Payables		1,052,014	1,709,742
Total current liabilities		1,052,014	1,709,742
Total liabilities		41,052,014	41,709,742
Total equity and liabilities		41,327,760	41,983,774

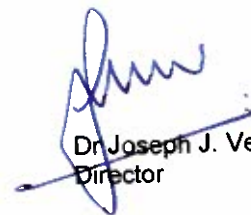
The notes on pages 7 to 8 are an integral part of these condensed interim financial statements.

The condensed interim financial statements on pages 3 to 8 were approved by the board of directors, authorised for issue on 21 October 2024 and signed on its behalf by:

Mr Frank Xerri de Caro
Chairman



Dr Joseph J. Vella
Director



Interim statement of changes in equity

	Share capital €	Retained earnings €	Total €
At 1 March 2023	250,000	18,480	268,480
Profit for the period	-	3,797	3,797
Total comprehensive income for period	-	3,797	3,797
At 31 August 2023	250,000	22,277	272,277
At 1 September 2023	250,000	22,277	272,277
Profit for the period	-	1,755	1,755
Total comprehensive income for period	-	1,755	1,755
At 29 February 2024	250,000	24,032	274,032
At 1 March 2024	250,000	24,032	274,032
Profit for the period	-	1,714	1,714
Total comprehensive income for period	-	1,714	1,714
At 31 August 2024	250,000	25,746	275,746

Interim statement of cash flows

	Period from 1 March 2024 To 31 August 2024 €	Period from 1 March 2023 To 31 August 2023 €
Cash flows from operating activities		
Cash used in operating activities	(37,858)	(58,828)
Tax paid	(27,882)	(1,814)
Net cash used in operating activities	(65,740)	(60,642)
Cash flows from investing activities		
Interest received	1,781,944	1,760,972
Net cash generated from investing activities	1,781,944	1,760,972
Cash flows from financing activities		
Interest paid	(1,700,000)	(1,700,000)
Net cash used in financing activities	(1,700,000)	(1,700,000)
Net change in cash and cash equivalents	16,204	330
Cash and cash equivalents at beginning of period	61,544	83,710
Cash and cash equivalents at end of period	77,748	84,040

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 29 February 2024.

2. Bonds in issue

	Interest rate	Repayable by	31 August 2024 €	29 February 2024 €
Bond V	4.25%	12 April 2026	40,000,000	40,000,000
			40,000,000	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 2024 to 31 August 2024 €	Period from 1 March 2023 To 31 August 2023 €
Interest charged on loans owed by parent company	890,000	890,000

Loans owed by parent company

	Security	Interest rate	Repayable by	31 August 2024 €	28 February 2024 €
Loan VI	None	4.45%	5 April 2026	39,910,000	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

	31 August 2024	29 February 2024
	€	€
Current		
Amounts owed by parent company	602,703	384,471
Accrued interest income	716,944	1,608,889
	1,319,647	1,993,360

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 2024, 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



Joseph J. Vella

Director

21 October 2024