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.

Financial Analysis Summary

CPHCL Finance p.l.c. announces that the Financial Analysis Summary of CPHCL Company Ltd as guarantor of CPHCL Finance p.l.c. is attached to this Company Announcement and is also available on the Company's website: https://cphcl.com/analysis-summaries/

Krystle Ellul
Company Secretary

Encl.

30 June 2025

Financial Analysis Summary

30 June 2025

Issuer

CPHCL Finance p.l.c.

(C 25104)

Guarantor

CPHCL Company Limited

(C 257)

Prepared by:

MZ INVESTMENTS

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MZ INVESTMENTS

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

30 June 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 year ending 31 December 2025 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.

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This Analysis is meant to assist existing and potential investors in the Issuer's securities by summarising the more important financial information of the Group. This Analysis does not contain all data that is relevant to investors. This Analysis 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. As with all investments, existing and potential investors are encouraged to seek professional advice before investing in the Issuer's securities.

Yours faithfully,

Evan Mohnani
Head Corporate Broking

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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.

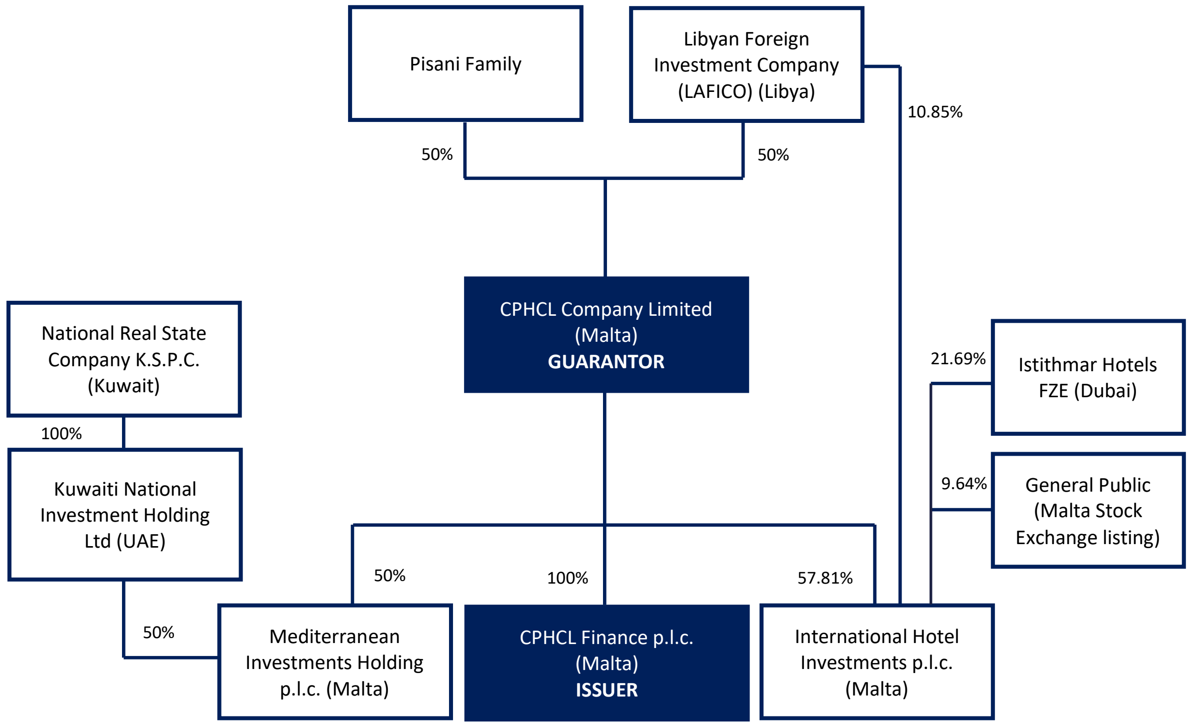
The Board members of the Guarantor as at the date of this report are included hereunder:

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
Mohamed Monder Al Moktar Alghnimi	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 following table 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	100	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
▪ ***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
Verdi Budapest Aquincum	Hungary	n/a	310	n/a	n/a	n/a
Verdi Hotel Tunis	Tunisia	n/a	309	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
Pinhiero 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			**6,381**	**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

[1] **Source:** European Commission, '*European Economic Forecast – Spring 2025*', 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

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

[2] **Source:** European Commission, '*European Economic Forecast – Spring 2025*', 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

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.

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 LIBYA[3]

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 subsidies[4] 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

[3] **Source:** International Monetary Fund, '*Libya: Staff Concluding Statement of the 2025 Article IV Mission*', 16 April 2025.
[4] Subsidised goods and services account for around one-third of the CPI.

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.

6.4 TUNISIA[5]

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 is based on a ten-month period and has been provided by management of the Company. 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** **Actual** **€'000**	**29 Feb'24** **Actual** **€'000**	**28 Feb'25** **Actual** **€'000**	**31 Dec'25** **10 months** **Projection** **€'000**
Finance income	1,760	1,780	1,780	1,483
Finance costs	(1,700)	(1,700)	(1,700)	(1,417)
Administrative expenses	(37)	(46)	(48)	(42)
Profit before tax	**23**	**34**	**32**	**24**
Taxation	(21)	(28)	(28)	(23)
Profit for the year/period	**2**	**6**	**4**	**1**
Total comprehensive income	**2**	**6**	**4**	**1**

CPHCL Finance p.l.c. **Statement of Cash Flows** **For the financial year ended**	**28 Feb'23** **Actual** **€'000**	**29 Feb'24** **Actual** **€'000**	**28 Feb'25** **Actual** **€'000**	**31 Dec'25** **10 months** **Projection** **€'000**
Net cash used in operating activities	(49)	(83)	(64)	(65)
Net cash from investing activities	1,750	1,761	1,782	1,780
Free cash flow	**1,701**	**1,678**	**1,718**	**1,715**
Net cash used in financing activities	(1,700)	(1,700)	(1,700)	(1,700)
Net movement in cash and cash equivalents	**1**	**(22)**	**18**	**15**
Cash and cash equivalents at beginning of year	83	84	62	80
Cash and cash equivalents at end of year/period	**84**	**62**	**80**	**95**

CPHCL Finance p.l.c. Statement of Financial Position As at	28 Feb'23 Actual €'000	29 Feb'24 Actual €'000	28 Feb'25 Actual €'000	31 Dec'25 Projection €'000
ASSETS				
Non-current assets				
Loans owed by parent company	39,910	39,910	39,910	-
	39,910	**39,910**	**39,910**	**-**
Current assets				
Loans owed by parent company	-	-	-	39,910
Receivables	1,927	1,993	1,984	1,687
Other assets	20	19	-	-
Cash and cash equivalents	84	62	80	95
	2,031	**2,074**	**2,064**	**41,692**
Total assets	**41,941**	**41,984**	**41,974**	**41,692**
EQUITY				
Capital and reserves				
Called up share capital	250	250	250	250
Retained earnings	18	24	28	29
	268	**274**	**278**	**279**
LIABILITIES				
Non-current liabilities				
Bonds	40,000	40,000	40,000	-
	40,000	**40,000**	**40,000**	**-**
Current liabilities				
Bonds	-	-	-	40,000
Payables	1,673	1,710	1,696	1,413
	1,673	**1,710**	**1,696**	**41,413**
Total liabilities	**41,673**	**41,710**	**41,696**	**41,413**
Total equity and liabilities	**41,941**	**41,984**	**41,974**	**41,692**

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. As such, 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.

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 forecast financial information for the year ending 31 December 2025 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 Actual €'000	2023 Actual €'000	2024 Actual €'000	2025 Forecast €'000
Revenue	270,345	326,893	348,660	390,779
Costs of providing services	(141,987)	(171,858)	(177,591)	(201,180)
Gross profit	**128,358**	**155,035**	**171,069**	**189,599**
Marketing and administrative expenses	(56,067)	(72,059)	(83,860)	(96,546)
Other operating costs	(20,290)	(23,158)	(24,533)	(23,637)
EBITDA	**52,001**	**59,818**	**62,676**	**69,416**
Depreciation and amortisation	(31,634)	(30,092)	(30,497)	(31,982)
Adjustments in the value of property and intangible assets	(7,827)	6,698	17,913	-
Gain / (loss) on exchange	425	(1,480)	871	1,442
Other net income / (expenses)	(100)	(1,680)	(115)	16
Operating profit	**12,865**	**33,264**	**50,848**	**38,892**
Share of profit of equity accounted investments	5,317	6,360	6,834	6,869
Finance income	563	1,251	1,576	1,184
Finance costs	(31,885)	(42,511)	(47,905)	(46,134)
Movement in value of financial assets	(3,640)	(1,541)	57	(245)
Other	15,398	(2,077)	(1,599)	14,084
Profit / (loss) before tax	**(1,382)**	**(5,254)**	**9,811**	**14,650**
Taxation	(2,051)	(5,817)	(4,415)	(3,678)
Profit / (loss) for the year	**(3,433)**	**(11,071)**	**5,396**	**10,972**
Other comprehensive income / (expense)				
Gross surplus / (impairment) 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)	33,868
Total comprehensive income / (expense) for the year	**(24,141)**	**16,716**	**77,375**	**44,840**

CPHCL Company Limited Key Financial Ratios	FY2022 Actual	FY2023 Actual	FY2024 Actual	FY2025 Forecast
Gross profit margin (%) *(Gross profit / revenue)*	47.48	47.43	49.06	48.52
EBITDA margin (%) *(EBITDA / revenue)*	19.24	18.30	17.98	17.76
Operating profit margin (%) *(Operating profit / revenue)*	4.76	10.18	14.58	9.95
Net profit margin (%) *(Profit after tax / revenue)*	(1.27)	(3.39)	1.55	2.81
Return on equity (%) *(Profit after tax / average equity)*	(0.39)	(1.25)	0.58	1.11
Return on assets (%) *(Profit after tax / average assets)*	(0.19)	(0.60)	0.27	0.53
Return on invested capital (%) *(Operating profit / average invested capital)*	0.85	2.15	3.08	2.30
Interest cover (times) *(EBITDA / net finance costs)*	1.66	1.45	1.35	1.54

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 weaken 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 year 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 a 12% (+€42.1 million) increase in revenue to €390.8 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.

EBITDA is expected to increase year-on-year by €6.7 million to €69.4 million, thereby maintaining the EBITDA margin at *circa* 18% on a comparable basis. Interest cover is forecasted to improve to 1.54 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 €11.9 million, from €50.8 million in FY2024 to €38.9 million.

Share of profit of equity accounted investments is anticipated to remain relatively stable at €6.9 million, while finance costs are expected to decrease by €1.8 million to €46.1 million.

'Other' comprises net gains from the proposed sale of a significant portion of the Corinthia Hotel Lisbon, 75% shareholding in Malta Fairs and Conventions Centre Limited (MFCC) and other non-core businesses, which are projected to amount to €14.1 million.

Overall, the Group anticipates a net profit of €11.0 million in FY2025, compared to a net profit of €5.4 million in FY2024. Total comprehensive income is projected to amount to €44.8 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 amounting to €33.9 million.

CPHCL Company Limited **Statement of Cash Flows** **For the financial year 31 December**	**2022** **Actual** **€'000**	**2023** **Actual** **€'000**	**2024** **Actual** **€'000**	**2025** **Forecast** **€'000**
Net cash from operating activities	47,815	58,119	55,611	65,063
Net cash used in investing activities	(41,063)	(51,956)	(65,607)	120,642
Free cash flow	**6,752**	**6,163**	**(9,996)**	**185,705**
Net cash from / (used in) financing activities	(71,236)	17,413	(13,161)	(98,558)
Net movement in cash and cash equivalents	**(64,484)**	**23,576**	**(23,157)**	**87,147**
Cash and cash equivalents at beginning of year	138,264	66,629	92,643	73,793
Effect of translation to the presentation currency	(7,151)	2,438	4,307	1,190
Cash and cash equivalents at end of year	**66,629**	**92,643**	**73,793**	**162,130**

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 forecast year (2025), the Group expects to generate €65.1 million in net cash from operating activities, an increase of €9.5 million compared to a year earlier.

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 Pinhiero 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 €120.6 million in FY2025. During the year, the Group expects to dispose of a significant portion of the Corinthia Hotel Lisbon, 75% shareholding in MFCC and other non-core businesses, resulting in a net cash inflow of €148.4 million. Dividend and interest receivable are estimated to amount to €6.5 million. On the expenditure side, ongoing costs relating to the Corinthia Grand Hotel Astoria Brussels and other projects are projected to amount to €36.6 million.

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 is projected to amount to €98.6 million and shall comprise net repayment of borrowings (mainly bank facilities, bonds and related party loans) of €29.1 million, payment of lease obligations of €4.1 million and interest payable of €65.4 million.

CPHCL Company Limited Statement of Financial Position As at 31 December	**2022 Actual €'000**	**2023 Actual €'000**	**2024 Actual €'000**	**2025 Forecast €'000**
ASSETS				
Non-current assets				
Intangible assets	9,033	9,463	9,941	8,659
Investment property	185,624	179,377	261,451	268,405
Property, plant and equipment	1,299,101	1,383,567	1,300,471	1,308,097
Right-of-use assets	15,402	18,628	16,423	23,455
Deferred tax assets	36,166	37,766	45,605	45,882
Investments in associates and joint ventures	104,704	108,103	111,920	138,389
Financial assets at fair value through profit or loss	5,373	3,411	3,411	3,784
Other financial assets at amortised cost	9,117	6,120	6,412	6,396
Trade and other receivables	1,539	687	11,173	11,012
	1,666,059	**1,747,122**	**1,766,807**	**1,814,079**
Current assets				
Inventories	17,030	16,755	21,341	19,106
Trade and other receivables	42,789	45,042	54,344	69,691
Tax assets	283	2,300	759	612
Financial assets at fair value through profit or loss	3,607	386	160	87
Assets placed under trust management	77	77	77	77
Assets held for sale	102	62	162,386	15,055
Cash and cash equivalents	77,657	101,398	83,238	168,677
Other current assets	153	110	87	236
	141,698	**166,130**	**322,392**	**273,541**
Total assets	**1,807,757**	**1,913,252**	**2,089,199**	**2,087,620**
EQUITY				
Capital and reserves				
Called up share capital	20,000	20,000	20,000	20,000
Retained earnings	253,271	249,002	261,431	295,696
Other reserves	135,677	142,157	170,620	213,955
Non-controlling interest	466,477	480,772	517,255	484,494
	875,425	**891,931**	**969,306**	**1,014,145**
LIABILITIES				
Non-current liabilities				
Bank borrowings	291,819	345,006	385,609	395,237
Bonds	311,106	336,492	292,079	171,720
Lease liabilities	15,018	17,943	16,479	20,625
Other financial liabilities	33,577	34,685	35,846	33,948
Deferred tax liabilities	101,471	119,763	143,996	120,979
Other non-current liabilities	12,626	10,489	28,677	25,265
	765,617	**864,378**	**902,686**	**767,774**
Current liabilities				
Bank borrowings	48,757	32,597	40,890	20,671
Bank overdraft	11,028	8,755	9,445	6,547
Bonds	9,985	10,362	44,953	155,000
Lease liabilities	2,214	2,889	2,388	5,160
Other financial liabilities	113	91	5,500	12,918
Trade and other payables	92,702	99,578	110,222	94,950
Current tax liabilities	1,916	2,671	3,809	10,455
	166,715	**156,943**	**217,207**	**305,701**
Total liabilities	**932,332**	**1,021,321**	**1,119,893**	**1,073,475**
Total equity and liabilities	**1,807,757**	**1,913,252**	**2,089,199**	**2,087,620**
Total debt	*723,617*	*788,820*	*833,189*	*821,826*
Net debt	*645,883*	*687,345*	*749,874*	*653,072*
Invested capital (total equity plus net debt)	*1,521,308*	*1,579,276*	*1,719,180*	*1,667,217*

CPHCL Company Limited Key Financial Ratios	FY2022 Actual	FY2023 Actual	FY2024 Actual	FY2025 Forecast
Net debt-to-EBITDA (times) *(Net debt / EBITDA)*	12.42	11.49	11.96	9.41
Net debt-to-equity (times) *(Net debt / total equity)*	0.74	0.77	0.77	0.64
Net gearing (%) *(Net debt / net debt and total equity)*	42.46	43.52	43.62	39.17
Debt-to-assets (times) *(Total debt / total assets)*	0.40	0.41	0.40	0.39
Leverage (times) *(Total assets / total equity)*	2.07	2.15	2.16	2.06
Current ratio (times) *(Current assets / current liabilities)*	0.85	1.06	1.48	0.89

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, Pinhiero 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 of the Corinthia Hotel Lisbon, 75% of the MFCC and other non-core businesses are expected to be sold in 2025.

ii) ‘Investments in associates and joint ventures’ (+€26.5 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’ (+€7.1 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 €821.8 million, down by €11.4 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 9 times in 2025.

9. VARIANCE ANALYSIS

The following financial information relates to the variance analysis between the forecast financial information for the year ended 31 December 2024 included in the prior year's Financial Analysis Summary dated 28 June 2024 and the audited consolidated financial statements for the year ended 31 December 2024.

CPHCL Company Limited **Consolidated Income Statement** **for the financial year 31 December 2024**	**Actual** **€'000**	**Forecast** **€'000**	**Variance** **€'000**
Revenue	348,660	353,322	(4,662)
Costs of providing services	(177,591)	(196,567)	18,976
Gross profit	**171,069**	**156,755**	**14,314**
Marketing costs and administrative expenses	(83,860)	(73,731)	(10,129)
Other operating costs	(24,533)	(23,183)	(1,350)
EBITDA	**62,676**	**59,841**	**2,835**
Depreciation and amortisation	(30,497)	(30,126)	(371)
Other net income / (expenses)	(115)	-	(115)
Gain / (loss) on exchange	871	-	871
Adjustments in value of hotel & other properties, intangibles	17,913	-	17,913
Results from operating activities	**50,848**	**29,715**	**21,133**
Finance costs	(47,905)	(47,343)	(562)
Finance income	1,576	743	833
Movement in value of financial assets	57	-	57
Share of results of associate companies	6,834	6,931	(97)
Other	(1,599)	377	(1,976)
Profit (loss) before tax	**9,811**	**(9,577)**	**19,388**
Taxation	(4,415)	562	(4,977)
Net profit (loss)	**5,396**	**(9,015)**	**14,411**
			-
Other comprehensive income / (expense)			-
Gross surplus / (impairment) on revaluation of hotels & other assets	74,394	-	74,394
Share of other comprehensive income of equity accounted investments	212	-	212
Other effects and tax	(2,627)	8,195	(10,822)
	71,979	**8,195**	**63,784**
			-
Total comprehensive income / (expense) net of tax	**77,375**	**(820)**	**78,195**

In 2024, the Group performed broadly in line with expectation at the operational level – in particular, actual revenue was lower by 1% (or €4.7 million) while EBITDA was higher than projected by 5% (or €2.8 million). A net gain in value of property and intangible assets of €17.9 million, which was not reflected in the forecast financial information, had a positive impact on the Group's results. After taking into consideration a negative variance in taxation of €5.0 million (principally on account of deferred taxation), the Group converted a forecast net loss of €9.0 million to a net profit of €5.4 million (a positive variance of €14.4 million).

The Group reported total comprehensive income of €77.4 million compared to a forecast total comprehensive expense of €0.8 million, thus resulting in a positive variance of €78.2 million. When the projections were compiled, the Group had not anticipated the net uplift in fair value of hotel properties (net of deferred tax) and the net currency translation gain reflected in the actual results.

CPHCL Company Limited **Cash Flow Statement** **for the financial year 31 December 2024**	**Actual** **€'000**	**Forecast** **€'000**	**Variance** **€'000**
Net cash from / (used in) operating activities	55,611	44,874	10,737
Net cash from / (used in) investing activities	(65,607)	(82,020)	16,413
Net cash from / (used in) financing activities	(13,161)	(21,320)	8,159
Net movement in cash and cash equivalents	**(23,157)**	**(58,466)**	**35,309**
Cash and cash equivalents at beginning of year	92,643	92,643	-
Effect of translation of group entities to presentation currency	4,307	(1,504)	5,811
Cash and cash equivalents at end of year	**73,793**	**32,673**	**41,120**

Actual net movement in cash and cash equivalents was higher than projected by €35.3 million.

Cash inflows from operating activities were higher than projected by €10.7 million on account of better-than-expected performance by the Group's hotels.

Development costs and other capital expenditure were lower than forecasted. On the other hand, the Lisbon apartments were not all sold in 2024 as initially projected which would have resulted in a higher cash inflow to the Group. As such, net cash used in investing activities was lower than expected by €16.4 million.

In financing activities, actual cash outflows amounted to €13.2 million compared to a projected net cash outflow of €21.3 million, thus resulting in a positive variance of €8.2 million.

CPHCL Company Limited Statement of Financial Position as at 31 December 2024	Actual €'000	Forecast €'000	Variance €'000	
ASSETS				
Non-current assets				
Intangible assets	9,941	9,085	856	
Investment properties	261,451	261,770	(319)	
Property, plant and equipment	1,300,471	1,365,892	(65,421)	(i)
Investments in associates & joint ventures	111,920	112,033	(113)	
Right-of-use assets	16,423	16,968	(545)	
Other financial assets	6,412	6,809	(397)	
Deferred tax assets	45,605	37,965	7,640	
Financial assets	3,411	3,411	-	
Trade and other receivables	11,173	7,453	3,720	
	1,766,807	1,821,386	(54,579)	
Current assets				
Inventories	21,341	20,342	999	
Trade and other receivables	54,431	67,830	(13,399)	
Taxation	759	2,103	(1,344)	
Financial assets	160	572	(412)	
Assets placed under trust arrangement	77	77	-	
Cash and cash equivalents	83,238	46,651	36,587	
Assets held for sale	162,386	62	162,324	(i)
	322,392	137,637	184,755	
Total assets	**2,089,199**	**1,959,023**	**130,176**	
EQUITY				
Called up share capital	20,000	20,000	-	
Other reserves	170,620	145,232	25,388	
Retained earnings	261,431	246,098	15,333	
Non-controlling interest	517,255	479,781	37,474	
	969,306	**891,111**	**78,195**	(v)
LIABILITIES				
Non-current liabilities				
Borrowings, bonds and other financial liabilities	713,534	672,047	41,487	(ii)
Lease liabilities	16,479	16,442	37	(ii)
Other non-current liabilities	172,673	126,795	45,878	(iii)
	902,686	815,284	87,402	
Current liabilities				
Bank overdrafts	9,445	13,978	(4,533)	(ii)
Borrowings and bonds	85,843	133,995	(48,152)	(ii)
Lease liabilities	2,388	2,757	(369)	(ii)
Other current liabilities	119,531	101,898	17,633	(iv)
	217,207	252,628	(35,421)	
	1,119,893	**1,067,912**	**51,981**	
Total equity and liabilities	**2,089,199**	**1,959,023**	**130,176**	

The amount of total assets as at 31 December 2024 was higher than expected by €130.2 million. Below are the main variances in total assets:

(i) Property, plant and equipment and assets classified as held for resale were higher than projected on a net basis by €96.9 million, mainly on account on net uplifts in fair value and positive currency translation differences which were not anticipated in the projections.

Total liabilities were lower than forecast by €52.0 million, mainly due to:

(ii) Total debt (bank borrowings, bonds, lease obligations and other financial liabilities) was lower than projected by €11.5 million;

(iii) Other non-current liabilities, primarily being deferred tax liabilities, were higher than expected by €45.9 million on account of the uplifts in fair value of Group assets;

(iv) Other current liabilities, which comprise trade & other payables and accruals, were higher than anticipated by €17.6 million.

Capital and reserves (note v) were higher than projected by €78.2 million on account of net uplifts in carrying value of Group properties, a positive movement in currency translation reserves and the conversion of a projected loss to a net profit for the year.

10. DEBT SECURITIES ISSUED BY ASSOCIATED COMPANIES

CPHCL owns 50% of Mediterranean Investments Holding p.l.c., a company principally involved in the Palm City Residences Project and the Medina Tower Project which are both situated in Libya. Below is a list of outstanding debt securities:

Security ISIN	Security	Symbol Code	Amount Outstanding	Market Price*
n/a	6.00% Mediterranean Investments Holding p.l.c. Unsecured 2023-2025**	n/a	€ 11,000,000	n/a
MT0000371303	5.25% Mediterranean Investments Holding p.l.c. Unsecured & Guaranteed 2027	MI27A	€ 30,000,000	102.00%
MT0000371311	5.85% Mediterranean Investments Holding p.l.c. Unsecured & Guaranteed 2028	MI28A	€ 20,000,000	104.00%
			€ 61,000,000	

** As at 31 May 2025*
*** Unlisted notes.*

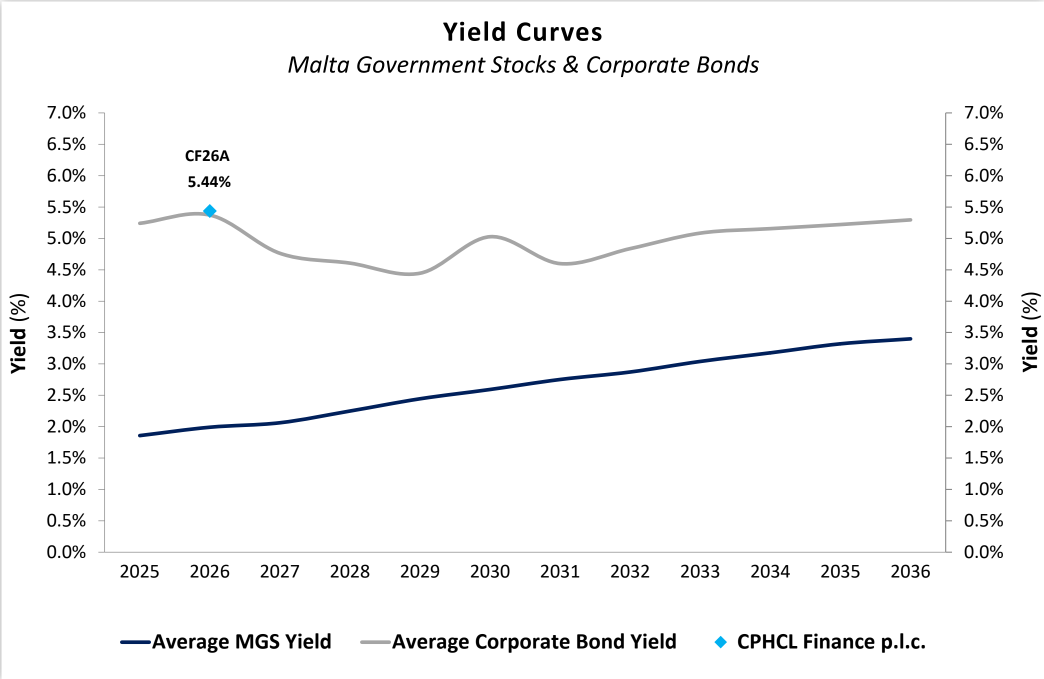
PART 4 – COMPARATIVE ANALYSIS

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	Yield-to-Maturity / Worst	Interest Cover	Net Debt-to-EBITDA	Net Gearing	Debt-to-Assets
	(€'000)	*(%)*	*(times)*	*(times)*	*(%)*	*(times)*
4.35% Hudson Malta p.l.c. Unsecured & Guaranteed 2026	12,000	4.32	4.93	4.63	73.87	0.55
4.25% CPHCL Finance p.l.c. Unsecured & Guaranteed 2026	40,000	5.44	1.35	11.96	43.62	0.40
4.00% International Hotel Investments p.l.c. Secured 2026	55,000	3.99	1.46	11.17	43.36	0.40
5.00% Dizz Finance p.l.c. Unsecured & Guaranteed 2026	8,000	6.57	1.96	9.84	84.18	0.55
3.75% Premier Capital p.l.c. Unsecured 2026	65,000	3.88	12.23	2.16	69.41	0.59
4.00% International Hotel Investments p.l.c. Unsecured 2026	60,000	4.95	1.46	11.17	43.36	0.40
3.25% AX Group p.l.c. Unsecured 2026	15,000	4.43	3.09	7.54	42.13	0.37
4.00% Hili Finance Company p.l.c. Unsecured & Guaranteed 2027	50,000	5.20	4.88	4.34	67.75	0.57
4.35% SD Finance p.l.c. Unsecured & Guaranteed 2027	65,000	4.35	5.86	2.93	30.32	0.34
4.00% Eden Finance p.l.c. Unsecured & Guaranteed 2027	40,000	4.02	4.55	6.93	28.64	0.26
5.25% Mediterranean Investments Holding p.l.c. Unsecured & Guaranteed 2027	30,000	5.24	5.81	2.45	20.10	0.19
4.00% Stivala Group Finance p.l.c. Secured & Guaranteed 2027	45,000	4.01	4.46	5.18	21.99	0.20
4.75% Best Deal Properties Holding p.l.c. Secured & Guaranteed 2025-2027	14,438	4.74	110.36	8.31	74.19	0.73
4.75% Gap Group p.l.c. Secured & Guaranteed 2025-2027	23,000	4.74	n/a	1.04	26.65	0.33
3.85% Hili Finance Company p.l.c. Unsecured & Guaranteed 2028	40,000	4.19	4.88	4.34	67.75	0.57
5.85% Mediterranean Investments Holding p.l.c. Unsecured & Guaranteed 2028	20,000	5.14	5.81	2.45	20.10	0.19
5.75% PLAN Group p.l.c. Secured & Guaranteed 2028	12,000	5.10	2.48	14.28	51.39	0.46
5.75% Best Deal Properties Holding p.l.c. Secured & Guaranteed 2027-2029	15,000	5.16	110.36	8.31	74.19	0.73
5.00% Hili Finance Company p.l.c. Unsecured & Guaranteed 2029	80,000	5.00	4.88	4.34	67.75	0.57
3.65% Stivala Group Finance p.l.c. Secured & Guaranteed 2029	15,000	4.18	4.46	5.18	21.99	0.20
3.80% Hili Finance Company p.l.c. Unsecured & Guaranteed 2029	80,000	4.59	4.88	4.34	67.75	0.57
3.75% AX Group p.l.c. Unsecured 2029	10,000	3.75	3.09	7.54	42.13	0.37
6.25% GPH Malta Finance p.l.c. Unsecured & Guaranteed 2030	18,144	5.51	1.81	6.89	96.76	0.83
3.65% International Hotel Investments p.l.c. Unsecured 2031	80,000	5.09	1.46	11.17	43.36	0.40
3.50% AX Real Estate p.l.c. Unsecured 2032	40,000	4.47	2.87	8.01	51.84	0.47
5.35% Best Deal Properties Holding p.l.c. Unsecured 2032	7,000	5.00	110.36	8.31	74.19	0.73
5.80% GPH Malta Finance plc Unsecured & Guaranteed 2032	15,000	5.39	1.81	6.89	96.76	0.83
5.00% Mariner Finance p.l.c. Unsecured 2032	36,930	4.67	4.00	5.48	45.91	0.45
5.85% AX Group p.l.c. Unsecured 2033	40,000	5.10	3.09	7.54	42.13	0.37
6.00% International Hotel Investments p.l.c. Unsecured 2033	60,000	5.32	1.46	11.17	43.36	0.40
4.50% The Ona p.l.c. Secured & Guaranteed 2028-2034	16,000	4.50	2.35	12.72	77.11	0.69
5.35% Hal Mann Vella Group p.l.c. Secured 2031-2034	23,000	5.14	2.69	7.13	47.59	0.42
5.30% International Hotel Investments p.l.c. Unsecured 2035	35,000	5.13	1.46	11.17	43.36	0.40
5.50% Juel Group p.l.c. Secured & Guaranteed 2035	32,000	5.17	15.06	23.23	58.68	0.48
5.80% Agora Estates p.l.c. Secured 2036 S1 T1	12,000	5.34	0.99	21.21	35.45	0.33
5.50% Agora Estates p.l.c. Secured 2036 S1 T2	9,000	5.26	0.99	21.21	35.45	0.33

**As at 30 May 2025*

Sources: *Malta Stock Exchange, M.Z. Investment Services Limited, and most recent audited annual financial statements of respective Issuers and, or Guarantors.*



The closing market price as at 30 May 2025 for the **4.25% CPHCL Finance p.l.c. unsecured and guaranteed bonds 2026** (CF26A) was 99.00%. This translated into a yield-to-maturity ("**YTM**") of 5.44% which was 7 basis points above the average YTM of 5.37% of other local corporate bonds maturing in the same year. The premium over the corresponding average Malta Government Stock yield of equivalent maturity (1.99%) stood at 345 basis points.

PART 5 – EXPLANATORY DEFINITIONS

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

Profitability Ratios	
EBITDA margin	EBITDA as a percentage of revenue.
Operating profit margin	Operating profit (or loss) as a percentage of total revenue.
Net profit margin	Profit (or loss) after tax as a percentage of total revenue.
Return on equity	Measures the rate of return on net assets and is computed by dividing the net profit (or loss) for the year by average equity.
Return on assets	Measures the rate of return on assets and is computed by dividing the net profit (or loss) for the year by average assets.
Return on invested capital	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	
Net cash from / (used in) operating activities	The amount of cash generated (or consumed) from the normal conduct of business.
Net cash from / (used in) investing activities	The amount of cash generated (or consumed) from activities related to the acquisition, disposal, and/or development of long-term assets and other investments.
Net cash from / (used in) financing activities	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.
Free cash flow	Represents the amount of cash generated (or consumed) from operating activities after considering any amounts of capital expenditure.

Statement of Financial Position	
Non-current assets	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.
Current assets	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.
Non-current liabilities	These represent long-term financial obligations which are not due within the next twelve months, and typically include long-term borrowings and debt securities.
Current liabilities	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.
Total equity	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	
Interest cover	Measures the extent of how many times a company can sustain its net finance costs from EBITDA.
Net debt-to-EBITDA	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.
Net debt-to-equity	Shows the proportion of net debt (including lease liabilities) to the amount of equity.
Net gearing	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.
Debt-to-assets	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.
Leverage	Shows how many times a company is using its equity to finance its assets.
Current ratio	Measures the extent of how much a company can sustain its short-term liabilities from its short-term assets.