



CORINTHIA

GROUP

2024

ANNUAL REPORT

& Financial Statements



INTERNATIONAL HOTEL INVESTMENTS P.L.C.

INTERNATIONAL HOTEL INVESTMENTS P.L.C.

IS A REAL ESTATE INVESTOR, DEVELOPER AND OPERATOR, FOCUSING PRIMARILY ON LUXURY HOTELS AND SERVICED RESIDENCES CARRYING OUR PROPRIETARY CORINTHIA BRAND.



BEVERLY HILLS
BRUSSELS
BUCHAREST
BUDAPEST
DUBAI
DOHA
LISBON
LONDON
MALDIVES
MALTA
NEW YORK
PRAGUE
RIYADH
ROME
ST PETERSBURG
TRIPOLI
TUNIS
TURKS & CAICOS

Our goal is the continued growth of our Corinthia Brand as a significant player in the field of luxury accommodation, and in so doing, benefitting from the entire value chain of investment, development and management of luxury hotels and serviced residences.

Readers are reminded that the official statutory Annual Financial Report 2024, authorized for issue by the Board of Directors, is in European Single Electronic Format (ESEF) and is published on www.corinthiagroup.com. A copy of the Independent auditor's report issued on the official statutory Annual Financial Report 2024, is included within this printed document and comprises the auditor's report on compliance with the requirements of the European Single Electronic Format Regulatory Technical Standard (the ESEF RTS), by reference to Capital Markets Rule 5.55.6.

International Hotel Investments p.l.c.
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www.corinthiagroup.com

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VILLA CORINTHIA

THE ORIGINS OF THE GROUP LIE IN THE
OPENING OF THIS PROPERTY AS A FINE DINING
RESTAURANT IN 1962.



WE ARE OWNERS, INVESTORS, DEVELOPERS AND OPERATORS OF LUXURY HOTELS & REAL ESTATE

WE ARE A PLC, WITH A STABLE SHAREHOLDING
BASE, COMPRISING THE FOUNDING FAMILY
ALONGSIDE FUNDS & PUBLIC INVESTORS.



INTERNATIONAL HOTEL INVESTMENTS p.l.c.



CORINTHIA
HOTELS



IHI IS A REAL ESTATE INVESTOR, DEVELOPER AND OPERATOR, FOCUSING PRIMARILY ON LUXURY HOTELS AND CARRYING OUR PROPRIETARY CORINTHIA BRAND. OUR CORE GOAL IS THE CONTINUED GROWTH OF BRAND AS A SIGNIFICANT PLAYER IN THE FIELD OF LUXURY TRAVEL AND ACCOMMODATION, AND IN SO DOING, BENEFITTING FROM THE ENTIRE VALUE CHAIN OF INVESTMENT, DEVELOPMENT AND MANAGEMENT OF LUXURY HOTELS AND SERVICED RESIDENCES.

We own:

- ◇ 13 hotel properties in prime locations.
- ◇ Corinthia Hotels Limited – our operating and brand company, headquartered with 80 professionals in London, Malta and beyond, involved in 28 operations.
- ◇ 2 commercial and retail centres.
- ◇ Land for development.
- ◇ QPM Limited – a professional services company offering project management, architectural, interior and structural design services, quantity surveying etc, having 120 professionals on its books. 80% of QPM's revenue is from third-parties.
- ◇ CDI Limited (to be renamed to C-Rev in 2025) – a specialist company with a team of entrepreneurial executives who originate and execute real estate projects.



OUR PORTFOLIO

OUR VISION IS TO BUILD CORINTHIA WORLDWIDE, NOT ONLY WITHIN EUROPE AND THE MIDDLE EAST, BUT EQUALLY IN THE WORLD'S MAIN GATEWAY CITIES AND RESORTS.

HOTELS OWNED & MANAGED

BEVERLY HILLS	Upcoming Corinthia Hotel · 10% Holding
BRUSSELS	Corinthia Hotel, Former Grand Hotel Astoria, 126 Rooms · 50% Holding
BUDAPEST	Corinthia Hotel, Former Grand Hotel Royal, 414 Rooms · 100% Holding
LISBON	Corinthia Hotel, 518 Rooms · 100% Holding
LONDON	Corinthia Hotel & Residences, 283 Rooms · 50% Holding
MALTA	Corinthia Palace Hotel – Attard, 147 Rooms · 100% Holding
	Corinthia Hotel St George's Bay, 248 Rooms · 100% Holding
	Radisson Blu Resort & Spa – Golden Sands, 329 Rooms · 100% Holding
	Verdi Hotel – St George's Bay, 200 Rooms · 100% Holding
	Radisson Blu Resort – St Julian's, 252 Rooms · 100% Holding
MOSCOW	Corinthia Hotel & Residences · 10% Holding
ST PETERSBURG	Corinthia Hotel, 388 Rooms · 100% Holding
TRIPOLI	Corinthia Hotel, 300 Rooms · 100% Holding

HOTELS MANAGED

BUCHAREST	Corinthia Hotel, Former Grand Hotel Du Boulevard, 30 Suites
BUDAPEST	Verdi Hotel, 310 Rooms
DUBAI	Corinthia Hotel, opening 2033, 120 Rooms
DOHA	Golf & Yacht Club
	Corinthia Hotel, Residences, , opening 2026, 110 Rooms and 18 villas
MALDIVES	Corinthia Hotel Maldives, opening 2027, 85 Rooms and 10 Residential Villas
MALTA	Verdi Gzira Hotel, 106 Rooms
	Vivaldi Hotel, 263 Rooms
NEW YORK	The Surrey, A Corinthia Hotel, 100 Rooms, 14 Residences
PRAGUE	Panorama Hotel, 441 Rooms
RIYADH	Corinthia Hotel and Residences, opening 2027, 85 Rooms and 10 Residential Villas
TUNIS	Verdi Hotel, 309 Rooms
TURKS & CAICOS	Corinthia Hotel & Residences, opening 2029, 67 Rooms, 74 Apartments & 11 Villas

HOTELS OWNED & LEASED

PRAGUE	Grand Hotel Towers, a former Corinthia branded hotel, now leased to third parties, 539 Rooms · 100% Holding
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HOTELS LEASED & MANAGED

ROME	Corinthia Hotel, opening 2025, 60 Rooms
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LAND & COMMERCIAL PROPERTIES

BUDAPEST	Royal Residences
LONDON	10, Whitehall Place Residences,
	Craven House, Northumberland Avenue
MALTA	Corinthia Oasis, (Detailed Design Underway)
ST PETERSBURG	Nevskij Plaza Shopping & Office Centre
TRIPOLI	Corinthia Commercial Centre



BEVERLY HILLS
BRUSSELS
BUCHAREST
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DUBAI
DOHA
LISBON

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NEW YORK
PRAGUE
RIYADH

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ST PETERSBURG
TRIPOLI
TUNIS
TURKS & CAICOS

BOARD OF DIRECTORS



ALFRED PISANI
CHAIRMAN

Chairman of International Hotel Investments plc. He founded the Corinthia Group in 1962 and has guided the Group and IHI ever since, spearheading investment and growth across three continents over five decades.



SIMON NAUDI

Simon Naudi is the Managing Director and Group CEO of International Hotel Investments plc.

Simon joined Corinthia in 1997 and was primarily responsible for asset management, acquisitions and developments across Europe, the Gulf, North Africa and the USA. This included the acquisition, development and launch of the flagship Corinthia Hotel & Residences in London, as well as other luxury hotels and real estate under development in Brussels, Rome, Bucharest, New York, Riyadh, Doha, the Maldives, Beverly Hills and Turks & Caicos. Up until 2023, he was also CEO of Corinthia Hotels Limited, the operating arm of the Group.



**MOUSSA
ALHASSAN
ATIIQ ALI**

Mr Atiiq Ali is the General Manager of Libyan Foreign Investment Company (LAFICO) since 13 June 2021. He has previously occupied the post of Manager Director of Libya Africa Investment Portfolio (LAIP). He also occupied the position of Legal Consultant at the Libyan Investment Authority (LIA).



**HAMAD
BUAMIM**

Hamad Buamim is the Chairman of Dubai Multi Commodities Centre (DMCC). Previously, he was President and CEO of the Dubai Chamber of Commerce (2006–2022), driving Dubai's business growth and global trade relations. Dr. Buamim also holds board positions at National General Insurance, Deyaar Properties, and Dubai Islamic Bank. He earned a DBA in Strategy and Innovation from Warwick Business School, an MBA in Finance from the University of Missouri, and a Bachelor's in Electrical Engineering from USC.



**JOSEPH
PISANI**

Founder director and member of the main board of CPHCL Company Limited (CPHCL) as from 1962 and has served on a number of boards of subsidiary companies. From 2000 to 2014 he has served as Chairman of the Monitoring Committee of IHI.



**RICHARD
CACHIA
CARUANA**

Joined the Board of IHI in 2022 as an independent director. He is also the Chairperson of the IHI Audit Committee. He has occupied senior positions within the Maltese government and the European Union. In particular, he was Malta's Chief Negotiator for its EU accession negotiations, a long-serving Chief of Staff to the Maltese Prime Minister and Member of the EU's Committee of Permanent Representatives.



**ALFRED
CAMILLERI**

Mr Alfred Camilleri, BA (Hons) Public Administration, M.Sc (Economics) has a long and varied career in statistics and in national and international financial, budgetary and economic affairs. He was active in national and European economic and financial policy circles and is the Chairman of IHI's Remuneration and Nominations Committee. Additionally, he is a visiting lecturer at the University of Malta.



**DOURAI
ZAGHOUANI**

Chief Operating Officer of the Investment Corporation of Dubai (ICD). Previously, he was with Xerox for over 25 years, holding a number of senior management, sales and marketing posts in Europe and North America. Was Board Chairman of several Xerox companies; his last appointment was Corporate Officer and President, Channel Partner Operations for Xerox in New York.



**FRANK
XERRI
DE CARO**

Joined the Board of IHI in 2005, having previously been the General Manager of Bank of Valletta p.l.c., besides serving on the boards of several major financial, banking and insurance institutions.



**MOHAMED
MAHMOUD
SHAWSH**

Joined the Board of IHI in 2022. Mr Shawsh holds the position of Chief Investment Officer at LAFICO. Prior to taking up this position in 2021, Mr Shawsh occupied several senior positions within subsidiaries of LAFICO and International Companies including BP Exploration, Libya. He is experienced in digital transformation, financial investments, and risk management. Mr Shawsh holds a Bachelor's degree in Accounting and Finance from the National Institute of Business Administration in Tripoli and a high diploma in accounting and finance, from the High Institute of Administrative and Financial Occupations, Tripoli.



**STEPHEN
BAJADA**

Stephen Bajada is the Company Secretary of International Hotel Investments plc and its subsidiaries.

Since joining the Corinthia Group in 1998, he held several key positions and performed duties in various aspects of the business including that of Company Secretary of Mediterranean Investments Holding Plc, a leading real estate developer in North Africa, Company Secretary of several Corinthia Group and International Hotel Investments Plc entities, and directorships in a number of Corinthia subsidiaries. His involvement also includes other facets of the business particularly insurance procurement for all group entities.

Mr Bajada holds a Bachelor's degree in business management from the University of Malta and is a member of the Forum of Company Secretaries.

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2024

INDIRIZZ TAÇ-CHAIRMAN GHAS-SENA LI GHALQET NHAR IL-31 TA' DIÇEMBRU 2024



Dear Shareholders,

It is my pleasure to present our Annual Report & Financial Statements for 2024.

Another twelve months have passed, and I'm pleased to report significant progress in the pursuit of our objectives and plans.

Firstly, we had committed to implement a strategy to recycle our capital by crystallising values of our real estate by way of asset sales, and to redeploy net funds to growth, shareholder returns and other investments. First on our agenda has been the marketing of the sale of our hotel in Lisbon, for which we are targeting a sale price in excess of our latest independent valuations. International brokers have been appointed and advanced offers are now being refined and negotiated. We are hopeful that such negotiations will reach a more advanced stage within the next three months, with a view to closing a sale. The process for the sale of Prague is being initiated for a sale in 2026.

In parallel, we have been working diligently to attract institutional investors to IHI. The objective here is to secure funding for new investments. For one, it is our wish to increase our shareholding in a new project we have started in Beverly Hills as also a similar luxury hotel and residential development in Turks & Caicos. We also wish to launch our Oasis hotel and residential project in Malta, pursue an investment in the Maldives development where we are already acting as the operator, and explore several other promising opportunities all over the world. Discussions are progressing on several fronts, and we are confident that potential investors should recognise the strength and value of our portfolio - negotiations are expected to reflect this through favourable terms in the share value being negotiated.

As reflected in our financial statements, our net share value has increased from €1.00 to a combined €1.46 per share - a substantial uplift to the value reported in December 2023. This €1.46 is a combination of the €1.1 per share as shown in our consolidated Balance Sheet, and a further €0.36 per share for our service companies CHL and QP which are not consolidated into our Group balance sheet in view of accounting standards. This increase, whilst still based on prudent parameters defined by stringent accounting standards, strengthens our position as we continue discussions with international investors.

On the operational front, I am also pleased to confirm that our newly opened hotel in New York, where we act as operators, has been positively welcomed to this

Gheżież azzjonisti,

Ghandi l-pjaċir nipprezentalkom r-Rapport Annwali u d-Dikjarazzjonijiet Finanzjarji tagħna għas-sena 2024.

Għaddew tnax-il xahar ohra, u bi pjaċir nirrapporta progress sinifikanti fit-twettiq tal-oġettivi u l-pjanijiet tagħna.

Konna kkommettejna li ser nimplimentaw strateġija biex nirriċiklaw il-kapital tagħna billi nikkrystallizzaw il-valuri tal-propjetajiet immobbli permezz tal-bejgħ tal-assi, u li nirriallokaw il-fondi netti lejn tkabbir, dividend lill-azzjonisti u investimenti godda. L-ewwel fuq l-aġenda tagħna kien hemm il-bejgħ tal-lukanda tagħna f'Lisbona, li għaliha qed nimmiraw prezz tal-bejgħ li jaqbeż l-aħhar valutazzjonijiet indipendenti tagħna. Għal dan il-ghan il-Kumpanija hatret sensara internazzjonali u l-offerti li rċevejna qed jiġu n-negożjati. Nittamaw li dawn in-negożjati jilhqu stadju aktar avvanzat fit-tliet xhur li ġejjin u jiġi konkluz il-bejgħ. Il-proċess għall-bejgħ tal-lukanda ta Praga se jinbeda bit-tir li l-bejgħ isehh fl-2026.

Fl-istess waqt, qed nahdmu b'mod diliġenti biex nattiraw investituri istituzzjonali lejn l-IHI. L-ghan hawnhekk huwa li ngħibu finanzjament għal investimenti godda. L-ewwel nett, nixtiequ nżidu l-ishma tagħna fi proġett għdid li bdejna f'Beverly Hills kif ukoll f'lukanda ta' lussu simili u żvilupp residenzjali f'Turks & Caicos. Nixtiequ wkoll inniedu l-proġett tagħna ta' lukanda u żvilupp residenzjali Oasis f'Malta, inkomplu investiment ta' żvilupp fil-Maldives fejn diġà qed naġixxu bħala l-operatur, u nesploraw diversi opportunitajiet ohra promettenti madwar id-dinja kollha. Id-diskussjonijiet għaddejjin fuq diversi fronti, u ninsabu fiduċjużi li l-investituri potenzjali għandhom jirrikonoxxu s-sahha u l-valur tal-portafoll tagħna. In-negożjati huma mistennija li jirriflettu dan b'mod favorevoli fil-valur tal-ishma li qed jiġi negożjat.

Kif rifless fir-rapporti finanzjarji tagħna, il-valur nett tal-ishma tagħna żdied minn €1.00 għal €1.46 kull sehem — żieda sostanzjali meta mqabbla mal-valur irrapportat f'Diċembru 2023. Dan il-€1.46 tinkludi €1.10 għal kull sehem kif muri fil-Karta tal-Bilanċ ikkonsolidata tagħna, flimkien ma' €0.36 ohra għal kull sehem relatati mal-kumpaniji tas-servizzi tagħna CHL u QP li mhumiex ikkonsolidati fil-Karta tal-Bilanċ tal-Grupp tagħna minhabba l-istandards tal-kontabilita'. Din iż-żieda, għalkemm ibbażata fuq parametri prudenti skont l-istandards ta-kontabilita', issahhah il-pożizzjoni tagħna hekk kif inkomplu d-diskussjonijiet ma' investituri internazzjonali.

Fuq il-front operattiv, bi pjaċir nikkonferma wkoll li l-lukanda tagħna li għadha kemm infetħet fi New

high-profile market and is performing well. Much like the launch of the Corinthia London in 2011, when our brand reached new heights of recognition through the presence of flying our flag in this city, we also believe that our New York property will likewise give us a strong visibility in the American market, attracting more and more independent hotel developers and owners to seek our management expertise.

Following this, we successfully opened Corinthia Brussels - a hotel of outstanding quality in which we own a 50% shareholding - closely followed by Corinthia Bucharest, a luxury hotel where we provided project management services and now operate on behalf of a local investor. We now also look forward to inaugurating Corinthia Rome later this year.

Looking ahead, we have, sometime back, signed agreements to manage hotels in both Doha and Riyadh, which two properties are at an advanced stage of construction. Most recently, we concluded a significant partnership with API in Dubai for the development of a mixed-use project featuring a luxury hotel and branded residences. CHL will operate the hotel, while our subsidiary, QP, will provide project management and other related services.

These new openings and partnerships mark an exciting phase of growth and enhanced global recognition for our brand, reaffirming our commitment to excellence in hospitality.

As I have had the opportunity to explain in my previous presentations to you, we have been growing QP, our architectural and project management company which is a subsidiary of IHI. With offices in Malta, London and Dubai, QP is now securing increased international contracts, thereby diversifying its client base internationally.

Our real estate development company, C-REV, has now signed up to a hotel and office space in Beverly Hills which it intends to develop further. The investors behind this development will be tapping into our capital market for funding to invest and upgrade these properties in this prime and prestigious location.

In light of all this progress, and with continued optimism for the months ahead, I believe that the sale of assets on a phased manner and continued improving results from our businesses and new investments will place us in a position to get to a point where dividends become a regular feature of our business.

York, fejn ahna naġixxu bhala operatori, intlaqghet b' mod pożittiv f'dan is-suq ta' profil gholi u sejra tajjeb. Simili hafna ta' kif ġara bil-ftuh tal-Corinthia London fl-2011, meta l-'Brand' taghna laqget livelli ġodda ta' rikonoxximent permezz tal-preżenza taghna f'din il-belt, nemmnu wkoll li l-propjeta' taghna fi New York se taghtina vizibilita' qawwija fis-suq Amerikan, u tattira aktar u aktar żviluppaturi u sidien indipendenti ta' lukandi biex ifittxu l-kompetenza manigġerjali taghna.

Wara dan, f'fahna b' suċċess il-Corinthia Brussels — lukanda ta' kwalita' eċċezzjonali li fiha ghandna sehem ta' 50% — segwita, f'it wara, minn Corinthia Bucharest, lukanda lussuża fejn ipprovdjha servizzi ta' project management u li anke issa qed noperawha f'isem investitur lokali. Issa nistennew bil-herqa l-inawgurazzjoni ta' Corinthia Rome aktar tard din is-sena.

B'harsa' l quddiem, xi żmien ilu, iffirmajna kuntratt biex nimmanigġjaw lukandi kemm f'Doha kif ukoll f'Riyadh, liema żewġ proprjetajiet jinsabu fi stadju avvanzat ta' kostruzzjoni. Aktar recentement, ikkonkludejna ftehim importanti mal-API f'Dubai għall-żvilupp ta' proġett ta' użu varjat li jinkludi lukanda lussuża u residenzi ta' livell gholi. CHL se topera l-lukanda, filwaqt li s-sussidjarja taghna, QP, se tipprovdjha project management u servizzi ohra relatati.

Dawn l-opportunitajiet ġodda jimmarkaw fażi eċċitanti ta' tkabbir u rikonoxximent globali għall-marka taghna, filwaqt li jafferimaw mill-ġdid l-impenn taghna għall-eċċellenza fl-ospitalita'.

Kif kelli l-opportunita' nispjegalkom fil-preżentazzjonijiet li kont ghamilt fil-passat, ilna nahdmu sabiex inkabbru lill-QP, il-kumpanija tal-arkitettura u l-ġestjoni tal-proġetti taghna li hija sussidjarja tal-IHI. B'uffiċċji f'Malta, Londra u Dubai, QP issa qed tikseb aktar kuntratti internazzjonali, u b'hekk qed tiddiversifika l-klijentela taghha internazzjonalment.

Il-kumpanija tal-iżvilupp immobijari taghna, C-REV, issa ffirmat ftehim għal lukanda u spazju għall-uffiċċji f'Beverly Hills li behsiebha tiżviluppa aktar il-quddiem. L-investituri wara dan l-iżvilupp ser ifittxu finanzjament minn swieq publiċi f'Malta biex ikunu jistaw jiffinanzjaw il-proġett li jinsab f'dan il-post prestiġjuż.

Fid-dawl ta' dan il-progress kollu, u b'ottimizzmu kontinwu għax-xhur li ġejjin, nemmen li l-bejgħ tal-assi b'mod gradwali u t-titjib kontinwu tar-riżultati min-negozji u l-investimenti l-ġodda taghna se jpoġġuna f'pożizzjoni li naslu f'punt fejn id-dividendi jsiru karatteristika regolari tan-negozju taghna.

I have every confidence in our exceptional management team, whose dedication to Corinthia's growth is unwavering. With the strategic oversight of the Board, I am positive that we will continue to achieve success across all fronts.

With best regards,

Alfred Pisani
Chairman

Jien ghandi kull fiduċja fit-tim maniġerjali eċċezzjonali taghna, li d-dedikazzjoni assoluta taghom ser twassal għal aktar tkabbir tal-Corinthia. Bis-sorveljanza strateġika tal-Bord, jien pożittiv li se nkomplu niks bu suċċess fil-fronti kollha.

Bl-isbah tislijiet,

Alfred Pisani
Chairman

CEO'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024



Dear Shareholders,

It is my pleasure to present our Annual Report & Financial Statements for the year ending December 2024 and to share some thoughts on our trajectory as we progress down a path of rapid growth across all corners of the world.

Firstly, a reminder of our principal activities.

IHI is a real estate investor, developer and operator, focusing primarily on luxury hotels and serviced residences carrying our proprietary Corinthia Brand. Our core goal is the continued growth of our Brand as a significant player in the field of luxury travel and accommodation, and in so doing, benefitting from the entire value chain of investment, development and management of luxury hotels and serviced residences.

Our business was originally founded in 1962 and has operated as a publicly traded company for 25 years. Since then, we have built a strong asset base now valued at close to €1.9 billion, which is the combined value of each of our owned hotel and real estate properties as determined by independent sources. This asset base does not include the additional value of the service companies and their brands, mainly Corinthia Hotels Limited (CHL), a management company, and QP, a design, engineering and project management company. These assets are accounted for in the fair value of the subsidiaries in the standalone company's financial statements.

Our activity in 2024 has been focused around a set of key strategic objectives whose results are real, tangible and increasingly bearing fruit in 2025 and beyond, ultimately aiming for a quantum leap in profitability.

These objectives include

- A fundamental review of our owned real estate and how each of our assets can play a part in supporting our over-arching goal of positioning and growing the Corinthia Brand in the luxury space
- Opening ourselves up to new approaches to the origination and execution of high profile Corinthia-standard hotel and residential projects by seeking financing for specific projects from third party capital whilst retaining an economic interest and responsibility for the delivery of these projects
- A continual investment in human resources, technology, distribution and marketing in our hotel management teams, and promoting our management services to hotel owners worldwide

My report will cover each of these objectives in the context of our work in 2024 and our challenges ahead.

ASSET MANAGEMENT

Throughout 2024, we have focused on asset management plans for each of our 13 owned hotels and properties.

In some cases, your Board has determined that the time is right for us to seek asset sales.

Demand for property in Portugal is high, and our Corinthia Hotel here, now recently entirely refurbished, has proven to be a prime target for international and local investors giving us an opportunity to crystallise our investment whilst retaining a contract to manage the hotel as a Corinthia in return for fees. Formal processes were started with the appointment of international advisors and brokers. Bids have since been received and are being evaluated and currently being negotiated.

In Prague, your Board's evaluation has been driven by the property's physical attributes as an upscale conference hotel, which is less suited to our Corinthia Brand positioned exclusively in the space of luxury leisure travel. As an interim measure, we have leased the hotel to a local Czech operator with guaranteed income to IHI, allowing us time to launch a formal process in 2025 to seek bids for an outright sale in 2026.

Other properties have been slated for medium to long-term hold, mostly for their profit and cashflow contribution, but equally to serve as anchors for the Corinthia brand and our management company CHL. These include our hotels in London, Brussels, Tripoli, St. Petersburg, Budapest and the Corinthia Palace in Malta. Our focus here as asset owners has been that of continual renewal and targeted CAPEX in our product coupled with financial efficiencies in our operations. On this front, we have formalised a team, inside of IHI to direct our strategy as owners, and to oversee CHL to deliver the best service at the least cost.

In the case of Brussels, where IHI owns a 50% stake, we have completed what was a technically challenging project, which required the demolition and reconstruction of the original 1909 hotel whilst retaining the historically protected façade and ground floor grand halls. This hotel has since been launched to wide acclaim, hailed as the first Palace hotel in Belgium, and now firmly in full operation with the highest room rates in the country and a growing patronage for the hotel's restaurants and leisure amenities.

The remaining properties we own are five others in our home base in Malta, where we are exploring

redevelopments or repositioning as a means to extract full value from our assets. This applies to our three adjacent properties in the St George's peninsula, as well as the Golden Sands Hotel, where we have successfully completed a buy-back process to rid the property of practically all of its timeshare encumbrances. This has paved the way for an ongoing review on the best positioning and long-term plan for what could arguably become the finest leisure hotel in Malta.

Next door, where we own an 82,000m² tract of prime land, known as the Oasis, we are seeking permits to develop the Island's first low-density high-end mixed-use luxury Corinthia hotel and residential project. Zoning permits to allow both hotel and residential use are now in hand, and we eagerly await planning permission for a 161-room hotel and 25 serviced villas for sale, expected to be granted imminently in 2025.

Dear shareholders, our over-riding policy as asset owners for each of our 13 owned hotels and land plots acquired over our 25-year history is that of determining the best use for these assets and setting out to realise their maximum valuation and return by way of sales, CAPEX and/or efficient operations.

BALANCE SHEET

The impact of this asset management focus is manifested most clearly in our balance sheet.

Throughout 2024, and into 2025, we have worked closely with our independent valuers and auditors to seek advice and validation of the correct valuations to be recorded in our balance sheet. Of course, we are well aware that eventual sales of any assets should drive even higher proceeds than those recorded in our formal valuations, which are themselves driven by stringent IFRS parameters. However, we are nonetheless pleased to note that your Board's focus on this aspect of our Group has resulted in certain uplifts being recorded in the 2024 balance sheet amounting to c. €90 million in gross values of real estate, of which €13 million is also being recorded as fair value uplifts in our Profit & Loss Statement.

Over and above, we have this year for the first time undertaken a formal valuation of our service companies, Corinthia Hotels Limited [CHL] and QP, whose enterprise value cannot be recognised in our consolidated balance sheet on account of IFRS rules but which is being noted and recorded in that of the company itself.

Of particular note, we must highlight the valuation being given to CHL, a company that has no physical

assets other than its newly-acquired corporate office in London, but whose team of 80 professionals provides management, distribution and marketing services across 27 hotels, including those owned by IHI and others owned by third parties. These services are covered by long-term 20-year+ contracts and create cashflows to IHI by way of fee income, without any need for significant capital. This has a value in and unto itself which is easily realisable should we ever wish to carve out CHL into a separate listing and/or form of ownership.

Independent valuers from the UK specialising in the hotel sector were contracted to provide an opinion, which based on actual contracts in hand and an expectation of some degree of further growth, established a valuation for CHL of €355 million. Your board, acting prudently on the advice of our auditors and taking into account additional prudent assumptions in line with IFRSs, have agreed to book this value in our financial statements at €259 million, resulting in an uplift of €208 million relative to what was recorded in 2023 after taking consolidation adjustments into account.

This is a notable step forward, which validates your Board's decision of some years ago to invest heavily in human, marketing and technology resources in CHL, aiming to establish the Corinthia brand globally and attract more and more contracts to manage hotels for third party investors. The results of this strategy are for all to see with contracts in place for new hotels recently opened in Brussels, of which we own half, as well as independently owned hotels in New York and Bucharest in 2024 and others under construction or in the early development phases with third party capital in Maldives, Doha, Riyadh, Dubai, Beverly Hills and the Caribbean.

We have also in 2024 effectively launched a new brand in CHL, that is named Verdi Hotels, to cater for a more accessible upscale and lifestyle product and clientele. This brand has its own leadership team in CHL but works off distribution and internal platforms already in place thus maximizing economies of scale. Our first Verdi Hotels include some of our owned hotels which are not in the luxury markets and were thus not being appropriately represented by the Corinthia Brand's branded marketing platform. Whilst starting out almost as a necessity to us, the scope for international growth of the Verdi brand is global and real and contracts with third party owners providing the Verdi brand and management services have already been signed and launched.

The same applies to QP, an important company in our Group not only for its intrinsic valuation, but equally for the one-stop, readily available design and project management talent it provides to IHI, albeit more so

to third party clients in Malta and now, increasingly, on an international stage in Europe and the Gulf. Here too, we engaged the professional services of reputable valuers who provided a valuation of €22 million, erstwhile recorded in 2023 at €7 million.

All of the above now means that the combined valuation of IHI and our key subsidiaries as recorded in the relevant part of our financial statements stands at €1.46 per share after netting off debt and other liabilities. This is a combination of the €1.1 per share as shown in our consolidated accounts, and a further €0.36 per share for our service companies CHL and QP which are not accounted for in our Group balance sheet but included in the Company's balance sheet as part of the fair value of its subsidiaries.

Your Board strongly believes this valuation will continue to improve in the immediate term.

Firstly, the asset management plan in hand, as described earlier in my report, provides for significant redevelopments and asset sales whose proceeds will be employed mostly to reduce overall debt in the Group and clear out accumulated losses, thus paving the way for dividend returns to shareholders and investments in new projects.

Secondly, we are pursuing tremendous growth in CHL and QP globally. More and more investors are seeking our Corinthia brand and management services. An entirely new team has been engaged in CHL specifically to seek out and achieve such growth. Following intense industry and media noise surrounding the opening of prime location luxury Corinthia hotels in 2024 and 2025, our Brand is now firmly established as a global player. Hotel developers worldwide are taking note and a pipeline of opportunities is already under negotiation across all corners of the globe.

2024 PERFORMANCE

Allow me to now turn to a review of our operating performance in 2024.

We have described how we are projecting significant increases in years ahead in profits derived from fee income in CHL and QP. These companies will be the mainstay of our growth.

As of now, however, in 2024, our core financial metrics remain dominated by income from our owned hotels. It is reassuring therefore to note that gross profits in these owned hotels increased by 14% in 2024 over 2023.

OWNED HOTELS GOP	GOP	% OF REVENUE	GOP OVER 23
London	30,152,859	32%	- 2%
Malta x 5 hotels	21,027,388	28%	+ 5%
Lisbon	13,315,378	35%	+ 24%
Budapest	9,434,019	35%	+ 57%
St Petersburg Hotel	6,466,326	46%	+ 27%
Tripoli Hotel	3,410,397	36%	+ 1,229%
	83,806,367		+ 15%

Corinthia Hotel Brussels soft opened in December 2024.

RENT INCOME & OTHER BUSINESS [HIGHLIGHTS]

IHI also owns other commercial assets and hotels which are leased out to tenants. Here too, we have made progress and we especially note that our St Petersburg commercial centre is - for the first time since we developed this office and retail centre - now fully let. The results below are stated in Euro and take into account currency movements between our Rouble income and our Euro reporting. In Tripoli, rent income is showing a reduction in net income following a rent re-set agreement with one of our tenants whose term had expired and whose contract was renewed at a discounted, albeit market-led rate.

	RENTAL INCOME	% OVER 2023
St Petersburg Business Centre	3,641,024	+ 61%
Tripoli Business Centre	5,328,707	- 28%
Prague Hotel Net Rent [*]	3,867,171	

[*] represents 9- months' rent less prior operating losses, increasing to c. €6.1m net income annually

Of note too is income from our industrial catering and Costa franchise operation in Malta, where prior years' COVID-related losses have been turned around and are now operating at an EBITDA profit contribution of €0.8 million, a €1.2 million turn around. This business has been given a fresh leadership team with a brief to consolidate efficiencies locally and seek growth internationally. Preliminary agreements to tap into logistics-supply contracts with the Algerian oil and gas industry have been signed in this regard.

The above translates into a consolidated EBITDA of the Group of €62 million, a marginal increase over 2023, but noting that c. €9m of new costs were incurred in 2024 to cover added human resources and marketing activity for new projects and pre-opening phases of contracted hotels under development.

Our expectation based on projects in hand and signed contracts for fee income to CHL and QP is that EBITDA will grow significantly in the near term, as our new hotels open, generating new income with no need for added investment or management costs. Simultaneously, as we work our way down the Income Statement, we should expect interest costs to come down as debt is paid down over the years ahead and to a degree, the possibility of reduced rates globally. Interest costs in 2024 increased to €44.4 million relative to €38.8 million in 2023, a combination of rising interest rates but more so on account of further draw downs on loans for the Brussels project.

All in all, however, as operating cashflow profits rise and fair values of our real estate continue to be recorded, our net position after tax is now at quasi break-even, with the prospect of significantly improved results in years ahead. Truly, the financial challenges presented by COVID, increased borrowings to finance growth and the completion of committed investments are now all behind us, and we look forward to a period of rising profitability in years ahead.

NEW DEVELOPMENTS

I have throughout this report referred to a future for IHI reliant on minimal capital by pushing our service companies CHL and QP to the fore. Over the years, IHI has accumulated significant know-how and goodwill in these companies in the field of hotel management and project management. We are now capitalising on this knowhow by offering these services to investors worldwide. These include new contracts for CHL for hotels in Doha, Riyadh, the Maldives.

Our group does however possess another core area of expertise beyond hotel operations and project management, and that is the acquisition, financing, planning and redevelopment of real estate in the hotel and serviced residential sectors.

In 2024, we crystallised this expertise in the form of a new division, soon to be carved out as a company in its own right, to be known as C-REV, or Corinthia Real Estate Ventures. We have formed a team comprising senior executives dedicated to C-REV to explore real estate deals in the USA and Europe, organise projects in terms of feasibility, planning and design, raise financing from external sources, and see these through to completion for onward sale, all along utilising third party capital and receiving fees and promote interests on future profits.

This venture has got off to a flying start with signed projects in Beverly Hills, California, and Grace Bay on Turks & Caicos, both world class destinations. These developments will lead to further contracts for our CHL and QP, thus also expanding the Corinthia Brand's global footprint. However, now that we are providing this development service in a structured manner, we will also generate interesting returns on our investment in these new ventures, which mostly comprises our time and pre-development costs in putting these deals together.

In Beverly Hills, we have already raised a significant portion of the funding required for a first phase, by way of a joint venture entered into between IHI and the Action Group of Kuwait, who have funded 90% of the initial costs to acquire two existing boutique hotels in a prime location. Our IHI Action Joint Venture has also signed contracts to acquire a neighbouring prime property which will complete an interesting assemblage on which C-REV will then proceed to plan for a major development featuring a Corinthia Hotel & Residences. Part funding for this extension will be sought from the Maltese capital markets, subject to ongoing regulatory review. Our interests as a 10% shareholder in the IHI Action JV extends beyond this capitalisation of our time and expenses. We have also negotiated and signed up for preference and promote returns to C-REV beyond certain return hurdles for all shareholders. This is a prime example of how IHI is using its expertise to generate returns and contracts for all of our service companies without the need to act as a primary investor in our own right.

Similarly, we will shortly be announcing similar agreements, which have been signed, to provide the same service and join the current US owners of a prime piece of vacant land on the famed Grace Bay on the Turks

& Caicos Islands in the Caribbean. Our plan here is to organise funding for a closing in 2026 and meanwhile design a luxury hotel and residential resort and seek permits from the local authorities.

In this vein, we are looking at real estate projects in the USA and the main destinations in Europe. Just as CHL and QP are now well on their way to becoming international players in their respective fields, likewise C-REV has started out with two impeccable projects in prime locations.

Separate to C-REV, we have set up a wholly-owned leasing company to take on rent commitments for new hotels developed by third parties. Such commitments tend to be long-term, as in the case of the Corinthia Rome hotel, where this new company in our portfolio will be leasing the flagship 60-key luxury hotel under development by third party investors for 40 years upon its completion later in 2025.

Lease payments to owners in our industry tend to be based on % of total revenues, with backup minimum guarantees offered by the leasing company's parent company, in our case IHI. Certain markets, such as Germany and now Italy too, are traditionally driven by the leasing of hotels owned by funds or financial investors, seeking guaranteed returns, as opposed to owners who wish to retain the hotels' profits and are therefore more inclined to nominate management companies with no guarantees in return for lower fees.

Of course, the flip side to this lease and guarantee structure is that our lessee can make a claim for a higher proportion of profits to be generated, as opposed to solely receiving fees for management services. Internally, our leasing company will appoint our own CHL to provide management services for standard fees. All in all, this is another vehicle in our IHI portfolio which, being handled with prudence, will contribute key assets to our growing Corinthia branded portfolio in selective key markets, as has been achieved in Rome.

SUSTAINABILITY

As an EU plc, we are coming under increasing regulatory oversight which works to our shareholders' and counterparties' reassurance. Throughout 2024, this regulatory oversight continued to extend beyond the company's financial perimeter, and into the realm of sustainability. Legislation has been adopted which whilst not yet transposed to Malta and other EU countries, is heralding a formal duty on the company to embrace sustainability policies and publicly report on material environmental, social and governance aspects of our business footprint.

Your Board has directed that the Group embraces the spirit and letter of the incoming oversight into the core of our growth and operational philosophy. This commitment has resulted in a new sustainability policy endorsed in 2024 and the setting up of a sustainability framework across the Group with the establishment of a Corporate ESG Supervisory Committee (CESC) reporting into the Audit Committee and myself as Group CEO. The creation of this sustainability framework was guided all along by the expertise of external consultants, who have helped us shape a live sustainability strategy that whilst grounded in our realities, sets high-level goals across environmental, social and governance targets. I urge you to read this important part of our Statement by the Directors on Non-Financial Information.

FINAL THOUGHTS

My final thoughts over 2024 turn to the Board of Directors and senior executive team with whom I have had the pleasure of working.

Your Board is an active Board and meets regularly. Its sub committees cover Internal Audit, Remuneration and Investment matters. Likewise, these committees are active, vocal and supportive of our strategies and decisions as ultimately ratified at Board level. For this, I wish to thank each of my fellow Board members and especially our Chairman for his continued leadership, energy and vision.

At management level, we have spent a good part of 2024 putting further structure around the senior team at IHI and our principal subsidiary companies.

I must here applaud IHI's senior team comprising Michael Izzo, Chief Strategy Officer, Neville Fenech, Chief Financial Officer, and Clinton Fenech, Chief Legal Counsel, who are involved in every aspect of our business as outlined in my report.

Likewise, in 2024, we have consolidated our leadership teams in each of CHL, QP and now, C-REV too. Simon Casson joined us as CEO at CHL, following a 30-year career at Four Seasons, bringing with him a wealth of experience and organisational capabilities in operating luxury hotels worldwide. CHL is a well-organised company with a senior team of its own, a collection of veteran Corinthia executives and fresh blood drawn from best-in-class organisations. These now also include Paul Pisani who has taken charge of the creation and launch of the Verdi Brand and has in 2024 been confirmed as the brand's President.

Reuben Xuereb continues to act as the CEO of QP, but has extended his responsibilities to cover other senior roles in the Group in the fields of development and industrial activities.

The Board ratified the appointment of Marcus Pisani and Alex Chazkel as Managing Partners of C-REV, our real estate development arm, both of who have played key, leadership roles in taking this new branch of IHI off to a flying start.

Finally, a word of gratitude to yourselves, our shareholders, large and small.

Our Chairman has long spoken of the Spirit of Corinthia as the invisible force that gives our company a dynamic and entrepreneurial drive to fight for business across all corners of the globe. You, all our shareholders, are very much the cornerstone of this Spirit and continue to provide inspiration and motivation to deliver on all fronts, for which I and our entire team thank you in earnest and promise to continue to work smartly to repay your confidence.

Simon Naudi
Group CEO & Managing Director



HOTEL OPENINGS

THE SURREY – A CORINTHIA HOTEL, NEW YORK

The Surrey, A Corinthia Hotel, opened in 2024, bringing a new design and ultra-luxury experience to one of the most coveted addresses on the Upper East Side. The 16-story building is the inaugural managed property in North America for Corinthia Hotels. Owned by The Reuben Brothers, global leaders in real estate development and private equity, with striking interiors by Martin Brudnizki of MBDS, The Surrey has been completely transformed to encompass 70 guest rooms, 30 suites, and 14 private residences. It is home to the first New York outpost of the beloved eatery Casa Tua and the tranquil Surrey Spa featuring Sisley Paris.

Located on East 76th Street, the hotel features public spaces and guest rooms designed to blend past influences with contemporary sophistication. The design evokes a residential feel, paying tribute to New York with details like handcrafted Murano chandeliers and bespoke

furniture pieces. Textures throughout the hotel —from cabinetry to wall finishes — add a rich, sensory dimension to the spaces.

The hotel's suites are inspired by the bridges of Central Park and feature elegant living spaces, luxurious beds, and opulent bathrooms.

Casa Tua, the famed restaurant group, debuts its first New York location at The Surrey, A Corinthia Hotel, as the exclusive food and beverage partner. Designed by renowned Italian architect Michele Bonan, the restaurant design blends modern luxuries with influences from Bonan's native Florence. The Casa Tua experience extends to the hotel's second floor with a private members' club.

The Surrey Spa featuring Sisley Paris, a luxury French lifestyle brand, renowned for its expertise in Phyto-cosmetology to offer treatments focused on rejuvenation, anti-aging and relaxation.



CORINTHIA BRUSSELS HOTEL

Formerly the Grand Hotel Astoria, this iconic Belle Époque landmark has re-opened its doors on 9 December 2024 after undergoing a complete transformation.

Following an extraordinary journey of rebirth, the hotel, owned by an affiliate of IHI plc and managed by Corinthia Hotels, now featuring 126 rooms and suites, and a 1200 square metres spa by Sisley featuring seven private treatment rooms, a steam room, sauna, experience showers, tea room, and fitness centre. It reaffirms its position as a cornerstone of Belgian hospitality, partnering with exceptional local talent to elevate its bar and dining experiences.

Originally opened in 1910, the project to restore this Brussels landmark has been reimagined by IHI with

full respect to the re-imagining of all protected parts of the original property, including its striking façade and imposing, period ground floor.

At its heart is the Palm Court, graced by a magnificent stained-glass “verrier” dome restored under the direction of Belgian architect Francis Metzger. Designed by GA Design, the rooms evoke regal opulence with palettes of blue and rust gold, inspired by the building’s rich history.

The hotel has partnered with Michelin-starred, Belgian chefs with dining concepts; *Le Petit Bon Bon* of Chef *Christophe Hardiquet* and *Palais Royal* by famed Chef *David Martin*, while Dutch mixologist sensation Hannah Van Ongevalle opens her first solo bar concept with *Under The Stairs*.

The hotel re-building and restoration project was led by QP, a subsidiary of IHI.





CORINTHIA BUCHAREST HOTEL

Corinthia Grand Hotel du Boulevard Bucharest, an all-suite boutique luxury hotel in Romania's vibrant capital, opened on 25 March 2025.

The Corinthia Bucharest seamlessly blends Belle Époque grandeur with contemporary luxury. Originally inaugurated in 1873 as Bucharest's most distinguished hotel, it became a pioneer in modern hospitality, being the first in the city to feature electric lights and an elevator. Now a national monument recognized by the Romanian Ministry of Culture, Corinthia Bucharest, is poised to pioneer once more, as it aims to provide elevated service and experiences to Romanians and international visitors, alike.

With 30 exclusive suites, and managed by Corinthia Hotels, the hotel offers an intimate, residential atmosphere in a palatial setting. The suites feature bespoke furnishings and artwork, and are flooded with light from expansive windows, and modern amenities tailored to contemporary travelers.

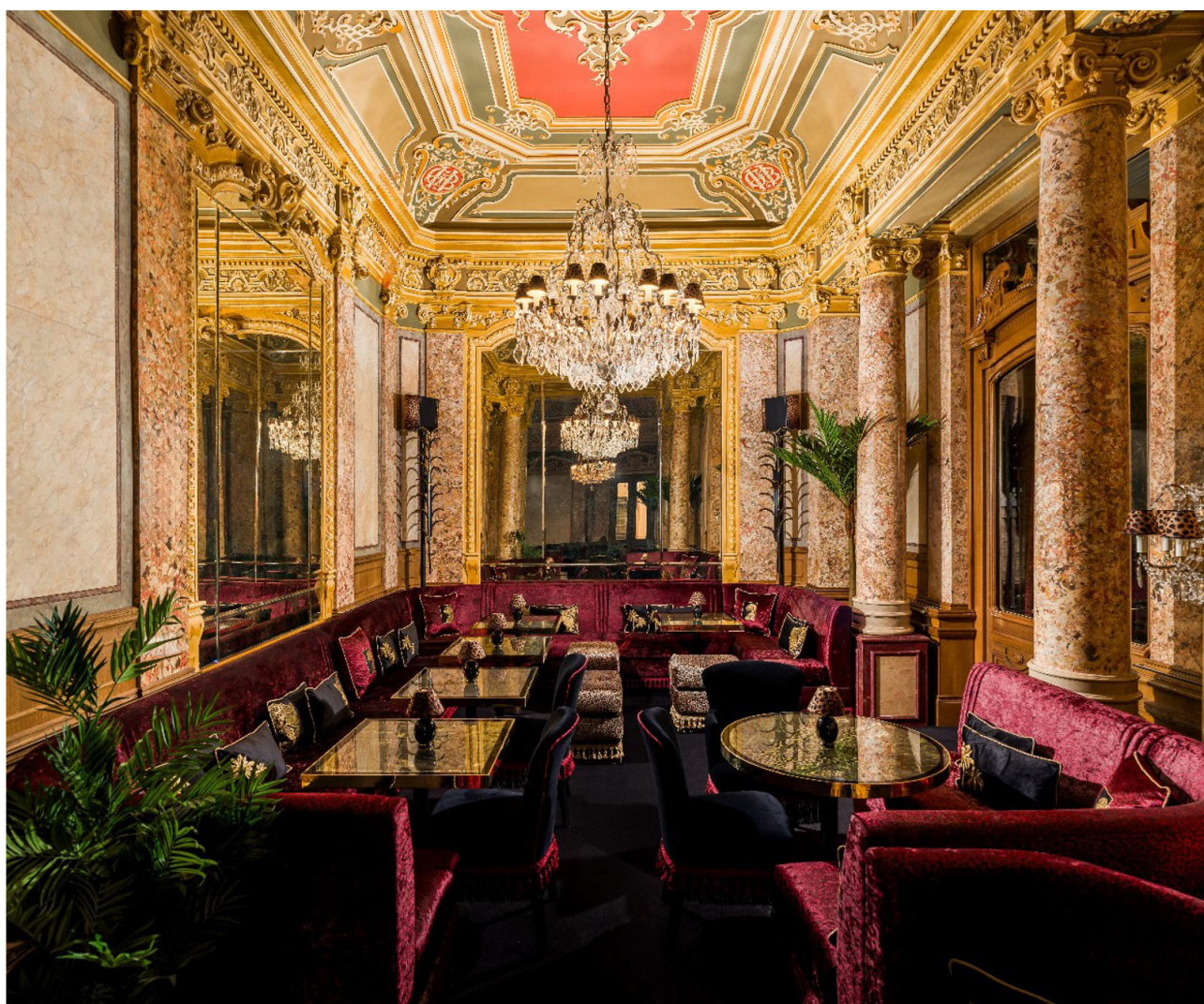
Corinthia Bucharest is home to a trio of extraordinary dining venues - Sass' Restaurant & Lounge, Boulevard 73, and Heritage Bar - adding a new dimension to the culinary scene in Romania's capital.

Sass' Restaurant & Lounge is an extension of the internationally acclaimed Sass' Café Monaco, bringing maximalist Mediterranean flair to Bucharest in a chic baroque-style space designed by G&M Design. *Boulevard 73* occupies what was formerly the hotel's grand ballroom, where ornate ceilings and crystal chandeliers provide a majestic backdrop for an immersive culinary experience blending French and Romanian cuisines. The Heritage Bar stands as a testament to Bucharest's golden age, offering an elegant afternoon tea service daily, as well as a signature cocktail menu inspired by the city's history.

The Hotel's Corinthia Spa, delivers bespoke treatments, including with the widely loved cult brand, IIISKIN. Guests can indulge in signature thermal experiences.

The restoration project was led by QP, a subsidiary of IHI, and the interiors by the acclaimed GA Design.





DIRECTORS' AND OTHER STATUTORY REPORTS & FINANCIAL STATEMENTS

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INDEPENDENT AUDITOR'S
REPORT

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

THE DIRECTORS PRESENT THEIR REPORT ON INTERNATIONAL HOTEL INVESTMENTS P.L.C. (THE 'COMPANY') AND THE GROUP OF WHICH IT IS THE PARENT FOR THE YEAR ENDED 31 DECEMBER 2024.

PRINCIPAL ACTIVITIES

International Hotel Investments p.l.c. carries on the business of an investment company in connection with the ownership, development and operation of hotels, residential and commercial real estate. The Company owns a number of investments in subsidiary and associate companies (as detailed in the notes to the financial statements), through which it furthers the business of the Group.

REVIEW OF BUSINESS DEVELOPMENT AND FINANCIAL POSITION

Total revenue for the year under review increased to €306.8 million from €287.8 million last year, an increase of 7%. In reviewing this performance, it is important to note that the financial performance for 2024, particularly for the Group's operations in Russia, continued to be affected by the military conflict between Russia and Ukraine which commenced in February 2022. As disclosed in Note 5.2, this conflict led to international sanctions on Russia and effected the Group's results and assets held in Russia. The geopolitical situation between Russia and the west resulted in a drop in international business. Despite this, the hotel still increased occupancy levels in 2024 in view of the local trade that the hotel always enjoyed.

On the strength of the increased revenue, the Group recorded a gain on operating results before depreciation and fair value movements of €62.4 million, an increase of €2.1 million on the €60.3 million registered last year. This after deducting one-off preopening costs in 2024 amounting to €6.1 million, relating to the opening in Rome and Brussels.

In 2024, the Group is reporting in its Income Statement, an exchange gain of €0.8 million compared to a loss of €1.2 million in 2023.

In 2024, the Group recognised in its Income Statement, uplifts on its investment properties amounting to €6.2 million. These related mainly to an uplift of €3 million on the Tripoli Commercial Centre, an uplift of €2.6 million on the Prague property and an uplift of €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.

Furthermore, an amount of €6.5 million was also recognised in the Income Statement 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.

During the current year, the Group also recognised significant fair value uplifts across several properties. 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, attributed to a delayed recovery in this operation due to ongoing inflationary pressures.

The Group recorded a combined currency translation gain of €15.1 million in Other Comprehensive Income, relative to a loss of €20.8 million registered in 2023. 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 €74 million in 2024 compared to a gain of €18.5 million in 2023. The share of total comprehensive income attributable to the shareholders of IHI amounted to €61.1 million for the year under review. The corresponding figure for 2023 was €6.4 million.

At 31 December 2024, the Group is reporting a positive working capital of €105.1 million, relative to a working capital of €6.3 million reported in 2023. As disclosed in Note 24, during the current year, the Corinthia Hotel Lisbon valued at €144 million was reclassified to assets held for sale and is thus included with current assets. The 2024 current liabilities include a bond of €45 million

which is due for redemption in May 2025. To partially refinance this bond, the Group issued a €35 million bond and has already successfully secured the necessary funding.

FUTURE DEVELOPMENTS

The Group remains committed to driving growth through its core service companies, Corinthia Hotels Limited (CHL) and QPM Limited (QP). Leveraging the extensive know-how and goodwill that these companies have built throughout the years in hotel and project management, the Group is able to expand further with minimal capital investment. CHL is set to further elevate the Corinthia brand with new luxury hotels opening in Rome, Doha, Riyadh and Maldives in the coming years.

In parallel, the Group is also focusing on capitalising on its expertise in real estate acquisition, financing, planning and redevelopment within the hospitality and serviced residential sectors. This is spearheaded by a new division, C-Rev, set up in 2024 which focuses on exploring real estate deals in the USA and Europe. This venture has already signed projects in Beverly Hills, California and Grace Bay on Turks & Caicos. Besides generating fee income, these projects will also lead to new engagements for CHL and QP, in addition to further strengthening the Corinthia Brand's global footprint.

Separate to C-Rev, a wholly owned leasing company has been set up to undertake long-term rent commitments for new hotels developed by third parties. This entity will enter into leasing and operating arrangements for flagship properties owned by third parties, as is the case for the Corinthia Rome Hotel.

In Malta, the zoning permits for the Oasis project have been secured and planning permits for the hotel and serviced villas are expected in 2025.

GOING CONCERN

The Directors have reviewed the Company's and the Group's operational cash flow forecasts. Based on this review, after making enquiries, and in the light of the current financial position, the existing banking facilities and other funding arrangements, the Directors confirm, in accordance with Capital Markets Rule 5.62, that they have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group started trading in 2000, undertaking a strategy of rapid expansion. The hotel industry globally

is marked by strong and increasing consolidation and many of the Group's current and potential competitors may thus have bigger name recognition, larger customer bases and greater financial and other resources than the companies within the Group.

The Group is subject to general market and economic risks that may have a significant impact on the valuations of its properties (comprising hotels and investment property). A number of the Group's major operations are located in stable economies.

The Group also owns certain subsidiaries that have operations situated in emerging or unstable markets. Such markets present different economic and political conditions from those of the more developed markets and present less social, political and economic stability. Businesses in unstable markets are not operating in a market-oriented economy as known in other developed or emerging markets. Further information about the significant uncertainties being faced in Libya and Russia are included in Note 5.

The Group is exposed to various risks arising through its use of financial instruments including market risk, credit risk and liquidity risk, which result from its operating activities.

The most significant financial risks as well as an explanation of the risk management policies employed by the Group are included in Note 41 of the financial statements.

RESERVES

The movements on reserves are as set out in the statements of changes in equity.

BOARD OF DIRECTORS

Mr Alfred Pisani (Chairman)
 Mr Simon Naudi (Managing Director)
 Mr Richard Cachia Caruana (Senior Independent Non-Executive Director)
 Mr Joseph Pisani
 Mr Frank Xerri de Caro
 Mr Moussa Atiiq Ali
 Mr Hamad Buamim
 Mr Douraid Zaghouni
 Mr Mohamed Mahmoud Shawsh
 Mr Alfred Camilleri

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors are required by the Maltese Companies Act, (Cap. 386) to prepare financial statements which give a true and fair view of the state of affairs of the Company and the Group as at the end of each reporting period and of the profit or loss for that period.

In preparing the financial statements, the Directors are responsible for:

- ensuring that the financial statements have been drawn up in accordance with International Financial Reporting Standards as adopted by the EU;
- selecting and applying appropriate accounting policies;
- making accounting estimates that are reasonable in the circumstances; and
- ensuring that the financial statements are prepared on the going concern basis unless it is inappropriate to presume that the Company will continue in business as a going concern.

The Directors are also responsible for designing, implementing and maintaining internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and that comply with the Maltese Companies Act, (Cap. 386). They are also responsible for safeguarding the assets of the Company and the Group and hence for taking

reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The term of PricewaterhouseCoopers came to an end with the publication of the financial statements for the period ended 31 December 2024 and their presentation at the forthcoming AGM on 10 June 2025.

As per Article 17(1) of Regulation (EU) No 537/2014 (2014) which specifies mandatory audit firm rotation and the time period for which PIEs shall appoint a statutory auditor, the Company is going out to re-tender its audit requirements. A recommendation will be made to appoint the Company's auditors at the forthcoming AGM on 10 June 2025.

Signed on behalf of the Board of Directors on 29 April 2025 by Alfred Pisani (Chairman) and Richard Cachia Caruana (Senior Independent Non-Executive Director) as per the Directors' Declaration on ESEF Annual Financial Report submitted in conjunction with the Annual Financial Report.

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

STATEMENT BY THE DIRECTORS

ON THE FINANCIAL STATEMENTS AND OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

Pursuant to Capital Markets Rules 5.68, we, the undersigned, declare that to the best of our knowledge, the financial statements included in the annual report and prepared in accordance with the requirements of International Financial Reporting Standards, as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and

results of the Company and its undertakings included in the consolidation taken as a whole and that this report includes a fair review of the development and performance of the business and position of the Company and its undertakings together with a description of the principal risks and uncertainties that they face.

STATEMENT BY THE DIRECTORS

ON NON-FINANCIAL INFORMATION

This report on non-financial information provides an overview of the various actions taken by International Hotel Investments p.l.c. (the 'Company') as the parent company, and its subsidiaries (the 'Group'), to enhance sustainability efforts in its operations and corporate responsibility initiatives.

As described in more detail in the annual report, the Group is a hotel operator as well as a real estate developer. The Group is also engaged in the ownership and leasing of investment property.

The Group is deeply committed to upholding sustainability principles across three vital pillars, essential for its continued growth:

- Environmental sustainability
- Social responsibility
- Governance

The Group strives to achieve the highest standards in the most sustainable way possible, ensuring that the resulting benefits are enjoyed by its shareholders, clients, and the wider community, alike.

The primary objective is to align with multiple Sustainable Development Goals (SDGs) set out by the United Nations in 2015 for the 2030 Agenda for Sustainable Development. These goals are designed to foster development that aims to eradicate poverty, protect the planet, and ensure peace and prosperity.

The primary objective is to align with multiple Sustainable Development Goals (SDGs) set out by the United Nations in 2015 for the 2030 Agenda for Sustainable Development. These goals are designed to foster development that aims to eradicate poverty, protect the planet, and ensure peace and prosperity. The Company's activities will, for the time being, prioritise these key SDGs; good health and well-being, gender equality, decent work and economic growth, responsible consumption and production and climate action.

All actions should contribute to one or more of these goals without adverse effects, all while tackling climate change and working to preserve our natural environment.

This report will delve into the actions and plans developed by the Group to improve its sustainability footprint and meet regulatory disclosure requirements.

ENVIRONMENTAL SUSTAINABILITY

The Group has recognised the critical importance of sustainability, stemming not only from the realities of climate change, but also from the ever-growing awareness of employees, customers and financial institutions regarding environmental and social responsibilities. The Group believes that an authentic approach to sustainability principles is fundamental for making a positive impact. This commitment extends beyond environmental conservation to enhancing the well-being of its workforce, customers and the broader society, recognising proper governance as pivotal in achieving this.

In view of this, the Group has strategically embraced sustainability into the core of its growth and operational philosophy. This commitment has resulted in a new sustainability policy endorsed in 2024 and the setting up of a sustainability framework across the Group with the establishment of a Corporate ESG Supervisory Committee (CESC). The sustainability framework has been further enhanced through the expertise of external consultants, with the development of a live sustainability strategy that sets high-level goals covering all three pillars of ESG.

CORPORATE SUSTAINABILITY REPORTING DIRECTIVE (CSRD)

The CSRD preparation was finalised and Double Materiality Assessment completed with our external consultants. The defined material data points requiring reporting were identified. Gaps in data, especially related to the value chain and Scope 3 were identified and plans put in place to tackle this over the next two years. The CSRD was not transposed into Maltese Law by the end of year, so, as guided by the MFSA, reporting continued under the previous NFRD rules. Work on improving data collection began and will be gradually implemented throughout 2025 and 2026.

STRATEGY

IHI's Sustainability Strategy was finalised during the year along with a new Sustainability Policy that sets our main ESG goals. The Board approved this policy towards the end of the year. The sustainability organisational framework was strengthened with the formation of the CESC which reports to the CEO and the Audit

Committee. The CESC's role is to lead and drive Sustainability and ESG efforts across both strategic and day-to-day operations to ensure that there is a solid system in place to guide, oversee and track the Company's progress. Its responsibilities include:

- Ensure Compliance with Sustainability regulatory reporting obligations such as EU Taxonomy and CSRD and any other relevant regulatory obligations on Sustainability.
- Align the group with the requirements of the regulator and liaise with the auditors for assurance for the annual Sustainability report.
- Coordinate Sustainability activities at Group level.
- Build a Sustainability culture within the Group including appropriate training.
- Develop and recommend to the Board a Sustainability Framework, including the relative policy and procedures.
- Coordinate and review Sustainability actions and performance of all Strategic Business Units in relation to the Group Sustainability Goals and Targets.

The CESC will provide periodic updates and make recommendations to the Board on any major changes that may necessitate changing the Sustainability Policy and Framework and Strategy arising from Regulatory Obligations and/or Sustainability practices in the industry.

The Group's Sustainability Strategy is built around three main pillars – Planet, People, and Governance – all grounded in our core belief of 'Uplifting lives'. Each pillar includes key focus areas that are reviewed and, if needed, updated every three years. This ongoing process helps us keep improving our sustainability efforts while staying true to our purpose.

PLANET

- Climate & Energy
- Water
- Circularity & Heritage

PEOPLE

- Customer Wellbeing
- Employee Wellbeing
- Diversity & Equity
- Uplifting Communities
- Human Rights

GOVERNANCE

- Corporate Governance
- Business Ethics
- ESG Governance

High-level goals established for the Environment include:

CARBON

The Company will strive to reduce its carbon emissions by investing in renewable energy sources and energy-efficient equipment and eventually offsetting carbon where possible.

WATER

The Company plans to install water efficient equipment and utilise technologies to minimise water waste and promote responsible water use within the constraints of our operations.

WASTE

The Company will endeavour to reduce waste generation through responsible sourcing, recycling, and responsible disposal practices and will minimise single-use plastics and encourage guests to participate in waste reduction efforts.

ENERGY

The Company will continue to implement energy-saving technologies and procedures to optimise efficiency and reduce energy consumption to the best of its ability.

CIRCULARITY

The Company will continue to preserve and respect heritage buildings by incorporating site specific circularity principles into all renovation projects.

SOURCING

The Company's main aim is to procure locally sourced, environmentally friendly, and ethically produced products where they are available and started working with suppliers who share our values and standards to reach this goal.

High-level goals established for the Social area include:

WELLBEING

IHI aims to ensure that every team member experiences a sense of growth and fulfilment. The Company upholds fair labour practices and is committed to expanding learning and development initiatives to continuously support the growth of employees' talent and skills. This approach empowers teams to prioritise guest wellbeing. Performance will be regularly measured through guest and employee feedback to identify areas of improvement.

COMMUNITIES

IHI is active in philanthropic initiatives, supportive partnerships, and volunteering efforts aimed at uplifting and celebrating the lives of the global communities it forms part of.

SAFEGUARDING

Within the context of its operations, IHI is committed to cultivating a culture of safety, inclusion, equal opportunity and belonging, while remaining vigilant against all forms of discrimination and harassment.

HUMAN RIGHTS

IHI respects the cultural heritage of the communities in which it operates, as well as human rights across its operations and supply chain, ensuring all employees and partners are treated with dignity and respect. The Company will assess and mitigate potential human rights risks by adhering to the UN Guiding Principles on Business and Human Rights and complying with local regulations.

High-level goals established for the Governance area include:

TRANSPARENCY

The Company will provide accurate, clear and timely disclosures of its sustainability performance and progress in accordance with the relevant sustainability regulations.

ENGAGEMENT

The Company commits itself to engage with guests, employees, investors, and the communities it serves to understand expectations and incorporate feedback into its sustainability strategy.

GOVERNANCE

Sustainability will be integrated into the Company's governance framework.

ACCOUNTABILITY

IHI will establish clear sustainability roles and responsibilities across all levels of the organisation and will regularly review and report on its initiatives and their impact.

COMPLIANCE

IHI adheres to all applicable local and international laws, regulations, and standards related to sustainability.

ETHICS

IHI operates lawfully and ethically, maintaining high standards of ethics, transparency, accountability, and integrity across every part of its business.

RENEWABLES

All owned hotels located in Malta within the Group now have photovoltaic panels (PVs) on their rooftops with a total generating capacity of 846 kWp. The last hotel, the Radisson Golden Sands, came online in March 2024 with a capacity of 167 kWp. This hotel is the only one that uses the energy generated internally due to limitations with feeding to the grid in this remote location. All other hotels feed their energy to the grid. The hotels generated 1,147 MWh of electricity over the year resulting in a CO₂ emissions reduction of 455 tons.

ENERGY CONSUMPTION AND EMISSIONS

Improvements in collection of data have further enhanced data integrity. Operational measures along with the rollout of measurement and control technologies and investment in higher- efficiency capital plant have continued to increase overall efficiency and reduce relative emissions. This data was taken from all IHI-owned hotels and properties leased to directly owned business entities (QP, CHL, Corinthia Caterers, Costa Coffee). Data from Corinthia Prague, which was subleased early in the year, has been excluded.

ENERGY AND EMISSIONS 2024

ENERGY CONSUMED	VOLUME	ENERGY	CO ₂ E	
	Lit	kWh	Tons	
Fuel Consumed Transport				
Fuel consumed - Diesel	52,782	532,032	0.60%	143
Fuel consumed - Petrol	18,491	163,603	0.18%	41
Fuel Consumed Total Transport	71,273	695,635	0.78%	184
Fuel Consumed				
Heating/Hot Water				
LPG		1,291,807	1.45%	295
LHO (Diesel/gasoline)		7,894,014	8.83%	2,113
NG		26,681,180	29.86%	5,389
Other (kitchen)				
LPG		1,157,800	1.30%	264
LHO (Diesel/gasoline)		-	-	-
NG		-	-	-
Fuel Consumed Total Non-Transport		37,024,800	41.43%	7,593
Electricity Generated RES (PV)		1,147,992		
Electricity Generated CHP		68,408	0.08%	20
Electricity Consumed		51,573,314	57.71%	20,423
Total Energy Consumed		89,362,156	100.00%	28,687
Net Energy Consumed (Total energy less RES to grid)		88,214,164	98.72%	28,640

Notes: Data collection efforts for transport fuel in 2024 have been enhanced

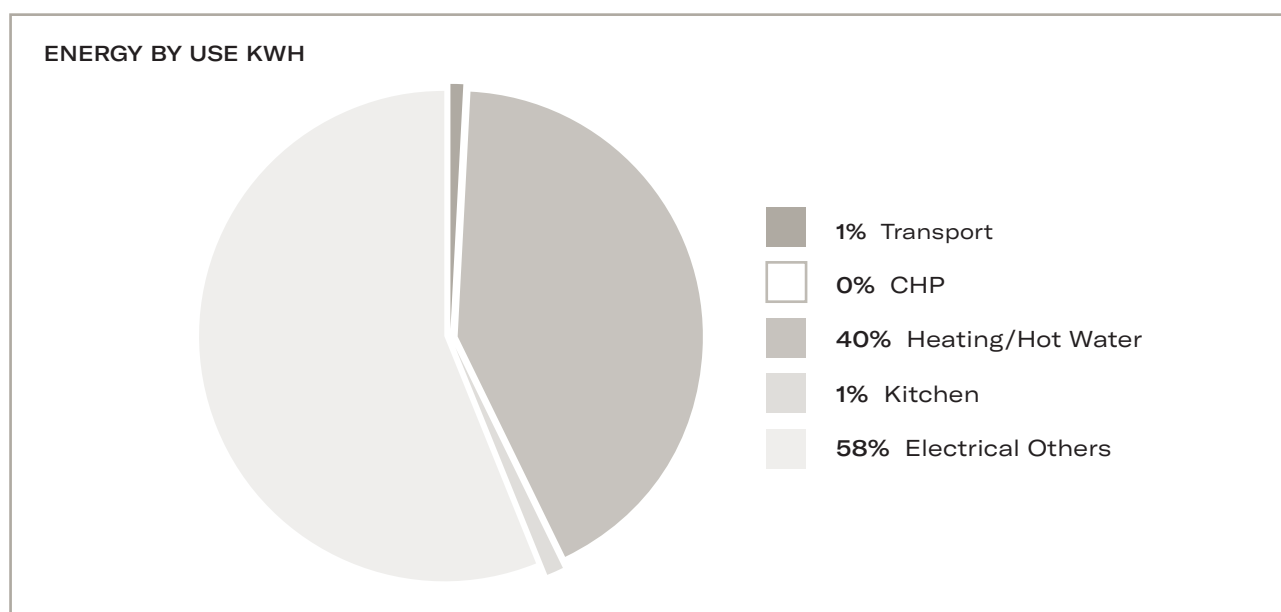
Total energy consumed for 2024 was 89,362 MWh. The total CO₂e footprint stands at 28,640 tons. Electricity generated by the PV plant from 4 hotels in Malta was all sold to the grid, while PV electricity generated by Radisson Golden Sands (202,086 kWh), which went online in March 2024, was used internally and was included in consumption data. Combined heat and power (CHP) generation in Corinthia London has been separated from RES for ease of analysis.

OCCUPANCY (ROOM NIGHTS)

2024	2023	CHANGE
738,268	758,247	(19,979)
66%	58%	(3%)

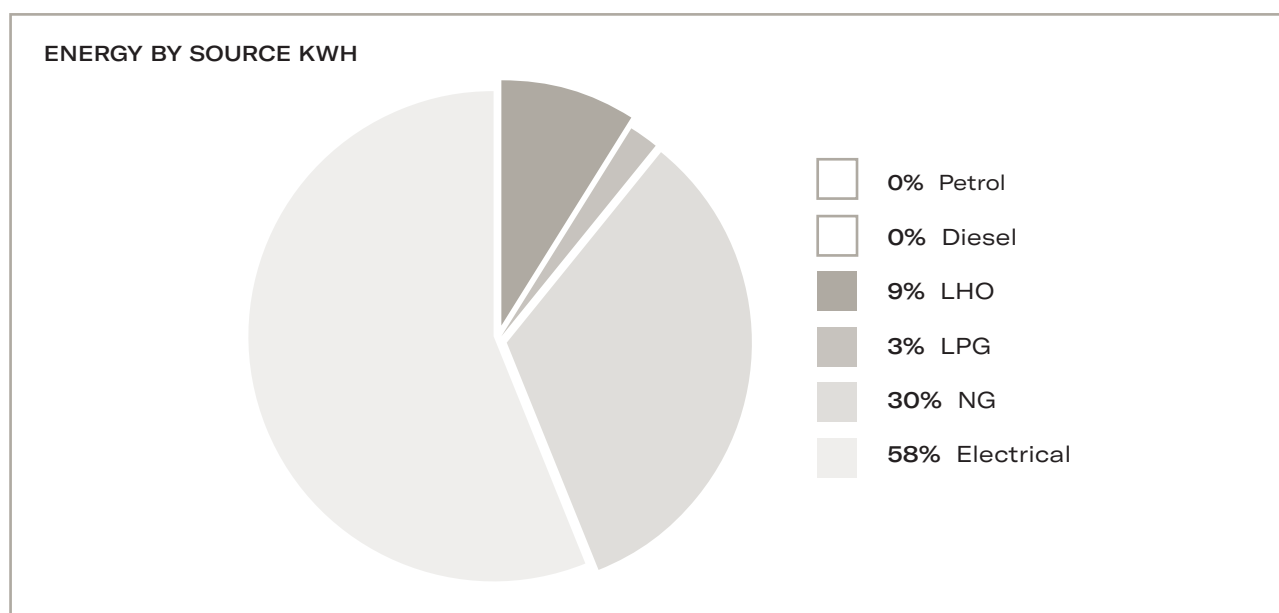
Occupancy figures show a 3% drop, mainly due to the exclusion of data from Corinthia Prague, which was leased out (Corinthia Prague had an occupancy of 107,647 in 2023). Taking this into account, there was a 13% increase in occupancy across all other hotels compared to 2023.

ENERGY BY USE	KWH	%
Transport	695,635	0.78%
Heating/Hot Water	35,867,000	40.14%
Kitchen	1,157,800	1.30%
Electrical Others	51,573,314	57.71%
CHP	68,408	0.08%
Total	89,362,156	100.00%



The main consumption of energy was electrical, which made up 58% of total energy consumption, as can be seen from the table provided. This was followed by energy required for heating and hot water, totalling 40%. Energy used in kitchens (fuel) was less significant, making up only 1% of total energy consumption. Data collection for fuel for transport was improved over previous year with data collected from all parts of the organisation. Notwithstanding this, fuel consumption attributed to transport remains minimal, with a contribution of only 1% of total energy use.

ENERGY BY SOURCE	KWH	%
Diesel	532,032	0.60%
Petrol	163,603	0.18%
LHO	7,894,014	8.83%
LPG	2,449,607	2.74%
NG	26,681,180	29.88%
Electrical	51,573,314	57.71%
Total	89,362,156	100.00%



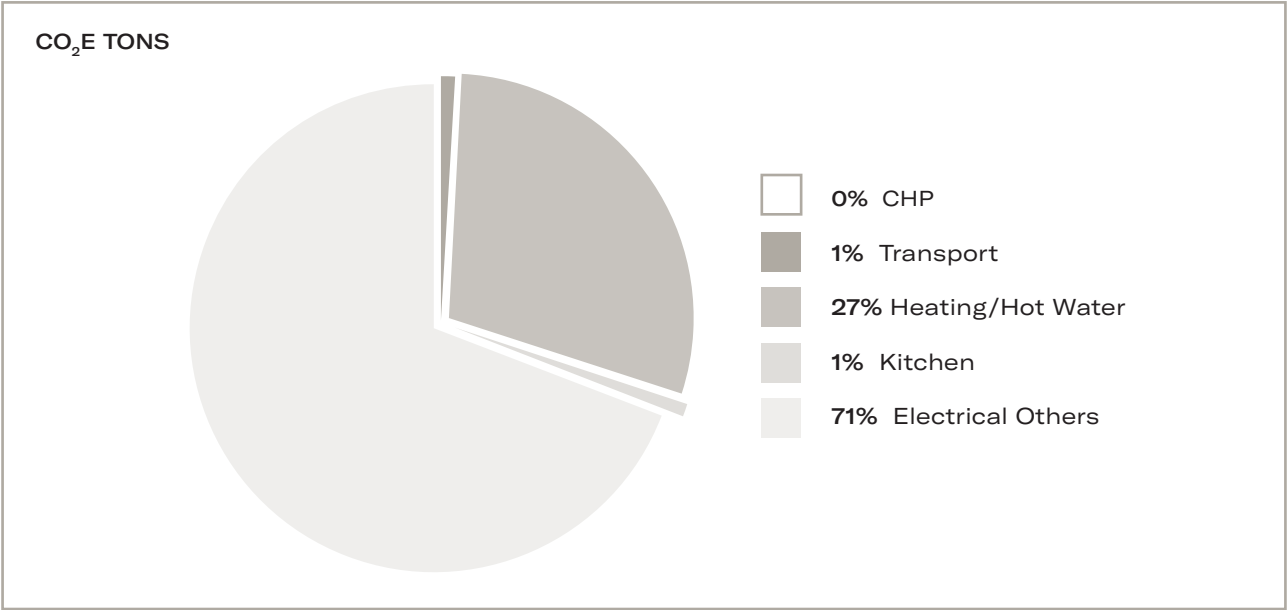
The main fuel consumed was natural gas with 30% of total energy use, followed by light heating oil (LHO) 9%, used mainly for boilers in Malta and Libya. LPG accounted for 3% of total energy use in hotels. Absolute values in kWh can be seen in the tabulation above.

For 2024 the following conversion factors have been used:

ENERGY CONSUMED	CONV	UNITS	KG CO ₂ E /KWH
Transport Diesel	10.08	kWh/lit	0.268
Transport Petrol	8.85	kWh/lit	0.251
LPG	6.67	kWh/lit	0.228
LHO (Diesel/gasoline)	10.08	kWh/lit	0.268
NG	9.72	kWh/m ³	0.202
Electricity Generated CHP			0.202
Electricity Consumed			0.396

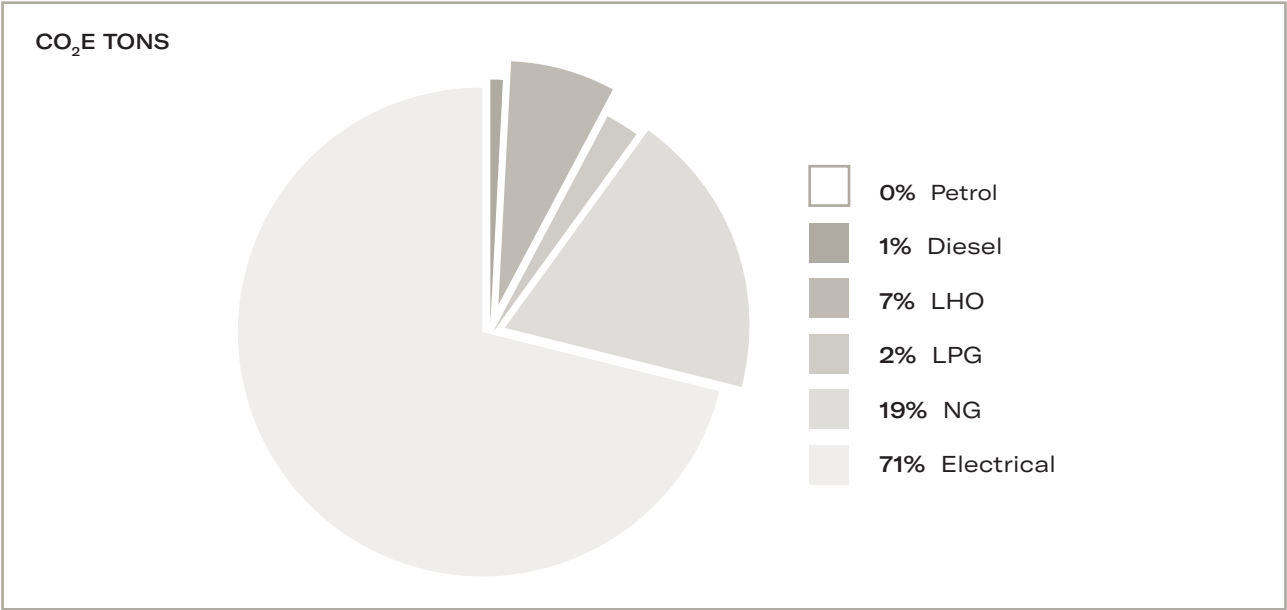
Below is emissions data for 2024:

ENERGY BY USE	CO ₂ E TONS	%
Transport	184	0.64%
Heating/Hot Water	7,796	27.18%
Kitchen	264	0.92%
Electrical Others	20,423	71.19%
CHP	20	0.07%
Total	28,687	100.00%



Total emissions for 2024 amounted to 28,687 tons CO₂e. The majority of this came from Scope 2, electrical which accounted for 20,423 Tons CO₂e or 71% of total. Scope 1 emissions totalled 8,264 tons of CO₂e or 29% of total emissions. The majority of Scope 1 emissions were from heating and hot water which accounted for 7,796 tons of CO₂e or 27% of total.

ENERGY BY SOURCE	CO ₂ E TONS	%
Diesel	143	0.50%
Petrol	41	0.14%
LHO	2,113	7.37%
LPG	559	1.95%
NG	5,389	18.80%
Electrical	20,423	71.24%
Total	28,667	100.00%



In 2024, the majority of Scope 1 emissions came from natural gas representing 19% of total Scope 1 and 2 emissions. Light Heating Oil (LHO) contributed less than 7%. It was noted that both natural gas and LHO have decreased from 2023 by 14% and 6% respectively. The exclusion of Corinthia Prague data did not impact the reduction in LHO as the hotel did not use this fuel.

DIRECT ENERGY PER OCCUPIED ROOM (OR)						
	2024		2023		CHANGE	
Total available Rooms	1,113,980		1,310,715		(196,735)	(15%)
Occupied Rooms	738,268	66%	758,247	58%	(19,979)	(3%)
Energy Consumed per Occupied Room	Energy	CO₂e	Energy	CO₂e		
	kWh/OR	Kg	kWh/OR	Kg/OR		
Fuel Consumed / OR						
Heating/Hot Water /OR						
LPG / OR	1.75	0.40	1.13	0.26	0.62	54%
LHO (Diesel/gasoline) / OR	10.69	2.86	11.12	2.98	(0.42)	(4%)
NG / OR	36.14	7.30	40.87	8.25	(4.73)	(12%)
Other (kitchen) / OR						
LPG / OR	1.57	0.36	1.45	0.33	0.12	8%
LHO (Diesel/gasoline)	-	-	-	-	-	0%
NG	-	-	-	-	-	0%
Fuel Consumed Total Non-Transport	50.15	10.92	54.57	11.82	(4.42)	(8%)
Electricity Generated RES (PV) / OR	1.55	-	1.17	-	0.38	33%
Electricity Generated CHP / OR	0.09	0.02	0.25	0.10	(0.16)	(63%)
Electricity Consumed / OR	69.86	27.66	69.33	27.11	0.53	1%
Total Energy Consumed excl RES / OR	120.10	38.60	124.15	39.02	(4.05)	(3%)
Net Energy Consumed / OR	118.55	38.54	122.98	38.83	(4.43)	(4%)

During the year under review, total energy consumption decreased from 124.15 kWh per occupied room in 2023 to 120.10 kWh per occupied room in 2024, representing a 3% decrease. The corresponding reduction in CO₂e was 0.42 KgCO₂e/OR. Non-transport fuel consumption decreased by 8%, while electrical consumption increased by 1%. The main reasons for this were twofold:

1. Improved efficiencies as relative occupancy levels increased, reducing the base load effect.
2. The ongoing efforts within the Group to reduce energy consumption, including the replacement of old equipment, fine-tuning operational parameters, and implementing all possible operational measures to eliminate energy wastage.

The Group has continued to place a strong emphasis on reducing energy use, which not only enhances operational efficiency and sustainability, but also reduces the CO₂e footprint, thereby lowering operational costs.

ONGOING INITIATIVES

Since 2021, the Group has implemented the below ongoing operational energy efficiency measures:

1. During periods of low occupancy hotels with zoned systems must close off sections of the hotel where possible.
2. Optimising kitchen hours and ensuring that only equipment in use is switched on.
3. Reducing dishwasher operating hours to run only with a full load.
4. Reducing laundry operating hours and ensuring loads are maximised, with equipment operating strictly when necessary.
5. Operating saunas and steam rooms on demand and switching them off when not in use.
6. Modulating operating temperatures of heating and cooling systems for maximum efficiency.
7. Optimising water pressure where possible to reduce pump operating hours.
8. Using cold fresh air to cool areas such as kitchens and gyms through AHUs, where possible.
9. Stopping or reducing public area AHUs between 23:00 hrs and 05:00 hrs.
10. Minimising lighting in all back-of-house areas, particularly loading bays and garages, from 21:00 hrs to 05:00 hrs, leaving only minimal lighting for CCTV safety and security purposes.
11. Monitoring utility consumption on a daily basis and investigating any anomalous consumption immediately.
12. Ensuring outside doors remain closed to avoid heating/cooling loss.
13. Housekeeping to ensure that rooms in use are fully switched off after cleaning.
14. Security and maintenance personnel to ensure all areas are switched off during patrols.

ENERGY MANAGEMENT SYSTEM

The Group also continued the rollout of its hotel energy management system, EDGE MARS, in five (5) hotels;

- Corinthia St George's,
- Corinthia Lisbon,
- Radisson Blu Resort St Julian's,
- Corinthia Budapest.
- Corinthia St Petersburg

This digital energy management system uses AI and leverages a comprehensive network of sub-meters installed as part of the same project. It systemically identifies opportunities to enhance energy performance and optimise the operation of the central plant and other site equipment, all while improving guest comfort. The system monitors energy use, and a follow-up with hotel engineering is conducted periodically to ensure that any issues are addressed promptly. All events are tracked and reported.

During 2024, this system was fully operational at Corinthia St George's, Corinthia Lisbon, Radisson Blu Resort St Julian's and Corinthia Budapest. In Corinthia St Petersburg it was suspended temporarily between March 2023 and August 2024 due to the prevailing circumstances in Russia. Following the suspension it has been operating in the same manner as the other hotels.

BMS UPGRADING

The BMS systems at Radisson Golden Sands has been upgraded and is operational while that at Corinthia Budapest was in the final stages of completion at the end of 2024.

USING WATER EFFICIENTLY

USING WATER EFFICIENTLY				
TOTAL VOLUME OF WATER WITHDRAWN FROM SOURCE	2024	2023	CHANGES	
Units	m ³	m ³	m ³	%
Municipal Mains Supply (volume from water meter)	438,553	427,875	10,678	2%
Private Water Supplier by Bowser (volume from bowser receipts)	16,449	19,664	(3,215)	(16%)
Groundwater Self-Abstraction (meter installed by WSC)	-	-	-	
Private RO facility (sea-well) (private metering facilities)	127,247	160,378	(33,131)	(21%)
Harvested Rain Water (volume of reservoir and number of times use)	-	950	(950)	(100%)
Treated Wastewater (private metering facilities – if applicable)	-	-	-	
Total water consumed	582,249	607,917	(25,668)	(4%)
Total Guests	1,256,613	1,288,673	(32,060)	(2%)
Water per guest (m³/guest)	0.4633	0.4717	(0.01)	(2%)

Total water consumption decreased by 4% while water consumption per guest also decreased by 2% compared to the 2023 figures. This improvement can be attributed to effective water management and monitoring practices implemented by the organisation.

MANAGING WASTE

The Group is diligently monitoring the evolving waste regulations as they unfold across various territories in which the Group operates. Despite the dynamic nature of these regulations, the Group is committed to being ahead, especially where the regulations are lacking. To this end, a focus on avoidance, reduction, recycling and reuse has been adopted across the Group's operations.

MANAGING WASTE					
WASTE BY TYPE AND DISPOSAL METHOD	DISPOSAL	2024	2023	CHANGES	
Units		kg	kg	kg	%
Hazardous waste by type and disposal method					
Acids (kg)		-	-	-	-
Solvents (kg)		-	-	-	-
Toxic metals (kg)		-	-	-	-
Batteries (kg)		397	351	46	13%
Electronic equipment (kg)		134	770	(636)	(83%)
Lamps (kg)		1,319	1,273	46	4%
Other (kg)		880	-	880	-
Kitchen oil (kg)	Recycle	17,692	32,592	(14,900)	(46%)
Total Kg of hazardous waste generated		20,422	34,986	(14,564)	(42%)
Non Hazardous waste by type and disposal method					
Commingled (Cardboard + Plastic + Glass) (kg)	Recycle	4,253	4,071	182	4%
Cardboard (kg)	Recycle	106,527	94,616	11,911	13%
Glass (kg)	Recycle	277,766	378,805	(101,039)	(27%)
Metal (kg)	Recycle	5,058	3,562	1,496	42%
General waste (kg)	Landfill	2,482,771	2,359,727	123,044	5%
Organic Waste (kg)	Composting	944,475	972,694	(28,219)	(3%)
Plastic (kg)	Recycle	61,818	66,337	(4,520)	(7%)
Construction waste (kg)	Landfill	150,485	186,160	(35,675)	(19%)
Total Kg of non-hazardous waste generated		4,033,152	4,065,972	(32,820)	(1%)
Total Waste		4,053,574	4,100,958	(47,384)	(1%)

The indicated decrease can be partly attributed to exclusion of Corinthia Prague data but also offset by enhancements in data collection. Previously, not all waste streams were fully recorded, but recent improvements in data collection methodology and procedures are expected to improve the accuracy and completeness of the gathered data.

Additionally, the Group remains committed to continuously exploring and implementing solutions that promote waste avoidance and reduction, along with improved opportunities for recycling and reuse. Food waste is receiving particular attention, and a trial project using camera recognition and AI technology is being run in Lisbon to establish better monitoring methods and follow up actions to reduce food waste.

SOCIAL RESPONSIBILITY

As the Group continues to grow, our founding ethos, known as the Spirit of Corinthia, becomes increasingly important. This ethos is based on a set of values inspired by our founder, captured under the concepts of Heart, Head, and Hands. These values are not only the cornerstone of our culture immersion programme but also underpin our suite of learning programmes and orientation initiatives.

These values guide our colleagues in their daily interactions as they strive to fulfil their purpose of uplifting the lives of fellow colleagues, guests, and surrounding communities. No matter what role, colleagues are all expected to embody 'The Spirit of Corinthia' in their place of work.

The Group's values are also reflected in policies and procedures that are summarised in the Colleague Handbook, with an emphasis on:

- How we take care of each other's needs, our family friendly provisions, and our respect for diversity and inclusion (HEART).
- How we use information and communication tools securely while respecting and protecting others' data (HEAD).
- How we ensure and safeguard the health and safety of everyone while behaving according to the highest ethical standards. (HANDS)

As the Company strives to uplift colleagues' lives, it focuses on the following six areas of employee experience:

- Enhancing well-being of colleagues
- Ensuring colleagues feel involved
- Recognising effort and commitment
- Creating a place where colleagues belong
- Understanding colleague needs
- Growing colleague career with Corinthia

The purpose of uplifting lives is guided by the Group's core values, that lie at the heart of every colleague's journey with the Group. Delivering on these commitments across all aspects of the employee experience is vital to the success and sustainability of Corinthia Hotels. While the Company operates luxury hotels in some of the most beautiful places in the world, its success is dependent upon the invaluable effort and contribution of all colleagues.

COLLEAGUES

As of 31 December 2024, the group employed 2,885 full-time and part-time employees (2,946 in 2023). The distribution of the workforce by gender and categories was as follows:

COLLEAGUES BY CATEGORY (IN HEADCOUNT)

	2024			2023		
	Male	Female	Total	Male	Female	Total
Management	137	78	215	206	145	351
Workforce	1,642	1,028	2,670	1,551	1,037	2,588
Total	1,779	1,106	2,885	1,757	1,182	2,939

NUMBER OF COLLEAGUES BY EMPLOYMENT CONTRACT

	2024		2023	
	Full-Time	Part-Time	Full-Time	Part-Time
% Contract Type	84.44%	15.56%	78.68%	21.32%
Full-Time vs Part-Time Contract Ratio	5.43		3.69	

NUMBER OF COLLEAGUES BY GENDER		2024							
	FULL-TIME				PART-TIME				
	Male	Female	Total	%	Male	Female	Total	%	
Management	137	78	215	36	-	-	-	-	-
Workforce	1,367	854	2,221	38	275	174	449	39	
Total	1,504	932	2,436		275	174	449		

NUMBER OF COLLEAGUES BY GENDER		2023							
	FULL-TIME				PART-TIME				
	Male	Female	Total	%	Male	Female	Total	%	
Management	206	142	348	41	-	3	3	100	
Workforce	1,212	758	1,970	38	339	279	618	45	
Total	1,418	900	2,318		339	282	621		

NUMBER OF COLLEAGUES BY AGE		2024						
	Under 30		30-50		Over 50		Total	
		%		%		%		
Management	3	1	140	65	72	33	215	
Workforce	933	35	1,343	50	394	15	2,670	
Total	936	32	1,483	51	466	16	2,885	

Learning lies at the heart of the Group's philosophy, and each year the Group makes substantial investments in the development of its workforce. Colleagues who show the willingness and potential to advance in their careers are given the opportunity to progress and are often promoted to leadership positions.

Managers are expected to lead by example, treating their immediate reports with care, dignity and respect. Colleagues in leadership positions are expected to act as coaches rather than just superiors, engaging in regular, meaningful discussions with team members to evaluate performance and behaviour, and to identify areas for improvement or further development.

The Group operates businesses in multiple locations and high-performing colleagues have the opportunity to embark on cross-exposure programmes and undertake management traineeships. Additionally, throughout the year, employees attend in-person and online learning programmes aimed at fine-tuning their operational know-how and contributing towards their personal and professional development.

2024			
TRAINING HOURS UNDERTAKEN DURING THE REPORTING PERIOD	MALE	FEMALE	TOTAL
Top Management	2,545	2,503	5,048
Middle Management	1,573	2,080	3,653
Lower Management	3,311	2,768	6,079
Workforce	17,315	18,627	35,942
Total	24,744	25,978	50,722
Total no. of labour hours			2,506,445
Total no. of hours of training vs. total number of hours			2.02%

Colleagues across all levels, from operative and supervisory, to middle and senior management, are given equal opportunities and access to education and training. This ensures that they possess the necessary generic and specialist knowledge and skills for the effective execution of their duties and responsibilities. Training is provided in-house or via third-party training service providers.

INCLUSION AND DIVERSITY

The Group is committed to fostering inclusion and diversity in the workplace, promoting equal employment opportunities regardless of age, disability, gender reassignment, marital or civil partner status, pregnancy or maternity, race, colour, nationality, ethnic or national origin, religion, belief or non-belief, sex, or sexual orientation (Protected Characteristics) or any other characteristics identified by local law and regulation.

As an equal opportunity employer, the Group understands the importance of striking a balance between work and family life. It supports colleagues with parental responsibilities through family-friendly measures, including the granting of parental leave to both male and female members of the workforce in accordance to local law and regulation.

HEALTH AND SAFETY

The Group prioritises health and safety of both its clients and employees across all its entities and on all its premises. To ensure adequate security, the Group continues to upgrade the physical security systems in all its properties, especially in jurisdictions considered high risk, by investing significantly in enhanced security systems.

To standardise procedures for handling security concerns across the various jurisdictions where the Group operates, operational emergency action plans have been developed to comply with local and international health and safety standards. These standards are rolled out across its operations and updated on a regular basis.

The Emergency Action Plan is split into three sections namely:

- Preparing for emergencies and crisis;
- A security assessment toolkit; and
- Dealing with emergencies.

Throughout its operations, the Group encourages its employees, through constant communication and rigorous training, to promptly report any risks so that they can be addressed as they arise.

Additionally, a new health and safety management system was developed to meet today's international health & safety requirements. The new management plan includes a new health and safety policy, a general statement of intent, new implementation arrangements, a risk assessment, safety checklists, and statutory compliance (e.g. service and maintenance regimes etc.). The management plan has been digitalised so that related work can be completed online via desktops and the shield's safety app.

COMMUNITIES

Throughout 2024, the Company has remained consistently active in its social and community work, embodying its vibrant philosophy of "The Spirit of Corinthia" and its mission to uplift lives. Through various charitable initiatives and community engagement activities, the Company has demonstrated an unwavering commitment to making a positive impact in the lives of individuals and families in need.

These initiatives highlight the ongoing commitment of the Group to social responsibility, community engagement, and the development of future talent within the hospitality industry.

During the year, a wide range of initiatives were undertaken:

- Fund raising activities in aid of sick and under privileged children:
 - Sigma Foundation, dedicated to fostering positive social change by supporting projects and programs that uplift underserved communities, promote education, and enhance well-being worldwide – Malta

- Costa Foundation, with a mission to improve the life chances of children and young people in coffee growing communities by providing the opportunity of a safe, quality education – Malta
- Smiling with Jerome - Malta
- Spread a Smile – London.
- Make a Wish - Lisbon.
- Fund raising activities in aid of Cancer foundations:
 - The Marigold Foundation – Malta.
 - Hospice - Malta.
- Donations made:
 - Agenzija Appogg - Malta
 - ALP Paola - Malta
 - Helping Kate - Malta
 - Salesians Don Bosco - Malta
 - SOS Children's Village – St Petersburg
 - St Petersburg Children's Hospital – St Petersburg
 - HopeXchange Foundation Hospital (Ghana) – Malta
- Initiatives aimed at protecting and preserving the environment:
 - Seabed Cleaning events – Doha
 - Beach Clean-up event in conjunction with NGO 'Zibel Malta' – Malta
 - Refood, an initiative focused on rescuing tons of good food that would otherwise go to waste, ensuring it is distributed to those in need within the community – Malta.

GOVERNANCE

The Group maintains that strong governance processes are critical to integrating sustainability topics seamlessly into the business, rather than treating them as separate business issues. The Board plays an essential role in determining strategic priorities and considers sustainability issues as an integral part of the business oversight. To aid the Board, the Audit Committee provides more focused oversight for the Group's policies, programmes and related risks that concern key public policy and sustainability matters.

The Audit Committee met 13 times during 2024 with detailed minutes being kept of all proceedings and decisions taken.

RISK MANAGEMENT

The Group acknowledges that the management, prevention and mitigation of risks are integral components of its overarching strategic management processes. To ensure that potential risks and issues are adequately identified and addressed in an effective and efficient manner, the Group has established an Enterprise Risk Management ("ERM") framework which falls under the responsibility of the Audit Committee, on behalf of the Group's Board of Directors.

As part of its comprehensive ERM framework, the Group has re-assessed its Risk Appetite and updated its Risk Management Policy and Risk Assessment Procedure to ensure alignment with the Group's Strategic Objectives and underlying Risk Appetite. The ERM framework also serves to provide an effective structure for managing risk and formalising and communicating the Group's approach towards risk management. In so doing, the Group has adopted a standard methodology, based on the International Risk Management Standard ISO 31000:2009 and the COSO (Committee of Sponsoring Organisations of the Treadway Commission) standard for Enterprise Risk Management, to guide its risk management practices. Through the ERM framework, the Group proactively identifies, mitigates, and manages principal business risks including sustainability and ESG considerations to ensure the Group's risk register captures a 360-perspective of its risk universe.

Furthermore, the Group strengthened its Risk and Compliance capacity to cater for the Group's growth in business operations and related risks. The Group also established an internal Management Risk Committee ("MRC") to support the Risk Management function in identifying emerging risks at Group and strategic level. In this regard, the primary responsibilities of the MRC are to:

- Support the Risk Management function to gain insight into the Group's risk strategy, as well as various upcoming events and opportunities that may impact the Group's risk universe.
- Guide and support the Risk Management function in identifying potential emerging risks, or significant changes in risk exposures which would warrant the attention of the Group's and Strategic Business Units' Boards, especially in light of the next risk assessments to be carried out in accordance with the Risk Assessment Annual Plan.
- Receive and review recently issued Executive Risk Reports, including the Risk Response Plans being proposed by the Senior Management of the SBUs, before they are forwarded to the Audit Committee for approval.
- Other risk-related matters that may be determined from time to time by the Audit Committee.

In line with its Charter, the MRC is composed of senior management executives with diverse backgrounds and expertise in their respective fields who are responsible for overseeing the implementation of policies and practices aimed at enhancing the ERM framework within the Group.

DATA PROTECTION

Aligned with the Group's Enterprise Risk Management strategy, the Group is firmly committed to manage and protect the personal data it processes in line with the General Data Protection Regulation (EU) 2016/679 ("GDPR"), the Data Protection Act ("DPA") (Cap 586 of the Laws of Malta), and other applicable laws and regulations. In so doing, the Group is elevating its stance to proactively enhance its awareness and foster a culture of data protection as an integral part of its business activities.

The Group considers personal data as any information relating directly or indirectly to an individual, be it the individual's private, professional or public life. With the broadening of disclosure requirements for each category of data subjects, it has become crucial to inform them of the legal grounds for processing their data, their rights as data subjects, and the data retention periods involved. With its headquarters established in Malta, the Group recognises the Office of the Information and Data Protection Commissioner ("IDPC") in Malta as its Lead Supervisory Authority in relation to data protection matters. Data subjects have a right to lodge a complaint to the IDPC if they believe their data is being handled in a non-compliant manner.

The Group's commitment towards Data Protection is also shown through the appointment of an internal Data Protection Officer (DPO) who is responsible for ensuring that the Group and the underlying group entities remain in compliance with the applicable data protection legislation at all times. As part of role, the DPO is also maintaining an open and collaborative relationship with the Data Protection Commissioner.

Furthermore, the Group has implemented a comprehensive data protection governance structure that includes the appointment and training of a number of data champions at group entity level, a robust reporting process to the Board, and stronger control mechanisms. These measures ensure that the Group's Board, Executive team, Senior Management, employees, and relevant stakeholders are aware of their respective obligations under the GDPR and other data protection legislation.

ETHICAL CONDUCT

The Group's set of values underpins its high standards of ethical conduct. It respects human rights, embraces diversity and stands firmly against corruption.

ANTI-FRAUD POLICY

International Hotel Investments p.l.c., including its subsidiaries and affiliates established this Policy as it is committed to the highest possible standards of openness, honesty and accountability in all of its affairs. The Group is determined to maintain a culture of honesty and opposition to fraud and corruption.

Based on this commitment, this Policy outlines the principles to which the Group is committed in relation to preventing, reporting and managing fraud and corruption. This Policy reinforces the approach to business dealings by articulating the core values of the Group and by setting out the ways in which employees or members of the public can voice their concerns (through the Whistleblowing Policy) about suspect fraud or corruption. It also outlines how the Group will deal with such complaints.

The primary objective of this Policy is to:

- Give a clear and unambiguous statement of the Group's position on theft, fraud and corruption;
- Minimise the risk of fraud;
- Enhance the Group's governance and related internal controls;
- Standardise business activities;
- Maintain integrity in the Group's business dealings;
- Establish procedures and protections that allow employees of the Group and members of the public to act on suspected fraud or corruption with potentially adverse ramifications and to achieve the legitimate business objectives of the Group for the benefit of its shareholders.

The policy has been widely distributed and is currently available on the Group's website www.corinthiagroup.com.

WHISTLEBLOWER POLICY

The first Whistleblower Policy was introduced in 2014 and was updated in 2024 to reflect recent legal developments.

The present Whistleblower Policy has been established based on the Directive (EU) 2019/1937 on the protection of persons who report breaches of European Union law that creates a framework for persons who acquired information on certain breaches in connection with their work-related activities and serves to set minimum standards and principles for the protection of persons reporting said breaches. Each Group Company is additionally subject to and solely responsible for compliance with the laws in its own Relevant Jurisdiction.

The principal objective behind this policy is to provide a Whistleblower with the possibility to report a misconduct through an internal reporting channel that safeguards the Whistleblower's identity.

This policy is applicable to all personnel within the Group, both part-time and full-time, encompassing contractors or subcontractors engaged to perform work or provide a service, external workers, former employees, trainees or interns, and candidates for employment, solely when information about suspected improper conduct has arisen during the recruitment process or during the pre-contractual negotiation phase.

The protection granted to the Whistleblower's identity ensures that reporting of misconduct can take place without fear of facing any form of retaliation.

Simultaneously, the Group is given the chance to examine and carry out appropriate measures to address the potential cases of misconduct.

The policy has been widely distributed and is currently available on the Group's website www.corinthiagroup.com. No reports were received through the whistleblower channel in 2024.

ANTI-MONEY LAUNDERING/COMBATING THE FINANCING OF TERRORISM (AML/CFT)

Although the Group is not considered a subject entity under Anti-Money Laundering and Counter-Terrorist Financing (AML/CFT) regulations, it has formally adopted and internally communicated a policy which in itself, reflects the commitment of the Group to the prevention of money laundering and terrorist financing. This policy is aimed at detecting and preventing the use of the Group and its subsidiary companies, which operate within the travel accommodation, hospitality, industrial catering, leisure industries and asset management activities, including rental/leasing activities (the "Group Entities"), for these purposes. The Group is committed to the highest standards of compliance and seeks to follow best practice wherever possible.

This policy is applicable to, and shall be followed by all employees, members of management and executives of the Group authorised to accept payments, including, without limitation, staff members working at the front desk, reception and lobby areas of the hotels, spas and/or restaurants, within the billing departments and other relevant departments matters relating to the payment for accommodation, hospitality, catering, leisure-related services, and/or any other business activity of the Group may be handled.

CONFLICTS OF INTEREST POLICY

This policy establishes the procedures and guidelines to manage situations where the interest of the Company or any of the Group entities might conflict with the direct or indirect personal interest of the directors or of persons subject to rules governing conflicts of interest.

CAPITAL MARKET RULES

These rules establish the minimum standards for the buying and selling of securities and the management of privileged and confidential information. They outline compliance measures in accordance with sections 5.102 to 5.116, ensuring that all financial transactions and information handling are conducted ethically and legally.

CODE OF CONDUCT

The Code of Conduct sets out the highest moral and ethical standards that are expected from all employees. The Group's rationale behind the Code of Conduct is to set the highest example for employees, guests, and the wider business community. Failure to comply with local laws can result in our business incurring fines or other penalties, suffering restrictions on our business activities and, in some cases, the withdrawal of the right to operate.

Colleagues must avoid unethical practices and attitudes, not only to avoid potential consequences, but because acting ethically aligns with the core values of the Group.

The Code of Conduct is applicable to all colleagues and extends to the Group's wider business operations. It is intended to foster a culture of transparency and integrity. The Code of Conduct comprises our guiding principles and strict adherence is expected from all colleagues.

COLLEAGUE HANDBOOK

All colleagues receive a copy of the employee handbook which provides an introduction to the culture of the Company, as well as information on key policies and procedures, including anti-fraud, anti-bribery, whistleblowing, fair competition, equal opportunity, customer/employee data privacy, as well as anti-modern slavery.

All colleagues are familiarised with the content of the colleague handbook during the orientation programme, thus ensuring that they are aware of the expectations of the Group related to ethical and professional conduct.

It is the responsibility of management to behave in an exemplary manner, lead by example, and ensure adherence to policies and procedures.

CONSOLIDATED DISCLOSURES PURSUANT TO ARTICLE 8 OF THE TAXONOMY REGULATION

INTRODUCTION

In order to achieve the targets established by the European Union ('EU') of reaching net zero greenhouse gas ('GHG') emissions by 2050, with an interim target of reducing GHG emissions by 55%, compared to 1990 levels, by 2030, the EU has developed a classification system, by virtue of the EU Taxonomy Regulation¹, or ('the EU Taxonomy') which establishes the criteria for determining whether an economic activity qualifies as environmentally sustainable.

¹ EU Regulation 2020/852

The EU Taxonomy establishes criteria in terms of six environmental objectives, against which entities will be able to assess whether economic activities qualify as environmentally sustainable.

In order to qualify as such, an economic activity must be assessed to substantially contribute to at least one of these environmental objectives, whilst doing no significant harm ('DNSH') to the remaining objectives. This is achieved by reference to technical screening criteria established in delegated acts to the EU Taxonomy. The economic activity is also required to meet minimum safeguards established in the EU Taxonomy.

The six environmental objectives considered by the EU Taxonomy are the following, where climate-related environmental objectives (i-ii below) are established in the Climate Delegated Act ² ('CDA'), whilst non-climate environmental objectives (iii-vi below) are established in the Environmental Delegated Act ³ ('EDA'). This financial year is the first reporting period in which the Group is required to report in the context of the EDA, which was formally adopted in 2023.

- i. Climate change mitigation ('CCM');
- ii. Climate change adaptation ('CCA');
- iii. Sustainable use and protection of water and marine resources ('WTR');
- iv. Transition to a circular economy ('CE');
- v. Pollution prevention and control ('PPC'); and
- vi. Protection and restoration of biodiversity and ecosystems ('BIO').

The EC adopted a Delegated Act supplementing Article 8 of the Taxonomy Regulation ('the Disclosures Delegated Act') in 2021, which establishes the disclosure requirements of entities within the scope of the Taxonomy Regulation. At this stage, this solely comprises entities subject to an obligation to publish non-financial information pursuant to Article 19a or Article 29a of Directive 2013/34/EU (being those entities subject to the Non-Financial Reporting Directive, 'NFRD'). However, the NFRD will be replaced by the Corporate Sustainability Reporting Directive (CSRD), once the latter is transposed into local legislation in 2025.

In the following section, the Group, as a non-financial parent undertaking, presents the share of its turnover, capital expenditure (CapEx) and operating expenditure (OpEx) for the reporting period ended 31 December 2024, which are associated with taxonomy-eligible and taxonomy-aligned economic activities for all six environmental objectives. The Group was exempt from reporting on alignment for these four environmental objectives in the first year. Reporting taxonomy alignment for objectives 3 to 6 became mandatory for non-financial undertakings from the financial year ending 31 December 2024. Accordingly, the Group is required to disclose both eligibility and alignment for all six environmental objectives.

This does not include subsidiary level Taxonomy KPIs in the contextual information, which are only required where the parent undertaking identifies significant differences between the risks or impacts of the Group and those of the subsidiaries, in line with FAQ 12 in the Commission Notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of EU Taxonomy Regulation on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets (second Commission Notice) ⁴. The Group is currently still in the process of identifying such risks and impacts as part of its preparation for CSRD reporting.

The Group does not identify any significant differences between the risks or impacts of the Group and those of its subsidiaries. In addition, none of the Group's subsidiaries are currently obliged to publish non-financial information pursuant to the NFRD. Neither do they avail of the subsidiary exemption emanating from paragraph (9) of Article 19a, or paragraph (8) of Article 29a, of the Accounting Directive, respectively.

² Commission Delegated Regulation 2021/2139

³ Commission Delegated Regulation 2023/2486

⁴ C/2023/305

OUR ACTIVITIES

OVERVIEW

PROPORTION OF TAXONOMY-ELIGIBLE AND TAXONOMY-ALIGNED ECONOMIC ACTIVITIES IN TOTAL TURNOVER, CAPEX AND OPEX IN FY 2024

FY 2024	TOTAL (€000)	PROPORTION OF TAXONOMY- ELIGIBLE (NON- ALIGNED) ECONOMIC ACTIVITIES	PROPORTION OF TAXONOMY- ALIGNED ECONOMIC ACTIVITIES	PROPORTION OF TAXONOMY NON- ELIGIBLE ECONOMIC ACTIVITIES
Turnover	306,788	89.6%	0%	10.4%
CapEx	81,431	46.2%	0%	53.8%
OpEx	7,440	98.3%	0%	1.7%

The Group also provides comparatives for the financial year ended 31 December 2023.

PROPORTION OF TAXONOMY-ELIGIBLE AND TAXONOMY-ALIGNED ECONOMIC ACTIVITIES IN TOTAL TURNOVER, CAPEX AND OPEX IN FY 2023

FY 2023	TOTAL (€000)	PROPORTION OF TAXONOMY- ELIGIBLE (NON- ALIGNED) ECONOMIC ACTIVITIES	PROPORTION OF TAXONOMY- ALIGNED ECONOMIC ACTIVITIES	PROPORTION OF TAXONOMY NON- ELIGIBLE ECONOMIC ACTIVITIES
Turnover	287,773	89.9%	0%	10.1%
CapEx	63,437	93.0%	0%	7.0%
OpEx	7,877	97.4%	0%	2.6%

DEFINITIONS

'Taxonomy-eligible economic activity' means an economic activity that is described in the delegated acts supplementing the Taxonomy Regulation (that is, either the Climate Delegated Act or the Environmental Delegated Act), irrespective of whether that economic activity meets any or all of the technical screening criteria laid down in those delegated acts.

The Climate Delegated Act is structured such that Annex I contains a list of activities and the respective technical screening criteria in relation to the Climate Change Mitigation objective, whereas Annex II relates to the Climate Change Adaptation objective, with potentially different activities being considered in the different annexes.

The Environmental Delegated Act similarly comprises respective lists of activities and technical screening criteria in relation to the non-climate environmental objectives therein.

'Taxonomy-aligned economic activity' refers to a taxonomy-eligible activity which complies with the technical screening criteria as defined in the Climate Delegated Act or Environmental Delegated Act and it is carried out in compliance with minimum safeguards regarding human and consumer rights, anti-corruption and bribery, taxation, and fair competition. To meet the technical screening criteria, an economic activity must contribute substantially to one or more environmental objectives while 'doing no significant harm' to any of the other environmental objectives. Furthermore, the activity must be performed in a manner that meets minimum safeguards in relation to human rights, bribery & corruption, fair competition and taxation.

'Taxonomy-non-eligible economic activity' means any economic activity that is not described in the delegated acts supplementing the Taxonomy Regulation.

TAXONOMY-ELIGIBLE AND TAXONOMY-ALIGNED ECONOMIC ACTIVITIES**TAXONOMY ELIGIBILITY OF TURNOVER-GENERATING ACTIVITIES**

The Group has examined all economic activities carried out to see which of these are taxonomy-eligible and also taxonomy-aligned in accordance with Annexes I and II to the Climate Delegated Act and Annexes I to IV to the Environmental Delegated Act. The table below indicates the activities performed by the Group which have been identified as taxonomy-eligible and the environmental objective to which the activity may be associated with. Information on the extent to which the economic activities are also taxonomy-aligned is provided in the KPI templates further below.

Taxonomy-eligible activities were identified by extracting the total turnover, CapEx and OpEx required to be captured in the denominators of the respective KPIs and assessing the NACE code of the activities to which the amounts relate. The Group then assessed which of the identified NACE codes relate to activities included within the annexes to the Climate Delegated Act. For the identified eligible activities, the Group then began the process to begin assessing them against the technical screening criteria.

Through the activity highlighted in the table below, the Group generates turnover, and generally incurs both CapEx and OpEx for these activities.

ECONOMIC ACTIVITY	DESCRIPTION	TURNOVER (%)*	CAPEX (%)*	OPEX (%)*	ENVIRONMENTAL OBJECTIVE	NACE CODE
2.1. Hotels, holiday, camping grounds and similar accommodation	The generation of income through short-term accommodation with associated services	86.5	15.6	90	BIO	I55
7.6 Installation, maintenance and repairs of renewable energy technologies	The generation of income from PV panels owned by the Group	0.01	-	-	CCM, CCA	F42
7.7 Acquisition and ownership of buildings	The generation of rental income through investment property held by the Group	4.2	-	8.3	CCM, CCA	L68

**% of the total turnover, CapEx and OpEx included in the denominator of the respective KPI*

Economic activities classified under activity 2.1 'Hotels, holiday, camping grounds and similar accommodation' relate to the generation of income related to short-term accommodation with associated services, through hotel operations.

The CapEx classified as taxonomy-eligible in respect of activity 2.1 entails the refurbishment and upkeep of property through which the Group offers short term accommodation.

Economic activities classified under activity 7.6 'Installation, maintenance and repairs of renewable energy technologies' relate to the generation of income from PV panels owned by the Group.

Economic activities classified under activity 7.7 'Acquisition and ownership of buildings' relate to the generation of rental income through investment property leased by the Group.

OTHER TURNOVER GENERATING ACTIVITIES PERFORMED BY THE GROUP CLASSIFIED AS TAXONOMY NON-ELIGIBLE

The Group's other taxonomy non-eligible activities include:

- Catering for corporate events, weddings, and airlines;
- Hotel management services, including the management and operation of hotel properties by providing on-site support and services in all areas of hospitality management; and
- Construction and property consultancy, specialising in project management, cost management, design services, architecture, land surveying and archaeology.

TAXONOMY ELIGIBILITY OF INVESTMENT ACTIVITIES NOT DIRECTLY RELATED TO TURNOVER-GENERATING ACTIVITIES

Further to the activities from which the Group generates turnover, and generally incurs both CapEx and OpEx, the Group also engages in investment activities not directly related to its turnover-generating activities as highlighted below.

ECONOMIC ACTIVITY	DESCRIPTION OF THE TAXONOMY-ELIGIBLE PURCHASED OUTPUT OR INDIVIDUAL MEASURE	CAPEX (%)*	OPEX (%)*	ENVIRONMENTAL OBJECTIVE	NACE CODE
6.3 Urban & Sub urban transport, road passenger transport.	The acquisition of motor vehicles for the carriage of passengers as category M1 and N1	0.03	-	CCM, CCA	N77
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	The acquisition of motor vehicles designated as category M1 and N1	0.07	-	CCM, CCA	N77
7.2 Renovation of existing buildings	Renovation of existing buildings	26.3	-	CCM, CCA, CE	F41.2
7.3 Installation, maintenance, and repair of energy efficiency equipment	The installation of the energy efficient equipment in the Group's existing buildings (primarily the replacement of air conditioners and kitchen/sanitary water fittings)	3.6	-	CCM, CCA	F43
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	The installation of devices for measuring, regulating, and controlling energy performance in one of the Group's existing buildings	0.5	-	CCM, CCA	F43

**% of the total CapEx and OpEx included in the denominator of the respective KPI*

Included in the above are amounts that relate to the acquisition of motor vehicles, and additions to right-of-use assets in respect of motor vehicles, which are utilised by the Group to enable it to perform certain operations towards its customers. The CapEx in this respect has been classified under activity 6.3 'Urban & Sub urban transport, road passenger transport' as opposed to being allocated to a turnover-generating activity (for which the Group would make use of such vehicles at times in performing its duties). The Group has classified the amounts in this manner since the assessment to determine Taxonomy-alignment of the vehicles acquired would only be possible to be performed against the technical screening criteria developed under activity 6.3.

In a similar manner, CapEx in relation to renovation works such as upgrades, structural alterations and related finishing, to the Group's hotels are allocated under activity 7.2 'Renovation of existing buildings', installation of air-conditioning systems are allocated under activity 7.3 'Installation, maintenance and repair of energy efficiency equipment'. The Group's additions in relation to investment property are allocated under 7.7 'Acquisition and ownership of buildings'.

The largest change in the Group's CapEx from eligible activities, vis-à-vis the prior period owes to activity 7.2, which decreased from 62.8% to 26.3% of CapEx. Such an decrease in taxonomy-eligibility is largely driven by the completion of the construction and civil engineering works on existing properties owned by the Group.

TAXONOMY ALIGNMENT

Determining whether an activity meets the requirements to be classified as taxonomy-aligned requires considerable detailed information about the activity in order to properly assess it against the established technical screening criteria.

The Group is currently still in the process of gathering the necessary information in order to conclude that activities may be considered as taxonomy-aligned and verifying its accuracy. As a result of the ongoing process, the Group has not been able to substantiate the alignment of any of its activities in the current year.

OUR KPIS AND ACCOUNTING POLICIES

The key performance indicators ('KPIs') comprise the turnover KPI, the CapEx KPI and the OpEx KPI. In presenting the Taxonomy KPIs, the Group uses the templates provided in Annex II to the Disclosures Delegated Act.

Moreover, since the Group is not performing any of the activities related to fossil gas and nuclear energy (activities 4.26-4.31), the Group only publishes Template 1 of Annex XII of the Disclosures Delegated Act as regards activities in certain energy sectors.

In section A.1 'Environmentally sustainable activities (Taxonomy-aligned)' of respective Turnover, CapEx, and OpEx templates, columns 5 to 17 are marked as 'N' given that the Group does not have any Taxonomy-aligned balances.

TURNOVER KPI TEMPLATE FOR FINANCIAL YEAR 2024

Financial Year 2024				Substantial contribution criteria					DNSH criteria ('Does Not Significantly Harm')													
2024																						
Economic activities (1)		Code (2)	Turnover (3)	Proportion of turnover 2024 (4)	Climate change mitigation (b)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) Turnover 2023 (18)	%	%	Category enabling activity (19)	E/T Category transitional activity (20)
A. TAXONOMY-ELIGIBLE ACTIVITIES																						
A.1. Environmentally sustainable activities (Taxonomy-aligned)																						
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)																						
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)																						
Of which Enabling																						
Of which Transitional																						
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																						
Installation, maintenance and repair of renewable energy technologies																						
Acquisition and ownership of buildings																						
Hotels, holiday, camping grounds and similar accommodation																						
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)																						
A. Turnover of Taxonomy-eligible activities (A.1+A.2)																						
B. TAXONOMY-NON ELIGIBLE ACTIVITIES																						
Turnover of Taxonomy-non-eligible activities																						
TOTAL																						

	PROPORTION OF TURNOVER /TOTAL TURNOVER	
	TAXONOMY- ALIGNED PER OBJECTIVE	TAXONOMY- ELIGIBLE PER OBJECTIVE
CCM	0.0%	4.2%
CCA	0.0%	4.2%
WTR	-	0.0%
CE	-	0.0%
PPC	-	0.0%
BIO	-	86.5%

CAPEX KPI TEMPLATE FOR FINANCIAL YEAR 2024

Financial Year 2024			2024		Substantial contribution criteria					DNSH criteria ('Does Not Significantly Harm')														
Economic Activities (1)			Code (2)	CapEx (3)	Proportion of CapEx 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible CapEx 2023 (18)	E	T	Category enabling activity (19)	Category transitional activity (20)	
A. TAXONOMY-ELIGIBLE ACTIVITIES																								
A.1. Environmentally sustainable activities (Taxonomy-aligned)																								
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)				0	0.0%	N	N	-	-	-	-	-	-	-	-	-	-	-	-	0.0%				
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)				0	0.0%	N	N	-	-	-	-	-	-	-	-	-	-	-	-	0.0%				
Of which Enabling				0	0.0%	N	N	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	E			
Of which Transitional				0	0.0%	N													-	0.0%				T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																								
Urban and sub-urban transport, road passenger transport			CCM 6.3 / CCA 6.3	28	0.03%	EL	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%				
Transport by motorbikes, passenger cars and light commercial vehicles			CCM 6.5 / CCA 6.5	60	0.07%	EL	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.4%				
Renovation of existing buildings			CCM 7.2 / CCA 7.2 / CE 3.2	21,447	26.3%	EL	EL	N/EL	N/EL	EL	N/EL	N/EL								0.0%				
Installation, maintenance and repair of energy efficiency equipment			CCM 7.3 / CCA 7.3	2,960	3.6%	EL	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.0%				
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings			CCM 7.5 / CCA 7.5	442	0.5%	EL	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%				
Hotels, holiday, camping grounds and similar accommodation			BIO 2.1	12,694	15.6%	EL	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%				
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)				37,630	46.2%	46.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								1.4%				
A. CapEx of Taxonomy-eligible activities (A.1+A.2)				37,630	46.2%	46.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								1.4%				
B. TAXONOMY-NON ELIGIBLE ACTIVITIES																								
CapEx of Taxonomy-non-eligible activities				43,801	53.8%																			
TOTAL				81,431	100%																			

PROPORTION OF CAPEX/TOTAL CAPEX		
	TAXONOMY- ALIGNED PER OBJECTIVE	TAXONOMY- ELIGIBLE PER OBJECTIVE
CCM	0.0%	30.6%
CCA	0.0%	30.6%
WTR	-	0.0%
CE	-	0.0%
PPC	-	0.0%
BIO	-	15.6%

OPEX KPI TEMPLATE FOR FINANCIAL YEAR 2024

Financial Year 2024			Substantial contribution criteria										DNSH criteria ('Does Not Significantly Harm')																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																			
2024			Climate change mitigation (5)					Climate Change Adaptation (6)		Water (7)		Pollution (8)		Circular Economy (9)		Biodiversity (10)		Climate Change Mitigation (11)					Climate Change Adaptation (12)		Water (13)		Pollution (14)		Circular Economy (15)		Biodiversity (16)		Minimum safeguards (17)		Proportion of Taxonomy aligned (A.1) or eligible (A.2) OpEx 2023 (18)		Category enabling activity (19)		Category transitional activity (20)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									
Economic activities (1)			Code (2)	OpEx (3)	Proportion of OpEx 2024 (4)	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; 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PROPORTION OF OPEX/TOTAL OPEX		
	TAXONOMY- ALIGNED PER OBJECTIVE	TAXONOMY- ELIGIBLE PER OBJECTIVE
CCM	0.0%	8.3%
CCA	0.0%	8.3%
WTR	-	0.0%
CE	-	0.0%
PPC	-	0.0%
BIO	-	90.0%

TEMPLATE 1 NUCLEAR AND FOSSIL GAS RELATED ACTIVITIES FOR FINANCIAL YEAR 2024

ROW	NUCLEAR ENERGY RELATED ACTIVITIES	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
FOSSIL GAS RELATED ACTIVITIES		
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels	NO

The specification of the KPIs is determined in accordance with Annex I to the Disclosures Delegated Act. The Group adopts the methodology to determine taxonomy-alignment in accordance with the legal requirements and describes its policies in this regard as follows:

TURNOVER KPI**DEFINITION**

The proportion of taxonomy-aligned economic activities of the total turnover has been calculated as the part of net turnover derived from products and services associated with taxonomy-aligned economic activities (numerator) divided by the net turnover (denominator), in each case for the financial year from 1 January 2024 to 31 December 2024. Given that the Group has not identified any taxonomy-aligned economic activities, the current proportion of alignment is 0%.

The denominator of the turnover KPI is based on the consolidated net turnover in accordance with paragraph 82(a) of IAS 1. For further details on our accounting policies regarding the Group's consolidated net turnover, refer to disclosure note 3.14 'Revenue recognition' in the Group's consolidated financial statements included in this Annual Report.

RECONCILIATION

The Group's consolidated net turnover captured in the denominator of the KPI of €306,939,839 reconciles with the amount disclosed in the 'Revenue' financial statement line item included in the 'Income Statement' in the consolidated financial statements included in this annual report. Additionally, the amount also reconciles to Note 6 'Segment reporting' summarised below.

TURNOVER RECONCILIATION	AMOUNT (€000)
Turnover as per EU Taxonomy KPI denominator	306,788
Turnover as per the consolidated financial statements relating to:	306,788
Hotels <i>[referred to as segment revenue]</i>	261,877
Rental income from investment property	12,940
Hotel management company revenue	19,471
Catering business revenue	19,650
Project management revenue	10,180
Development revenue	61
Holding company revenue	4,429
Elimination of intra-group revenue	(21,820)

DETAILED BREAKDOWN OF TURNOVER	AMOUNT (€000)
Turnover (disclosure note 6)	306,788
Allocation of Turnover	306,788
2.1 Hotels, holiday, camping grounds and similar accommodation	261,846
7.6 Installation, maintenance and repair of renewable energy technologies	32
7.7 Acquisition and ownership of buildings	12,940
Taxonomy non-eligible	31,970

The full amount of €12,940,000 allocated to 'Rental income from investment property', in the amounts disclosed above, is disclosed as taxonomy-eligible under activity 7.7 'Acquisition and ownership of buildings' in the Turnover KPI. The amount of €261,877,000 allocated to hotels is disclosed as taxonomy-eligible under activity 2.1 'Hotels, holiday, camping grounds and similar accommodation' and activity 7.6 'Installation, maintenance and repair of renewable energy technologies'.

All other revenue allocated to other activities, amounting to €31,970,000 is all disclosed as taxonomy non-eligible in the Turnover KPI.

CAPEX KPI

DEFINITION

The CapEx KPI is defined as taxonomy-aligned CapEx (numerator) divided by the Group's total CapEx (denominator).

Total CapEx consists of additions to tangible and intangible fixed assets during the financial year, before depreciation, amortisation, and any remeasurements, including those resulting from revaluations and impairments, as well as excluding changes in fair value. It includes acquisitions of tangible fixed assets (IAS 16), intangible fixed assets (IAS 38) and right-of-use assets (IFRS 16) and acquisitions of investment properties (IAS 40). Additions as a result of business combinations would also be captured however, the Group had no such activities in the current year. For further details on our accounting policies regarding the Group's CapEx, refer to disclosure notes 3.7 'Property plant and equipment', 3.8 'Investment property', 3.9 'Intangible assets' and 16 'Leases', in the Group's consolidated financial statements included within this annual report.

The Disclosures Delegated Act established three categories under which to classify CapEx:

- CapEx related to assets or processes that are associated with Taxonomy-aligned economic activities ("category a"). In this case, the Group considers that assets and processes are associated with Taxonomy-aligned economic activities where they are essential components necessary to execute an economic activity.

The Group follows the generation of external revenues as a guiding principle to identify economic activities that are associated with CapEx under this category (a).

Eligible CapEx under this category has been disclosed in the table named 'Taxonomy-eligible economic activity' in the 'Taxonomy eligible and Taxonomy-aligned economic activities' section above.

- b. CapEx that is part of a plan to upgrade a Taxonomy-eligible economic activity to become Taxonomy-aligned or to expand a Taxonomy-aligned economic activity ("category b").

The Group has currently not developed such a plan, and therefore, no CapEx is considered to be eligible under this category.

- c. CapEx related to the purchase of output from Taxonomy-aligned economic activities and individual measures enabling certain target activities to become low-carbon or to lead to GHG reductions ("category c").

The Group distinguishes between the purchase of output and individual measures as follows:

- 'Purchase of output' relates to when the Group just acquires the product or service that is mentioned in the activity description.
- 'Individual measure' refers to when the Group acquires a product through an activity that is regularly performed by the supplier, but where the Group controls the content and design of the product in detail.

Eligible CapEx under this category has been disclosed in the table named 'Individually taxonomy-eligible CapEx/OpEx and the corresponding economic activities' in the 'Taxonomy eligibility of investment activities not directly related to turnover generating activities' section above. The full amount of CapEx considered under this category relates purely to 'purchase of output'.

Purchases of output qualify as taxonomy-aligned CapEx in cases where it can be verified that the respective supplier performed a taxonomy-aligned activity to produce the output that the Group acquired. Since taxonomy-alignment also includes DNSH criteria and minimum safeguards, the Group is not able to assess the Taxonomy-alignment on its own. For the purchased output in 2023, we were not able to obtain any conclusive confirmation of taxonomy-alignment.

In order to avoid double counting in the CapEx KPI, the Group ensured that CapEx captured as part of "category a", which relates to turnover-generating activities, was not also included with the activities identified within "category c", particularly in the case of taxonomy-eligible CapEx relating to the acquisition of a property which is partly leased out to third parties and partly utilised by the Group in the performance of its own operations.

RECONCILIATION

The Group's total CapEx captured in the denominator of the KPI can be reconciled to the consolidated financial statements of the Group included in this annual report, by reference to the respective disclosures capturing the additions for property, plant and equipment, investment property, intangible assets, and right-of-use assets.

CAPEX RECONCILIATION	AMOUNT (€000)	
CapEx as per EU Taxonomy KPI denominator	81,431	
Additions as per the consolidated financial statements relating to:	81,431	
Property, plant and equipment (PPE)	78,811	Disclosure note 15
Investment property	518	Disclosure note 14
Intangible assets	1,351	Disclosure note 12
Right-of-use assets (ROU)	751	Disclosure note 16

The following is a detailed breakdown of the property, plant and equipment, investment property, intangible assets, and right of use assets amongst the different activities disclosed in the Capex KPI.

DETAILED BREAKDOWN OF PROPERTY, PLANT AND EQUIPMENT ADDITIONS	AMOUNT (€000)
PPE additions as per consolidated financial statements	78,811
Allocation of PPE in the CapEx KPI	78,811
6.3 Urban & Sub urban transport, road passenger transport	28
7.2 Renovation of existing buildings	21,447
7.3 Installation, maintenance and repair of energy efficiency equipment	2,960
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	442
2.1 Hotels, holiday, camping grounds and similar accommodation	12,694
Taxonomy non-eligible	37,630

DETAILED BREAKDOWN OF INVESTMENT PROPERTY ADDITIONS	AMOUNT (€000)
Investment property additions as per consolidated financial statements	518
Allocation of Investment Property in the CapEx KPI	
Taxonomy non-eligible	518

DETAILED BREAKDOWN OF INTANGIBLE ASSETS ADDITIONS	AMOUNT (€000)
Intangible asset additions as per consolidated financial statements	1,351
Allocation of Intangible Assets in the CapEx KPI	
Taxonomy non-eligible	1,351

DETAILED BREAKDOWN OF RIGHT-OF-USE ASSET ADDITIONS	AMOUNT (€000)
ROU additions as per consolidated financial statements	751
Allocation of ROU in the CapEx KPI	751
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	60
Taxonomy non-eligible	691

OPEX KPI

DEFINITION

The OpEx KPI is defined as taxonomy-aligned OpEx (numerator) divided by the Group's total OpEx (denominator).

Total OpEx consists of direct non-capitalised costs that relate to all forms of maintenance and repair. This includes staff costs, costs for services and material costs for daily servicing as well as for regular and unplanned maintenance and repair measures. Direct non-capitalised costs in relation to research and development, building renovation measures and short-term leases would also be captured, however, no such costs were incurred in the current year.

In addition to the OpEx items captured in the current denominator of the OpEx KPI, the Group acknowledges that certain additional costs should also be captured, which are not currently included in light of the Group's developing approach in allocating such expenditure towards taxonomy-eligible activities.

Such costs not currently being included in the OpEx KPI relate to staff costs and repair and maintenance costs in respect of additions to motor vehicles owned by the Group, since in the current year the Group is currently unable to allocate such costs towards taxonomy-eligible activities. Once the Group develops an approach for allocating such costs, these will be captured as OpEx and as part of the KPI accordingly.

The OpEx considered by the Group does not include expenses relating to the day-to-day operation of PPE, such as raw materials, cost of employees operating any equipment and electricity or fluids that are necessary to operate the PPE. Amortisation and depreciation are also not included in the OpEx KPI.

The Group also excludes direct costs for training and other human resources adaptation needs from the denominator and the numerator. This is because Annex I to the Disclosures Delegated Act lists these costs only for the numerator, which does not allow a mathematically meaningful calculation of the OpEx KPI.

Given that the Group has not identified any CapEx as being taxonomy-aligned, naturally, no OpEx is able to be considered as taxonomy-aligned.

RECONCILIATION

The OpEx of the Group recognised during the financial year ended December 2024 is disclosed further in the Group's consolidated financial statements included within this annual report in disclosure note 7 'Expenses by nature', with the full amount included in the denominator of the KPI, €7,440,000 relating fully to 'repairs and maintenance' disclosed in note 7.

The following is a detailed breakdown of the OpEx amongst the different activities disclosed in the OpEx KPI.

DETAILED BREAKDOWN OF OPEX	AMOUNT (€000)
Repairs and Maintenance as per consolidated financial statements	7,440
Allocation of OpEx KPI	7,440
2.1. Hotels, holiday, camping grounds and similar accommodation	6,696
7.7 Acquisition and ownership of buildings	615
Taxonomy non-eligible	129

STATEMENT BY THE DIRECTORS

ON COMPLIANCE WITH THE CODE OF PRINCIPLES OF GOOD CORPORATE GOVERNANCE

Listed companies are subject to The Code of Principles of Good Corporate Governance (the 'Code'). The adoption of the Code is not mandatory, but listed companies are required under the Capital Markets Rules issued by the MFSA to include a Statement of Compliance with the Code in their Annual Report, accompanied by a report of the independent auditors.

The board of directors (the directors' or the 'board') of International Hotel Investments p.l.c. ('IHI' or the 'Company') restate their support for the Code and note that the adoption of the Code has resulted in positive effects to the Company.

The board considers that during the reporting period, the Company has been in compliance with the Code to the extent that was considered adequate with the size and operations of the Company. Instances of divergence from the Code are disclosed and explained below.

COMPLIANCE WITH THE CODE

PRINCIPLES 1 AND 4: THE BOARD

The board of directors is entrusted with the overall direction and management of the Company, including the establishment of strategies for future development, and the approval of any proposed acquisitions by the Company in pursuing its investment strategies.

Its responsibilities also involve an oversight of the Company's internal control procedures and financial performance, and the review of business risks facing the Company, ensuring that these are adequately identified, evaluated, managed and minimised. All the directors have access to independent professional advice at the expense of the Company, should they so require.

Further to the relevant section in Appendix 5.1 to the Capital Markets Rules the board of directors acknowledge that they are stewards of the Company's assets, and their behaviour is focused on working with management to enhance value to the shareholders.

The board is composed of persons who are fit and proper to direct the business of the Company with the shareholders as the owners of the Company. All directors are required to:

- Exercise prudent and effective controls which enable risk to be assessed and managed in order to achieve continued prosperity to the Company;
- Be accountable for all actions or non-actions arising from discussion and actions taken by them or their delegates;
- Determine the Company's strategic aims and the organizational structure;
- Regularly review management performance and ensure that the Company has the appropriate mix of financial and human resources to meet its objectives and improve the economic and commercial prosperity of the Company;
- Acquire a broad knowledge of the business of the Company;
- Be aware of and be conversant with the statutory and regulatory requirements connected to the business of the Company;
- Allocate sufficient time to perform their responsibilities; and
- Regularly attend meetings of the board.

The board strives to achieve a balance of ethnicity, age, culture and educational backgrounds in order to reflect the multicultural environment of its ownership and the condition in which it operates.

The board comprises a number of individuals, all of whom have extensive knowledge of hotel operations and real estate development, in particular across the various jurisdictions in which IHI operates. Members of the board are selected on the basis of their core competencies and professional background in the industry so as to ensure the continued success of IHI.

In terms of the Capital Markets Rules 5.117 – 5.134 the board has established an Audit committee to monitor the Company's present and future operations, threats and risks in the external environment and current and future strengths and weaknesses. The Audit committee ensures that the Company has the appropriate policies and procedures in place to ensure that the Company and its employees maintain the highest standards of corporate conduct, including compliance with applicable laws, regulations, business, and ethical standards. The Audit committee has a direct link to the board and is represented by the Chairman of the Audit committee in all board meetings.

PRINCIPLE 2: CHAIRMAN AND CHIEF EXECUTIVE

Mr Alfred Pisani occupies the position of Chairman. The role of CEO and Managing Director is held by Mr Simon Naudi.

The Chairman is responsible to:

- Lead the board and set its agenda;
- Ensure that the directors of the board receive precise, timely and objective information so that they can take sound decisions and effectively monitor the performance of the company;
- Ensure effective communication with shareholders; and
- Encourage active engagement by all members of the board for discussion of complex or contentious issues.

The CEO and Managing Director is responsible to:

- Manage the company's overall operations and development efforts;
- Drive profitability and increase shareholder's value;
- Communicate with the board on a regular basis and implement the strategy, decisions and policies adopted by the board; and
- Ensure conformity with corporate governance policies adopted by the board.

PRINCIPLE 3: COMPOSITION OF THE BOARD

The board of directors consists of one Chairman, one Managing Director who occupies the post of CEO, and eight non-executive directors. The present mix of executive and non-executive directors is considered to create a healthy balance and serves to unite all shareholders' interests, whilst providing direction to the Company's management to help maintain a sustainable organization.

The non-executive directors constitute a majority on the board and their main functions are to monitor the operations of the Chairman and of the Managing Director/CEO and their performance as well as to analyze any investment opportunities that are proposed by the Managing Director. In addition, the non-executive directors have the role of acting as an important check on the possible conflicts of interest of the Chairman and Managing Director, which may exist as a result of the Chairman's dual role as director of the Company and his role as officer of IHI's principal shareholder, CPHCL Company Limited and its other subsidiaries.

For the purpose of Capital Markets Rules 5.118 and 5.119, the non-executive directors are deemed independent. The board believes that the independence of its directors is not compromised because of long service or the provision of any other service to the Corinthia Group.

Directors are to be mindful of maintaining independence, professionalism and integrity in carrying out their duties, responsibilities and providing judgement as directors of the Company.

Directors individually declare that they undertake to:

- maintain in all circumstances their independence of analysis, decision and action;
- not to seek or accept any unreasonable advantages that could be considered as compromising their independence; and
- clearly express their opposition in the event that they find that a decision of the board may harm the Company.

The board is made up as follows:

Non-executive Directors	Date of first appointment
Mr Alfred Pisani, Chairman	29 March 2000
Mr Frank Xerri de Caro	02 July 2004
Mr Hamad Buamim	31 December 2013
Mr Douraid Zaghouni	03 November 2014
Mr Joseph Pisani	22 December 2014
Mr Moussa Atiiq Ali	23 July 2021
Mr Richard Cachia Caruana	9 June 2022
Mr Mohamed Mahmoud Shawsh	4 July 2022
Mr Alfred Camilleri	13 June 2023

Executive Directors

Mr Simon Naudi, Managing Director	18 January 2024
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Mr Stephen Bajada acts as Secretary to the board of directors, effective 20 February 2024.

PRINCIPLE 5: BOARD MEETINGS

The board met five times during the period under review. The number of board meetings attended by directors for the year under review is as follows:

Mr Alfred Pisani	4
Mr Simon Naudi	5
Mr Frank Xerri de Caro	5
Mr Hamad Buamim	5

Mr Douraid Zaghouni	5
Mr Joseph Pisani	5
Mr Moussa Attiq Ali	4
Mr Richard Cachia Caruana	5
Mr Mohamed Mahmoud Shawsh	4
Mr Alfred Camilleri	5

PRINCIPLE 6: INFORMATION AND PROFESSIONAL DEVELOPMENT

The Company ensures that it provides directors with relevant information to enable them to effectively contribute to board decisions. The Company is committed to provide adequate and detailed induction training to directors who are newly appointed to the board. The Company pledges to make available to the directors all training and advice as required.

PRINCIPLE 8: COMMITTEES

AUDIT COMMITTEE

The primary objective of the Audit Committee is to assist the board in fulfilling its oversight responsibilities over the financial reporting processes, financial policies and internal control structures. The Committee is made up of non-executive directors and reports directly to the board of the financial reporting processes, financial policies and internal control structures. The committee is made up of non-executive directors and reports directly to the board of directors. The committee oversees the conduct of the internal and external audit and acts to facilitate communication between the board, management, the internal audit team and the external auditors.

During the year under review, the Committee met 12 times. The internal and external auditors were invited to attend these meetings.

Mr Richard Cachia Caruana acts as Chairman as from 9 June 2022 succeeding Mr Frank Xerri de Caro. Mr Joseph Pisani, Mr Mohamed Mahmoud Shawsh, Mr Frank Xerri De Caro, and Mr Alfred Camilleri (from 13 June 2023) act as members, the Company Secretary, Mr Stephen Bajada acts as Secretary to the committee. The independent directors currently sitting on the Committee are Mr Richard Cachia Caruana, Mr Alfred Camilleri and Mr Mohamed Mahmoud Shawsh.

The board of directors, in terms of Capital Markets Rule 5.118A, has indicated Mr Mohamed Mahmoud Shawsh as the independent non- executive member of the Audit committee who is considered “...to be independent and competent in accounting and/or auditing” in view of his considerable experience at a senior level in the

accounting and auditing field.

The Audit Committee is also responsible for the overview of the internal audit function. The role of the internal auditor is to carry out systematic risk-based reviews and appraisals of the operations of the Company (as well as of the subsidiaries and associates of the Group) for the purpose of advising management and the board, through the Audit Committee, on the efficiency and effectiveness of management policies, practices and internal controls. The function is expected to promote the application of best practices within the organization. During 2024, the internal audit function continued to advise the Audit Committee on aspects of the regulatory framework which affect the day-to-day operations of the hotels.

The directors are fully aware that the close association of the Company with CPHCL and its other subsidiaries is central to the attainment by the Company of its investment objectives and implementation of its strategies. The Audit Committee ensures that transactions entered into with related parties are carried out on an arm's length basis and are for the benefit of the Company, and that the Company and its subsidiaries accurately report all related party transactions in the notes to the financial statements.

In the year under review the Audit Committee ensured compliance in terms of the General Data Protection Regulation which came into effect in 2018.

The Audit Committee oversaw the introduction of risk management processes and the development of this function within the Company in 2022.

Pursuant to Articles 16 and 17 of Title III of the provisions of the Statutory Audit Regulations the Audit Committee has been entrusted with overseeing the process of appointment of the statutory auditors or audit firms.

NOMINATION AND REMUNERATION COMMITTEE

The function of this committee is to propose the appointment and the remuneration package of directors and senior executives of IHI and its subsidiaries. The members of the committee are Mr Alfred Camilleri (as Chairman from 28 February 2024) succeeding Mr Richard Cachia Caruana, Mr Joseph Pisani, Mr Richard Cachia Caruana, and Mr Mohamed Mahmoud Shawsh. Mr Stephen Bajada acts as Secretary to the committee from 20 February 2024.

The Nomination and Remuneration committee met seven times in the course of 2024.

PRINCIPLE 9: RELATIONS WITH SHAREHOLDERS AND THE MARKET

The Company is highly committed to having an open and communicative relationship with its shareholders and investors. In this respect, over and above the statutory and regulatory requirements relating to the Annual General Meeting, the publication of interim and annual financial statements, and respective Company announcements, the Company seeks to address the diverse information needs of its broad spectrum of shareholders in various ways.

Moreover, all representations by shareholders at the Annual General Meeting were satisfactorily addressed on the Company's website.

The Company has invested considerable time and effort in setting up and maintaining its website and making it user-friendly, with a new section dedicated specifically to investors. In the course of 2024, 15 company announcements were issued through the Malta Stock Exchange.

Individual shareholders can raise matters relating to their shareholdings and the business of the Group at any time throughout the year and are given the opportunity to ask questions at the Annual General Meeting or to submit written questions in advance.

The Company holds an additional meeting for stockbrokers and institutional investors twice a year to coincide with the publication of its financial information. As a result of these initiatives, the investing public is kept abreast of all developments and key events concerning the Company, whether these take place in Malta or abroad.

During 2024 the Company continued issuing the IHI Insider newsletter which is available on the IHI website (<https://insider.ihiplc.com>). The purpose of this newsletter is to keep stakeholders fully informed of developments in the Company. The Company's commitment to its shareholders is shown through special concessions which it makes available to them. In order to better serve the investing public, the board has appointed the Company Secretary to be responsible for shareholder relations.

PRINCIPLE 10: INSTITUTIONAL SHAREHOLDERS

The Company ensures that it is constantly in close touch with its principal institutional shareholders and bondholders (institutional investors). The Company is

aware that institutional investors have the knowledge and expertise to analyse market information and make their independent and objective conclusions of the information available.

Institutional investors are expected to give due weight to relevant factors drawn to their attention when evaluating the Company's governance arrangements in particular those relating to board structure and composition and departure from the Code of Corporate Governance.

PRINCIPLE 11: CONFLICTS OF INTEREST

The directors are fully aware of their obligations regarding dealings in securities of the Company as required by the Capital Markets Rules in force during the year. Moreover, they are notified of blackout periods prior to the issue of the Company's interim and annual financial information during which they may not trade in the Company's shares and bonds. Meanwhile, Mr Alfred Pisani, Mr Joseph Pisani and Mr Moussa Atiiq Ali have common directorships with the ultimate parent of the Corinthia Group. Commercial relationships between International Hotel Investments p.l.c. and CPHCL Company Limited are entered into in the ordinary course of business.

The Conflict of Interest policy aims to increase transparency and integrity within the Group by giving all members the opportunity to disclose any potential Conflict of Interest they may be involved in. The policy lists several situations which may lead to a Conflict of Interest and also stipulates that acceptance of gifts, such as hospitality, free travel, tickets, or invitations to sports or entertainment events or other benefits, is considered a conflict of interest if the value of the gift is equal to or greater than €200 or in total exceeds €200 in a 12-month period.

As at year end, Mr Alfred Pisani had a beneficial interest of 5,061,879 shares and indirectly a beneficial interest of 6,469,982 shares. Mr Richard Cachia Caruana had an indirect beneficial interest of 50,000 shares, Mr Frank Xerri de Caro had a beneficial interest of 10,927 shares. None of the other Directors of the Company have any interest in the shares of the Company or the Company's subsidiaries or investees or any disclosable interest in any contracts or arrangements either subsisting at the end of the last financial year or entered into during this financial year.

PRINCIPLE 12: CORPORATE SOCIAL RESPONSIBILITY

The Company understands that it has an obligation

towards society at large to put into practice sound principles of Corporate Social Responsibility (CSR). It has embarked on several initiatives which support the community, its culture, as well as sports and the arts in the various locations where it operates.

The Company recognizes the importance of good CSR principles within the structure of its dealings with its employees. In this regard, the Company actively encourages initiative and personal development and consistently creates such opportunities. The Company is committed towards a proper work-life balance and the quality of life of its workforce and their families, and of the environment in which it operates.

NON-COMPLIANCE WITH THE CODE

PRINCIPLE 7: EVALUATION OF THE BOARD'S PERFORMANCE

Under the present circumstances, the board does not consider it necessary to appoint a committee to carry out a performance evaluation of its role, as the board's performance is always under the scrutiny of the shareholders.

PRINCIPLE 9: CONFLICTS BETWEEN SHAREHOLDERS

Currently there is no established mechanism disclosed in the Company's memorandum and articles of association to trigger arbitration in the case of conflict between the minority shareholders and the controlling shareholders. In any such cases should a conflict arise, the matter is dealt with in the board meetings and through the open channel of communication between the Company and the minority shareholders via the Office of the Company Secretary.

Approved by the board of directors and signed on its behalf by Richard Cachia Caruana (Non-Executive Director and Chairman of the Audit Committee) and Joseph Pisani (Director) on 29 April 2025.

OTHER DISCLOSURES IN TERMS OF CAPITAL MARKETS RULES

PURSUANT TO CAPITAL MARKETS RULE 5.64.1

SHARE CAPITAL STRUCTURE

The Company's issued share capital is six hundred and fifteen million and six hundred and eighty-four thousand nine hundred and twenty (615,684,920) ordinary shares of €1 each. All of the issued shares of the Company form part of one class of ordinary shares in the Company, which shares are listed on the Malta Stock Exchange. All shares in the Company have the same rights and entitlements and rank pari passu between themselves.

PURSUANT TO CAPITAL MARKETS RULE 5.64.3

Shareholders holding 5 per cent or more of the equity share capital as at 31 December 2024:

	SHARES	%
CPHCL Company Limited	355,988,463	57.82
Istithmar Hotels FZE	133,561,548	21.69
Libyan Foreign Investment Company	66,780,771	10.85

There were no changes in shareholders holding 5 per cent or more of the equity share capital as at 29 April 2025.

PURSUANT TO CAPITAL MARKETS RULE 5.64.8

APPOINTMENT AND REPLACEMENT OF DIRECTORS

In terms of the Memorandum and Articles of Association of the Company, the directors of the Company shall be appointed through an election. All shareholders are entitled to vote for the nominations in the list provided by the nominations committee. The rules governing the nomination, appointment and removal of directors are contained in Article 19 of the Articles of Association.

AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION

In terms of the Companies Act the Company may by extraordinary resolution at a general meeting alter or add to its Memorandum or Articles of Association.

PURSUANT TO CAPITAL MARKETS RULE 5.64.9

POWERS OF BOARD MEMBERS

The powers of directors are outlined in Article 21 of the Articles of Association.

STATEMENT BY THE DIRECTORS PURSUANT TO CAPITAL MARKETS RULE 5.70.1

Pursuant to Capital Markets Rule 5.70.1 there are no material contracts to which the Company, or anyone of its subsidiaries, was party to and in which anyone of the directors had a direct or indirect interest therein.

PURSUANT TO CAPITAL MARKETS RULE 5.70.2

COMPANY SECRETARY AND REGISTERED OFFICE

Stephen Bajada
22 Europa Centre,
John Lopez Street
Floriana FRN 1400, Malta Telephone (+356) 2123 3141

PURSUANT TO CAPITAL MARKETS RULE 5.97.4

INTERNAL CONTROLS AND RISK MITIGATION PRACTICES

INTERNAL CONTROL

The board is ultimately responsible for the Company's system of internal controls and for reviewing its effectiveness. Such a system is designed to manage rather than eliminate risk to achieve business objectives, and can provide only reasonable, and not absolute, assurance against normal business risks or loss.

Through the Audit Committee, the board reviews the effectiveness of the Company's system of internal controls. The key features of the Company's system of internal control are as follows:

ORGANIZATION

The Company operates through the CEO with clear reporting lines and delegation of powers.

CONTROL ENVIRONMENT

The Company is committed to the highest standards of business conduct and seeks to maintain these standards across all its operations. Company policies and employee procedures are in place for the reporting and resolution of improper activities.

The Company has an appropriate organizational structure for planning, executing, controlling and monitoring business operations in order to achieve Company objectives. Lines of responsibility and delegation of authority are documented. The Company has implemented control procedures designed to ensure complete and accurate accounting for financial transactions and to limit the potential exposure to loss of assets or fraud. Measures taken include physical controls, segregation of duties and reviews by management, internal audit and the external auditors.

RISK IDENTIFICATION

Company management is responsible for the identification and evaluation of key risks applicable to their respective areas of business. These risks are assessed on a continued basis and may be associated with a variety of internal or external sources including control breakdowns, disruption in information systems, competition, natural catastrophe and regulatory requirements.

A risk management function has been set up and training on risk management is being extended to all the Company's subsidiaries.

INFORMATION AND COMMUNICATION

The Company participates in periodic strategic reviews including consideration of long-term financial projections and the evaluation of business alternatives.

MONITORING AND CORRECTIVE ACTION

There are clear and consistent procedures in place for monitoring the system of internal financial controls. The Audit Committee met 12 times in 2024 and, within its terms of reference, reviews the effectiveness of the Company's system of internal financial controls. The Committee receives reports from management, internal audit and the external auditors.

2024 REMUNERATION STATEMENT

In terms of Rule 8A.4 of the Code, the Company is to include a remuneration statement in its annual report which shall include details of the remuneration policy of the Company and the financial packages of Directors and Senior Executives.

The resolution by the shareholders of the Company at the Annual General Meeting held on 9th June 2022, approved an aggregate figure for fees and remuneration due to the Chairman and Directors of the Company, capped at €1,300,000 per annum. This figure relates to:

- directors' fees due in their capacity as directors of the Company, and
- fees due to the Chairman and directors with respect to their membership on sub-committees of the board of directors of the Company.

REMUNERATION COMMITTEE

The role of the Nomination and Remuneration Committee is to devise the appropriate packages needed to attract, retain, and motivate Directors, whether executive or not, as well as senior executives with the right quality and skills for the proper management of IHI and its subsidiaries. The Nomination and Remuneration Committee operates under its Terms of Reference. These terms define the scope of its authority and the procedures it must follow. This Committee is a sub-committee of the Board and is directly responsible and accountable to the Board.

In 2024 the members of the Nomination and Remuneration Committee were Mr Alfred Camilleri as Chairman (appointed on 28 February 2024), and non-executive directors Mr Joseph Pisani, Mr Richard Cachia Caruana and Mr Mohamed Mahmoud Shawsh as members.

Mr Stephen Bajada acted as Secretary to the Committee.

The Nomination and Remuneration Committee met seven times in the course of 2024.

REMUNERATION POLICY – DIRECTORS AND SENIOR EXECUTIVES

The Remuneration Policy was approved at the 24th Annual General Meeting of 11th June 2024.

It outlines the main principles upon which the fixed and variable elements of the remuneration of Directors, and senior executives are set. The policy further delineates the various components comprising fixed and variable elements, encompassing bonuses and other benefits.

The Chairman and senior executives are entitled to a fixed base salary based on a predefined amount and is determined based on the experience, knowledge, and responsibilities which the position entails.

Meanwhile, non-Executive directors are entitled to a fixed yearly remuneration fee.

The compensation and employment conditions of the Board of Directors of the Company, including the Chairman, and senior executives are considered to be in line with the pay and employment conditions applied by international companies operating in the same sector as the Company and are considered commensurate to the importance of the role performed by such person/s in a Company of such reputation and standing. In determining its remuneration levels, and to ensure that it attracts the right talent, the Company consults with reputable international recruitment and advisory agencies who provide compensation and benefits related data, in order to ensure that it remains an attractive employer of choice.

The variable performance bonus awarded to the Chairman and the CEO is based on a predefined percentage of EBITDA. The variable performance bonus of senior executives is based on a balanced scorecard system, considering various criteria including but not limited to the Company's goals and personal performance. The variable remuneration is considered and approved by the Nomination and Remuneration Committee. The Non-Executive Directors are not entitled to any variable performance bonus.

All senior executives are entitled to non-cash benefits in terms of a number of services offered by the Group. These are mainly limited to discounts for services rendered by the Company and its subsidiaries. The Chairman and Senior executives are entitled for company financed health insurance. Furthermore, the Chairman and the directors of the Company are entitled to complimentary accommodation at the Company's hotels, and F&B establishments.

In 2024 the Company did not offer share-based remuneration, profit-sharing, stock options, but offered limited pension benefits to all UK based employees, in line with local legislative requirements.

According to the Company's Articles of Association, directors are appointed by shareholders at general meetings and serve until the subsequent general meeting. No contractual agreements exist between directors and the Company that include provisions for termination payments or other compensations associated with early termination.

The remuneration earned by the Chairman, the non-executive Directors of the Company, and the CEO during 2024 amounted to €2,513,729.

The following table provides a summary of the remuneration and emoluments earned and paid to the Directors and the CEO for 2024, including fees paid in connection with their membership of board committees and other subsidiary boards:

REMUNERATION AND EMOLUMENTS FOR YEARS ENDED 2024 & 2023

		2024			2023		
		BOARD AND COMMITTEE FEES	FIXED REMUNERA- TION	VARIABLE REMUNERA- TION	BOARD AND COMMITTEE FEES	FIXED REMUNERA- TION	VARIABLE REMUNERA- TION
Mr Alfred Pisani	Chairman	€ 220,000	€ 221,181	€ 411,657	€ 220,000	€ 232,045	€ 376,416
Mr Moussa Atliq Ali	Non-Executive Director	€ 50,000	-	-	€ 50,000	-	-
Mr Hamad Buamin	Non-Executive Director	€ 15,000	-	-	€ 15,000	-	-
Mr Joseph Pisani	Non-Executive Director	€ 120,000	-	-	€ 120,000	-	-
Mr Douraid Zaghouani	Non-Executive Director	€ 15,000	-	-	€ 15,000	-	-
Mr Mohamed Mahmoud Shawsh	Non-Executive Director	€ 62,500	-	-	€ 62,522	-	-
Mr Richard Cachia Caruana	Non-Executive Director	€ 120,000	-	-	€ 120,000	-	-
Mr Frank Xerri De Caro	Non-Executive Director	€ 120,000	-	-	€ 120,000	-	-
Mr Alfred Camilleri	Non-Executive Director	€ 120,000	€ 160,000	-	€ 65,000	€ 100,000	-
Sub-Total		€ 842,500	€ 381,181	€ 411,657	€ 787,522	€ 332,045	€ 376,416
Mr Simon Naudi (appointed Managing Director on 18 January 2024)	Chief Executive Officer & Managing Director	€ 64,500	€ 539,453	€ 274,438	-	€ 618,353	€ 250,944
Total aggregate		€ 907,000	€ 920,634	€ 686,095	€ 787,522	€ 950,398	€ 627,360

Directors' remuneration levels reflect the number of subsidiary companies' boards on which the different Directors sit on, as also certain statutory positions, including the Audit and Remuneration Committee.

In terms of the requirements within Appendix 12.1 of the Capital Markets Rules, the following table presents the annual change of remuneration, of the Company's performance, and of average remuneration on a full-time equivalent basis of the Group's employees and directors over the four most recent financial years.

	2024	2023	2022	2021
Annual aggregate employee remuneration	€85,268,000	€89,259,000	€73,634,000	€55,228,000
Employee remuneration (excluding CEO)	€84,454,109	€88,389,703	€72,808,236	€54,481,260
CEO's remuneration	€813,891	€869,297	€825,765	€746,740
Company performance – operating results before depreciation and fair value gains/ (losses)*	€62,380,000	€60,325,000	€51,706,000	€26,528,000
Average employee remuneration (excluding CEO) – full-time equivalent	€34,206	€34,114	€32,374	€29,417

**The closest equivalent to EBITDA*

The year 2021 was materially impacted by COVID-19 and the resultant restrictions.

On the basis of legal advice received by the Company, the remuneration of the directors and CEO discussed within this report is solely determined on the basis of remuneration payable by International Hotel Investments p.l.c. as the parent and its subsidiaries.

Mr Simon Naudi, CEO, has been appointed Managing Director of the Group with effect from 18 January 2024.

The remuneration policy of the Company was approved by a binding vote of the shareholders at the 2024 Annual General Meeting. The result of the vote was as follows: 208,171,359 for and 1,390,645 against. This remuneration policy shall be reviewed regularly, and any material amendments thereto shall be submitted to a vote by the annual general meeting of the Company before adoption, and in any case at least every four years.

The Remuneration Statement has undergone a thorough review by the Company's external auditors to ensure compliance with the stipulations outlined in Appendix 12.1 of the Capital Market Rules.

Signed on behalf of the board of directors by Richard Cachia Caruana (Senior Independent Non-Executive Director) on 29 April 2025.

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

INCOME STATEMENT

THE GROUP

	NOTES	2024 €'000	2023 €'000
Revenue	6	306,788	287,773
Costs of providing services	7	(158,082)	(151,241)
Gross Profit		148,706	136,532
Marketing costs		(12,027)	(10,762)
Administrative expenses	7	(56,622)	(48,063)
Other operating expenses	7	(17,677)	(17,382)
Operating results before depreciation and fair value gains		62,380	60,325
Depreciation and amortisation	7	(28,468)	(27,592)
Other losses arising on property, plant and equipment	15	(114)	(1,680)
Impairment gain on property, plant and equipment	15	6,329	275
Net changes in fair value of investment property	14	6,219	6,423
Other operational exchange gains/(losses)		812	(1,246)
Results from operating activities	6	47,158	36,505
Net changes in fair value of financial assets through profit and loss	22	-	(1,787)
Finance income			
- interest and similar income	9	1,693	1,266
Finance costs			
- interest expense and similar charges	9	(44,382)	(38,754)
- exchange differences on borrowings	9	(2,586)	(1,304)
Share of net loss of associates and joint ventures accounted for using the equity method	18	(15)	(25)
Other gains/(losses)		474	(27)
Profit/ (loss) before tax		2,342	(4,126)
Tax expense	10	(3,588)	(7,177)
Loss for the year		(1,246)	(11,303)
Loss for the year attributable to:			
- Owners of IHI		4,367	(10,346)
- Non-controlling interests		(5,613)	(957)
Loss for the year attributable to Owners of IHI and non-controlling interest		(1,246)	(11,303)
Earnings per share	11	0.01	(0.02)

STATEMENT OF COMPREHENSIVE INCOME

THE GROUP

	NOTES	2024 €'000	2023 €'000
Loss for the year		(1,246)	(11,303)
Other comprehensive income:			
<i>Items that will not be subsequently reclassified to profit or loss</i>			
Gross surplus arising on revaluation of hotel properties	15, 26	75,894	62,495
Deferred tax on surplus arising on revaluation of hotel property	10.2	(17,697)	(15,462)
Costs of hedging		(148)	-
Deferred tax on hedging		33	-
<i>Items that may be subsequently reclassified to profit or loss</i>			
Currency translation differences	10.2	15,051	(20,842)
Deferred tax arising on currency translation differences	10.2	1,953	3,707
Share of other comprehensive income of joint ventures and associates accounted for using the equity method			
- currency translation differences	18.1	188	(139)
Other comprehensive income for the year, net of tax		75,274	29,759
Total comprehensive income for the year		74,028	18,456
Attributable to:			
- Owners of IHI		61,056	6,375
- Non-controlling interests		12,972	12,081
Total comprehensive income for the year		74,028	18,456

STATEMENT OF FINANCIAL POSITION

THE GROUP

	NOTES	31 DECEMBER 2024 €'000	31 DECEMBER 2023 €'000
Assets			
Non-current			
Intangible assets	12	45,972	46,395
Indemnification assets	13	17,168	17,168
Property, plant and equipment	15	1,262,807	1,341,845
Right-of-use assets	16	12,601	14,810
Investment property	14	253,492	161,635
Deferred tax assets	34	27,870	20,761
Investments accounted for using the equity method	18	5,207	5,034
Financial assets at fair value through profit or loss	22	3,411	3,411
Other financial assets at amortised cost	19	6,396	6,083
Trade and other receivables	21	11,012	453
Total non-current assets		1,645,936	1,617,595
Current			
Inventories	20	19,187	14,535
Other financial assets at amortised cost	19	86	110
Trade and other receivables	21	58,216	48,707
Current tax asset		189	228
Cash and cash equivalents	24	71,656	87,084
Assets placed under trust arrangement	32	77	77
Total current assets other than assets classified as held for sale		149,411	150,741
Assets classified as held for sale	23	147,330	-
Total current assets		296,741	150,741
Total assets		1,942,677	1,768,336

STATEMENT OF FINANCIAL POSITION

THE GROUP

	NOTES	31 DECEMBER 2024 €'000	31 DECEMBER 2023 €'000
Equity and liabilities			
Equity			
Capital and reserves attributable to owners of IHI:			
Issued capital	25	615,685	615,685
Revaluation reserve	26	148,456	97,941
Translation reserve	27	(46,395)	(52,684)
Reporting currency conversion difference	28	443	443
Other components of equity	29	2,502	2,617
Accumulated losses	30	(46,361)	(50,728)
Equity attributable to owners of IHI		674,330	613,274
Non-controlling interests		236,046	223,074
Total equity		910,376	836,348
Liabilities			
Non-current			
Trade and other payables	35	26,010	8,134
Bank borrowings	31	382,581	332,844
Bonds	32	253,275	297,769
Lease liabilities	16	11,582	13,221
Other financial liabilities	33	33,224	24,623
Deferred tax liabilities	34	133,969	110,992
Total non-current liabilities		840,641	787,583
Current			
Trade and other payables	35	100,460	90,606
Bank borrowings	31	40,939	38,396
Bond	32	44,953	10,362
Lease liabilities	16	2,174	2,715
Other financial liabilities	33	-	91
Current tax liabilities		3,134	2,235
Total current liabilities		191,660	144,405
Total liabilities		1,032,301	931,988
Total equity and liabilities		1,942,677	1,768,336

The financial statements were approved and authorised for issue by the Board of Directors on 29 April 2025. The financial statements were signed on behalf of the Board of Directors by Alfred Pisani (Chairman) and Richard Cachia Caruana (Director) as per the Directors' Declaration on ESEF Annual Financial Report submitted in conjunction with the Annual Financial Report.

STATEMENT OF CHANGES IN EQUITY

THE GROUP

	SHARE CAPITAL €'000	REVALUATION RESERVE €'000	TRANSLATION RESERVE €'000	REPORTING CURRENCY CONVERSION DIFFERENCE €'000	OTHER EQUITY COMPONENTS €'000	ACCUMULATED LOSSES €'000	ATTRIBUTABLE TO OWNERS €'000	TOTAL CONTROLLING INTERESTS €'000	NON- CONTROLLING INTERESTS €'000	TOTAL EQUITY €'000
Balance at 1 January 2023	615,685	59,559	(31,023)	443	2,617	(40,382)	606,899	210,993		817,892
Loss for the year	-	-	-	-	-	(10,346)	(10,346)	(957)		(11,303)
Other comprehensive income	-	38,382	(21,661)	-	-	-	16,721	13,038		29,759
Total comprehensive income	-	38,382	(21,661)	-	-	(10,346)	6,375	12,081		18,456
Balance at 31 December 2023	615,685	97,941	(52,684)	443	2,617	(50,728)	613,274	223,074		836,348
Balance at 1 January 2024	615,685	97,941	(52,684)	443	2,617	(50,728)	613,274	223,074		836,348
Profit/(loss) for the year	-	-	-	-	-	4,367	4,367	(5,613)		(1,246)
Other comprehensive income	-	50,515	6,289	-	(115)	-	56,689	18,585		75,274
Total comprehensive income	-	50,515	6,289	-	(115)	4,367	61,056	12,972		74,028
Balance at 31 December 2024	615,685	148,456	(46,395)	443	2,502	(46,361)	674,330	236,046		910,376

STATEMENT OF CASH FLOWS

THE GROUP

	NOTES	2024 €'000	2023 €'000
Profit/ (loss) before tax		2,342	(4,126)
Adjustments	37	60,635	64,961
Working capital changes:			
Inventories		(4,497)	(13)
Trade and other receivables		(20,626)	(5,809)
Advance payments		52	196
Trade and other payables		17,345	838
Cash generated from operations		55,251	56,047
Tax paid		(2,181)	(1,454)
Net cash generated from operating activities		53,070	54,593
Investing activities			
Payments to acquire property, plant and equipment		(70,844)	(55,519)
Payments to acquire intangible assets		(1,370)	(1,039)
Payments to acquire investment property		(516)	106
Proceeds from sale of investment property		3,020	-
Payments for the acquisition of financial assets at fair value through profit or loss		-	17
Proceeds from sale of financial asset at fair value through profit or loss		-	1,103
Interest received		1,693	1,266
Net cash used in investing activities		(68,017)	(54,066)

STATEMENT OF CASH FLOWS

THE GROUP

	NOTES	2024 €'000	2023 €'000
Financing activities			
Proceeds from bank borrowings		66,179	221,342
Repayment of bank borrowings		(22,392)	(183,248)
Proceeds from the issue of bonds		-	29,502
Payments for redemption of bonds		(10,392)	(4,058)
Bond issue costs		-	(780)
Cancellation of bonds		-	(53)
Bank loan fees		(866)	(2,846)
Advances by ultimate parent		8,509	-
Principal elements of lease payments		(2,504)	(2,269)
Interest paid		(43,601)	(38,410)
Net cash (used in)/generated from financing activities		(5,067)	19,180
Net change in cash and cash equivalents		(20,014)	19,707
Cash and cash equivalents at beginning of year		78,533	55,740
Effect of translation of group entities to presentation currency		3,929	3,086
Cash and cash equivalents at end of year	24	62,448	78,533

The accompanying notes are an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

THE COMPANY

	NOTES	2024 €'000	2023 €'000
Dividend income		-	1,521
Interest income on other financial assets at amortised cost		11,287	9,628
Management fees and other similar income		4,507	4,445
Interest expense and similar charges		(21,417)	(18,521)
Differences on exchange		82	400
Administrative expenses		(8,292)	(8,268)
Credit losses on loans receivable and other assets		(4,882)	-
Loss before tax		(18,715)	(10,795)
Tax credit	10	6,750	4,226
Loss for the year		(11,965)	(6,569)
Other comprehensive income			
<i>Items that will not be subsequently reclassified to profit or loss</i>			
Net changes in fair value of investments in subsidiaries, associates and joint ventures	18.2, 29.2, 17.3	246,991	50,989
Income tax relating to these items		(31,722)	(11,740)
Other comprehensive income for the year, net of tax	29.2	215,269	39,249
Total comprehensive income for the year		203,304	32,680

STATEMENT OF FINANCIAL POSITION

THE COMPANY

	NOTES	31 DECEMBER 2024 €'000	31 DECEMBER 2023 €'000
Assets			
Non-current			
Intangible assets	12	2,411	2,408
Indemnification assets	13	1,997	1,997
Property, plant and equipment	15	193	140
Right-of-use assets	16	929	1,114
Deferred tax assets	34	19,437	12,526
Investments in subsidiaries	17	1,134,234	885,829
Investments in associates and joint ventures	18	5,207	5,034
Other financial assets at amortised cost	19	162,016	173,646
Trade and other receivables	21	7,027	7,027
Total non-current assets		1,333,451	1,089,721
Current			
Other financial assets at amortised cost	19	-	1,312
Trade and other receivables	21	70,297	65,850
Current tax asset		30	31
Cash and cash equivalents	24	9,281	17,865
Assets placed under trust arrangement	32	77	77
Total current assets		79,685	85,135
Total assets		1,413,136	1,174,856

STATEMENT OF FINANCIAL POSITION

THE COMPANY

	NOTES	31 DECEMBER 2024 €'000	31 DECEMBER 2023 €'000
Equity and Liabilities			
Equity			
Issued capital	25	615,685	615,685
Other reserves	29.2	315,703	100,434
Reporting currency conversion difference	28	443	443
Accumulated losses	30	(20,565)	(8,600)
Total equity		911,266	707,962
Liabilities			
Non-current			
Trade and other payables	35	1,309	1,613
Bank borrowings	31	63,505	57,260
Bonds	32	253,275	297,769
Other financial liabilities	33	55,567	52,667
Lease liabilities	16	776	951
Deferred tax liabilities	34	55,629	23,580
Total non-current liabilities		430,061	433,840
Current			
Trade and other payables	35	16,575	14,578
Bank borrowings	31	9,950	7,813
Bonds	32	44,953	10,362
Other financial liabilities	33	106	92
Lease liabilities	16	225	209
Total current liabilities		71,809	33,054
Total liabilities		501,870	466,894
Total equity and liabilities		1,413,136	1,174,856

The financial statements were approved and authorised for issue by the Board of Directors on 29 April 2025. The financial statements were signed on behalf of the Board of Directors by Alfred Pisani (Chairman) and Richard Cachia Caruana (Director) as per the Directors' Declaration on ESEF Annual Financial Report submitted in conjunction with the Annual Financial Report.

STATEMENT OF CHANGES IN EQUITY

THE COMPANY

	SHARE CAPITAL €'000	OTHER EQUITY COMPONENTS €'000	REPORTING CURRENCY CONVERSION DIFFERENCE €'000	ACCUMULATED LOSSES €'000	TOTAL EQUITY €'000
Balance at 1 January 2023	615,685	61,185	443	(2,031)	675,282
Loss for the year	-	-	-	(6,569)	(6,569)
Other comprehensive income	-	39,249	-	-	39,249
Total comprehensive income	-	39,249	-	(6,569)	32,680
Balance at 31 December 2023	615,685	100,434	443	(8,600)	707,962
Balance at 1 January 2024	615,685	100,434	443	(8,600)	707,962
Loss for the year	-	-	-	(11,965)	(11,965)
Other comprehensive income	-	215,269	-	-	215,269
Total comprehensive income	-	215,269	-	(11,965)	203,304
Balance at 31 December 2024	615,685	315,703	443	(20,565)	911,266

STATEMENT OF CASH FLOWS

THE COMPANY

	NOTES	2024 €'000	2023 €'000
Loss before tax		(18,715)	(10,795)
Adjustments	37	15,231	7,290
Working capital changes:			
Trade and other receivables		3,377	(9,903)
Trade and other payables		(7,177)	2,687
Net cash used in operations		(7,284)	(10,721)
Investing activities			
Payments to acquire property, plant and equipment		(92)	(38)
Payments to acquire intangible assets		(10)	(7)
Loan repayments received from related parties		19,633	(32,097)
Net cash generated from/ (used in) investing activities		19,531	(32,142)
Financing activities			
Drawdowns of bank borrowings		16,193	49,886
Repayment of bank borrowings		(7,974)	(4,504)
Bank Loan Fees		-	(575)
Proceeds of loans from related parties		3,388	3,712
Proceeds of loan from ultimate parent		-	(2,000)
Proceeds from bond issue		-	29,502
Repayment of bond		(10,392)	(4,058)
Lease payment – principal		(262)	(271)
Bond issue costs		-	(780)
Cancellation of bonds		-	(53)
Interest paid		(21,784)	(18,695)
Net cash (used in)/ generated from financing activities		(20,831)	52,164
Net change in cash and cash equivalents		(8,584)	9,301
Cash and cash equivalents at beginning of year		17,865	8,564
Cash and cash equivalents at end of year	24	9,281	17,865

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. GENERAL INFORMATION

International Hotel Investments p.l.c. (the 'Company') is a public limited liability company incorporated and domiciled in Malta. The address of the Company's registered office and principal place of business is 22, Europa Centre, Floriana FRN 1400, Malta. The ultimate parent company is CPHCL Company Limited (CPHCL) with the same registered office address.

2. NATURE OF OPERATIONS

International Hotel Investments p.l.c. and its subsidiaries' (the 'Group' or 'IHI') principal activities include the ownership, development and operation of hotels, leisure facilities and other activities related to the tourism industry and commercial centres. The Group is also actively engaged in the provision of residential accommodation and project management services.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

This note provides a list of the material accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with the requirements of International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) in accordance with Companies Act, Cap 386 of the Laws of Malta.

The financial statements have been prepared on a historical cost basis, except for financial assets and financial liabilities classified at fair value through profit or loss (FVTPL), financial assets at fair value through other comprehensive income (FVOCI), the land and buildings class within property, plant and equipment and investment property – which are measured at fair value.

The preparation of consolidated financial statements in conformity with IFRSs as adopted by the EU requires

the use of certain accounting estimates. It also requires the directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies (see Note 4 - Critical accounting estimates, judgements and errors). As explained further in this note, the Group has secured financing and taken other measures to improve the Group's liquidity and to enable the Group to settle its short-term obligations as and when they fall due. Accordingly, these consolidated financial statements have been prepared on a going concern basis.

GOING CONCERN

Operating conditions continued to improve during 2024 as almost all operations recovered from the effects of the COVID-19 pandemic. In 2024, the Group recorded an improved operating result before depreciation and fair value adjustments of €62.4 million, after one-off preopening costs of €6.1 million compared to €60.3 million the previous year. The Group is projecting that consolidated revenue levels will continue to improve during 2025 and beyond, as the hotels that opened towards the end of 2024, together with the new openings, come into play.

The Group's liquidity situation is being kept under constant review, particularly in view of increased interest costs and certain projects and commitments that the Group is currently engaged in.

At 31 December 2024, the Group had access to €180 million, comprising €101.4 million of undrawn committed facilities, €6.9 million of unutilised bank overdrafts and €71.7 million of cash balances. This liquidity position enables the Group to sustain its operations as well as meet its capital commitments. Overall, the Group's balance sheet position remains robust.

Accordingly, the Directors and senior management consider the going concern assumption in the preparation of the Group's financial statements as appropriate as at the date of authorisation for issue of the 2024 financial statements. In their view, as at that date, there were no material uncertainties that may cast significant doubt on the Group's ability to continue operating as a going concern.

The board of directors and senior management remain vigilant on developments and will take appropriate measures as and when necessary to ensure the continued viability of the Group.

WORKING CAPITAL POSITION

The Group's working capital position as at the end of December 2024 reflects a surplus of €105.1 million (2023: €6.3 million). As disclosed in Note 23, in 2024, the Corinthia Lisbon valued at €144 million was reclassified to assets held for sale and is thus included with current assets. The 2024 current liabilities include a bond of €45 million which is due for redemption in May 2025. To partially refinance this bond, the Group issued a €35 million bond and has already successfully secured the necessary funding.

Apart from the surplus cashflows generated from the Group's operations, the Group maintains a policy of supplementing cash available for its working capital requirements with various financing initiatives and, when market conditions permit the disposal of non-core assets.

Further disclosures on liquidity risk are included in Note 41.2.

3.2 STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED STANDARDS EFFECTIVE IN 2024

The following amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards:

- Amendments to IAS 1 - classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants
- Amendment to IAS 7 and IFRS 7 - Supplier Finance Arrangements

3.3 STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED STANDARDS THAT ARE NOT YET EFFECTIVE

Certain new standards, amendments and interpretations to existing standards have been published by the date of authorisation for issue of these financial statements but are mandatory for accounting periods beginning 1 January 2025 and after. The Group and the Company has not early adopted these revisions to the requirements of IFRSs as adopted by the EU and the directors are of the opinion that there are no requirements that will have a possible significant impact on the Group's and the

Company's current or future reporting periods and on foreseeable future transactions.

3.4 PRINCIPLES OF CONSOLIDATION AND EQUITY ACCOUNTING

(I) SUBSIDIARIES

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

(II) ASSOCIATES

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. In the Group's consolidated financial statements, investments in associates are accounted for using the equity method of accounting (see (III) below), after initially being recognised at cost.

(III) EQUITY METHOD

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity,

including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

The Group determines at each reporting date whether there is an objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of the impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of net loss of associate' in the statement of comprehensive income.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 3.10.

3.5 INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES IN THE COMPANY'S STAND-ALONE FINANCIAL STATEMENTS

In the Company's separate financial statements, investments in subsidiaries, associates and joint ventures are accounted for in accordance with IFRS 9's requirements for equity investments. The Company elects, on an instrument-by-instrument basis, whether its investments will be measured at fair value, with fair value movements in other comprehensive income. Management has adopted the FVOCI election for all of its investments in subsidiaries, associates and joint ventures. The fair value of investments in subsidiaries, associates and joint ventures is established by using valuation techniques, in most cases by reference to the net asset backing of the investee taking cognisance of the fair values of the underlying assets.

Additional detail on the subsequent measurement and impairment requirements for FVOCI assets is disclosed in Note 3.10.

3.6 FOREIGN CURRENCY TRANSLATION

(I) FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated and company financial statements are presented in euro, which is IHI's functional and presentation currency.

(II) TRANSACTIONS AND BALANCES

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in profit or loss. They are deferred in equity if they relate to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings and cash balances are presented in the income statement, within finance costs. All other foreign exchange gains and losses are presented in the income statement on a net basis within results from operating activities, as a separate line item.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(III) GROUP COMPANIES

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each income statement and statement of comprehensive income are translated at average exchange rates or a monthly weighted average rate when there are significant fluctuations in the currency during the year (unless these are not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at

- the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

3.7 PROPERTY, PLANT AND EQUIPMENT

All property, plant and equipment is initially recorded at historical cost. Land and buildings are subsequently shown at fair value, based on periodic valuations by professional valuers, less subsequent depreciation for buildings. Valuations are carried out on a regular basis such that the carrying amount of property does not differ materially from that which would be determined using fair values at the end of the reporting period. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment is subsequently stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Borrowing costs which are incurred for the purpose of acquiring or constructing a qualifying asset are capitalised as part of its cost. Borrowing costs are capitalised while acquisition or construction is actively underway. Capitalisation of borrowing costs is ceased once the asset is substantially complete and is suspended if the development of the asset is suspended.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are credited to other comprehensive income and shown as a revaluation reserve in

shareholders' equity. However, the increase shall be recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against the revaluation reserve; all other decreases are charged to profit or loss.

Depreciation is calculated using the straight-line method to allocate the cost or revalued amounts of the assets to their residual values over their estimated useful lives, as follows:

	YEARS
Freehold buildings	33-150
Plant and equipment	2 -15
Furniture, fixture and fittings	3 -10
Motor vehicles	5

Freehold land is not depreciated as it is deemed to have an indefinite life. Assets in the course of construction and payments on account are not depreciated.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Property, plant and equipment is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable (refer to Note 3.10). An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Property, plant and equipment that suffered an impairment is reviewed for possible reversal of the impairment at the end of each reporting period.

Gains and losses on disposals of property, plant and equipment are determined by comparing proceeds with carrying amount and are recognised in profit or loss. When revalued assets are disposed of, the amounts included in the revaluation reserve relating to the assets are transferred to retained earnings.

3.8 INVESTMENT PROPERTY

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by entities forming part of the Group is classified as investment property. Investment property also includes property that is being constructed or developed

for future use as investment property, when such identification is made. Investment property principally comprises land and buildings.

Investment property is measured initially at its historical cost, including related transaction costs and borrowing costs. Borrowing costs which are incurred for the purpose of acquiring or constructing a qualifying investment property are capitalised as part of its cost. Borrowing costs are capitalised while acquisition or construction is actively underway. Capitalisation of borrowing costs is ceased once the asset is substantially complete and is suspended if the development of the asset is suspended. After initial recognition, investment property is carried at fair value, representing open market value determined annually.

These fair valuations are reviewed regularly by a professional valuer. The fair value of investment property generally reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to profit or loss during the financial period in which they are incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Changes in fair values are recognised in profit or loss. Investment properties are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment. Its fair value at the date of the reclassification becomes its cost for subsequent accounting purposes.

If an item of property, plant and equipment becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is treated in the same way as a revaluation surplus under IAS 16.

3.9 INTANGIBLE ASSETS

(A) GOODWILL

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary or associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in 'Intangible assets'. Goodwill on acquisitions of associates is included within the carrying amount of the investments. Separately recognised goodwill is not amortised, but it is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments (Note 6).

(B) BRANDS

The brands mainly comprise the 'Corinthia' brand name relating to hospitality and catering. The 'Corinthia' brand was acquired from the Group's parent, CPHCL, and represents the consideration paid on its acquisition.

The brands do not have a finite life and are measured at cost less accumulated impairment losses. The brands are regarded as having an indefinite life, since based on all relevant factors, there is no foreseeable limit to the period over which the assets are expected to generate cash inflows.

(C) OTHER INTANGIBLE ASSETS

Separately acquired intangible assets, such as purchased computer software are shown at historical cost. Customer contracts acquired in a business combination are recognised at fair value at the acquisition date. These intangible assets have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the

specific asset to which it related. All other expenditure including costs incurred in the ongoing maintenance of software, is recognised in profit or loss as incurred.

Intangible assets include intangibles with finite lives, which are amortised, on a straight-line basis over their estimated useful lives. Estimated useful life is the lower of legal duration and expected useful life. The estimated useful lives are as follows:

	YEARS
Brand design fee and other rights	5 - 10
Concessions	2 - 10
Operating contracts	20
Others	3

3.10 FINANCIAL INSTRUMENTS

Financial instruments are recognised when the Group has become a party to the contractual provisions of the instrument. Financial instruments include investments in listed equity securities, derivative financial instruments, loans receivable, trade and other receivables, cash and cash equivalents, interest-bearing borrowings, loans payable and trade and other payables.

Financial instruments are initially recognised at fair value including transaction costs, except for those measured at fair value through profit or loss, for which transaction costs are recognised in profit or loss as part of administrative and other expenses.

Trade receivables are initially recognised at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value.

Derivatives are recognised initially at fair value at the date the derivative contract are entered into. Directly attributable transaction costs are recognised in profit or loss when incurred.

Subsequent to initial recognition, these financial instruments are classified and measured as detailed below.

3.10.1 CLASSIFICATION OF FINANCIAL ASSETS

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and

- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

3.10.2 RECOGNITION AND DERECOGNITION OF FINANCIAL ASSETS

Regular way purchases and sales of financial assets are recognised on settlement date, which is the date on which an asset is delivered to or by the Group. Any change in fair value for the asset to be received, is recognised between the trade date and settlement date in respect of assets which are carried at fair value in accordance with the measurement rules applicable to the respective financial assets.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

3.10.3 SUBSEQUENT MEASUREMENT OF FINANCIAL ASSETS

DEBT INSTRUMENTS

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group's and the Company's debt instruments principally comprise loans and advances to other undertakings and investments in bonds. The Group also holds investments in mutual funds; management has assessed that such investments do not meet the definition of equity in accordance with IAS 32 from the issuer's perspective since the Group can sell its holding back to the fund in return for cash. Accordingly, these investments are considered to be debt instruments from the Group's perspective.

There are two measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other operating expenses together with foreign exchange gains and losses. Impairment losses are presented under net movements in credit losses on loans receivable in the income statement.
- **FVTPL:** Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented net within net changes in fair value of financial assets in the period in which it arises. The Group classified its investments in mutual funds in this category, on the basis that such investments fail to meet the 'solely payments of principal and interest' test.

EQUITY INSTRUMENTS

The Group subsequently measures all its financial assets in equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as investment income, when the entity's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are shown separately within net changes in fair value of financial assets through profit or loss in the income statement.

3.10.4 TRADE RECEIVABLES

Trade receivables comprise amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are subsequently measured at amortised cost using the effective interest method, less loss allowance. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Details about the

Group's impairment policies and the calculation of the loss allowance are provided in Note 41.

3.10.5 CASH AND CASH EQUIVALENTS

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position. Cash and cash equivalents are carried at amortised costs.

3.10.6 IMPAIRMENT OF FINANCIAL ASSETS

The Group assesses the expected credit losses associated with its debt instruments carried at amortised cost on a forward-looking basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see Note 41.1 for further details.

3.10.7 CLASSIFICATION, RECOGNITION AND DERECOGNITION OF FINANCIAL LIABILITIES

The Group's financial liabilities, other than derivative financial instruments, are classified as financial liabilities which are not at fair value through profit or loss (classified as 'Other liabilities') under IFRS 9. Financial liabilities not at fair value through profit or loss are recognised initially at fair value, being the fair value of consideration received, net of transaction costs that are directly attributable to the acquisition or the issue of the financial liability. Financial liabilities held at fair value through profit or loss would be initially recognised at fair value through profit or loss with transaction costs expensed in profit or loss. The Group derecognises a financial liability from its statement of financial position when the obligation specified in the contract or arrangement is discharged, is cancelled or expires.

3.10.8 SUBSEQUENT MEASUREMENT OF FINANCIAL LIABILITIES

Financial liabilities held at fair value through profit or loss would be subsequently measured at fair value.

Other financial liabilities are subsequently measured at amortised cost.

3.10.9 TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

3.10.10 BORROWINGS

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash asset transferred or liabilities assumed, is recognized in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

3.10.11 OFFSETTING FINANCIAL INSTRUMENTS

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

3.11 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. The cost of inventories comprises the invoice value of goods and, in general, includes transport and handling costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

3.12 CURRENT AND DEFERRED TAX

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

The deferred tax liability in relation to investment property that is measured at fair value is determined assuming the property will be recovered entirely through sale.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

3.13 PROVISIONS

Provisions for legal claims and other obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

3.14 CONTINGENT LIABILITIES

Contingent liabilities are possible obligations that arise from past events whose existence will be confirmed only by occurrence, or non-occurrence, of one or more uncertain future event not wholly within the control of the Group; or are present obligations that have arisen from past events but are not recognised because it is not probable that settlement will require the outflow of economic benefits, or because the amount of the obligations cannot be reliably measured. Contingent liabilities are not recognised in the financial statements but are disclosed unless the probability of settlement is remote.

3.15 REVENUE RECOGNITION

Revenue includes all revenues from the ordinary course of business activities. Ordinary activities do not only refer to

the core business but also to other recurring sale of goods or rendering of services. Revenues are recorded net of value added tax.

(A) REVENUE FROM HOTEL OPERATIONS

Revenue from hotel operations includes revenue from accommodation, food and beverage services, and other ancillary services. The substantial majority of services are provided to customers during their stays in one of the Group's hotels, and, depending on the type of booking, some services would generally be amalgamated into one 'contract' (for example, bed and breakfast).

Each of the services rendered is assessed to be a distinct performance obligation, and if applicable, the Group allocates the transaction price to each of the services rendered to the customer on a relative basis, based on their stand-alone selling price. Revenue from such operations is recognised over time since the customer benefits as the Group is performing; the majority of revenue relates to accommodation (i.e. the amount allocated to such performance obligation is recognised over the customer's stay at the respective hotel).

(B) CATERING SERVICES

The Group provides services in the catering industry. The transaction price comprises a fixed amount agreed with the respective customer. Any upfront payments are deferred as contract liabilities, and revenue is recognised in the period that the services are provided to the customer.

(C) PROJECT MANAGEMENT SERVICES

The Group provides a wide range of project management services, some of which may span over multiple accounting periods. Some contracts require the provision of multiple services, and the Group assesses whether these constitute distinct performance obligations in the context of the arrangement. In any case, revenue from such performance obligations is recognised over time, using an input method of progress to calculate the stage of completion.

The consideration for project management services is based on the expected number of hours that the Group expects to be required for the project to be completed. Revenue and contract costs are recognised over the period of the contract, respectively, as revenue and expenses. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

The stage of completion is measured by reference to the proportion of contract costs incurred for work performed up to the end of the reporting period in relation to the estimated total costs for the contract. Costs incurred during the year that relate to future activity on a contract are excluded from contract costs in determining the stage of completion and are shown as contract assets.

The aggregate of the costs incurred and the profit or loss recognised on each contract is compared against the progress billings up to the end of the reporting period. The Group presents as a contract asset the gross amount due from customers for contract work for all contracts in progress for which costs incurred plus recognised profits (less recognised losses) exceed progress billings, within trade and other receivables. The Group presents as a contract liability the gross amount due to customers for contract work for all contracts in progress for which progress billings exceed costs incurred plus recognised profits (less recognised losses), within trade and other payables.

(D) HOTEL MANAGEMENT AGREEMENTS

The Group enters into hotel management agreements with hotel property owners and under these agreements, the Group's performance obligation is to provide hotel management services and a license to use Corinthia's brand. Base and incentive management fees are typically charged. Base management fees are typically a percentage of total hotel operating revenues and incentive fees are generally based on the hotel's operating profits. Both are treated as variable consideration. Base management fees are recognised as the underlying hotel revenues occur. Incentive management fees are recognised over time when it is highly probable that the related performance criteria for each annual period will be met, provided there is no expectation of a subsequent reversal of the revenue. Costs incurred to enter into a contract are expensed as incurred unless they are incremental in obtaining the contract.

CONTRACT ASSETS

Amounts paid to hotel owners to secure hotel management agreements ("key money") are treated as consideration payable to a customer. A contract asset is recorded and eventually recognised as a deduction to revenue over the term of the contract. Contract assets are not financial assets as they represent amounts paid by the Group at the beginning of a contract and accordingly, are tested for impairment based on value in use. Contract assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

3.16 LEASES

The Group's lease accounting policy where the Group is the lessee is disclosed in Note 16.

3.16.1 ACCOUNTING POLICY WHERE THE GROUP IS THE LESSOR

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature.

3.17 EMPLOYEE BENEFITS

(A) SHORT-TERM OBLIGATIONS

Liabilities for wages and salaries, including non-monetary benefits and accumulating leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the statement of financial position.

(B) BONUS PLANS

The Group recognises a liability and an expense for bonuses based on a formula that takes into consideration the profit attributable to the company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(C) CONTRIBUTIONS TO DEFINED CONTRIBUTION PENSION PLANS

The Group contributes towards the State defined contribution pension plan in accordance with local legislation in exchange for services rendered by employees and to which it has no commitment beyond the payment of fixed contributions. Obligation for contributions are recognised as an employee benefit in profit or loss in the periods during which services are rendered by employees.

3.18 GOVERNMENT GRANTS

Grants are recognised when there is reasonable assurance that all the conditions attached to them are

complied with and the grants will be received. Grants related to income are recognized in the profit or loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are presented as part of profit or loss, by deducting them from the related expense. Grants related to assets are deducted from the asset's carrying amount. The accounting policy for grants related to assets was changed in the reporting period and no change was required in this regard to the comparative figures.

3.19 ASSETS HELD FOR SALE

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value.

3.20 EARNINGS PER SHARE

BASIC EARNINGS PER SHARE

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group,
- by the weighted average number of ordinary shares outstanding during the financial year.

3.21 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of IHI together with its committees assesses the financial performance and position of the Group and makes strategic decisions and accordingly has been identified as being the chief operating decision maker.

4. CRITICAL ACCOUNTING ESTIMATES, JUDGEMENTS AND ERRORS

4.1 SIGNIFICANT ESTIMATES AND JUDGEMENTS

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal actual results. The estimates, assumptions and management judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The fair value of property, plant and equipment and investment properties is determined by using valuation techniques. Further details of the judgements and assumptions made are disclosed in Note 15. This Note highlights information about the fair value estimation of land and buildings and investment property, together with a sensitivity analysis of the effects of shifts in unobservable inputs used in determining these fair values. Additionally, the significant estimates and uncertainties arising from the Group's operations in Libya and Russia are disclosed in Note 5.

Estimations, uncertainties and judgements made in determining the lease term in relation to lease accounting are disclosed in Note 16.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of taxable profits, together with future tax planning strategies. Additional information on the unrecognised deferred tax assets is included in Note 34.

The Company's critical estimates pertain to the fair valuation of its investments in subsidiaries, associates and joint ventures. Refer to Note 17.3.1 and Note 41.6 for more information.

In the opinion of the directors, with the exception to those listed above, the accounting estimates and judgements made in the course of preparing these financial statements are, with the exception of the fair valuation of property, not difficult, subjective or complex to a degree which would warrant their description as critical in terms of the requirements of IAS 1.

5. THE GROUP'S OPERATIONS IN LIBYA AND RUSSIA

5.1 THE GROUP'S OPERATIONS IN LIBYA

The Group's investments in Libya principally comprise:

- The Corinthia Hotel Tripoli, a fully owned five-star hotel in Tripoli with a carrying amount of €70.89 million (2023: €65.4 million);
- An adjoining Commercial Centre to the above-mentioned hotel, with a carrying amount of €86.3 million (2023: €83.3 million);
- The ownership of a site surrounding the hotel, with a carrying amount of €29.5 million (2023: €29.5 million); and

- The development of the Medina Tower Project through an associate undertaking in which the Group holds a 25% share, which investment has a carrying amount of €5.2 million (2023: €5.0 million).

The first three activities are managed through the Group's investment in Corinthia Towers Tripoli Limited, a company registered in Malta with a branch in Libya.

Since 2014, Libya experienced severe political instability due to the collapse of the central government during the same year and the country has been going through difficult times ever since. A United Nations-brokered ceasefire deal was reached in December 2015 and the Libyan Political Agreement to form a Government of National Accord was signed. On 31 March 2016, the leaders of the new UN-supported unity government arrived in Tripoli. In May 2018 Libya's rival leaders agreed to hold parliamentary and presidential elections following a meeting in Paris. No election has been held as rival leaders were jostling for territory. In March 2021, however, Libya's parliament endorsed a new, unified government, and the two previous rival governments agreed to dissolve. This transitional government was due to stay in power until the end of 2021, when national presidential and legislative elections were due to take place. The elections were however postponed again after the head of High National Election Commission ordered the dissolution of the electoral committees nationwide. The elections which were initially scheduled for June 2022, were pushed back to the end of 2022 and later pushed back again. The delay of national elections together with the confirmation of a new government cabinet by the eastern-based House of Representatives in February 2022, has returned Libya to a state of institutional division with two parallel government administrations in the East and West.

Encouragingly in March 2024, the speaker of the eastern based House of Representatives and the head of the western based High Council of State met in Egypt and agreed to unify sovereign positions stressing Libya's sovereignty, independence and territorial integrity and rejecting any foreign intervention that affects the Libyan political process negatively. Despite this concerted effort towards resolving the political crises, tangible progress remained limited and the proposed elections remaining indefinitely postponed.

The state of economic uncertainty that continued to prevail during the financial year ended 31 December 2024 continues to impact negatively the Libyan hospitality and real estate sectors which in turn impacts the Group's financial results in Libya. Having stated the above, it should be noted that the turnover registered during 2024 by Corinthia Towers Tripoli Limited amounts to €14.74 million (2023: €11.86 million) representing 4.80% (2023: 4.12%) of the Group's Revenue. Occupancy was at 41.98% in 2024 versus 18.18% in 2023, and Profit before tax amounted to €13.70 million after recognizing a fair value gain of €3.04 million on the investment property and an impairment reversal of €6.48 million on the hotel (2023: profit before tax of €10.90 million after recognising a fair value gain of €7.92 million on the investment property). Current year's revenue includes €5.33 million (2023: €7.45 million) generated from rental contracts attributable to the Commercial Centre that remained in full operation throughout since its opening, generating a steady income from the lease of commercial offices within the Centre to international blue-chip companies. The existence of long-term leases has mitigated the impact of the continued political instability and state of uncertainty on the Commercial Centre. The Commercial Centre remained fully leased out in 2024.

Whilst the Commercial Centre continued to generate positive net contributions as in previous years, the year ended 2024 saw the hotel also closing with a positive net operational financial result of €2.75 million (2023: loss of €0.50 million) mainly due to increased occupancy. Management's objective for the hotel is to continue to build on the positive results achieved and to ensure that payroll and other operating costs are managed in the context of reduced operating income levels. At the same time, however, the company continues to invest in maintenance and security costs to ensure that the hotel is kept in a pristine condition to allow it to benefit from increased revenues once the situation improves.

There were no major changes during the last year when it comes to the significant economic and political uncertainty prevailing in Libya. This renders fair valuation of property assets situated in Libya, by reference to projected cash flows from operating the asset or to market sales prices, extremely difficult and judgmental. Nevertheless, the operating performance of the assets in Libya improved during the current year when compared to last year.

The exposures emanating from the Group's activities in Libya are summarised in the table below:

	CARRYING AMOUNT AS AT	
	31 DECEMBER 2024 €M	31 DECEMBER 2023 €M
Corinthia Towers Tripoli Limited		
Property, plant and equipment	70.89	65.4
Investment property	115.8	112.8
Inventories	2.1	1.9
Trade receivables, net of provisions	1.7	0.5
Medina Towers J.S.C.		
Investment in associate accounted for using the equity method of accounting	5.2	5.0

The future performance of the Hotel, the Commercial Centre and other operations referred to above, together with the fair value of the related and other property assets situated in Libya are largely dependent on how soon the political situation in Libya will return to normality and on how quickly the international oil and gas industry recovers once political risks subside.

In assessing the value of the Hotel, the Directors recognise the improvements registered in 2024, despite the political outlook not changing significantly over the past twelve months. The Directors also recognise the interest registered from a number of sources for short and long-term accommodation, but have retained the expectations of a gradual recovery for the Hotel. Hotel occupancy rates in the initial months of 2025 are encouraging and occupancy levels of 46% have been reached. As a result, the results of the valuation assessment supporting the carrying amount of the Hotel in Libya showed a substantial head room, with the Directors acting prudently only recognising a partial uplift of €6.48 million.

In the case of the Commercial Centre, the valuation takes into account the consistent cashflows based on long-term agreements. An uplift in the carrying amount of €3.04 million was recognised during the current year (2023: an uplift of €7.92 million).

Further information on the key assumptions and judgements underlying the valuation of the property assets is disclosed in Note 15, together with an analysis of sensitivity of the valuations to shifts or changes in the key parameters reflected.

The Group's investment property also includes a site surrounding the Hotel, with no determined commercial use, having a carrying amount of €29.50 million as at 31 December 2024, which is unchanged from the carrying amount as at 31 December 2023.

In view of the prevailing circumstances in Libya, The Medina Tower Project owned by an associate of the Group has slowed down considerably. The key assets within this company as at 31 December 2024 held in Libyan Dinar comprise the project site carried at LYD 67.88 million equivalent to €13.28 million (2023: LYD 67.84 million equivalent to €12.89 million), and Euro denominated cash balances amounting to €7.64 million (2023: €7.35 million). The carrying amount of investment held by the Group in this project amounts to €5.20 million (2022: €5.00 million).

At this point in time, different scenarios in terms of the future political landscape in Libya are plausible, which scenarios, negative and positive, could significantly influence the timing and amount of projected cash flows and the availability of property market sales price information. The impact of these different plausible scenarios on the operating and financial performance of the Hotel, and Commercial Centre, and on the fair valuation of the related property assets would accordingly vary in a significant manner.

It is somewhat difficult to predict when the political situation in the country will start stabilising and forecasting the timing of any economic recovery in Libya is judgemental. Past experience has shown that, because of the keen interest by the international oil and gas industry to return to Libya, the Group's performance in respect of its operations in Libya is likely to recover quickly once the situation in the country improves in a meaningful manner.

5.2 THE GROUP'S OPERATIONS IN RUSSIA

The Group's investments in Russia principally comprise:

- The Corinthia Hotel St Petersburg, a fully owned five-star hotel in St. Petersburg with a carrying amount of €56.9 million (2023: €53.46 million) managed through Corinthia Hotels Limited a subsidiary of IHI p.l.c.;
- An adjoining Commercial Centre to the above-mentioned hotel, with a carrying amount of €36.83 million (2023: €38.32 million) operated by IHI Benelux B.V., a subsidiary of IHI p.l.c.; and
- A 10% equity investment in Lizar Holdings Limited, a hotel and residential development in Moscow, having a carrying amount of €0.03 million (2023: €0.03 million).

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 counter-sanctions imposed by Russia itself continues to evolve. Despite the various diplomatic efforts and significant international involvement, the situation surrounding the conflict remains volatile with evolving dynamics, shifting geopolitical alliances and adjustments to sanctions on both sides. The consequences of these sanctions on the group as well as their future effects on operational income are difficult to determine and depend on the duration of this conflict and the evolving geopolitical landscape. The Group has engaged international legal advisers to assist in managing the challenges arising from such sanctions.

The geopolitical situation between Russia and the west resulted in a drop in international business. Nevertheless, the hotel still increased occupancy levels during the year over 2023 in view of the local trade that the hotel always enjoyed.

Both the hotel and the Commercial Centre have remained operational since the eruption of the conflict. The turnover registered during 2024 by IHI Benelux BV and Corinthia St. Petersburg LLC amounts to €17.80 million (2023: €14.22 million) representing 5.80% (2023: 4.94%) of the Group's Revenue, with a profit before tax (net of intra group eliminations) of €8.56 million after registering a fair value gain of €1.01 million on the investment property (2023: profit before tax of €1.67 million). Current year's revenue includes €3.64 million (2023: €2.28 million) generated from rental contracts attributable to the Commercial Centre.

Management's objective for the hotel and the Commercial Centre is to continue to build on the local trade and to ensure that payroll and other operating costs are managed in the context of the reduced operating income levels. At the same time, the company continues to invest in maintenance to ensure that the hotel is kept in a pristine condition to allow it to benefit from increased revenues once the situation improves and international travelers return.

The exposures emanating from the Group's activities in Russia are summarised in the table below:

	CARRYING AMOUNT AS AT	
	31 DECEMBER 2024 €M	31 DECEMBER 2023 €M
IHI Benelux B.V.		
Property, plant and equipment	56.9	53.5
Investment property	36.8	38.3
Inventories	0.6	0.6
Trade receivables, net of provisions	0.5	0.3
Moscow project		
Investment and loans	6.4	6.1

The future performance of the Hotel, the Commercial Centre and other operations referred to above, together with the fair value of the related and other property assets situated in Russia are largely dependent on how soon the economic and political situation in and around Russia will return to normality and on how quickly international sanctions are lifted.

In assessing the value of the Hotel, the Directors recognise the current geo-political situation and the implications on the valuation assessment carried out by professional valuers. This valuation includes a higher element of uncertainty.

Nevertheless, and as a consequence of the strong local trade, the carrying amount of the hotel increased by €8.3 million before a negative translation difference of €3.4 million in 2024 (2023: nil). Similarly, a fair value gain of €1.01 million on the Commercial Centre was reported in the income statement (2023: fair value loss of €1.71 million). The translation effect on the Commercial Centre amounted to a reduction of €2.5 million.

In view of the prevailing circumstances in Russia, the Moscow hotel project owned by an associate of the Group was suspended.

It is somewhat difficult to predict when the political situation will start stabilising and forecasting the timing of any economic recovery in Russia is judgmental. Considering the central and strategic location of the hotel and Commercial Centre, the Group's performance in respect of its operations in Russia is likely to recover quickly once the situation in the country improves in a meaningful manner.

6. SEGMENT REPORTING

The standard requires a "management approach" under which segment information is presented on the same basis as that used for internal reporting purposes. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group's board of directors.

An operating segment is a group of assets and operations engaged in providing services that are subject to risks and returns that are different from that of other segments. Each hotel is considered to be an operating segment.

Hotel ownership, development and operations is the dominant source of the Group's risks and returns. The Group is also engaged in the ownership and leasing of its investment property. Malta is the jurisdiction of the parent and management companies.

The board of directors assesses performance based on the measure of operating results before depreciation and fair value of each hotel.

The Group is not required to report a measure of total assets and liabilities for each reportable segment since such amounts are not regularly provided to the chief operating decision maker. However, in accordance with IFRS 8, non-current assets (other than financial instruments, investments accounted for using the equity method and deferred tax assets) are divided into geographical areas.

INFORMATION ABOUT REPORTABLE SEGMENTS

HOTELS	MALTA		LISBON		BUDAPEST		ST. PETERSBURG	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Segment revenue	74,782	70,298	38,005	31,977	26,936	21,870	14,157	11,954
Operating results before depreciation and fair value gains/(losses)	16,149	15,457	10,187	8,414	5,944	4,128	5,016	3,180
Depreciation and amortisation	(6,969)	(5,959)	(4,247)	(3,834)	(1,458)	(1,577)	(1,643)	(1,618)
Segment profit or loss	9,180	9,498	5,940	4,580	4,486	2,551	3,373	1,562

HOTELS	PRAGUE		LONDON		TRIPOLI		TOTAL	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Segment revenue	2,815	16,287	95,774	92,326	9,408	4,413	261,877	249,125
Operating results before depreciation and fair value gains/(losses)	(824)	1,954	22,757	22,677	2,620	(389)	61,849	55,421
Depreciation and amortisation	(418)	(1,749)	(8,853)	(8,440)	(1,731)	(1,839)	(25,319)	(25,016)
Segment profit or loss	(1,242)	205	13,904	14,237	889	(2,228)	36,530	30,405

HOTELS	TOTAL	
	2024 €'000	2023 €'000
Segment revenue	261,877	249,125
Rental income from investment property	12,940	9,710
Hotel management company revenue	19,471	17,003
Catering business revenue	19,650	19,768
Project management revenue	10,180	8,503
Development revenue	61	144
Holding company revenue	4,429	4,686
Elimination of intra-group revenue	(21,820)	(21,166)
Group revenue	306,788	287,773
Segment profit or loss	36,530	30,405
Net rental income from investment property	10,315	7,845
Change in fair value of investment property	6,219	6,423
Change in fair value of property, plant and equipment	6,214	(1,405)
Catering business result	796	(372)
Project management business result	1,890	1,494
Development business result	(2,284)	(675)
Corporate office operating profit	(5,167)	(4,373)
Hotel management company operating profit	609	2,759
Depreciation	(1,356)	(1,146)
Amortisation	(1,793)	(1,430)
Unallocated items	(6,582)	(3,557)
Consolidation adjustments	1,767	537
	47,158	36,505
Share of results from equity accounted investments	(15)	(25)
Net changes in fair value of financial assets at fair value through profit and loss	-	(1,787)
Finance income	1,693	1,266
Finance costs	(44,382)	(38,754)
Foreign exchange	(2,586)	(1,304)
Other exceptional gains/(losses)	474	(27)
Loss before tax	2,342	(4,126)

NON-CURRENT ASSETS	MALTA		LISBON		BUDAPEST		ST. PETERSBURG	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Hotels	253,820	233,499	173	119,183	112,545	116,048	57,333	53,458
Investment properties								
Hotel management								
Catering business								
Project management business								
Holding company								
Unallocated items								

NON-CURRENT ASSETS	PRAGUE		LONDON		TRIPOLI		TOTAL	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Hotels	-	87,980	580,477	538,943	70,888	65,400	1,075,236	1,214,511
Investment properties							253,492	161,635
Hotel management							42,457	42,723
Catering business							10,217	11,779
Project management business							2,991	3,084
Holding company							190,479	130,952
Unallocated items							71,064	52,911
							1,645,936	1,617,595

During the current and comparative year there were no material inter-segment sale transactions. During the current year, the Prague hotel was leased out to third parties and revenue generated by this entity as from quarter 2 2024 is now presented with rental income from investment property. Likewise, the asset was transferred from property, plant and equipment to investment property.

The Corinthia Hotel Lisbon, has at the end of 2024 been reclassified to assets held for sale. The asset in the balance sheet was hence transferred from property, plant and equipment to assets held for sale (Note 23).

7. EXPENSES BY NATURE

The major items included within profit or loss are included below:

	THE GROUP		THE COMPANY	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Loss on disposal of property, plant and equipment	573	1,708	-	-
Depreciation of property, plant and equipment (Note 15)	24,163	23,654	39	37
Depreciation of right-of-use assets (Note 16)	2,512	2,508	234	248
Amortisation of intangible assets (Note 12)	1,793	1,430	7	13
Professional fees	8,263	5,708	1,230	776
Cost of goods sold	25,992	25,529	-	-
Energy utilities	10,607	11,317	12	9
Employee benefit expenses (Note 8)	98,096	88,316	4,215	4,855
Property taxes	4,259	4,053	-	-
Repairs and maintenance	7,440	7,877	-	-
Pre-opening expenses	6,115	1,938	-	-
Net movements in credit losses on receivables and other assets balances	612	482	4,890	-

Board and committee fees charged in the income statement in 2024 amounted to €0.9 million (2023: €0.8 million). Additional director's remuneration comprising of a fixed portion of €0.9 million (2023: €1.0 million) and a variable portion of €0.7 million (2023: €0.6 million) was also charged in the income statement.

7.1 AUDITOR'S FEES

Fees charged by the auditor (including fees charged by other network firms) for services rendered during the financial years ended 31 December 2024 and 31 December 2023 are shown in the table below.

	THE GROUP		THE COMPANY	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Annual statutory audit	902	739	146	146
Tax compliance and advisory fees	64	34	43	12
Other non-audit services	109	93	109	93
	1,075	866	298	251

Fees charged by the parent company auditor for services rendered during the financial year ended 31 December 2024 and 2023 to the Group relating to the annual statutory audit amounted to €394,000 (2023: €368,000). Fees charged by connected undertakings of the company's parent auditor to the group relating to tax compliance and advisory fees amounted to €173,000 (2023: €127,000).

8. PERSONNEL EXPENSES

	THE GROUP		THE COMPANY	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Wages and salaries	83,978	76,791	4,053	4,652
Social security contributions	8,572	7,540	61	82
Other staff costs	5,546	3,985	101	121
	98,096	88,316	4,215	4,855

Weekly average number of employees:

	THE GROUP		THE COMPANY	
	2024 NO.	2023 NO.	2024 NO.	2023 NO.
Management and administrative	637	675	31	38
Operating	1,832	1,917	-	-
	2,469	2,592	31	38

In addition to the amounts shown in the above table, the Group also incurred outsourced labour costs amounting to €19.02 million (2023: €17.6 million).

9. FINANCE INCOME AND FINANCE COSTS

	THE GROUP	
	2024 €'000	2023 €'000
Finance income:		
Interest income on:		
Loans advanced to related companies	256	194
Loans advanced to other investee	243	242
Other balances	532	566
Bank deposits	662	264
Finance income	1,693	1,266
Finance costs:		
Interest expense on:		
Bank borrowings	(26,343)	(22,164)
Bonds	(13,933)	(12,996)
Amortisation of transaction costs on borrowings	(1,267)	(946)
Lease liabilities (Note 16)	(763)	(823)
Other costs	(2,076)	(1,825)
Net exchange differences	(2,586)	(1,304)
Finance costs	(46,968)	(40,058)

10. TAX (EXPENSE)/CREDIT

The (expense)/credit for income tax on profits/(losses) derived from local and foreign operations has been calculated at the applicable tax rates.

	THE GROUP		THE COMPANY	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Current taxation:				
- Current year tax (expense)	(3,104)	(2,034)	166	(64)
Deferred taxation:				
- Deferred tax income	936	(5,138)	6,584	4,290
- Adjustment recognised in financial period for deferred tax of prior period	(1,420)	(5)	-	-
	(3,588)	(7,177)	6,750	4,226

Refer to Note 34 for information on the deferred tax assets and liabilities.

10.1 TAX (EXPENSE)/CREDIT RECONCILIATION

	THE GROUP		THE COMPANY	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Loss before tax	2,342	(4,126)	(18,715)	(10,795)
Income tax using the Company's domestic tax rate of 35%	(820)	1,444	6,550	3,778
Effect of income/(losses) subject to foreign/different tax rates	4,330	(538)	-	-
Effect of reduction in tax rate on opening temporary difference	(280)	93	25	-
Non-tax deductible expenses	(585)	(1,180)	(12)	(41)
Non taxable income	248	266	-	532
Over/(under) provision in respect of previous years	(2,319)	76	-	-
Movement in unrecognised temporary differences	(4,487)	(6,138)	20	20
Effect of Group's share of profit and loss of investments recognised using the equity method	(64)	(9)	-	-
Other	389	(1,191)	167	(63)
Tax (expense)/credit	(3,588)	(7,177)	6,750	4,226

10.2 TAX RECOGNISED IN OTHER COMPREHENSIVE INCOME

The tax impacts which are entirely attributable to deferred taxation, relating to components of other comprehensive income and accordingly presented directly in equity are as follows:

	2024			2023		
	BEFORE TAX €'000	TAX CHARGE €'000	NET OF TAX €'000	BEFORE TAX €'000	TAX CHARGE €'000	NET OF TAX €'000
Group						
Fair valuation of land and buildings	75,894	(17,697)	58,197	62,495	(15,462)	47,033
Hedging	(148)	33	(115)	-	-	-
Currency translation differences	15,051	1,953	17,004	(20,842)	3,707	(17,135)
	90,797	(15,711)	75,086	41,653	(11,755)	29,898
Company						
Fair value movements on investments in subsidiaries, associates and joint ventures	246,991	(31,722)	215,269	50,989	(11,740)	39,249

11. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing loss attributable to equity holders of IHI by the weighted average number of ordinary shares in issue during the year.

	THE GROUP	
	2024 €'000	2023 €'000
Profit/(loss) from operations attributable to the owners of the parent	4,367	(10,346)
Number of shares:		
At 1 January and 31 December	615,685	615,685
Weighted average number of shares:		
At 1 January and 31 December	615,685	615,685
Earnings per share	(0.01)	(0.02)

As at 31 December 2024 and 2023, the Group did not have any dilutive shares. Accordingly, the diluted earnings per share disclosure which would have otherwise been required by IAS 33, is not presented.

12. INTANGIBLE ASSETS

	THE GROUP						
	GOODWILL €'000	BRANDS €'000	BRAND DESIGN FEE AND OTHER RIGHTS €'000	CONCESSIONS €'000	OPERATING CONTRACTS €'000	OTHERS €'000	TOTAL €'000
Cost							
At 1 January 2023	37,608	25,121	9,117	463	23,334	3,297	98,940
Additions	-	-	35	-	-	1,005	1,040
Disposals	-	-	1	-	-	-	1
Exchange differences	-	-	1	-	-	-	1
At 31 December 2023	37,608	25,121	9,154	463	23,334	4,302	99,982
At 1 January 2024	37,608	25,121	9,154	463	23,334	4,302	99,982
Additions	-	606	12	-	-	733	1,351
Disposals	-	-	-	-	-	(223)	(223)
Exchange differences	-	19	2	-	-	-	21
At 31 December 2024	37,608	25,746	9,168	463	23,334	4,812	101,131
Amortisation							
At 1 January 2023	17,482	3,193	9,053	463	19,012	2,952	52,155
Amortisation for the year	-	-	25	-	1,167	238	1,430
Disposals	-	-	1	-	-	-	1
Exchange differences	-	-	1	-	-	-	1
At 31 December 2023	17,482	3,193	9,080	463	20,179	3,190	53,587
At 1 January 2024	17,482	3,193	9,080	463	20,179	3,190	53,587
Amortisation for the year	-	-	22	-	1,167	604	1,793
Disposals	-	-	-	-	-	(223)	(223)
Exchange differences	-	-	2	-	-	-	2
At 31 December 2024	17,482	3,193	9,104	463	21,346	3,571	55,159
Carrying amount							
At 1 January 2023	20,126	21,928	64	-	4,322	345	46,785
At 31 December 2023	20,126	21,928	74	-	3,155	1,112	46,395
At 31 December 2024	20,126	22,553	64	-	1,988	1,241	45,972

	THE COMPANY		
	BRAND €'000	OTHERS €'000	TOTAL €'000
Cost			
At 1 January 2023	2,400	104	2,504
Additions	-	7	7
At 31 December 2023	2,400	111	2,511
At 1 January 2024	2,400	111	2,511
Additions	-	10	10
At 31 December 2024	2,400	121	2,521
Amortisation			
At 1 January 2023	-	90	90
Amortisation for the year	-	13	13
At 31 December 2023	-	103	103
At 1 January 2024	-	103	103
Amortisation for the year	-	7	7
At 31 December 2024	-	110	110
Carrying amount			
At 1 January 2023	2,400	14	2,414
At 31 December 2023	2,400	8	2,408
At 31 December 2024	2,400	11	2,411

BRAND

In December 2010, the Company purchased the Corinthia brand from its parent company (CPHCL) for €19.6 million. This value was determined by independent valuers on the basis of the projected income statements of existing hotels as at the end of 2009 and was subject to an adjustment following a similar valuation exercise based on 2010 figures.

During 2018, the Company sold the Corinthia brand to CHL for an amount of €35.0 million, recognising a profit on disposal of €15.4 million. Although the intra-group profit was eliminated at Group level, the tax base from use of the brand from a Group perspective increased from €19.6 million to €35.0 million, and a deferred tax asset was recognised in this respect.

During 2019, the Group, through IHI p.l.c., acquired rights to use the Corinthia brand in all respects. The rights acquired during the year are in addition to the rights previously held by the Group on the acquisition of the Corinthia brand in 2010.

Simultaneously with the acquisition of the brand, IHI p.l.c. also acquired investments in Catermax Limited and Corinthia Caterers Limited. These were assessed as one business combination from a Group perspective on which goodwill of €1.1 million was recognised.

OTHER INTANGIBLE ASSETS ARISING FROM HOTEL MANAGEMENT

On the acquisition of Corinthia Hotels Limited in 2006, the Group recognised goodwill amounting to €9.7 million, and operating contracts, amounting to €23.3 million, representing the assumed value attributable to the operation of hotel properties.

In prior years, the Group recognized goodwill on the acquisition of Prague and IHI Malta which as at 31 December 2024 were fully amortised.

The goodwill, operating contracts and the Corinthia brand were subject to an internal impairment assessment on the basis that these intangibles comprise one cash-generating unit. The indicative valuation is based on the discounted

cash flows derived from hotel operating projections as prepared by specialists in hotel consulting, and confirm that no impairment charge is required as at 31 December 2024 and 2023.

The discounted cash flow calculation was determined by discounting the forecast future post-tax cash flows generated by CHL for a ten-year explicit period 2025 – 2034, followed by a terminal-value (also refer to Note 3.1). The following are the key assumptions underlying the projections:

- revenue from existing and signed management agreements is based on revenue projections from currently operating hotels and forecast revenue from hotels expected to start operating shortly. This revenue accounts for c. 74% of the total revenue in the explicit period;
- revenue from unconfirmed hotel management agreements is based on revenue projections from hotels which are not yet announced or signed as at 31 December 2024, but are expected to be achieved in the short to medium term (by 2032). This revenue accounts for c. 26% of the total revenue in the explicit period;
- subsequent to the ten-year projection period, revenue is assumed to grow at a rate of 2% p.a. in perpetuity; and
- a post-tax discount rate of 10.6% was applied to the post-tax free cash flows of CHL.

GOODWILL ON THE ACQUISITION OF THE IHGH GROUP

During the year ended 31 December 2015, IHI acquired the IHGH Group. The goodwill arising on this major acquisition was of €1.4 million. The goodwill is attributable to cost synergies expected from combining the operations of IHGH Group and the Group. Relative to the Group's total asset base, the goodwill arising on this acquisition is not material to warrant the disclosures that would have otherwise been required by IAS 36.

GOODWILL ON THE ACQUISITION OF QPM LIMITED

During the year ended 31 December 2016, the Group acquired QPM Limited and its subsidiaries, as a result of which, the Group recognised goodwill amounting to €2.5 million. Relative to the Group's total asset base, the goodwill arising on this acquisition is not material to warrant the disclosures that would have otherwise been required by IAS 36.

GOODWILL ON THE ACQUISITION OF GOLDEN SANDS RESORT LTD

During the year ended 31 December 2021, the Group acquired the remaining 50% in Golden Sands Resort Ltd. This gave rise to a goodwill of €5.41 million.

Relative to the Group's total asset base, the goodwill arising on these acquisitions are not material to warrant the disclosures that would have otherwise been required by IAS 36.

BRAND DESIGN FEE AND OTHER RIGHTS

The Group has franchise agreements with Costa International Limited to develop and operate the Costa Coffee brand in the Maltese Islands. These intangibles arise from the acquisition of the IHGH Group in 2015. The total amount of brand design fees and other rights recognised on acquisition amounted to €2.6 million.

In 2024, the Group also purchased the rights, title and interest in the Henry J. Bean's trademark and fifty per cent of the rights, title and interest in The Surrey trademark.

COSTA COFFEE MALTA

This cash-generating unit includes the operation of the Costa Coffee retail brand in Malta. At 31 December 2024, the Group operated fifteen outlets (2023: thirteen) each enjoying a strategic location in areas popular for retail operations. The carrying amount of the Brand design fees and other rights for Costa Coffee Malta amounted to €0.1 million (2023: €0.1 million).

HENRY J. BEAN'S

This cash-generating unit includes the operation of the Henry J. Bean's trademark. The rights, title and interest in this trademark were acquired in quarter 2 of 2024 at a cost of €0.1 million.

THE SURREY

The Group acquired 50% of the title, rights and interest in The Surrey trademark during the current year for an amount of €0.5 million.

OTHERS

Other intangible assets represent web-site development costs, a lease premium fee and licences.

13. INDEMNIFICATION ASSETS

	THE GROUP		THE COMPANY	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
As at 1 January and 31 December	17,168	17,168	1,997	1,997

In view of Group tax relief provisions applicable in Malta, any tax due by CPHCL Company Limited (“CPHCL”) on the transfer of the shares in IHI Towers s.r.o (“IHIT”) and Corinthia Towers Tripoli Limited (“CTTL”) to IHI effected in 2007 was deferred. This tax will only become due in the eventuality that IHI sells the shares in IHIT and/or CTTL and/or their underlying properties outside the Group. In accordance with the indemnity agreement entered into at the time of the acquisitions, CPHCL has indemnified the Group for future tax it may incur should the Group sell the shares or the underlying properties outside the Group. This indemnity will be equivalent to the tax that will be due by IHI on the gain that was untaxed in the hands of CPHCL. The indemnity has no time limit and has a maximum value of €45.0 million.

The indemnity agreement provides that in the event of a sale of the shares in IHIT and/or CTTL and/or their underlying properties outside the Group, CPHCL will be liable for the tax that will be due on the gain that was exempt in the hands of CPHCL at the time of the sale. Since it is certain that indemnification will be received from CPHCL if IHI settles the tax obligation, the indemnification assets have been recognised and treated as separate assets. During 2021 the asset relating to CTTL was reduced by €6.2 million to reflect the lower tax rate that would be chargeable in the event of a sale.

On the sale of its shares in QP Management Limited (“QPM”) during the year ended 31 December 2016, CPHCL provided a tax indemnity to IHI. The sales contract was exempt from taxation on the basis that CPHCL and IHI form part of the same ultimate group for tax purposes. Should IHI dispose of the shares, it may become liable to tax that it would not have become liable to pay had CPHCL not been a related party. The indemnity has been recognised as a separate asset of €1.9 million, representing the tax that will be due by IHI on the gain that was untaxed in the hands of CPHCL.

14. INVESTMENT PROPERTY

	THE GROUP	
	2024 €'000	2023 €'000
At 1 January	161,635	167,682
Change in fair value	6,219	6,423
Additions	518	2,232
Disposals	(3,021)	-
Transfer (to)/from property, plant and equipment (Note 15)	93,775	(2,340)
Transfer to assets classified as held for sale (Note 23)	(3,342)	-
Currency translation differences	(2,292)	(12,362)
At 31 December	253,492	161,635

During the current year, the property in Prague, with a carrying amount of €94.0 million, was transferred from property, plant and equipment following the leasing out of the hotel to a third party. The 2024 figure also includes an amount of €0.2 million transferred to property, plant and equipment. In 2023, a similar transfer from investment property to property, plant and equipment, amounting to €2.3 million relating to Craven House, as additional parts of this office block were being used by the Group.

The transfer to assets held for sale relates to the apartment block in Lisbon. The apartments were put on the market in 2024 with a number of them being sold during the year and the remaining being transferred to assets held for sale as disclosed in Note 23.

- a. The Group investment properties are valued annually on 31 December at fair value, by independent professionally qualified valuers having appropriate recognised professional qualifications and experience in the location and category of the property being valued.

Disclosures required in terms of IFRS 13 in relation to fair value measurements attributable to investment property are presented in Note 15.1.

The carrying amount of each investment property is as follows:

	THE GROUP	
	2024 €'000	2023 €'000
Investment property		
Commercial Centre in St Petersburg	36,829	38,316
Commercial Centre in Tripoli	86,300	83,260
Apartment block in Lisbon	-	6,386
Site in Tripoli	29,500	29,500
IHI Towers sro	96,563	-
Office block in London	4,300	4,173
	253,492	161,635

- b. Investment properties are hypothecated with a carrying amount of €216.7 million (2023: €116.9 million) in favour of the Group's bankers as collateral for amounts borrowed as stated in Note 31.
- c. Rental income earned by the Group for the period from investment property amounted to €12.9 million (2023: €9.7 million) and direct expenses to €2.4 million (2023: €1.8 million).
- d. Direct operating expenses in relation to investment properties that did not generate rental income amounted to €0.2 million (2023: €0.01 million).
- e. All investment property is leased out under operating leases with rentals payable monthly. Lease payments for some contracts include Consumer Price Index (CPI) increases. Where considered necessary to reduce credit risk, the Group may obtain bank guarantees for the term of the lease.

Although the Group is exposed to changes in the residual value at the end of the current leases, the Group typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases. Expectations about the future residual values are reflected in the fair value of the properties.

The minimum lease payments receivable in accordance with IFRS 16 are as follows:

	THE GROUP	
	2024 €'000	2023 €'000
Within 1 year	14,554	7,556
Between 1 and 2 years	14,094	6,359
Between 2 and 3 years	12,875	5,821
Between 3 and 4 years	11,320	4,691
Between 4 and 5 years	3,173	3,224
Later than 5 years	-	702
	56,016	28,353

15. PROPERTY, PLANT AND EQUIPMENT

	THE GROUP					
	LAND AND BUILDINGS €'000	PLANT AND EQUIPMENT €'000	FURNITURE, FIXTURES AND FITTINGS €'000	MOTOR VEHICLES €'000	ASSETS IN THE COURSE OF CONSTRUCTION €'000	TOTAL €'000
Cost/revalued amount						
Balance at 1 January 2023	1,385,917	135,272	121,321	1,110	83,350	1,726,970
Revaluation	66,995	-	-	-	-	66,995
Revaluation adjustment *	(44,916)	-	-	-	-	(44,916)
Additions	3,397	2,701	3,176	33	44,958	54,265
Reallocations	453	1,040	144	-	(1,637)	-
Disposals	(48)	(662)	(802)	-	(744)	(2,256)
Other movements	-	-	-	-	(1,405)	(1,405)
Transfer from investment property	2,340	-	-	-	-	2,340
Currency translation differences	(6,599)	(650)	(708)	(14)	(59)	(8,030)
Balance at 31 December 2023	1,407,539	137,701	123,131	1,129	124,463	1,793,963
Balance at 1 January 2024	1,407,539	137,701	123,131	1,129	124,463	1,793,963
Revaluation	75,894	-	-	-	-	75,894
Revaluation adjustment *	(34,017)	-	-	-	-	(34,017)
Additions	20,631	2,515	2,895	40	52,730	78,811
Reallocations	1,880	2,763	2,997	-	(7,640)	-
Disposals	-	(1,242)	(135)	(269)	(606)	(2,252)
Other movements	-	-	-	-	(114)	(114)
Transfer to investment property	(134,867)	(4,862)	-	(12)	(42)	(139,783)
Transfer to assets classified as held for sale	(132,378)	(38,259)	(12,706)	(160)	(389)	(183,892)
Currency translation differences	22,357	2,125	2,308	(4)	235	27,021
Balance at 31 December 2024	1,227,039	100,741	118,490	724	168,637	1,615,631
Depreciation and impairment losses						
Balance at 1 January 2023	251,797	112,728	107,053	677	-	472,255
Depreciation for the year	15,915	4,658	3,016	65	-	23,654
Impairment losses	4,225	-	-	-	-	4,225
Revaluation adjustment *	(44,916)	-	-	-	-	(44,916)
Disposals	(20)	(620)	(719)	-	-	(1,359)
Currency translation differences	(466)	(568)	(694)	(13)	-	(1,741)
Balance at 31 December 2023	226,535	116,198	108,656	729	-	452,118
Balance at 1 January 2024	226,535	116,198	108,656	729	-	452,118
Depreciation for the year	16,035	4,745	3,317	66	-	24,163
Net impairment losses	(6,329)	-	-	-	-	(6,329)
Revaluation adjustment *	(34,017)	-	-	-	-	(34,017)
Reallocations	(307)	(145)	455	(3)	-	-
Disposals	-	(1,120)	(80)	(255)	-	(1,455)
Transfer to investment property	(41,348)	(4,647)	-	(13)	-	(46,008)
Transfer to assets classified as held for sale	-	(27,356)	(12,391)	(157)	-	(39,904)
Currency translation differences	174	1,972	2,112	(2)	-	4,256
Balance at 31 December 2024	160,743	89,647	102,069	365	-	352,824

Carrying amounts						
At 1 January 2023	1,134,120	22,544	14,268	433	83,350	1,254,715
At 31 December 2023	1,181,004	21,503	14,475	400	124,463	1,341,845
At 31 December 2024	1,066,296	11,094	16,421	359	168,637	1,262,807

* Revaluation adjustments relate to the cumulative depreciation eliminated against the cost upon revaluation of the property during the current year.

Changes in fair value during 2024 in respect of the Group's properties amounting to €75.8 million have been recognised within other comprehensive income. These fair value movements relate to an uplift to Corinthia Hotel Lisbon, Corinthia Hotel London, Golden Sands Resort Hotel, Corinthia Oasis and Corinthia Hotel St. Petersburg, and a fair value loss on the Corinthia Hotel Budapest. In 2023, changes in fair value in respect of the Group's properties amounting to €62.5 million have been recognised within other comprehensive income. These fair value movements relate to an uplift to Corinthia Hotel London, Corinthia Hotel St. George's, Baypoint Hotel, Marina Hotel, Golden Sands Resort Hotel and Corinthia Hotel Lisbon, and a fair value loss on the Corinthia Hotel Budapest.

An amount of €6.5 million was also recognised in the profit and loss account 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. In 2023 an uplift of €0.3 million had been recognized for the same office block in London.

	THE COMPANY				
	LAND AND BUILDINGS €'000	PLANT AND EQUIPMENT €'000	FURNITURE, FIXTURES AND FITTINGS €'000	MOTOR VEHICLES €'000	TOTAL €'000
Cost					
Balance at 1 January 2023	4	300	210	42	556
Additions	-	21	20	-	41
Disposal	-	(3)	-	-	(3)
Balance at 31 December 2023	4	318	230	42	594
Balance at 1 January 2024	4	318	230	42	594
Additions	14	21	57	-	92
Balance at 31 December 2024	18	339	287	42	686
Depreciation					
Balance at 1 January 2023	1	236	138	42	417
Depreciation for the year	-	25	12	-	37
Balance at 31 December 2023	1	261	150	42	454
Balance at 1 January 2024	1	261	150	42	454
Depreciation for the year	1	24	14	-	39
Balance at 31 December 2024	2	285	164	42	493
Carrying amounts					
At 1 January 2023	3	64	72	-	139
At 31 December 2023	3	57	80	-	140
At 31 December 2024	16	54	123	-	193

15.1 FAIR VALUATION OF PROPERTY

The valuations reflected in the statement of financial position at reporting date take into account conditions existing at year end and do not reflect any subsequent developments.

In 2024, the directors appointed independent professionally qualified property valuers having appropriate recognised professional qualifications and the necessary experience. Where a valuation resulted in an amount that was significantly different than the carrying amount of the respective property, the book value of the property was adjusted as at the respective year end date, as the directors had reviewed the carrying amount of the properties on the basis of assessments by the property valuers.

In addition to the revaluations carried out on hotel properties, the Group's investment properties are measured at fair value on an annual basis as required by IAS 40.

The resultant shift in value, net of applicable deferred income taxes, was reflected within the revaluation reserve in shareholders' equity (Note 26) or in profit or loss in accordance with the Group's accounting policies. Adjustments to the carrying amounts of the properties are disclosed in the tables below.

The Group is required to analyse non-financial assets carried at fair value by level of the fair value hierarchy within which, the recurring fair value measurements are categorised in their entirety (Level 1, 2 or 3). The different levels of the fair value hierarchy have been defined as fair value measurements using:

- Quoted prices (unadjusted) in active markets for identical assets (Level 1);
- Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2);
- Inputs for the asset that are not based on observable market data (that is, unobservable inputs) (Level 3).

The Group's land and buildings, within property, plant and equipment, consists principally of hotel and other properties that are owned and managed by companies forming part of the Group. The Group's investment property comprises property that is held for long-term rental yields or for capital appreciation or both, and principally comprise the Commercial Centre in St Petersburg, the Commercial Centre in Tripoli and a site forming part of the grounds of the Corinthia Hotel in Tripoli, the hotel in Prague as from quarter 2 2024, and an office block in London. All the recurring property fair value measurements at 31 December 2024 and 2023, as applicable, use significant unobservable inputs and are accordingly categorised within Level 3 of the fair valuation hierarchy.

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as of the beginning of the reporting period. There were no transfers between different levels of the fair value hierarchy during the current and preceding financial years.

A reconciliation from the opening balance to the closing balance of property for recurring fair value measurements categorised within Level 3 of the fair value hierarchy, for the current and preceding financial years, is reflected in the table above and in Note 14 for investment property.

VALUATION PROCESSES

Where management, through its assessment, concludes that the fair value of properties differs materially from its carrying amount, an independent valuation report prepared by third party qualified valuers, is performed. These reports are based on both:

- information provided by the Group which is derived from the respective company's financial systems and is subject to the company's overall control environment; and
- assumptions and valuation models used by the valuers, with assumptions being typically market related and based on professional judgement and market observation.

The information provided to the valuers, together with the assumptions and the valuation models used by the valuers, are reviewed by designated officers within the Group. This includes a review of fair value movements over the period. When the designated officers consider that the valuation report is appropriate, the valuation report is recommended to the Audit Committee and Board of directors. The Audit Committee and Board then consider the valuation report as part of their overall responsibilities.

The external valuations of the Level 3 property as at 31 December 2024 and 2023, as applicable, have been performed using a multi-criteria approach, with every property being valued utilising the valuation technique considered by the external valuer to be the most appropriate for the respective property.

In view of a limited number of similar or comparable properties and property transactions, comprising sales or rentals in the respective market in which the properties are located, the valuations have been performed using unobservable inputs. The significant inputs to the approaches used are generally those described below:

Income capitalisation or discounted cash flow (“DCF”) approach: considers the free cash flows arising from the projected income streams expected to be derived from the operation of the property, discounted to present value using an estimate of the weighted average cost of capital that would be available to finance such an operation. The significant unobservable inputs utilised with this technique include:

Operating results before depreciation and fair value gains/(losses)	based on projected income streams less operating expenditure necessary to operate the property, but prior to depreciation and financing charges;
Growth rate	based on management's estimated average growth of operating results before depreciation and fair value gains/(losses) levels, mainly determined by projected growth in income streams;
Discount rate	reflecting the current market assessment of the uncertainty in the amount and timing of projected cash flows. The discount rate reflects the estimated weighted average cost of capital that would be available for financing such an operation. The discount rate is based on an assumed debt to equity ratio; estimation of cost of equity is based on risk free interest rates adjusted for country risk and equity risk premium adjusted for entity-specific risk factor. Estimation of cost of debt is based on risk free interest rates adjusted for country risk and assumed credit spread;
Capitalisation rate	mainly a function of the WACC rate and taking into consideration the assumed stabilised growth rate for the remaining life of the asset.

Adjusted sales comparison approach: a sales price per square metre or per room related to transactions in comparable properties located in proximity to the respective property, with adjustments for differences in the size, age, exact location and condition of the property.

The table below includes information about fair value measurements of hotel properties (classified within property, plant and equipment) and investment properties using significant unobservable inputs (Level 3). For hotel properties, where, following management's assessment or an independent valuation, the fair value of the respective property did not differ materially from its carrying amount as at year-end, the fair value inputs disclosed for that respective property are those that were used in the last valuation that gave rise to a revaluation.

INFORMATION ABOUT FAIR VALUE MEASUREMENTS USING SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3) AS AT 31 DECEMBER 2024

DESCRIPTION BY CLASS BASED ON HIGHEST AND BEST USE	FAIR VALUE AT		VALUATION TECHNIQUE	SIGNIFICANT UNOBSERVABLE INPUTS									
	31 DEC 2024	31 DEC 2023		INCOME CAPITALISATION APPROACH (DCF)		EVOLUTION OF OPERATING RESULTS BEFORE DEPRECIATION AND FAIR VALUE GAINS/(LOSSES) OVER INITIAL PROJECTED FIVE-YEAR PERIOD		PRE-TAX RATE (WACC)		GROWTH RATE		CAPITALISATION RATE	
	€'000	€'000		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
CURRENT USE AS HOTEL/ OTHER PROPERTIES (CLASSIFIED AS PROPERTY, PLANT AND EQUIPMENT):													
Corinthia Hotel & SPA Lisbon*	-	119,091		-	€9.5m - €10.7m	-	10.53	-	2.00	-	-	-	8.53
Corinthia Hotel Prague**	-	87,980		-	€4.7m - €7.0m	-	9.44	-	2.00	-	-	-	7.44
Marina Hotel, St. George's Bay, Malta	34,239	34,800		FY25-FY29 €2.6m - €2.8m	FY24-FY28 €2.7m - €3.0m	9.98	10.47	2.00	2.00	7.98	8.47		
Corinthia Hotel, St.George's Bay, Malta	55,562	56,039		FY25-FY29 €3.9m - €4.2m	FY24-FY28 €4.5m - €4.9m	9.27	10.54	2.00	2.00	7.27	8.54		
Corinthia Hotel St Petersburg	56,945	53,458		FY25-FY29 RUB656.5m - RUB819.7m	FY24-FY28 RUB459.1m - RUB566.4m	14.25	13.30	4.50	4.00	9.75	9.30		
Corinthia Hotel Tripoli	70,888	65,400		FY25-FY29 €2.9m - €6.3m	FY24-FY28 (€0.4m) - €2.1m	15.60	14.14	2.00	2.00	13.60	12.14		
Radisson Blu Resort, Malta	45,069	46,000		FY25-FY29 €3.7m - €4.0m	FY24-FY28 €3.5m - €4.0m	10.66	10.51	2.00	2.00	8.66	8.51		
Corinthia Hotel London	580,091	536,218		FY25-FY29 £23.2m - £28.9m	FY24-FY28 £20.0m - £25.52m	7.90	8.60	12.50-1	2.00	4.00	4.00		
Corinthia Grand Hotel Astoria, Brussels***	124,709	82,118		FY25-FY29 €134k - €7.7m	-	7.00	-	2,736-3	-	4.25	-		

*Corinthia Hotel & Spa Lisbon was transferred to assets held for sale as disclosed in Note 23

**Corinthia Hotel Prague was transferred to investment property as disclosed in Note 14

***Prior year figures for Corinthia Grand Hotel Astoria, Brussels were based on cost. The hotel is now complete and has started operating. Current year figures reflect the underlying model.

DESCRIPTION BY CLASS BASED ON HIGHEST AND BEST USE	FAIR VALUE AT		VALUATION TECHNIQUE	SIGNIFICANT UNOBSERVABLE INPUTS													
	31 DEC 2024	31 DEC 2023		INCOME CAPITALISATION APPROACH (DCF)	EVOLUTION OF OPERATING RESULTS BEFORE DEPRECIATION AND FAIR VALUE GAINS/(LOSSES) OVER INITIAL PROJECTED FIVE-YEAR PERIOD		PRE-TAX RATE (WACC)		GROWTH RATE		CAPITALISATION RATE						
	€'000	€'000			2024	2023	2024 %	2023 %	2024 %	2023 %	2024 %	2023 %					
CURRENT PROPERTY FOR COMMERCIAL USE (CLASSIFIED AS INVESTMENT PROPERTY):																	
Commercial Centre in St Petersburg	36,829	38,316		FY25-FY29 RUB81.1m – RUB466.8m	FY24-FY28 RUB77.1m – RUB390.0m		13.62	12.33	4.00	4.00	9.62	8.80					
Commercial Centre in Tripoli	86,300	83,260		FY25-FY29 €4.6m - €6.3m	FY24-FY28 €4.5m - €3.8m		7.72	7.63	-	-	7.72	7.63					
Grand Hotel Prague Towers*	96,563	-		FY25-FY29 €5.5m - €4.6m	-		8.43	-	2.00	-	6.43	-					
CURRENT PROPERTY FOR COMMERCIAL USE (CLASSIFIED AS INVESTMENT PROPERTY):																	
				SALES PRICE PER SQUARE METER													
				2024	2023												
Apartment block in Lisbon	-	6,386		-	€8,833												
Site in Tripoli	29,500	29,500		€2,300	€2,300												
Office block in London	4,300	4,173		£11,854	£11,508												

*Corinthia Hotel Prague was transferred to investment property as disclosed in Note I4

In relation to the DCF approach, an increase in the projected level of operating results before depreciation and fair value and growth rate would result in an increased fair value of the property, whereas a higher discount rate would give rise to a lower fair value. With respect to the adjusted sales comparison approach, the higher the sales price per square metre, the higher the resultant fair valuation.

During the current year, the Group recognized a significant fair value uplift in respect to Corinthia Hotel Lisbon using the market value approach (refer also to Note 23). Fair value increases were also recognised for, Corinthia Hotel London, Golden Sands Resort Hotel, Corinthia Oasis and Corinthia Hotel St. Petersburg, against a fair value loss on the Corinthia Hotel Budapest. In 2023, uplifts were recognised for Corinthia Hotel London, Corinthia St. George's Bay, Baypoint Hotel, Marina Hotel, Golden Sands Resort Hotel and Corinthia Hotel Lisbon against a fair value loss recognised in Corinthia Hotel Budapest. The shift in the carrying amounts of the Corinthia Hotel St. Petersburg and Corinthia Hotel London in 2024 and 2023 were also affected by translating the financial position of the respective subsidiaries that own these properties from their functional currencies (RUB and GBP respectively) into the Group's presentation currency (EUR) at year end.

As evidenced in the tables above, the highest and best use of the Group properties is equivalent to their current use as at 31 December 2024.

As explained in Note 5.1 and 5.2 to the financial statements, the future performance of the Group's hotels and the commercial centres situated in Tripoli and Russia and the fair value of the related property assets are largely dependent on how soon the political and economical situation in Libya and the geopolitical situation between Russia and the west will return to normality and on how quickly the international oil and gas industry recovers and how soon international sanctions are lifted once political risks subside. In assessing the fair value of both the Tripoli and Russia properties, the Directors recognise the improvements registered in 2024, the interest registered from a number of sources for short and long-term accommodation and the strong local trade in Russia.

The sensitivity of the property valuations to possible shifts in key assumptions is illustrated in the table below:

	SHIFT IN DISCOUNT RATE		SHIFT IN CASH FLOWS (OPERATING RESULTS BEFORE DEPRECIATION AND FAIR VALUE)	
	+/- 1% 2024 €'000	+/- 1% 2023 €'000	+/- 5% 2024 €'000	+/- 5% 2023 €'000
Corinthia Hotel & Spa Lisbon*	-	-12,145 to +15,357	-	+/- 5,957
Corinthia Hotel Budapest	-13,076 to +17,111	-12,912 to +16,599	+/- 5,627	+/- 5,801
Corinthia Hotel Prague	-11,515 to +15,757	-10,300 to +13,501	+/- 4,515	+/- 4,399
Marina Hotel, St George's Bay, Malta	-3,695 to +4,753	-3,551 to +4,501	+/- 1,722	+/- 1,740
Corinthia Hotel St George's Bay, Malta	-6,526 to +8,606	-5,672 to +7,175	+/- 2,791	+/- 2,802
Corinthia Hotel St Petersburg	-4,574 to +5,591	-5,074 to +6,308	+/- 2,847	+/- 2,673
Corinthia Hotel Tripoli	-6,553 to +7,718	-7,910 to +9,557	+/- 3,545	+/- 3,246
Commercial Centre in St Petersburg	-3,623 to +4,475	-4,265 to +5,442	+/- 1,841	+/- 1,911
Commercial Centre in Tripoli	-11,515 to +15,757	-10,460 to +13,722	+/- 4,315	+/- 4,163
Radisson Blu Resort, Malta	-4,495 to +5,668	-4,667 to +5,909	+/- 2,258	+/- 2,300
Corinthia Hotel London	-47,990 to +43,601	+/- 7,987	+/- 29,565	+/- 8,170
Corinthia Palace Hotel and Spa, Malta	-2,802 to +3,475	-4,499 to +5,712	+/- 1,173	+/- 1,574
Golden Sands Resort, Malta	-10,611 to +13,972	-7,611 to +9,677	+/- 4,500	+/- 3,400
Corinthia Grand Hotel Astoria, Brussels	-11,854 to +10,749	-	+/- 6,799	-

* Corinthia Hotel & Spa Lisbon was transferred to assets held for sale as disclosed in Note 23

15.2 ADJUSTMENTS TO CARRYING AMOUNT OF PROPERTIES

Revaluation surplus and impairment charges recognised in other comprehensive income (within revaluation reserve), gross of deferred tax:

	THE GROUP		
	AT 1 JANUARY 2024 €'000	MOVEMENT €'000	AT 31 DECEMBER 2024 €'000
Hotel property			
Corinthia Hotel St George's Bay, Malta	27,275	-	27,275
Corinthia Hotel & Spa Lisbon	47,111	27,687	74,798
Corinthia Hotel Prague	17,857	6,264	24,121
Corinthia Hotel Budapest	20,629	(3,019)	17,610
Corinthia Hotel London	111,433	15,364	126,797
Marina Hotel, St George's Bay, Malta	15,189	-	15,189
Corinthia Hotel St Petersburg	4,069	8,348	12,417
Radisson Blu Resort, Malta	16,985	-	16,985
Golden Sands Resort, Malta	3,704	11,986	15,690
Corinthia Oasis Malta	-	9,264	9,264
	264,252	75,894	340,146
	AT 1 JANUARY 2023 €'000	MOVEMENT €'000	AT 31 DECEMBER 2023 €'000
Hotel property			
Corinthia Hotel St George's Bay, Malta	12,169	15,106	27,275
Corinthia Hotel & Spa Lisbon	34,911	12,200	47,111
Corinthia Hotel Prague	17,857	-	17,857
Corinthia Hotel Budapest	25,129	(4,500)	20,629
Corinthia Hotel London	94,132	17,301	111,433
Marina Hotel, St George's Bay, Malta	9,206	5,983	15,189
Corinthia Hotel St Petersburg	4,069	-	4,069
Radisson Blu Resort, Malta	4,284	12,701	16,985
Golden Sands Resort, Malta	-	3,704	3,704
	201,757	62,495	264,252

Impairment charges recognised in profit or loss, gross of deferred tax:

	THE GROUP		
	AT 1 JANUARY 2024 €'000	MOVEMENT €'000	AT 31 DECEMBER 2024 €'000
Hotel and other properties			
Corinthia Hotel St George's Bay, Malta	522	-	522
Corinthia Hotel & Spa Lisbon	1,068	-	1,068
Corinthia Hotel Prague	3,642	-	3,642
Corinthia Hotel Tripoli	8,038	(6,484)	1,554
Corinthia Hotel Budapest	1,628	-	1,628
Corinthia Hotel St Petersburg	340	-	340
Marina Hotel, St George's Bay, Malta	121	-	121
Office block in London	932	155	1,087
	16,291	(6,329)	9,962
	AT 1 JANUARY 2023 €'000	MOVEMENT €'000	AT 31 DECEMBER 2023 €'000
Hotel property			
Corinthia Hotel St George's Bay, Malta	522	-	522
Corinthia Hotel & Spa Lisbon	1,068	-	1,068
Corinthia Hotel Prague	3,642	-	3,642
Corinthia Hotel Tripoli	8,038	-	8,038
Corinthia Hotel Budapest	1,628	-	1,628
Corinthia Hotel St Petersburg	340	-	340
Marina Hotel, St George's Bay, Malta	121	-	121
Office block in London	1,207	(275)	932
	16,566	(275)	16,291

The description of the hotel and other properties in the above tables indicate the segment to which each hotel property pertains.

The shifts in fair value determined in 2024 and 2023, reflected in the above tables, are principally attributable to changes in the projected financial performance and net operating cash inflows of the hotel properties and commercial centres except for the Corinthia Hotel Lisbon as explained earlier in Note 15.1.

The impairment charges recognised are attributable to reductions in the carrying amount of property so as to reflect the recoverable amount based on computing value in use determined at individual asset level.

15.3 CARRYING AMOUNTS OF HOTEL AND OTHER PROPERTIES

Following the adjustments to revision of the hotel property carrying amounts to reflect the outcome of the fair valuation process referred to above at each reporting period, the carrying amount of each hotel property is as follows:

	THE GROUP	
	2024 €'000	2023 €'000
Hotel and other properties		
Corinthia Hotel St George's Bay, Malta	55,562	56,039
Corinthia Hotel & Spa Lisbon	-	119,091
Corinthia Hotel Prague	-	87,980
Corinthia Hotel Tripoli	70,888	65,400
Corinthia Hotel Budapest	112,600	116,025
Corinthia Hotel St Petersburg	56,945	53,458
Corinthia Hotel London	580,091	536,218
Marina Hotel, St George's Bay, Malta	34,239	34,800
Radisson Blu Resort, Malta	45,069	46,000
Golden Sands Resort, Malta	91,001	68,000
Corinthia Palace Hotel and Spa, Malta	31,223	31,482
Office block in London	7,375	7,160
Corinthia Oasis Malta	48,200	30,817
Corinthia Grand Hotel Astoria, Brussels	124,709	82,118
	1,257,902	1,334,588

15.4 HISTORIC COST BASIS OF LAND AND BUILDINGS

If the cost model had been used, the carrying amounts of the revalued land and buildings would be €710.0 million (2023: €917.7 million). The revalued amounts include a revaluation surplus of €340.1 million before tax (2023: €264.3 million), which is not available for distribution to the shareholders of IHI.

15.5 USE AS COLLATERAL

All tangible fixed assets owned by the Group, except for Corinthia Hotel & commercial centre in St. Petersburg and the Corinthia Oasis land, are hypothecated in favour of the Group's bankers as collateral for amounts borrowed as stated in Note 31. The Corinthia Hotel Budapest is hypothecated in favour of a bond as stated in Note 32.

16. LEASES

This note provides information for leases where the Group is a lessee. For leases where the Group is a lessor, see Note 14.

I. AMOUNTS RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION

The statement of financial position shows the following amounts relating to leases:

	THE GROUP		THE COMPANY	
	31 DECEMBER 2024 €'000	31 DECEMBER 2023 €'000	31 DECEMBER 2024 €'000	31 DECEMBER 2023 €'000
Right-of-use assets				
Land and buildings	10,720	12,277	866	1,082
Plant and equipment	1,550	2,120	-	-
Motor vehicles	331	413	63	32
	12,601	14,810	929	1,114
Lease liabilities				
Current	2,174	2,715	225	209
Non-current	11,582	13,221	776	951
	13,756	15,936	1,001	1,160

Additions to the Group's and the Company's right-of-use assets during the 2024 financial year were €0.8 million and €0.1 million respectively (2023 were €5.9 million and €1.3 million respectively). Movement during the year also includes €0.5 million in relation to disposals and other movements.

II. AMOUNTS RECOGNISED IN THE STATEMENT OF PROFIT OR LOSS

The statement of profit or loss shows the following amounts relating to leases:

	THE GROUP		THE COMPANY	
	31 DECEMBER 2024 €'000	31 DECEMBER 2023 €'000	31 DECEMBER 2024 €'000	31 DECEMBER 2023 €'000
Depreciation charge of right-of-use assets				
Land and buildings	1,804	1,775	217	216
Plant and equipment	577	574	-	-
Motor vehicles	131	159	18	32
	2,512	2,508	234	248
Interest expense (included in finance cost)				
	763	823	54	63
Expense relating to variable lease payments not included in lease liabilities				
	519	596	-	-

The total cash outflow for leases in 2024 was €4.1 million (2023: €3.7 million) for the Group and €0.3 million (2023: €0.2 million) for the Company.

III. THE GROUP'S LEASING ACTIVITIES AND HOW THESE ARE ACCOUNTED FOR

The Group leases various offices, land, retail outlets, plant and equipment and motor vehicles. Emphyteutical grants from the government pertaining to land on which the Group's hotel properties are built are typically made for fixed periods of up to 99 years. Other contracts are made for periods up to 10 years and may include extension options as described further below. The Company's leases pertain to offices used for administration purposes and motor vehicles, and are typically made for periods of up to 6 years.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees, and
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received, and for other items specific to the leased asset.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability. Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. While the Group revalues its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use buildings held by the Group.

IV. VARIABLE LEASE PAYMENTS

Variable payment terms are used for a variety of reasons including minimising the fixed costs base for newly established stores.

Some property leases contain variable payment terms that are linked to sales generated from retail stores, and which range from 10.0% to 24.5% of sales. An increase of €1.0 million in sales per store in the Group with such variable lease contracts would increase variable lease payments by approximately €0.1 million (12%).

Other property leases contain variable payment terms that are linked to sales generated from catering establishments. Variable payment on such leases range from 15.0% to 25% of sales. An increase of €1.0 million in sales per catering establishment in the Group with such variable lease contracts would increase total lease payments by approximately €0.2 million (21%).

The variable lease payments element for the year ended 31 December 2024 amounts to €0.5 million (2023: €0.6 million). Variable lease payments that depend on sales are excluded from the measurement of the lease liability and are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

V. EXTENSION AND TERMINATION OPTIONS

Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations.

JUDGEMENTS IN DETERMINING THE LEASE TERM

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of retail outlets, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the group is typically reasonably certain to extend (or not terminate).
- Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

Most extension options in offices and motor vehicles leases have not been included in the lease liability, because the Group could replace the assets without significant cost or business disruption.

17. INVESTMENTS IN SUBSIDIARIES

The amounts stated in the statement of financial position of the Company are analysed as follows:

	THE COMPANY	
	2024 €'000	2023 €'000
Share in subsidiary companies (Note 17.3)	969,301	722,483
Loans to subsidiary companies	164,933	163,346
	1,134,234	885,829

17.1 PRINCIPAL SUBSIDIARIES

The Group had the following subsidiaries as at 31 December 2024 and 31 December 2023:

SUBSIDIARY COMPANY	REGISTERED OFFICE	NATURE OF BUSINESS	PERCENTAGE OF OWNERSHIP AND VOTING RIGHTS HELD DIRECTLY BY THE COMPANY		PERCENTAGE OF OWNERSHIP AND VOTING RIGHTS HELD DIRECTLY BY THE GROUP		PERCENTAGE OF OWNERSHIP AND VOTING RIGHTS HELD DIRECTLY BY NON-CONTROLLING INTERESTS	
			2024	2023	2024	2023	2024	2023
Alfa Investimentos Turisticos Lda	Avenida Columbano Bordalo Pinheiro, 105 Lisboa 1099 - 031 Portugal	Owms and operates the Corinthia Hotel & Spa Lisbon Portugal	72	72	100	100	-	-
Corinthia Hotels Limited	1, Europa Centre Floriana Malta	Hotel management company	100	100	100	100	-	-
Corinthia Company Limited	22, Europa Centre Floriana Malta	Investment company	100	100	100	100	-	-
Corinthia Towers Tripoli Limited	22, Europa Centre Floriana Malta	Owms and operates the Corinthia Bab Africa Hotel and Commercial Centre Libya	100	100	100	100	-	-
Five Star Hotels Limited	22, Europa Centre Floriana Malta	Owms and operates the Corinthia Hotel St George's Bay, Malta	100	100	100	100	-	-
Golden Sands Resort Limited	The Radisson SAS Golden Sands Resort & Spa Golden Bay 1/o Mellieha, Malta	Owms and operates the Golden Sands Resort, Golden Bay, Malta	-	-	100	100	-	-
IHI Benelux B.V.	Kingsfordweg 151, 1043 GR Amsterdam The Netherlands	Owms Corinthia Hotel St Petersburg and Commercial Centre	100	100	100	100	-	-
IHI Hungary Zrt	Erzsebet Krt 43-49 H-1073, Budapest Hungary	Owms and operates the Corinthia Hotel Budapest	100	100	100	100	-	-

SUBSIDIARY COMPANY	REGISTERED OFFICE	NATURE OF BUSINESS	PERCENTAGE OF OWNERSHIP AND VOTING RIGHTS HELD DIRECTLY BY THE COMPANY		PERCENTAGE OF OWNERSHIP AND VOTING RIGHTS HELD DIRECTLY BY THE GROUP		PERCENTAGE OF OWNERSHIP AND VOTING RIGHTS HELD DIRECTLY BY NON-CONTROLLING INTERESTS	
			2024	2023	2024	2023	2024	2023
IHI Lisbon Limited	22, Europa Centre Floriana Malta	Investment company holding an equity stake in Alfa Investimentos Turisticos Lda	100	100	100	100	-	-
IHI St Petersburg LLC	57, Nevskij Prospekt St Petersburg 191023 Russian Federation	Operates the Corinthia Hotel St Petersburg	100	100	100	100	-	-
IHI Towers s.r.o.	Kongresová 1655/1 1406 / 69 Praha Czech Republic	Operates the Corinthia Hotel Prague	100	100	100	100	-	-
IHI Zagreb d.d.	Centar Kaptol Nova Ves 11 10000 Zagreb Croatia	Investment company	100	100	100	100	-	-
Libya Holding Development Inc. JSC	Benghazi Libya	Owns the Benghazi hotel project	-	-	55	55	45	45
Marina San Gorg Limited	22, Europa Centre Floriana Malta	Owns and operates the Marina Hotel in St George's Bay, Malta	100	100	100	100	-	-
Island Resorts International Limited	First Name House, Victoria Residence, Douglas Isle of Man	Investment company	100	100	100	100	-	-
Corinthia (Malta) Staff Services Limited	22, Europa Centre Floriana Malta	Holding and management company	100	100	100	100	-	-
Corinthia Developments International Limited	22, Europa Centre Floriana Malta	Project management	100	100	100	100	-	-

SUBSIDIARY COMPANY	REGISTERED OFFICE	NATURE OF BUSINESS	PERCENTAGE OF OWNERSHIP AND VOTING RIGHTS HELD DIRECTLY BY THE COMPANY		PERCENTAGE OF OWNERSHIP AND VOTING RIGHTS HELD DIRECTLY BY THE GROUP		PERCENTAGE OF OWNERSHIP AND VOTING RIGHTS HELD DIRECTLY BY NON-CONTROLLING INTERESTS	
			2024	2023	2024	2023	2024	2023
Bay Point Hotel Limited	22, Europa Centre Floriana Malta	Owens and operates the Corinthia Bay Point Hotel, St George's Bay, Malta	100	100	100	100	-	-
Bay Point Collection Limited	First Name House, Victoria Residence Douglas Isle of Man	Vacation ownership company	100	100	100	100	-	-
Corinthia Oasis Company Ltd	22, Europa Centre Floriana Malta	Owner of tract land in Golden Bay	100	100	100	100	-	-
The Coffee Company Malta Limited	22, Europa Centre Floriana Malta	Franchise retail catering company	-	-	100	100	-	-
QPM Limited	22, Europa Centre Floriana Malta	Project management	100	100	100	100	-	-
QPM Africa Limited	22, Europa Centre Floriana Malta	Non-trading company	-	-	100	100	-	-
D.X. Design Consultancy Ltd	22, Europa Centre Floriana Malta	Project management services	-	-	100	100	-	-
NLI Holdings Limited	CTV House La Pouquelaye St Helier Jersey	Parent company of a Group that owns and operates the Corinthia Hotel London and 10 Whitehall Place in London, UK	50	50	50	50	50	50
NLI Hotels Limited	CTV House La Pouquelaye St Helier Jersey	Owens the Corinthia Hotel London, UK	-	-	50	50	50	50
NLI Brussels Limited	22, Europa Centre Floriana Malta	Holding company of Hotel Astoria SA	-	-	50	50	50	50

SUBSIDIARY COMPANY	REGISTERED OFFICE	NATURE OF BUSINESS	PERCENTAGE OF OWNERSHIP AND VOTING RIGHTS HELD DIRECTLY BY THE COMPANY		PERCENTAGE OF OWNERSHIP AND VOTING RIGHTS HELD DIRECTLY BY THE GROUP		PERCENTAGE OF OWNERSHIP AND VOTING RIGHTS HELD DIRECTLY BY NON-CONTROLLING INTERESTS	
			2024	2023	2024	2023	2024	2023
NLI Operator Limited	Corinthia Hotel London, Whitehall Place, London SW1A 28D	Operates Corinthia Hotel London, a five star luxury hotel	-	-	50	50	50	50
IHI Palace Hotel Company Limited	22, Europa Centre Floriana Malta	Owens and operates the Corinthia Palace Hotel and Spa, Malta	100	100	100	100	-	-
QPM Belgium SPRL	Avenue de Tervueren 168/18, 1150 Woluwe-Saint Pierre, Brussels, Belgium	Project and cost management and other ancillary services	-	-	100	100	-	-
IHI Holdings Limited	34, Kosti Palama 1096, Aspella Court 4th Floor, office D4 Nicosia Cyprus	Investment company	100	100	100	100	-	-
Corinthia Caterers Limited	22, Europa Centre Floriana Malta	Event catering	100	100	100	100	-	-
Catermax Limited	22, Europa Centre Floriana Malta	Event catering	100	100	100	100	-	-
Corinthia Hotels (UK) Limited	Corinthia Hotel London, Whitehall Place, London SW1A 28D	Management consultancy services	-	-	100	100	-	-
Bezemer Limited	Nerine Chambers PO Box 905 Road Town Tortola, BVI	Holding company	-	-	100	100	-	-
Hotel Astoria S.A.	Rue Royal 103 1000 Bruxelles Belgium	Owens and operates Corinthia Brussels	-	-	50	50	50	50
CHL Surrey, Inc	251, Little Falls Drive Wilmington, New Castle Delaware DE 19808 United States	Hotel management company	-	-	100	100	-	-

SUBSIDIARY COMPANY	REGISTERED OFFICE	NATURE OF BUSINESS	PERCENTAGE OF OWNERSHIP AND VOTING RIGHTS HELD DIRECTLY BY THE COMPANY		PERCENTAGE OF OWNERSHIP AND VOTING RIGHTS HELD DIRECTLY BY THE GROUP		PERCENTAGE OF OWNERSHIP AND VOTING RIGHTS HELD DIRECTLY BY NON-CONTROLLING INTERESTS	
			2024	2023	2024	2023	2024	2023
CHL US Parent, Inc	251, Little Falls Drive Wilmington, New Castle Delaware DE 19808 United States	Investment company	-	-	100	100	-	-
Medi International Limited	Level 1, Palm Grove House Wickham's Cay 1 Road Town, Tortola British Virgin Islands	Internal financing	-	-	100	100	-	-
16 Craven House Limited	10 Whitehall Place London SW1A 2BD United Kingdom	Property owner	-	-	100	100	-	-
Corinthia Hotels Holdings s.r.l.	8, Piazza di San Silvestro Roma CAP 00187 Italia	Holding company	-	-	100	100	-	-
Corinthia Hotels Management DMCC	Address: Unit No: AG-13- H-F121, AG Tower, Plot No: JLT-PH1-11A, Jumeirah Lakes Towers, Dubai, United Arab Emirates	Hotel Management Company	-	-	100	100	-	-
CHL Hotels Brussels srl	Rue Royale, 103 1000, Brussels Belgium	Hotel Management Company	-	-	100	100	-	-
Corinthia Hotels (Maldives) Private Limited	#02-01, Millenia Tower 10, Ameer Ahmed Magu Male', 20026 Republic of Maldives	Hotel Management Company	-	-	100	100	-	-
Verdi Hospitality Limited	1, Europa Centre Floriana Malta	Hotel Management Company	-	-	100	100	-	-
Corinthia Parlamento s.r.l.	8, Piazza di San Silvestro Roma CAP 00187 Italia	Hotel management company	-	-	100	100	-	-

All subsidiary undertakings are included in the consolidation.

17.2 SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

Set out below is summarised financial information for the NLI Holdings Group. The amounts disclosed for are before inter-company eliminations.

SUMMARISED STATEMENT OF FINANCIAL POSITION	2024 €'000	2023 €'000
Current assets	54,146	48,838
Current liabilities	(55,374)	(48,619)
Current net assets	(1,228)	219
Non-current assets	718,764	633,108
Non-current liabilities	(244,727)	(186,438)
Non-current net assets	474,037	446,670
Net assets	472,809	446,889
Accumulated NCI	236,404	223,444

SUMMARISED STATEMENT OF COMPREHENSIVE INCOME	2024 €'000	2023 €'000
Revenue	96,570	92,605
Loss for the period	(11,272)	(1,883)
Other comprehensive income	37,192	26,060
Total comprehensive income	25,920	24,177
Loss allocated to NCI	(5,636)	(941)
Other comprehensive income allocated to NCI	18,596	13,030
Dividend paid to NCI	-	-

SUMMARISED CASH FLOWS	2024 €'000	2023 €'000
Cash flows from operating activities	7,938	22,135
Cash flows used in investing activities	(45,869)	(35,714)
Cash flows from financing activities	19,195	20,100
Net increase in cash and cash equivalents	(18,736)	6,521

17.3 SHARES IN SUBSIDIARY COMPANIES

	THE COMPANY	
	2024 €'000	2023 €'000
At 1 January	722,483	658,466
Additions	-	12,864
Change in fair value	246,818	51,153
At 31 December	969,301	722,483

Additions of €12.9 million in investments in subsidiaries in 2023 pertained to the capitalisation of a loan receivable from subsidiary.

17.3.1 INVESTMENTS IN SUBSIDIARIES AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The fair values of the Company's investments in its subsidiaries, accounted for at fair value through other comprehensive income have been determined by reference to the fair values of the underlying properties held by the respective subsidiaries and, in the case of CHL and QPM, by reference to its enterprise value.

ENTERPRISE VALUE OF CHL AND QPM**CHL**

CHL manages and operates a number of hotels including some which are still under various stages of development, and is also the owner of the Corinthia brand as well as the new brand launched in 2024, Verdi. CHL's business was traditionally to manage the group's owned hotels, but is increasingly focusing on licensing the Corinthia Brand and Verdi brand providing management services to third parties in return for industry standard management and branding fees.

In anticipation of CHL's expansion phase, CHL invested significantly in human resources, operational, marketing and technology at senior levels. It also acquired and set up a dedicated corporate office in London. This resulted in the signing of various agreements and new hotel openings in prime locations such as New York, Rome, Brussels, Bucharest, Doha, Riyadh, the Maldives and the Oasis project in Malta.

CHL has also made significant investments in the business development team focusing on further growth, and invested in building the platform and distribution and marketing foundations for the new Verdi brand, targeting upscale four-star hotels.

In 2024, the directors appointed independent international valuers having appropriate recognised professional qualifications and the necessary experience to fair value the investment in CHL taking into account CHL's revised strategy and plans to expand both the Corinthia and Verdi brands through management agreements. The valuation takes into account projections for existing managed hotels, contracted hotels not yet operational, as well as projections for an unconfirmed pipeline. For the purposes of the fair value included within the Statement of Financial Position, the Directors have prepared a separate valuation using the same underlying cash flow projections applied by the independent valuer and making additional prudent assumptions in line with IFRS, particularly limiting the value attributable to the unconfirmed pipeline. The Directors' valuation was carried out using the discounted cash flow ("DCF") approach and considered the free cash flows arising from the projected income streams expected to be derived from the company's operations, discounted to present value using an estimate of the weighted average cost of capital that would be available to finance such an operation, and reflective of the risk underlying the status of the respective management agreements. The fair value as at 31 December 2024 amounted to €259 million (2023: €102 million).

The key assumptions underlying the projections are:

- Revenue from existing and signed management agreements is based on revenue projections from currently operating hotels and forecast revenue from hotels expected to start operating shortly. This revenue accounts for c. 74% of the total revenue in the explicit period;

- Revenue from unconfirmed hotel management agreements is based on revenue projections from hotels which are not yet announced or signed as at 31 December 2024, but are expected to be achieved in the short to medium term (by 2032). This revenue accounts for c. 26% of the total revenue in the explicit period;
- Subsequent to the ten-year projection period, revenue is assumed to grow at a rate of 2% p.a. in perpetuity; and
- A post-tax discount rate of 10.6% was applied to the post-tax free cash flows of CHL.

QP

QP is a global design, engineering, and management office of professionals servicing clients in different continents. QP was originally set up to project manage the group's developments and projects, however, QP has extended its services to third parties both locally and abroad. More recently the focus has been to expand further overseas and QP has secured contracts in Romania, Belgium, Rome, Tripoli, Doha and the United Kingdom. QP also plans to be present in Dubai, the United States, Oman, Saudi Arabia and Ethiopia.

In 2024, the directors appointed independent valuers having appropriate recognised professional qualifications and the necessary experience to fair value the investment in QP taking into account the company's plans and growth strategies. The Directors' valuation was carried out using the discounted cash flow ("DCF") approach and considered the free cash flows arising from the projected income streams expected to be derived from the company's operations, discounted to present value using an estimate of the weighted average cost of capital that would be available to finance such an operation, and reflective of the risk underlying the status of the respective management agreements. The fair value as at 31 December 2024 amounted to €22.4 million (2023: €7 million).

The key assumptions underlying the projections are:

- Revenue growth representing a CAGR of 35.9% between 2025 and 2027 with annual revenue growth of between 3.5% and 5% thereafter, with improved gross margins during 2028 to 2030
- EBITDA CAGR between 2027 to 2030 ranging from 8.8% to 10.4%
- A discount rate of 15.3% was applied to the operating projections

Both CHL and QP were originally established to meet the internal needs of the Group. As stated above, however, these internally generated brands have, over the past years, expanded their services to third parties, thereby enhancing their market value. In accordance with IFRSs, any value which is not attributable to the net asset value or to goodwill or other intangible assets recognised upon acquisition, is reversed upon consolidation. This results in a reversal in the consolidated accounts of €208 million for CHL, while for QP, the corresponding amount is €14.6 million.

18. OTHER INVESTMENTS**18.1 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD**

The amounts recognised in the Group's and Company's statements of financial position are as follows:

	THE GROUP AND COMPANY	
	2024 €'000	2023 €'000
Associates	5,207	5,034
At 31 December	5,207	5,034

The amounts recognised in the Group's income statements are as follows:

	THE GROUP	
	2024 €'000	2023 €'000
Associates	(15)	(25)
At 31 December	(15)	(25)

The amounts recognised in the Group's and Company's other comprehensive income are as follows:

	THE GROUP		THE COMPANY	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Associates	188	(139)	173	(164)
At 31 December	188	(139)	173	(164)

18.2 INVESTMENTS IN ASSOCIATES

	THE GROUP		THE COMPANY	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
At 1 January	5,034	5,198	5,034	5,198
Share of results	(15)	(25)	-	-
Share of other comprehensive income	188	(139)	-	-
Fair value movements	-	-	173	(164)
At 31 December	5,207	5,034	5,207	5,034

Set out below are the associates of the Group as at 31 December 2024 and 31 December 2023. The associates listed below have share capital consisting solely of ordinary shares, which are held directly by the Group.

COMPANY NAME	REGISTERED OFFICE	NATURE OF BUSINESS	% OF OWNERSHIP INTEREST HELD BY THE GROUP AND THE COMPANY	
			2024	2023
Medina Towers J.S.C.	Suite 107, Tower 2 Tripoli Tower Tripoli Libya	Owns the Medina Towers project in Tripoli	25	25

18.2.1 SUMMARISED FINANCIAL INFORMATION FOR MATERIAL ASSOCIATES

Summarised financial information of the material associate is included in the table below:

	MEDINA TOWERS J.S.C.	
	2024 €'000	2023 €'000
Non-current assets	13,283	12,878
Current assets	7,641	7,350
Total assets	20,924	20,228
Current liabilities	90	91
Total liabilities	90	91
Loss for the year	(61)	(99)
Other comprehensive income	752	(556)
Total comprehensive income	691	(655)

18.2.2 RECONCILIATION OF SUMMARISED FINANCIAL INFORMATION

Reconciliation of the summarised information presented to the carrying amount of its interest in the associate:

	MEDINA TOWERS J.S.C.	
	2024 €'000	2023 €'000
1 January	20,137	20,792
Loss for the period	(61)	(99)
Other comprehensive income	752	(556)
Closing net assets	20,828	20,137
Interest in associate (25%)	5,207	5,034
Carrying value	5,207	5,034

18.3 INVESTMENTS IN JOINT VENTURES

The joint ventures listed below have share capital consisting solely of ordinary shares, which are held directly by the Group.

COMPANY NAME	REGISTERED OFFICE	NATURE OF BUSINESS	% OF OWNERSHIP INTEREST HELD BY THE GROUP	
			2024	2023
Quality Catering & Retail Services Ltd	Miller House Airport Way Tarxien Road Luqa, Malta	Catering company	50	50

All joint ventures are private companies and there is no quoted market price available for its shares.

There are no contingent liabilities relating to the Group's interest in the joint ventures.

19. OTHER FINANCIAL ASSETS AT AMORTISED COST

	THE GROUP		THE COMPANY	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Non-current				
Group companies	-	-	162,016	173,646
Other investees	6,396	6,083	-	-
Total non-current loans receivable	6,396	6,083	162,016	173,646
Current				
Group companies	-	-	-	1,312
Other	86	110	-	-
Total current loans receivable	86	110	-	1,312

Disclosure in respect of the fair value of the above financial assets is presented within Note 41.7.

Information about the impairment of financial assets at amortised cost and the Group's and the Company's exposure to credit risk, foreign currency risk and interest rate risk can be found in Note 41.

TERMS

NON-CURRENT

€6.0 million (2023: €8.0 million) of the Company's loans to Group companies are unsecured, bear interest at 4.00% and are repayable not later than December 2027.

€89.1 million (2023: €94.1 million) of the Company's loans to Group companies are unsecured, bear interest at Euribor + 3.25% and are subordinated to bank loans and are repayable not later than May 2027.

€25.9 million (2023: €25.9 million) of the Company's loans to Group companies are unsecured, bear interest at 4.00%, are subordinated to bank loans and are repayable not later than December 2028.

Nil (2023: €3.5 million) of the Company's loans to Group companies are unsecured, bear interest at 6.25% and are subordinated to bank loans.

€1.2 million (2023: €1.2 million) of the Company's loans to Group companies are unsecured, bear interest at 3% and are subordinated to bank loans and are repayable not later than December 2029.

Nil (2023: €1.0 million) of the Company's loans to Group companies are unsecured, bear interest at 3% and are subordinated to bank loans.

€6.1 million (2023: €6.1 million) of the Company's loans to Group companies are unsecured, bear interest at 4.00% and are repayable not later than May 2032.

€10.1 million (2023: €7.1 million) of the Company's loans to Group companies are unsecured, bear interest at 3.00% and are repayable not later than December 2029.

€13.7 million (2023: €17.1 million) of the Company's loans to Group companies are unsecured, bear interest at Euribor + 2.75% and are repayable not later than September 2033.

€10.0 million (2023: €9.6 million) of the Company's loans to Group companies are unsecured, bear interest at 4.00% and are repayable not later than April 2033.

€6.4 million (2023: €6.1 million) of the Group's loans to other investees are unsecured, bear interest at 4% and are repayable not later than June 2029.

CURRENT

Nil (2023: €1.3 million) of the Company's loans to Group companies are unsecured and bear interest at 4.65%.

€0.87 million (2023: €0.11 million) of the Group's loans to others are unsecured and interest-free.

20. INVENTORIES

	THE GROUP	
	2024 €'000	2023 €'000
Food and beverages	3,676	3,264
Consumables	1,142	1,237
Goods held for resale	494	121
Consumables and others	13,875	9,913
	19,187	14,535

21. TRADE AND OTHER RECEIVABLES

	THE GROUP		THE COMPANY	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Non-current				
Subsidiary companies	-	-	7,027	7,027
Financial assets	-	-	7,027	7,027
Contract assets	11,012	453	-	-
Total receivables – non-current	11,012	453	7,027	7,027
Current				
Trade receivables	31,286	25,595	-	-
Credit loss allowances	(4,695)	(4,291)	-	-
Amounts owed by:				
Parent company	6,597	6,900	165	742
Subsidiary companies	-	-	63,665	60,002
Associate companies	16	20	-	-
Joint ventures	201	201	201	201
Other related companies	8,590	7,533	640	649
Other receivables	6,130	3,818	1,503	192
Financial assets	48,125	39,776	66,174	61,786
Contract assets	3,076	2,971	3,730	3,769
Advance payments in respect of capital creditors	299	334	-	-
Statutory receivables	2,064	1,745	-	-
Prepayments	4,652	3,881	393	295
Total receivables – current	58,216	48,707	70,297	65,850

Amounts owed by related parties are unsecured, interest free and are repayable on demand.

Disclosure in respect of the fair value of trade and other receivables is presented within Note 41.7.

Information about the impairment of trade receivables and the Group's and the Company's exposure to credit risk, foreign currency risk and interest rate risk can be found in Note 41.

The Group's contract assets classified as current primarily comprise of balances from services in relation to project management for which the Group would not yet have an unconditional right to receive payment. The Company's contract assets relate to management services provided during the year, which the Company had not yet invoiced. These contract assets are subject to the expected credit loss model in accordance with IFRS 9 as disclosed in Note 41.1.

The Group's contract assets classified as non-current comprise of key money paid upon entering into a hotel management service agreement. This contract asset does not expose the Group to credit risk and accordingly, it is subject to the impairment model under IAS 36.

22. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**(I) CLASSIFICATION OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

The Group classifies the following financial assets at fair value through profit or loss (FVTPL):

- Equity investments for which the Group has not elected to recognise fair value gains and losses through OCI.

	THE GROUP	
	2024 €'000	2023 €'000
Non-current assets		
Unlisted equity securities	3,411	3,411

In 2023, the Group recognised a net fair value loss of €1.8 million in profit or loss on financial assets. The fair value losses on these financial assets were primarily due to a fair value gain incurred on the Group's investment in listed securities amounting to €0.2 million and an amount of €2.0 million relating to a fair value loss on the Group's investment in Azure Resorts Group.

In 2020, the holding in Azure Resorts Group was reclassified from investments accounted for using the equity method to financial assets at fair value through profit or loss (FVTPL) in view that this was put into liquidation on 27 April 2020. The carrying amount of the investment held in Azure Resorts Group amounts to nil (2023: nil).

Set out below are the unlisted equity securities held by the Group:

COMPANY NAME	REGISTERED OFFICE	NATURE OF BUSINESS	% OF OWNERSHIP INTEREST HELD BY THE GROUP	
			2024	2023
Azure Services Limited (in liquidation)	Level 1 LM Complex Brewery Street Mriehel, Malta	Marketing and promotional services	50	50
Azure Ultra Limited (in liquidation)	Level 1 LM Complex Brewery Street Mriehel, Malta	Luxury yacht leasing	50	50
Azure XP Limited (in liquidation)	Level 1, Palm Grove House Wickham's Cay 1 Road Town, Tortola British Virgin Islands	Financing of vacation ownership	50	50
Heathfield Overseas Limited (in liquidation)	Level 1, Palm Grove House Wickham's Cay 1 Road Town, Tortola British Virgin Islands	Payment solutions	50	50
Azure Resorts Limited (in liquidation)	Level 1, Palm Grove House Wickham's Cay 1 Road Town, Tortola British Virgin Islands	Vacation ownership selling agent	50	50
Brooksfield Overseas Limited (in liquidation)	Level 1, Palm Grove House Wickham's Cay 1 Road Town, Tortola British Virgin Islands	Marketing and promotional services	50	50

The Group's unlisted equity securities also include 13% (2023: 13%) holdings in Global Hotel Alliance and 10% holdings in Lizar Holdings Limited, earmarked for a hotel and residential development in Moscow.

23. ASSETS CLASSIFIED AS HELD FOR SALE

	THE GROUP	
	2024 €'000	2023 €'000
Transfers from property, plant and equipment (Note 15)	143,988	-
Transfers from investment property (Note 14)	3,342	-
	147,330	-

During the current year, the Group has gone to market and is considering offers for the Corinthia Hotel Lisbon, on the basis of a sale and management and/or leaseback. Consequently on 31 December 2024, the property in Lisbon was reclassified from property, plant and equipment to assets held for sale.

Similarly, the apartment block in Lisbon was actively marketed for sale in 2024, with three apartments being sold during the year with the remaining apartments being reclassified from investment property to assets held for sale.

Management remains committed to finalising the disposal plan in the twelve-month period subsequent to 31 December 2024.

24. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the following components:

	THE GROUP		THE COMPANY	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Cash and bank balances:				
Current	71,656	87,084	9,281	17,865
Cash and cash equivalents in the statement of financial position	71,656	87,084	9,281	17,865
Bank overdraft (Note 31)	(9,208)	(8,551)	-	-
Cash and cash equivalents in the statement of cash flows	62,448	78,533	9,281	17,865

The bank balances include amounts of €7.0 million (2023: €5.7 million) set aside by the Group for debt servicing requirements of which €0.7 million (2023: €0.7 million) are set aside by the Company. Furthermore, a guarantee of €4 million was set aside by the Group and the Company in relation to the amounts due on the Rome project.

In 2023, the bank balances also included treasury bills amounting to €29.4 million by the Group and €10.4 million by the Company set aside for bond redemption purposes.

25. SHARE CAPITAL**25.1 AUTHORISED SHARE CAPITAL**

The authorised share capital consists of 1,000 million ordinary shares with a nominal value of €1 each.

25.2 ISSUED SHARE CAPITAL

The issued share capital consists of 615.7 million (2023: 615.7 million) ordinary shares of €1 each, fully paid up.

	THE GROUP AND COMPANY	
	2024 €'000	2023 €'000
At 1 January and 31 December	615,685	615,685

25.3 SHAREHOLDER RIGHTS

Shareholders are entitled to vote at shareholders' meetings of the Company on the basis of one vote for each share held. They are entitled to receive dividends as declared from time to time. The shares in issue shall, at all times, rank pari passu with respect to any distribution whether of dividends or capital, in a winding up or otherwise.

26. REVALUATION RESERVE

Revaluation reserve relating to movements in property, plant and equipment of entities forming part of the Group:

	REVALUATION SURPLUS €'000	THE GROUP DEFERRED TAXATION €'000	NET €'000
At 1 January 2024	208,535	(38,830)	169,705
Revaluation surplus arising during the year:			
Corinthia Hotel & Spa Lisbon	27,687	(6,230)	21,457
Corinthia Hotel Prague	6,264	(2,632)	3,632
Corinthia Hotel Budapest	(3,019)	272	(2,747)
Corinthia Hotel St Petersburg	8,348	(1,670)	6,678
Golden Sands Resort, Malta	11,986	(4,195)	7,791
Corinthia Oasis Malta	9,264	(3,242)	6,022
Corinthia Hotel London			
- Gross of non-controlling interest	15,364	-	15,364
- Share attributable to non-controlling interests	(7,682)	-	(7,682)
- Share attributable to owners of the parent	7,682	-	7,682
	68,212	(17,697)	50,515
At 31 December 2024	276,747	(56,527)	220,220
Analysed as follows:			
Corinthia Hotel St George's Bay, Malta	27,275	(9,545)	17,730
Corinthia Hotel & Spa Lisbon	74,798	(16,831)	57,967
Corinthia Hotel Prague	24,121	(6,024)	18,097
Corinthia Hotel Budapest	17,610	(1,650)	15,960
Marina Hotel, St George's Bay, Malta	15,189	(5,317)	9,872
Golden Sands Resort Limited	15,689	(5,491)	10,198
Radisson Blu Resort, Malta	16,985	(5,944)	11,041
Corinthia Hotel St Petersburg	12,417	(2,483)	9,934
Corinthia Hotel London	63,399	-	63,399
Corinthia Oasis Malta	9,264	(3,242)	6,022
	276,747	(56,527)	220,220

	REVALUATION SURPLUS €'000	THE GROUP DEFERRED TAXATION €'000	NET €'000
At 1 January 2023	154,691	(23,368)	131,323
Revaluation surplus arising during the year:			
Corinthia Hotel St. George's Bay, Malta	15,106	(5,287)	9,819
Alfa Investimentos Turisticos Lda	12,200	(2,745)	9,455
Corinthia Hotel Budapest	(4,500)	405	(4,095)
Marina Hotel, St George's Bay, Malta	5,983	(2,094)	3,889
Radisson Blu Resort, Malta	12,701	(4,445)	8,256
Golden Sands Resort Limited	3,704	(1,296)	2,408
Corinthia Hotel London			
- Gross of non-controlling interest	17,301	-	17,301
- Share attributable to non-controlling interests	(8,651)	-	(8,651)
- Share attributable to owners of the parent	8,651	-	8,651
At 31 December 2023	208,535	(38,830)	169,705
Analysed as follows:			
Corinthia Hotel St George's Bay, Malta	27,275	(9,546)	17,729
Corinthia Hotel & Spa Lisbon	47,111	(10,601)	36,510
Corinthia Hotel Prague	17,857	(3,392)	14,465
Corinthia Hotel Budapest	20,629	(1,922)	18,707
Marina Hotel, St George's Bay, Malta	15,189	(5,316)	9,873
Golden Sands Resort Limited	3,704	(1,296)	2,408
Radisson Blu Resort, Malta	16,985	(5,944)	11,041
Corinthia Hotel St Petersburg	4,069	(813)	3,256
Corinthia Hotel London	55,716	-	55,716
	208,535	(38,830)	169,705

The revaluation reserve is non-distributable.

The tax impacts relating to this component of other comprehensive income is presented in the tables above.

During the previous years, the Group has capitalised the revaluation reserve by issuing bonus shares and upon the issuance of additional shares to previous owners of the IHG Group. Movements relating to bonus share issues are included in the table below:

	THE GROUP	
	2024 €'000	2023 €'000
Aggregate amounts disclosed in tables above:	220,220	169,705
Bonus and other similar share issues:		
Opening and closing balance	(71,764)	(71,764)
Total revaluation reserve	148,456	97,941

27. TRANSLATION RESERVE

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations into the Group's presentation currency. Translation reserve movements are presented within other comprehensive income.

28. REPORTING CURRENCY CONVERSION DIFFERENCE

The reporting currency conversion difference represents the excess of total assets over the aggregate of total liabilities and funds attributable to the shareholders, following the re-denomination of the paid-up share capital from Maltese lira to euro in 2003.

29. OTHER RESERVES AND EQUITY COMPONENTS

29.1 OTHER EQUITY COMPONENTS

THE GROUP	STEPPED ACQUISITION OF SUBSIDIARY €'000	OTHER €'000	TOTAL €'000
At 1 January 2023, 31 December 2023	3,859	(1,242)	2,617
Hedging reserve	-	(115)	(115)
At 31 December 2024	3,859	(1,357)	2,502

STEPPED ACQUISITION OF SUBSIDIARY

The stepped acquisition of subsidiary reserve relates to the increase in value of original shareholding in Corinthia Hotel Investments Limited, pursuant to independent valuation carried out on acquisition of further shareholding in 2006, net of deferred tax.

29.2 OTHER RESERVES

THE COMPANY	FVOCI RESERVE €'000	BONUS SHARES €'000	OTHER €'000	TOTAL €'000
As at 1 January 2023	160,284	(75,090)	(24,009)	61,185
Fair value movements on investments in subsidiaries, associates and joint ventures, net of tax	39,249	-	-	39,249
At 31 December 2023	199,533	(75,090)	(24,009)	100,434
As at 1 January 2024	199,533	(75,090)	(24,009)	100,434
Fair value movements on investments in subsidiaries, associates and joint ventures, net of tax	215,269	-	-	215,269
At 31 December 2024	414,802	(75,090)	(24,009)	315,703

FINANCIAL ASSETS AT FVOCI

The Company has elected to recognise changes in the fair value of investments in subsidiaries, associates and joint ventures in OCI, as explained in Note 3.5. These changes are accumulated within the FVOCI reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

OTHER RESERVES

The Company's other reserves principally relate to the absorption of losses.

30. ACCUMULATED LOSSES

The loss for the year has been transferred to Accumulated losses as set out in the statements of changes in equity.

31. BANK BORROWINGS

	THE GROUP		THE COMPANY	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Bank overdraft	9,208	8,511	-	-
Bank loans	414,312	371,240	73,455	65,073
	423,520	379,751	73,455	65,073
Comprising:				
Non-current bank borrowings				
Bank loans due within 2 - 5 years	330,269	315,935	35,815	56,147
Bank loans due later than 5 years	52,312	16,909	27,690	1,113
	382,581	332,844	63,505	57,260
Current bank borrowings				
Bank overdraft	9,208	8,551	-	-
Bank loans due within 1 year	31,731	29,845	9,950	7,813
	40,939	38,396	9,950	7,813

Bank borrowings are subject to variable interest rates linked to Euribor, other reference rates or bank base rates with an average interest rate of 6.36% annually at 31 December 2024 (2023: 6.11% annually) for the Group and 4.94% annually at 31 December 2024 (2023: 3.27%) for the Company.

These facilities are secured by general hypothecs on the Group's and the Company's assets, special hypothecs, privileges on the Group's property, guarantees by related parties, as well as pledges over the shares in subsidiaries and joint ventures.

The carrying amount of bank borrowings is considered a reasonable approximation of fair value based on discounted cash flows, taking cognisance of the variable interest nature of the principal borrowings.

32. BONDS

	THE GROUP AND COMPANY	
	2024 €'000	2023 €'000
Bond VII	44,953	44,830
Bond IX	-	10,362
Bond X	54,853	54,763
Bond XI	59,763	59,652
Bond XII	79,380	79,304
Bond XIII	59,279	59,220
	298,228	308,131
Non-current	253,275	297,769
Current	44,953	10,362
	298,228	308,131

(I) THE GROUP HAS THE FOLLOWING BONDS IN ISSUE:

	YEAR OF ISSUE	NOMINAL AMOUNT €'000	RATE OF INTEREST %	MATURITY DATE
Bond VII	2015	45,000	5.75	13 May 2025
Bond X	2016	55,000	4	29 July 2026
Bond XI	2016	60,000	4	20 December 2026
Bond XII	2021	80,000	3.65	07 December 2031
Bond XIII	2023	60,000	6	14 November 2033

During the current year, IHI p.l.c. redeemed Bond IX amounting to €10.4 million. In 2023, IHI p.l.c. redeemed Bond VI amounting to €10.0 million and part of Bond IX, and issued Bond XIII for a total amount of €60.0 million. During 2025, IHI p.l.c. will be refinancing €35 million of bond VII.

(II) INTEREST

Interest is payable annually in arrears on the due date.

(III) SECURITY

The bonds constitute the general, direct, unconditional, unsecured and unsubordinated obligations of the Company and will rank pari passu, without any priority or preference, with all other present and future unsecured and unsubordinated obligations of the Company. The only exception is Bond X for €55.0 million which is secured by the Hotel property owned by IHI Hungary.

(IV) SINKING FUNDS

The required contributions to the sinking funds as deposited under a trust arrangement as at 31 December 2024 amounted to €0.1 million (2023: €0.1 million).

(V) THE CARRYING AMOUNT OF THE BONDS IS AS FOLLOWS:

	VI €'000	VII €'000	IX €'000	X €'000	XI €'000	XII €'000	XIII €'000	TOTAL €'000
At 31 January 2023	9,985	44,712	34,896	54,677	59,546	79,231	-	283,047
Proceeds from issue	-	-	-	-	-	-	29,502	29,502
Issue costs	-	-	-	-	-	-	(780)	(780)
Amortisation of transaction costs	15	118	75	86	106	73	-	473
Cancelled bonds	-	-	(53)	-	-	-	-	(53)
Redemption	(4,058)	-	-	-	-	-	-	(4,058)
Allocation to new bond	(5,942)	-	(24,556)	-	-	-	30,498	-
At 31 December 2023	-	44,830	10,362	54,763	59,652	79,304	59,220	308,131
Amortisation of transaction costs	-	123	30	90	111	76	59	489
Redemption	-	-	(10,392)	-	-	-	-	(10,392)
At 31 December 2024	-	44,953	-	54,853	59,763	79,380	59,279	298,228

Disclosure in respect of the fair value of the bonds is presented within Note 41.7.

The market price of bonds in issue is as follows:

	2024 €	2023 €
Bond VII	100.50	100.50
Bond IX	-	100
Bond X	99	100
Bond XI	98.90	97.50
Bond XII	95.01	91.30
Bond XIII	106.98	103.97

33. OTHER FINANCIAL LIABILITIES

	THE GROUP		THE COMPANY	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Amounts owed to:				
Ultimate parent	33,224	24,623	23,223	24,623
Group companies	-	-	32,450	28,136
Other	-	91	-	-
	33,224	24,714	55,673	52,759
Non-current liabilities				
Amounts owed to:				
Ultimate parent	33,224	24,623	23,223	24,623
Group companies	-	-	32,344	28,044
	33,224	24,623	55,567	52,667
Current liabilities				
Amounts owed to:				
Group companies	-	-	106	92
Other	-	91	-	-
	-	91	106	92

The carrying amount of the borrowings subject to a variable interest rate is considered a reasonable approximation of fair value on the basis of discounted cash flows. In the case of borrowing subject to a fixed rate of interest, the fair value is disclosed in Note 41.7. The terms of the amounts owed by the Company, as applicable, are as follows:

	€'000	INTEREST	REPAYABLE BY
At 31 December 2024			
Group companies	10,387	4.95%	Due by 10 March 2027
Group companies	13,000	Euribor + 2.65%	Due by 28 February 2026
Group companies	588	4.65%	Due by 22 December 2027
Group companies	8,140	0%	No fixed repayment date
Group companies	229	6.25%	Due by 31 December 2029
Group companies	106	0%	Current
Ultimate parent	23,223	3 month Euribor + 1.5%	Due by 1 January 2029
	55,673		
At 31 December 2023			
Group companies	9,887	4.95%	Due by 10 March 2027
Group companies	13,000	Euribor + 2.65%	Due by 28 February 2026
Group companies	4,440	0%	No fixed repayment date
Group companies	92	0%	Due within 3 years
Group companies	717	0%	No fixed repayment date
Ultimate parent	24,623	3%	Due by 11 January 2026
	52,759		

The terms of the amounts owed by the Group to the ultimate parent are as follows:

- €10.0 million of the Group's loans bear interest at 4%, repayable not later than 25 April 2033.
- €23.2 million of the Group's loan bear interest at 3-month Euribor + 1.5%, repayable not later than 1 January 2029.

None of the loans are secured.

34. DEFERRED TAX ASSETS AND LIABILITIES

Deferred taxes are calculated on all temporary differences under the liability method and are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates (and tax laws) that have been substantively enacted by the end of the reporting period.

The balance at 31 December represents temporary differences attributable to:

THE GROUP	ASSETS		LIABILITIES		NET	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Depreciation of property, plant and equipment	-	-	(39,825)	(40,096)	(39,825)	(40,096)
Fair valuation of land and buildings	-	-	(100,261)	(81,827)	(100,261)	(81,827)
Fair valuation of investment property	-	-	(14,089)	(12,825)	(14,089)	(12,825)
Intangible assets	-	-	(3,180)	(3,538)	(3,180)	(3,538)
Investment in subsidiaries	-	-	(7,147)	(7,147)	(7,147)	(7,147)
Investment in associates	101	101	-	-	101	101
Unrelieved tax losses and unabsorbed capital allowances	56,910	53,942	-	-	56,910	53,942
Exchange differences	-	15	(192)	-	(192)	15
Provision on trade receivables	955	850	-	-	955	850
Right of use	-	-	(4,344)	-	(4,344)	-
Lease liability	4,763	-	-	-	4,763	-
Other	210	294	-	-	210	294
Tax assets/(liabilities) – before offsetting	62,939	55,202	(169,038)	(145,433)	(106,099)	(90,231)
Offset in the statement of financial position	(35,069)	(34,441)	35,069	34,441	-	-
Tax assets/(liabilities) – as presented in the statement of financial position	27,870	20,761	(133,969)	(110,992)	(106,099)	(90,231)

THE COMPANY	ASSETS		LIABILITIES		NET	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Depreciation of property, plant and equipment	104	84	-	-	104	84
Investment in subsidiaries	-	-	(55,301)	(23,580)	(55,301)	(23,580)
Unrelieved tax losses and unabsorbed capital allowances	18,983	12,411	-	-	18,983	12,411
Right of use	-	-	(325)	-	(325)	-
Lease liability	350	-	-	-	350	-
Exchange differences	-	-	(3)	31	(3)	31
Tax assets/(liabilities)	19,437	12,495	(55,629)	(23,549)	(36,192)	(11,054)
Offset in the statement of financial position	-	31	-	(31)	-	-
Tax assets/(liabilities) – as presented in statement of financial position	19,437	12,526	(55,629)	(23,580)	(36,192)	(11,054)

The recognised deferred tax assets and liabilities are expected to be recovered or settled principally after more than twelve months from the end of the reporting period. The deferred tax assets and liabilities reflected in other comprehensive income relate to fair valuation of property, plant and equipment and investments in subsidiaries, associates and joint venture which have been measured as financial assets at fair value through other comprehensive income.

The movement on the Group's deferred tax assets and liabilities during the year, without taking into consideration offsetting of balances, is as follows:

THE GROUP	BALANCE 01.01.2023 €'000	RECOGNISED IN PROFIT OR LOSS €'000	RECOGNISED IN OTHER COMPREHENSIVE INCOME €'000	CURRENCY TRANSLATION DIFFERENCES €'000	BALANCE 31.12.2023 €'000	RECOGNISED IN PROFIT OR LOSS €'000	RECOGNISED IN OTHER COMPREHENSIVE INCOME €'000	CURRENCY TRANSLATION DIFFERENCES €'000	BALANCE 31.12.2024 €'000
Property, plant and equipment	(110,835)	465	(15,462)	3,909	(121,923)	(1,186)	(17,697)	686	(140,120)
Investment property	(11,640)	(1,563)	-	378	(12,825)	(1,435)	-	171	(14,089)
Intangible assets	(2,692)	(841)	-	(5)	(3,538)	357	-	1	(3,180)
Investments in subsidiaries	(7,147)	-	-	-	(7,147)	-	-	-	(7,147)
Investments in associates	101	-	-	-	101	-	-	-	101
Unrelieved tax losses and capital allowances	57,723	(3,521)	3,707	(3,967)	53,942	1,648	1,953	(599)	56,944
Exchange differences	(121)	136	-	-	15	(295)	-	86	(194)
Provision on trade receivables	800	50	-	-	850	105	-	-	955
Others	234	131	-	(71)	294	(97)	33	(18)	212
Right of use	-	-	-	-	-	(4,344)	-	-	(4,344)
Lease liability	-	-	-	-	-	4,763	-	-	4,763
	(73,577)	(5,143)	(11,755)	244	(90,231)	(484)	(15,711)	327	(106,099)

UNRECOGNISED DEFERRED TAX ASSETS

Deferred income taxes are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. In 2024, the Group did not recognise deferred income tax assets of €16.4 million (2023: €17.0 million), in respect of losses amounting to €62.8 million (2023: €64.5 million) that can be carried forward against future taxable income.

The movement in the Company's deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances, is as follows:

THE COMPANY	BALANCE 01.01.2023 €'000	RECOGNISED IN PROFIT OR LOSS €'000	RECOGNISED IN OTHER COMPREHENSIVE INCOME €'000	SURRENDER OF LOSSES €'000	BALANCE 31.12.2023 €'000	RECOGNISED IN PROFIT OR LOSS €'000	RECOGNISED IN OTHER COMPREHENSIVE INCOME €'000	SURRENDER OF LOSSES €'000	BALANCE 31.12.2024 €'000
Property, plant and equipment	63	21	-	-	84	20	-	-	104
Investments in subsidiaries	(11,840)	-	(11,740)	-	(23,580)	-	(31,722)	-	(55,302)
Investments in associates	-	-	-	-	-	-	-	-	-
Unrelieved tax losses and capital allowances	8,117	4,294	-	-	12,411	6,572	-	-	18,983
Right of use	-	-	-	-	-	(325)	-	-	(325)
Lease liability	-	-	-	-	-	350	-	-	350
Exchange differences	56	(25)	-	-	31	(33)	-	-	(2)
	(3,604)	4,290	(11,740)	-	(11,054)	6,584	(31,722)	-	(36,192)

UNRECOGNISED DEFERRED TAX ASSETS

The Company did not have unrecognised deferred income tax assets that could be carried forward against future taxable income as at 31 December 2024 and 31 December 2023.

35. TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Non-current				
Capital creditors	8,122	-	-	-
Other payables	13,100	1,557	791	456
Accruals	271	271	271	271
Refundable lease deposits	645	201	-	-
Financial liabilities	22,138	2,029	1,062	727
Contract liabilities	1,179	997	-	-
Other statutory liabilities	2,693	5,108	247	886
Total payables - non-current	26,010	8,134	1,309	1,613
Current				
Trade payables	22,662	21,360	271	14
Amounts owed to:				
Parent company	1,372	1,341	-	-
Subsidiary companies	-	-	8,691	5,996
Associates	238	238	237	237
Other related parties	8,980	8,368	77	6
Capital creditors	3,959	2,279	-	-
Other payables	8,758	6,775	1,867	1,655
Refundable lease deposits	104	595	-	-
Accruals	33,192	30,980	5,092	6,314
Financial liabilities	79,265	71,936	16,235	14,222
Contract liabilities	5,766	5,901	-	-
Advance payments	6,791	3,771	-	-
Lease payments received in advance	754	1,082	-	-
Statutory liabilities	7,884	7,916	340	356
Total payables - current	100,460	90,606	16,575	14,578

Amounts owed to related parties are unsecured, interest free and are repayable on demand.

Disclosure in respect of the of trade and other payables is presented within Note 41.7.

Current contract liabilities mainly include advance deposits on hotel bookings and cash received for vouchers to be redeemed by customers in hotels. The revenue in relation to these amounts received in advance is recognised only when the Group satisfies its performance obligation (i.e. as the customer utilises their right to use the hotel room).

Non-current contract liabilities emanate from a transaction in which the Group sold a block of serviced apartments but retained the obligation to maintain such apartments for the very long-term. The consideration that was paid by the buyer to the Group was partly allocated to the service element in the arrangement and will be recognised over the remaining number of years for which the obligation remains.

The aggregate transaction price allocated to this long-term arrangement amounted to £2.3m equivalent to €2.8m (2023: £2.3m, €2.7m), of which £1.8m equivalent to €2.1m (2023: £1.8m, €2.1m) remains unsatisfied as at year-end. Management expects that the unsatisfied portion of the transaction price will be recognised as revenue on a straight-line basis over the remaining term of 40 years, since the directors consider the arrangement consistent with a stand-ready obligation to perform.

Revenue recognised during 2024 that was included in the contract liability balance at the beginning of the period amounted to €0.4 million (2023: €0.8 million).

36. DIVIDENDS

No dividends were declared for the financial years ended 31 December 2024 and 2023.

37. CASH FLOW INFORMATION

37.1 CASH GENERATED FROM OPERATIONS

	THE GROUP		THE COMPANY	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Adjustments:				
Depreciation of property, plant and equipment	24,163	23,654	39	37
Depreciation of right-of-use assets	2,512	2,508	234	248
Increase in provision for impairment of trade receivables	612	482	4,890	-
Net (gain)/loss arising on disposal of property, plant and equipment	(715)	1,735	-	-
Amortisation of intangible assets	1,793	1,430	7	13
Other write offs	155	(275)		
Net gain on disposal of intangible assets	-	-	13	20
Fair value gain on movements on investment properties	(6,219)	(6,423)	-	-
Fair value gain on movements on property, plant and equipment	(6,484)	-	-	-
Fair value movements on investments	-	1,787	-	-
Share of results of associates and joint ventures	15	25	-	-
Amortisation of transaction costs on borrowings	1,267	946	490	471
Lease concessions	-	-	-	-
Interest income	(1,693)	(1,266)	(11,287)	(9,628)
Interest expense	43,115	37,808	20,927	18,050
Reclassification of Azure	-	-	-	-
Dividend income			-	(1,521)
Other gains and losses	339	-	-	-
Net exchange differences	1,775	2,550	(82)	(400)
	60,635	64,961	15,231	7,290

37.2 RECONCILIATION OF FINANCING LIABILITIES

THE GROUP	LIABILITIES FROM FINANCING ACTIVITIES					
	ASSETS PLACED UNDER TRUST ARRANGEMENT €'000	BONDS €'000	BANK LOANS €'000	OTHER FINANCIAL LIABILITIES €'000	LEASE LIABILITIES €'000	TOTAL €'000
As at 1 Jan 2023						
- Principal	77	(283,047)	(323,789)	(26,827)	(12,485)	(646,071)
- Accrued interest	-	(4,269)	(1,576)	-	-	(5,845)
- Net	77	(287,316)	(325,365)	(26,827)	(12,485)	(651,916)
Cash flows	-	(11,616)	(10,657)	-	3,092	(19,181)
Foreign exchange adjustments	-	-	(3,178)	-	-	(3,178)
Other movements	-	(12,941)	(25,087)	2,113	(6,543)	(42,458)
As at 31 December 2023	77	(311,873)	(364,287)	(24,714)	(15,936)	(716,733)
Comprising:						
- Principal	77	(308,131)	(362,689)	(24,714)	(15,936)	(711,393)
- Accrued interest	-	(3,742)	(1,598)	-	-	(5,340)
As at 31 December 2023	77	(311,873)	(364,287)	(24,714)	(15,936)	(716,733)
As at 1 Jan 2024						
- Principal	77	(308,131)	(362,689)	(24,714)	(15,936)	(711,393)
- Accrued interest	-	(3,742)	(1,598)	-	-	(5,340)
- Net	77	(311,873)	(364,287)	(24,714)	(15,936)	(716,733)
Cash flows	-	24,325	(14,016)	(8,510)	3,268	5,067
Foreign exchange adjustments	-	-	(8,014)	-	-	(8,014)
Other movements	-	(14,025)	(29,555)	-	(1,088)	(44,668)
As at 31 December 2024	77	(301,573)	(415,872)	(33,224)	(13,756)	(764,348)
Comprising:						
- Principal	77	(298,228)	(414,312)	(33,224)	(13,756)	(759,443)
- Accrued interest	-	(3,345)	(1,560)	-	-	(4,905)
As at 31 December 2024	77	(301,573)	(415,872)	(33,224)	(13,756)	(764,348)

THE COMPANY	LIABILITIES FROM FINANCING ACTIVITIES					
	ASSETS PLACED UNDER TRUST ARRANGEMENT €'000	BONDS €'000	BANK LOANS €'000	OTHER FINANCIAL LIABILITIES €'000	LEASE LIABILITIES €'000	TOTAL €'000
As at 1 Jan 2023						
- Principal	77	(283,047)	(20,199)	(53,042)	(90)	(356,301)
- Accrued interest	-	(4,269)	(754)	-	-	(5,023)
- Net	77	(287,316)	(20,953)	(53,042)	(90)	(361,324)
Cash flows	-	(11,616)	(39,702)	(1,712)	271	(52,759)
Other movements	-	(12,941)	(4,944)	1,994	(1,341)	(17,232)
As at 31 December 2023	77	(311,873)	(65,599)	(52,760)	(1,160)	(431,315)
Comprising:						
- Principal	77	(308,131)	(65,074)	(52,760)	(1,160)	(427,048)
- Accrued interest	-	(3,742)	(525)	-	-	(4,267)
As at 31 December 2023	77	(311,873)	(65,599)	(52,760)	(1,160)	(431,315)
As at 1 Jan 2024						
- Principal	77	(308,131)	(65,074)	(52,760)	(1,160)	(427,048)
- Accrued interest	-	(3,742)	(525)	-	-	(4,267)
- Net	77	(311,873)	(65,599)	(52,760)	(1,160)	(431,315)
Cash flows	-	24,325	(929)	(2,912)	262	20,746
Other movements	-	(14,025)	(6,790)	-	(103)	(20,918)
As at 31 December 2024	77	(301,573)	(73,318)	(55,672)	(1,001)	(431,487)
Comprising:						
- Principal	77	(298,228)	(73,455)	(55,672)	(1,001)	(428,279)
- Accrued interest	-	(3,345)	137	-	-	(3,208)
As at 31 December 2024	77	(301,573)	(73,318)	(55,672)	(1,001)	(431,487)

37.3 SIGNIFICANT NON-CASH FINANCING AND INVESTING TRANSACTIONS

The Company's and Group's significant non-cash financing and investing transactions for 2024 were nil, whilst in 2023 they relate to an amount of €30.5 million representing the portion of bonds that were redeemed through the re-issue of new bonds.

38. COMMITMENTS

Capital expenditure contracted for at the end of the reporting period but not yet incurred is as follows:

	THE GROUP	
	2024 €'000	2023 €'000
Contracted for:		
Property, plant and equipment	21,397	89,217
Authorised but not yet contracted for:		
Property, plant and equipment	18,315	17,567
	39,712	106,784

39. CONTINGENT LIABILITIES

A claim in relation to brokerage fees on the sale of Lisbon Hotel to IHI p.l.c. in 2000 amounting to €1.7 million is being made by an individual against 8 defendants including IHI p.l.c. No provision has been made in these financial statements for this claim as the Company and the Group believe that it has a strong defence in respect of these claims.

A client has instituted proceedings against QPM Limited for damages sustained in relation to professional works. The directors do not expect that the cash outflow net of insurance recoveries to be material.

40. RELATED PARTIES

The Company and its subsidiaries have related party relationships with CPHCL, the Company's ultimate controlling party (Note 42) all related entities ultimately controlled, jointly controlled or significantly influenced by CPHCL. Related parties also comprise the shareholders of CPHCL, other major shareholders of IHI, the Group's associates and joint ventures (Note 18) together with the Group companies' key management personnel.

Key management personnel includes directors (executive and non-executive), members of the Executive Committee, the Company Secretary and the Head of Internal Audit. The compensation paid or payable to key management for employee services is disclosed in Note 40.2.

IHI plc has given a guarantee to Corinthia Oasis Malta in respect to an obligation of €9 million it has in its statement of financial position. Amounts owed by/to related parties are shown separately in Notes 19, 21, 33 and 35.

40.1 TRANSACTIONS WITH RELATED PARTIES

	THE GROUP		THE COMPANY	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Revenue				
Services rendered to:				
Parent company	550	550	550	550
Subsidiaries	-	-	3,836	3,853
Other related parties	1,222	1,115	-	-
	1,772	1,665	4,386	4,403
Financing				
Interest income				
Parent company	-	78	-	-
Subsidiaries	-	-	11,287	9,628
Other related parties	499	358	-	-
Interest expenses				
Parent company	(1,018)	(704)	(1,017)	(802)
Subsidiaries	-	-	(1,837)	(1,455)
	(519)	(268)	8,433	7,371

The Company has secured a line of credit from its parent company, CPHCL, to ensure funding is available in case of any cash flow shortfalls.

40.2 TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

In addition to the remuneration paid to the directors included in Note 7, in the course of its operations the Group has a number of arrangements in place with its officers, executives and other related parties whereby concessions are made available for hospitality services rendered to them according to accepted industry norms.

In 2024, the remuneration of the Chairman and Senior Executives of the Company and its subsidiaries amounted to €9.4 million (2023: €7.4 million). The foregoing comprises a fixed portion of €7.3 million (2023: €5.8 million) and a variable portion of €2.1 million (2023: €1.6 million).

41. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to various risks through its use of financial instruments. The main types of risks are market risk, credit risk and liquidity risk, which result from both its operating and investing activities. The Group's risk management is coordinated at its head office, in close co-operation with the board of directors and focuses on actively securing the Group's short to medium term cash flows by minimising the exposure to financial markets. Long-term financial investments are managed to generate lasting returns.

The board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

The most significant financial risks to which the Group is exposed to are described below. See also Note 41.5 for a summary of the Group's financial assets and liabilities by category.

41.1 CREDIT RISK

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from related parties and customers. The Group's exposure to credit risk is measured by reference to the carrying amount of financial assets recognised at the end of the reporting period, as summarised below:

	THE GROUP		THE COMPANY	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
<i>Classes of financial assets - carrying amounts</i>				
Long-term loans	6,396	6,083	162,016	173,646
Short-term loans	86	110	-	1,312
Assets placed under trust arrangement	77	77	77	77
Trade and other receivables, including contract assets	66,908	47,491	76,931	72,582
Cash in hand and at bank	71,656	87,084	9,281	17,865
	145,123	140,845	248,305	265,482

The maximum exposure to credit risk at the end of the reporting period in respect of financial assets mentioned above is equivalent to their carrying amount as disclosed in the respective notes to the financial statements. The Group does not hold any significant collateral in this respect.

(I) RISK MANAGEMENT AND SECURITY

The subsidiary companies within the Group have, over the years, conducted business with various corporates, tour operators and individuals located in different jurisdictions and, owing to the spread of the Group's debtor base, there is no concentration of credit risk.

The Group has a credit policy in place under which new customers are analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, where available, and in some cases bank references. Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group only on a cash basis.

In monitoring customer credit risk, customers are individually assessed. Customers that are graded as "high risk" are placed on a restricted customer list and future sales are only made on a prepayment basis.

The Group does not require collateral in respect of trade and other receivables. The Group establishes an allowance for doubtful recoveries that represents its estimate of losses in respect of trade and other receivables.

The Company has a concentration of credit risk on its exposures to loans receivables from the subsidiaries. The Company monitors intra-Group credit exposures at individual entity level on a regular basis and ensures timely performance of these assets in the context of overall Group liquidity management. The Company assesses the credit quality of these related parties taking into account financial positions, performance and other factors. The Company takes cognisance of the related party relationship with these entities and management does not expect any losses from non-performance or default. Accordingly, credit risk with respect to these receivables is expected to be limited.

(II) IMPAIRMENT OF FINANCIAL ASSETS

The Group and the Company have three types of financial assets that are subject to the expected credit loss model:

- trade receivables and contract assets relating to the provision of services;
- other financial assets at amortised cost, comprising loans receivable from related parties and, in the case of the Company, subsidiary undertakings; and
- cash and cash equivalents.

TRADE RECEIVABLES AND CONTRACT ASSETS

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The Group has concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets since they have substantially the same characteristics.

The expected loss rates are based on the payment profiles of sales over an appropriate period before 31 December 2024 and 31 December 2023 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Based on the assessment carried out in accordance with the above methodology, the movement in loss allowances identified as at 31 December 2024 and 31 December 2023 is deemed immaterial by management.

On this basis, the information pertaining to loss rates and loss allowances in the Group's provisions matrix, which would have otherwise been required by IFRS 7, is not presented as at 31 December 2024 and 31 December 2023.

The closing loss allowances for trade receivables and contract assets as at 31 December 2024 reconcile to the opening loss allowance as follows:

THE GROUP	TRADE RECEIVABLES AND CONTRACT ASSETS	
	2024 €'000	2023 €'000
Opening loss allowance as at 1 January	4,291	3,818
Increase in loss allowance recognised in profit or loss during the year	346	429
Receivables written off during the year as uncollectible	89	63
Unused amounts reversed	(29)	(10)
Currency translation differences	(2)	(9)
At 31 December	4,695	4,291

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, failure to settlement after a number of attempts being made to collect past due debts; amounts deemed unrecoverable after a court ruling; and by the Group to provide original documentation in case of invoices contested by the customer.

Impairment losses on trade receivables and contract assets are recognised within administrative expenses. Subsequent recoveries of amounts previously written off are credited against the same line item. All impaired balances were unsecured.

OTHER FINANCIAL ASSETS AT AMORTISED COST

The Group's and the Company's other financial assets at amortised cost which are subject to IFRS 9's general impairment model mainly include the following balances:

	THE GROUP		THE COMPANY	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Amounts due from subsidiaries	-	-	162,016	174,958
Amounts due from other investees	6,396	6,083	-	-
Amounts due from others	86	110	-	-
At 31 December	6,482	6,193	162,016	174,958

The Group and the Company monitor intra-group credit exposures at individual entity level on a regular basis and ensure timely performance of these assets in the context of its overall liquidity management. The loss allowances for these financial assets are based on assumptions about risk of default and expected loss rates. The Company's management uses judgement in making these assumptions, based on the counterparty's past history, existing market conditions, as well as forward-looking estimates at the end of each reporting period.

As at year-end, based on the Directors' assessments of these factors, the equity position of the respective counterparty, and, where the probability of default is high, the recovery strategies contemplated by management together with the support of shareholders in place, the resulting impairment charge required was deemed to be immaterial, except for a credit loss allowance of €4.9 million which was recognized in the current year.

CASH AT BANK

The Group's cash is placed with reputable financial institutions, such that management does not expect any institution to fail to meet repayments of amounts held in the name of the companies within the Group. While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was insignificant.

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group is also directly and indirectly exposed to credit risk in relation to unlisted equity securities that are measured at fair value through profit or loss. The maximum exposure at the end of the reporting period is the carrying amount of these investments which amounted to €3.4 million (2023: €3.4 million).

41.2 LIQUIDITY RISK

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure and management of liquidity risk as 31 December 2024 is disclosed below.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities as they fall due, under both normal and stressed conditions. Liquidity risk management includes maintaining sufficient cash and committed credit lines to ensure the availability of an adequate amount of funding to meet the Group's obligations. The Group's working capital position as at the end of December 2024 reflects a surplus of €105.1 million (2023: €6.3 million) as explained in further detail in Note 3.1.

The Group actively manages its cash flow requirements. Management monitors liquidity risk by reviewing expected cash flows through cash flow forecasts, covering both Head Office corporate cash flows and all Group entities' cash. This is performed at a central treasury function, which controls the overall liquidity requirements of the Group within certain parameters. Each subsidiary company within the Group updates its cash flow on a monthly basis.

Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financing or borrowing obligations. Such planning also factors cash outflows required for capital projects and where necessary ensures that adequate bank facilities are in place. This excludes the potential impact of extreme circumstances that cannot be reasonably forecasted.

The Group's liquidity risk is accordingly actively managed taking cognisance of the matching of operational cash inflows and outflows arising from expected maturities of financial instruments, attributable to the Group's different operations, together with the Group's committed bank borrowing facilities and other financing that it can access to meet liquidity needs. The Group also reviews periodically its presence in the local capital markets and considers actively the disposal of non-core assets to secure potential cash inflows constituting a buffer for liquidity management purposes.

The Group has funding in place for the main contracted capital projects and has access to undrawn bank loans amounting to €101.4 million at the end of the reporting period. Furthermore, the Group has access to unutilised bank overdrafts amounting to €6.9 million at the end of the reporting period. The bank overdrafts are renewed yearly and the bank loans can be withdrawn within one year or beyond.

As at 31 December 2024 and 31 December 2023 the Group has financial liabilities, including estimated interest payments, with contractual maturities which are summarised below:

THE GROUP	CURRENT	NON-CURRENT	
	WITHIN 1 YEAR €'000	1-5 YEARS €'000	MORE THAN 5 YEARS €'000
31 DECEMBER 2024			
Non-derivatives:			
Bank borrowings	57,114	383,642	56,943
Bonds	57,063	144,691	159,775
Lease liabilities	2,796	6,587	20,253
Bank overdraft	9,208	-	-
Trade and other payables	79,265	18,539	5,400
Other financial liabilities	1,058	27,997	11,300
	206,504	581,456	253,671

This compares to the maturity of the Group's financial liabilities in the previous reporting period as follows:

THE GROUP	CURRENT	NON-CURRENT	
	WITHIN 1 YEAR €'000	1-5 YEARS €'000	MORE THAN 5 YEARS €'000
31 DECEMBER 2023			
Non-derivatives:			
Bank borrowings	57,985	391,311	22,485
Bonds	24,369	195,234	166,295
Lease liabilities	3,063	8,202	21,066
Bank overdraft	8,551	-	-
Trade and other payables	71,936	2,029	-
Other financial liabilities	838	25,384	-
	166,742	622,160	209,846

The above contractual maturities reflect the gross cash flows, which may differ from the carrying values of the liabilities at the end of the reporting period.

As at 31 December 2024 and 31 December 2023 the Company has financial liabilities, including estimated interest payments, with contractual maturities which are summarised below:

THE COMPANY	CURRENT	NON-CURRENT	
	WITHIN 1 YEAR €'000	1-5 YEARS €'000	MORE THAN 5 YEARS €'000
31 DECEMBER 2024			
Non-derivatives:			
Bank borrowings	13,697	43,860	30,027
Bonds	57,063	144,691	159,775
Other financial liabilities	2,356	59,687	-
Lease liabilities	279	835	3
Trade and other payables	16,235	1,062	-
	89,630	250,135	189,805

This compares to the maturity of the Company's financial liabilities in the previous reporting periods as follows:

THE COMPANY	CURRENT	NON-CURRENT	
	WITHIN 1 YEAR €'000	1-5 YEARS €'000	MORE THAN 5 YEARS €'000
31 DECEMBER 2023			
Non-derivatives:			
Bank borrowings	12,403	63,170	1,127
Bonds	24,369	195,234	166,295
Other financial liabilities	2,086	55,558	-
Lease liabilities	260	1,093	14
Trade and other payables	14,222	727	-
	53,340	315,782	167,436

41.3 MARKET RISK

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, and quoted prices, will affect the Group's income or financial position. The objective of the Group's market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(I) FOREIGN CURRENCY RISK

Foreign currency risk arises from future commercial transactions and recognised assets and liabilities which are denominated in a currency that is not the respective entity's functional currency, which would be considered a foreign currency from the entity's perspective.

All Group entities have euro as their functional currency with the exception of IHI Benelux BV and IHI St. Petersburg LLC, with Russian Rouble as their functional currency, the entities within the NLI Group, with the pound sterling as their functional currency, Libya Hotels Development and Investment JSC, with Libyan dinars as its functional currency and CHL Surrey Inc. with the US dollar as its functional currency. IHI St. Petersburg LLC is exposed to foreign currency risk mainly with respect to a portion of revenue and purchases, which are denominated in euro, and all the entity's borrowings which are also denominated in euro.

The Group operates internationally and is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the functional currency of Group entities, the euro.

The Group has operations in Russia, Hungary, Czech Republic, United Kingdom and Libya and has subsidiaries domiciled in those territories. These entities are exposed to foreign currency in respect of a portion of their respected revenue and purchases which are denominated in foreign currencies.

The Group's and Company's main risk exposure reflecting the carrying amount of receivables and payables denominated in foreign currencies at the end of the reporting period analysed by the functional currency of the respective entity or entities, were as follows:

THE GROUP	2024 FUNCTIONAL CURRENCY			2023 FUNCTIONAL CURRENCY		
	EUR			EUR		
	HUF €'000	LYD €'000	CZK €'000	HUF €'000	LYD €'000	CZK €'000
Group						
Assets:						
Loans and receivables:						
Trade receivables	1,256	1,691	23	1,181	540	785
Other receivables	300	(221)	-	149	157	142
Liabilities:						
Trade payables	(341)	(604)	(66)	(746)	(406)	(889)
Other payables	(2,605)	(767)	(148)	(1,901)	(908)	(1,991)
Net exposure	(1,390)	99	(191)	(1,317)	(617)	(1,953)

IHI Benelux is exposed to other financial liabilities and other payables due to Group companies which are eliminated on consolidation. These balances amounting to €89.0 million (2023: €94.1 million) and €33.4 million (2023: €27.2 million) respectively, are considered part of the Group's net investment in the foreign operation. Accordingly, any foreign exchange differences with respect to these balances, which at IHI Benelux standalone level are recognised in profit or loss, were reclassified to other comprehensive income on consolidation.

At 31 December 2024, if the euro had weakened/strengthened by 10% (2023: 10%) against the Rouble with all other variables held constant, the Group's equity would have been €13.6 million lower/€13.6 million higher (2023: €13.5 million lower/€13.5 million higher) as a result of foreign exchange losses/gains recognised in other comprehensive income on translation of the euro denominated payables.

Management does not consider foreign currency risk attributable to recognised assets and liabilities arising from transactions denominated in foreign currencies where the respective entities' functional currency is/was the euro, presented within the tables above, to be significant. Accordingly, a sensitivity analysis for foreign currency risk disclosing how profit or loss and equity would have been affected by changes in foreign exchange rates that were reasonably possible at the end of the reporting period is not deemed necessary.

In respect of monetary assets and liabilities denominated in foreign currencies, the Group strives to manage its net exposure within acceptable parameters by buying or selling foreign currencies at spot rates, when necessary, to address short-term mismatches.

Borrowings required to fund certain operations are generally denominated in currencies that match the cash flows generated by the respective operations of the Group so as to provide an economic hedge.

(II) INTEREST RATE RISK

The Group is exposed to changes in market interest rates principally through bank borrowings and related party loans taken out at variable interest rates. The interest rate profile of the Group's interest-bearing financial instruments at the reporting dates was as follows:

	THE GROUP		THE COMPANY	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Fixed rate instruments				
Financial assets:				
Parent company loan and other loans receivable	6,482	6,083	59,275	63,708
Assets placed under trust arrangement	77	77	77	77
Financial liabilities:				
Bonds	(298,228)	(308,131)	(298,228)	(308,131)
Parent company loan and other financial liabilities	(33,224)	(24,714)	(34,427)	(34,510)
	(324,893)	(326,685)	(273,303)	(278,856)
Variable rate instruments				
Financial assets:				
Loans to related company	-	-	102,741	111,251
Financial liabilities:				
Bank borrowings	(423,520)	(371,240)	(73,455)	(65,073)
Other financial liabilities	-	-	(13,000)	(13,000)
	(423,520)	(371,240)	16,286	33,178

The Group manages its exposure to changes in cash flows in relation to interest rates on interest-bearing borrowings due by the parent company and its subsidiaries, by entering into financial arrangements that are based on fixed rates on interest whenever practicable. The Group is exposed to fair value interest rate risk on its financial assets and liabilities bearing fixed rates of interest, but with the exception to the investments in bond securities, which are measured at fair value, all the other instruments are measured at amortised cost and accordingly a shift in interest rates would not have an impact on profit or loss or total comprehensive income. Management does not consider a reasonable shift in interest will have a significant impact on the Group's and Company's equity and post tax profit as a result of a change in the fair value of its investments in bond securities.

The Group's interest rate risk principally arises from bank borrowings issued at variable rates, which expose the Group to cash flow interest rate risk. Floating interest rates on these financial instruments are linked to reference rates such as Euribor or the respective banker's base rate. Management monitors the impact of changes in market interest rates on amounts reported in profit or loss in respect of these instruments taking into consideration refinancing and hedging techniques.

At 31 December, if interest rates had been 100 basis points (2023: 100 basis points) higher/lower with all other variables held constant, post-tax profit for the year for the Group would have been €3.94 million (2023: €3.49 million) lower/higher as a result of higher/lower net interest expense.

(III) PRICE RISK

The Group's exposure to equity securities price risk arises from its investments in equities, funds and mutual funds, which are classified in the statement of financial position as financial assets at fair value through profit or loss. As at 31 December 2024, the carrying amount of these investments amounted to €3.4 million (2023: €3.4 million).

No investments are publicly traded. Management does not consider that a reasonable shift in indexes will have a significant impact on the Group's equity and post-tax profit. Accordingly, a sensitivity analysis disclosing how profit or loss and equity would have been affected by changes in indexes that were reasonably possible at the end of the reporting period is not deemed necessary.

In addition to the above, the Group holds a 10% and 13% investment in two private equities that were purchased in 2019. As at year-end, management do not consider that reasonable movements in market prices will impact the fair value of these investments materially.

41.4 CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The Group's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may issue new shares or adjust the amount of dividends paid to shareholders.

The Group monitors the level of capital on the basis of the ratio of aggregated net debt to total capital. Net debt is calculated as total borrowings (as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as equity, as shown in the respective statement of financial position, plus net debt.

The figures in respect of the Group's and the Company's equity and borrowings are reflected below:

	THE GROUP		THE COMPANY	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Bank loans (Note 31)	414,312	362,689	73,455	65,073
Other financial liabilities (Note 33)	33,224	24,714	55,673	52,759
Bonds (Note 32)	298,228	308,131	298,228	308,131
Lease liabilities (Note 16)	13,756	15,936	1,001	1,160
Less: cash and cash equivalents (Note 24)	(62,448)	(78,533)	(9,281)	(17,865)
Net debt	697,072	632,937	419,076	409,258
Total equity	910,376	836,348	911,266	707,962
Total capital	1,607,448	1,469,285	1,330,342	1,117,220
Net debt ratio	43.37%	43.08%	31.50%	36.63%

The Group manages the relationship between equity injections and borrowings, being the constituent elements of capital as reflected above, with a view to managing the cost of capital. The level of capital, as reflected in the consolidated statement of financial position, is maintained by reference to the Group's respective financial obligations and commitments arising from operational requirements. In view of the nature of the Group's activities and the extent of borrowings or debt, the capital level at the end of the reporting period determined by reference to the consolidated financial statements is deemed adequate by the directors.

The carrying amounts of the Group's financial assets and liabilities as recognised at the end of the reporting periods under review may also be categorised as follows. See Note 3.10 for explanations about how the category of financial instruments affects their subsequent measurement.

41.5 SUMMARY OF FINANCIAL ASSETS AND LIABILITIES BY CATEGORY

	THE GROUP		THE COMPANY	
	2024 €'000	2023 €'000	2024 €'000	2023 €'000
Assets				
Other financial assets at amortised cost				
Cash at bank and in hand	71,656	87,084	9,280	17,865
- Trade receivables	26,590	21,304	-	-
- Other receivables	6,130	3,818	1,503	192
- Amounts due from Group and related companies	15,403	14,654	398,646	406,925
Assets placed under trust arrangement	77	77	77	77
Amounts due from other investees	6,396	6,083	-	-
Amounts due from others	87	110	-	-
Financial assets measured at fair value				
Equity securities				
- Investments in subsidiaries	-	-	969,301	722,483
- Investments in associates and joint ventures	-	-	5,207	5,034
Financial assets at fair value through profit or loss	3,411	3,411	-	-
Total assets	129,750	136,541	1,384,014	1,152,576
Other financial liabilities measured at amortised cost				
- Bank borrowings	423,520	371,240	73,455	65,073
- Bonds	298,228	308,131	298,228	308,131
- Other financial liabilities	33,224	24,714	55,673	52,759
- Lease liabilities	13,756	15,936	1,001	1,160
- Trade payables	22,662	21,560	271	14
- Other payables	37,157	21,154	11,663	8,349
- Accruals	33,463	31,251	5,363	6,585
Total liabilities	862,010	793,986	445,654	442,071

41.6 FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

The following table presents financial assets and liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

- Level 1: based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: based on information other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: information for the asset or liability that is not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

The key financial assets and liabilities measured at fair value in the statement of financial position are grouped into the fair value hierarchy as follows:

THE GROUP	2024 €000	2023 €000
Level 3		
Investments in unlisted equities measured at fair value through profit or loss	3,411	3,411
THE COMPANY		
	2024 €000	2023 €000
Level 3		
Investments in subsidiaries (a)	969,301	722,483
Investments in associates and joint ventures (b)	5,207	5,034

MEASUREMENT OF FAIR VALUE

Investments in unlisted equity securities, categorised as Level 3 instruments in view of their unlisted nature comprise the acquisition during 2019 of minority stakes in Global Hotel Alliance and Moscow Project. In 2023, the investment in Azure Resorts Group was fully written off. In the opinion of the directors, as at year-end, the fair value of these investments is best represented by the Group's acquisition price, or the share of adjusted net asset value.

Movements in these investments are portrayed in the table below:

THE GROUP	2024 €'000	2023 €'000
LEVEL 3		
At 1 January	3,411	5,373
Fair value movements	-	(1,962)
At 31 December	3,411	3,411

There have been no transfers of financial assets between the different level of the fair value hierarchy.

41.7 FAIR VALUE OF FINANCIAL INSTRUMENTS CARRIED AT AMORTISED COST

The table below provides information about the fair values of the Group's and the Company's non-current financial instruments which are not measured at fair value and which bear interest at a fixed rate. For financial instruments bearing interest at floating rates, management is of the opinion that the fair values are not significantly different from the carrying value since the interest on these instruments already reflect the current market rates and counterparty risk has not significantly changed.

	THE GROUP			
	2024	2023	2024	2023
	€'000	€'000	€'000	€'000
	LEVEL 1		LEVEL 3	
Financial assets				
Other financial assets at amortised cost	-	-	5,724	5,348
Financial liabilities				
Bonds	299,211	304,539	-	-
Other financial liabilities	-	-	8,185	31,225
	299,211	304,539	8,185	31,225

	THE COMPANY			
	2024	2023	2024	2023
	€'000	€'000	€'000	€'000
	LEVEL 1		LEVEL 3	
Financial assets				
Loans receivable bearing fixed interest rates	-	-	50,950	69,761
Financial liabilities				
Bonds	299,211	304,539	-	-
Other financial liabilities	-	-	10,122	32,753
	299,211	304,539	10,122	32,753

The bonds are classified as Level 1 hierarchy since they are listed in an active market and the fair values are determined based on the market price at the reporting date.

The fair values of the financial assets and financial liabilities classified as Level 3 hierarchy during 2024 were calculated based on a cash flow discounted using the current lending rate for similar instruments at the reporting date. They are classified as Level 3 hierarchy due to the use of unobservable inputs including counterparty risk. Management considers the carrying amounts of these instruments for the comparative period presented to be a reasonable estimate of their fair values due to insignificant changes in the interest rates and counterparty risks.

The directors consider the carrying amount of the trade and other receivables, assets placed under trust arrangement and trade and other payables to be a reasonable estimate of their fair value principally in view of the relatively short periods to repricing or maturity from the end of the reporting periods.

42. ULTIMATE CONTROLLING PARTY

The Group's ultimate parent company is CPHCL Company Limited, the registered office of which is 22, Europa Centre, Floriana FRN 1400, Malta.

CPHCL Company Limited prepares the consolidated financial statements of the Group of which IHI and its subsidiaries form part. These financial statements are filed and are available for public inspection at the Registry of Companies in Malta.

INDEPENDENT AUDITOR'S REPORT



TO THE SHAREHOLDERS OF INTERNATIONAL HOTEL INVESTMENTS P.L.C.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OUR OPINION

In our opinion:

- The Group financial statements and the Parent Company financial statements (the “financial statements”) of International Hotel Investments p.l.c. give a true and fair view of the Group and the Parent Company’s financial position as at 31 December 2024, and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (“IFRSs”) as adopted by the EU; and
- The financial statements have been prepared in accordance with the requirements of the Maltese Companies Act (Cap. 386).

Our opinion is consistent with our additional report to the Audit Committee.

What we have audited

International Hotel Investments p.l.c.’s financial statements comprise:

- the Income statement for the Group for the year ended 31 December 2024;
- the Statement of comprehensive income for the Group for the year then ended;
- the Statement of financial position of the Group as at 31 December 2024;
- the Statement of changes in equity for the Group for the year then ended;
- the Statement of cash flows for the Group for the year then ended;
- the Statement of comprehensive income for the Company for the year then ended;
- the Statement of financial position of the Company as at 31 December 2024;
- the Statement of changes in equity for the Company for the year then ended;
- the Statement of cash flows for the Company for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Independence

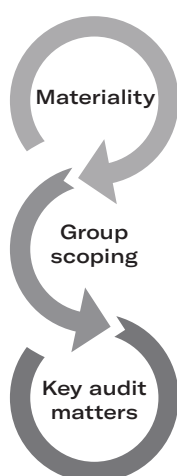
We are independent of the Group and the Parent Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) together with the ethical requirements of the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) that are relevant to our audit of the financial statements in Malta. We have fulfilled our other ethical responsibilities in accordance with these Codes.

To the best of our knowledge and belief, we declare that non-audit services that we have provided to the parent company and its subsidiaries are in accordance with the applicable law and regulations in Malta and that we have not provided non-audit services that are prohibited under Article 18A of the Accountancy Profession Act (Cap. 281).

The non-audit services that we have provided to the parent company and its subsidiaries, in the period from 1 January 2024 to 31 December 2024, are disclosed in Note 7.1 to the financial statements.

OUR AUDIT APPROACH

Overview



- Overall group materiality: €2,900,000, which represents approximately 1% of total revenue.

-
- We conducted a full scope audit of the significant components and performed specified audit procedures on certain account balances.
 - The group auditor performed oversight procedures on the work of component auditors for all significant components.
-

- Valuation and impairment of property, plant and equipment and investment properties including highlights on the valuation uncertainties in Russia and Libya, held by the Group.
 - Valuation of investment in subsidiaries at Parent Company level.
-

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.



Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Overall group materiality	€2,900,000
How we determined it	Approximately 1% of total revenue
Rationale for the materiality benchmark applied	We have applied revenue as a benchmark as we considered that this provides us with an adequate year-on-year basis for determining materiality, reflecting the group's fluctuating levels of profitability, and which we believe is also a key measure used by the shareholders as a body in assessing the group's performance. We selected 1% based on our professional judgement, noting that it is also within the range of commonly accepted revenue related thresholds

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above €290,000 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



KEY AUDIT MATTER

HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER

VALUATION AND IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES INCLUDING HIGHLIGHTS ON THE VALUATION UNCERTAINTIES IN RUSSIA AND LIBYA, HELD BY THE GROUP

The Group's property comprises hotels, commercial centres and land amounting to €1.5 billion. This represents the majority of the Group's assets as at 31 December 2024. During 2024, a fair value increase (net) of €75.9 million on these properties has been recognised within other comprehensive income whereas a net increase of €6.2 million was recognised within the income statement.

Full valuation reports or updated valuation assessments were obtained for all of the Group's properties, classified as either property, plant and equipment or investment property.

The valuation reports by the third-party valuers are based on both:

- Information provided by the Group; and
- Assumptions and valuation models used by the valuers, with assumptions being typically market related and based on professional judgement and market observation. The most significant judgements when adopting the income capitalisation approach relate to the projected cash flows, and the discount rate, growth rates (including the capitalisation rate). The most significant judgement when adopting the adjusted sales-comparison approach relates to the sales price per square metre or per room.

The valuation of the Group's property portfolio is inherently subjective due to, among other factors, the individual nature of each property, its location and the expected future returns.

The existence of significant estimation uncertainty evidenced by the sensitivity of the property valuations to possible shifts in key assumptions as described in Note 15 could result in material misstatement, and therefore we have devoted specific audit focus and attention to this area.

Our procedures in relation to the valuation of the properties included:

- Reviewing the methodologies used by the external valuers and by management to estimate the fair value of properties. We confirmed that the valuation approach for each property was suitable for use in determining the carrying value of properties as at 31 December 2024.
- Testing the mathematical accuracy of the calculations derived from each model.
- Assessing the key inputs in the calculations such as revenue growth and discount rate, by reference to management's forecasts, rental agreements for investment property, data external to the Group and our own expertise.
- Considering the appropriateness of the fair values estimated by the external valuers based on our knowledge of the industry. We engaged our own in-house valuation experts to challenge the work performed and assumptions used by the valuers.
- Considering the potential impact of reasonably possible changes in the key assumptions underlying the valuations to factor the impact of the current macroeconomic environment, including the increase in interest rates and costs.

We challenged the Company's valuations to assess whether they fell within a reasonable range of the expectations developed. Management was able to provide explanations and refer to appropriate supporting evidence.

We have also assessed the appropriateness of disclosures in Note 15 to the financial statements, including those regarding the key valuation assumptions applied in the property valuations in this respect.



KEY AUDIT MATTER

HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER

Properties held in Russia and Libya

The valuations of the properties held in Russia and Libya are characterised by a higher degree of estimation uncertainty brought about by the geo-political tensions and the market situation in the respective countries.

Russia

The military conflict between Russia and Ukraine, alongside the consequent economic sanctions, have had an adverse impact on the Group's operations in Russia. The future performance of the Hotel, Commercial Centre and other operations are largely dependent on how soon the economic and political situation in and around Russia will return to normality and how quickly international sanctions are lifted.

The Group's assets in Russia principally comprise the Corinthia St. Petersburg Hotel valued at €56.9 million and the adjoining investment property with a carrying amount of €36.8 million as detailed in Note 5.2 and which are subject to fair value estimation.

Libya

Since 2014, Libya experienced severe political instability due to the collapse of the central government. This prevailing situation has impacted and continues to impact the level of economic performance from its operations in Libya, particularly from its hotel operations.

The Group's assets in Libya principally comprise the Corinthia Hotel Tripoli with a carrying amount of €70.9 million and the adjoining investment property with a carrying amount of €115.8 million.

In addition to the procedures listed above, we also performed the following on the properties held by the Group in Russia and Libya:

- We engaged in several discussions with management to better understand the current circumstances impacting their business (e.g. level of occupancy, rates being charged, relevant sanctions, liquidity) and how management was responding to these geopolitical and economic challenges;
- Together with our valuation experts, we held meetings with the valuers and challenged a number of assumptions to ensure that the appropriate risk is reflected in the projected cash flows and the discount rate used in the valuation models;
- With regards to expected future cash flows, we obtained the most recent forecasts approved by the audit committee/board reflecting current developments and conditions and the expected related consequences. We compared the underlying assumptions against recent market research and, in particular, we challenged the speed of recovery in the cash flows. We also obtained the actual results after year end to understand and challenge the projected cash flows being used in the valuation models.
- With regards to the discount rate, we reassessed the different inputs into its calculation to ensure that changes in observable inputs had been captured and that the discount rate was also including an appropriate risk premium that reflects the increased uncertainty and volatility in these countries;
- We considered different scenarios when sensitising the key inputs to the expected cash flows to determine a range of potential outcomes; and



KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
The future performance of the properties in Libya and their fair values are largely dependent on how soon the political situation in Libya will return to normality and on how quickly the international oil and gas industry recovers once political risks subside. The directors have continued to monitor the situation in Libya closely. They recognise the political and economic uncertainty prevailing in this country but have also taken into account the significant improvement in the performance of the hotel in 2024 and have recognised an uplift. With respect to the hotel, the directors have retained the expectations for a gradual recovery. On the other hand, the directors have taken into account the positive net contribution that the Commercial Centre continues to generate and the existence of long-term leases and have recognised a fair value uplift in this regard. The economic impact of the geopolitical risks associated with Russia and Libya depends on variables that are difficult to predict. The assumptions underlying the valuation of the properties held in these countries (Note 5) are subject to a higher level of estimation in view of the significant uncertainties surrounding the operations in these countries and, therefore, the related projected cash flows (including their timing) and the discount rate applied to these cashflows that captures these uncertainties. <i>Reference to related disclosures</i> The disclosures pertaining to property valuations are included in Notes 5, 14 and 15 to the Group's financial statements.	We evaluated the adequacy of the disclosures made in the financial statements regarding the situation in Russia and Libya, including those regarding the key assumptions and sensitivities to changes in such assumptions. In particular, Note 5 to the financial statements highlights the significant political and economic uncertainties prevailing in Russia and Libya and their impact on the Group's results for 2024. The note also explains the significant uncertainties and judgements surrounding the valuation of the Group's assets in Russia and Libya that have also a bearing on the projected cash flows from the relative operations, which are in turn influenced by how soon the political situation in Russia and Libya will return to normality. In the case of certain underlying valuation assumptions, we formed a different view from that of management, but in our view the overall differences were within a reasonable range of outcomes. <i>As it is uncertain as to when the geopolitical risks associated with Russia and Libya will subside, the estimation uncertainty related to the valuation of the Group's assets in these territories remains heightened. We believe that different plausible scenarios may impact the financial performance of both the Russia and Libya operations and the valuation of related assets in a significant manner. Developments and revisions to forecast economic and market conditions after the date of approval of the financial statements might give rise to potential changes in the outcome of management assessments carried out subsequent to that date. This matter is considered to be of fundamental importance to the users' understanding of the financial statements because of the potential impact that this uncertainty may have on the valuation of the Group's assets in Russia and Libya.</i>



KEY AUDIT MATTER

HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER

Valuation of investment in subsidiaries at Parent Company level

The Company holds investments in subsidiaries of €1.1 million as at 31 December 2024 that are measured at fair value.

The fair values of the Company's investments in its subsidiaries, accounted for at fair value through other comprehensive income, have been determined by reference to the fair values of the underlying properties held by the respective subsidiaries and, in the case of Corinthia Hotels Limited (CHL) and QPM Limited (QPM), by reference to their enterprise value, adjusted for any net debt on the balance sheet of the subsidiaries as at the valuation date.

Corinthia Hotels Limited

In 2024, the directors appointed independent international valuers to fair value the investment in CHL to take into account CHL's revised strategy and plans to expand both the Corinthia and Verdi brands through management agreements, in respect of both International Hotel Investments p.l.c. (IHI) owned and third-party hotels. The valuation was carried out using the discounted cash flow ("DCF") approach that takes into account projections for existing managed hotels, contracted hotels not yet operational, as well as projections for an unconfirmed pipeline. The fair value of the investment in CHL as at 31 December 2024 was assessed at €240m.

QPM Limited

In 2024, the directors appointed independent valuers to fair value the investment in QPM taking into account new significant contracted projects and projects in discussions. The valuation carried out using the discounted cash flow ("DCF") approach takes into account projections for contracts being executed, contracts in advanced discussions, as well as projections for an unconfirmed pipeline. The fair value of the investment in QPM as at 31 December 2024 was assessed at €22.4m.

With respect to subsidiaries with underlying properties, we considered the nature of the underlying assets and liabilities and tested the fair value by reference to the outcome of the procedures listed in the key audit matter above addressing the valuation and impairment of property, plant and equipment and investment properties.

With respect to the investments held in Corinthia Hotels Limited and QPM Limited that are valued by reference to their enterprise value, we engaged our own internal valuation subject matter experts and carried out the following procedures:

- Reviewed the methodologies used by the external valuers to assess the fair value of the subsidiaries. We confirmed that the valuation approach was appropriate for use in determining the fair value of investments as at 31 December 2024.
- Tested the mathematical accuracy of the calculations derived from each valuation model.
- Reviewed and challenged key assumptions applied in the valuation, including comparing financial projections at the individual management agreement or project level for both existing and signed agreements to historical results, and reviewed projections for unconfirmed pipeline;
- Re-estimated the discount rate based on market data and risk premia, taking into consideration the different levels of uncertainty associated with the respective management agreements or projects;
- We have also reperformed the valuation using a set of complementary valuation approaches considering the current available market data as well as carried out a number of sensitivity analyses to key assumptions to assess appropriateness of fair value.



KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
We considered investments in subsidiaries to be a matter of most significance to our current year audit due to the financial significance of the fair value movement arising on the investments in subsidiaries. Additionally, valuing the subsidiaries based on their enterprise value requires significant judgment and estimates. This includes determining future cash flows from recently entered agreements, which lack historical data, as well as making projections for the unconfirmed pipeline that involves an even higher level of uncertainty. Significant judgment was also required around the weighted average cost of capital (WACC) used to discount the projected cashflows.	Based on the work performed, we concluded that the fair values recognised as at 31 December 2024 to be within an appropriate range of estimates. We also considered the adequacy of the disclosures made in Note 3 'Summary of material accounting policies', Note 4 'Critical accounting estimates, judgements and errors' and Note 17 'Investments in subsidiaries' to the consolidated financial statements and consider these to be adequate.

Reference to related disclosures

The disclosure pertaining to Investment in subsidiaries is included in Notes 17 to the Group's financial statements.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The Group includes a number of subsidiaries, mainly operating in Malta, UK, Brussels, Portugal, Hungary, Russia, Czech Republic and Libya. It also holds a number of investments in associates. The consolidated financial statements are a consolidation of all of these components.

We therefore assessed what audit work was necessary in each of these components, based on their financial significance to the financial statements and our assessment of risk and Group materiality. At the component level, we performed a combination of full scope audits and specified audit procedures on certain account balances in order to achieve the desired level of audit evidence.

In establishing the overall audit approach to the Group audit, we determined the type of work that needed to be performed by us, as the Group auditor, or by component auditors. For the work performed by component auditors operating under our instructions, we determined the level of involvement we needed to have in the audit work at those components to be satisfied that sufficient audit evidence had been obtained for the purposes of our opinion. We kept in regular communication with component auditors throughout the year with phone calls, discussions and written instructions and review of working papers where appropriate.

We ensured that our involvement in the work of our component auditors, together with the additional procedures performed at the Group level, were sufficient to allow us to conclude on our opinion on the Group financial statements as a whole.

The Group auditor performed all of this work by applying the overall Group materiality, together with additional procedures performed on the consolidation. This gave us sufficient appropriate audit evidence for our opinion on the Group financial statements as a whole.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises all of the information in the Annual Report & Financial Statements (but does not include the financial statements and our auditor's report thereon).

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon except as explicitly stated within the Report on other legal and regulatory requirements.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs as adopted by the EU and the requirements of the Maltese Companies Act (Cap. 386), and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group or the Parent Company to cease to continue as a going concern
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF THE EUROPEAN SINGLE ELECTRONIC FORMAT REGULATORY TECHNICAL STANDARD (THE "ESEF RTS"), BY REFERENCE TO CAPITAL MARKETS RULE 5.55.6

We have undertaken a reasonable assurance engagement in accordance with the requirements of Directive 6 issued by the Accountancy Board in terms of the Accountancy Profession Act (Cap. 281) - the Accountancy Profession (European Single Electronic Format) Assurance Directive (the "ESEF Directive 6") on the Annual Financial Report of International Hotel Investments p.l.c. for the year ended 31 December 2024, entirely prepared in a single electronic reporting format.

Responsibilities of the directors

The directors are responsible for the preparation of the Annual Financial Report, including the consolidated financial statements and the relevant mark-up requirements therein, by reference to Capital Markets Rule 5.56A, in accordance with the requirements of the ESEF RTS.

Our responsibilities

Our responsibility is to obtain reasonable assurance about whether the Annual Financial Report, including the consolidated financial statements and the relevant electronic tagging therein, complies in all material respects with the ESEF RTS based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with the requirements of ESEF Directive 6.

Our procedures included:

- Obtaining an understanding of the entity's financial reporting process, including the preparation of the Annual Financial Report, in accordance with the requirements of the ESEF RTS.
- Obtaining the Annual Financial Report and performing validations to determine whether the Annual Financial Report has been prepared in accordance with the requirements of the technical specifications of the ESEF RTS.
- Examining the information in the Annual Financial Report to determine whether all the required taggings therein have been applied and whether, in all material respects, they are in accordance with the requirements of the ESEF RTS.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Annual Financial Report for the year ended 31 December 2024 has been prepared, in all material respects, in accordance with the requirements of the ESEF RTS.

OTHER REPORTING REQUIREMENTS

The Annual Report & Financial Statements 2024 contains other areas required by legislation or regulation on which we are required to report. The Directors are responsible for these other areas.

The table below sets out these areas presented within the Annual Financial Report, our related responsibilities and reporting, in addition to our responsibilities and reporting reflected in the Other information section of our report. Except as outlined in the table, we have not provided an audit opinion or any form of assurance.

AREA OF THE ANNUAL REPORT AND FINANCIAL STATEMENTS 2024 AND THE RELATED DIRECTORS' RESPONSIBILITIES	OUR RESPONSIBILITIES	OUR REPORTING
DIRECTORS' REPORT, STATEMENT BY THE DIRECTORS ON THE FINANCIAL STATEMENTS AND OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT AND STATEMENT BY THE DIRECTORS ON NON-FINANCIAL INFORMATION The Maltese Companies Act (Cap. 386) requires the directors to prepare a Directors' report, which includes the contents required by Article 177 of the Act and the Sixth Schedule to the Act.	We are required to consider whether the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements. We are also required to express an opinion as to whether the Directors' report has been prepared in accordance with the applicable legal requirements. In addition, we are required to state whether, in the light of the knowledge and understanding of the Company and its environment obtained in the course of our audit, we have identified any material misstatements in the Directors' report, and if so to give an indication of the nature of any such misstatements. With respect to the information required by paragraphs 8 and 11 of the Sixth Schedule to the Act, our responsibility is limited to ensuring that such information has been provided.	In our opinion: • the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and • the Directors' report has been prepared in accordance with the Maltese Companies Act (Cap. 386). We have nothing to report to you in respect of the other responsibilities, as explicitly stated within the Other information section.

AREA OF THE ANNUAL REPORT AND FINANCIAL STATEMENTS 2024 AND THE RELATED DIRECTORS' RESPONSIBILITIES	OUR RESPONSIBILITIES	OUR REPORTING
STATEMENT BY THE DIRECTORS ON COMPLIANCE WITH THE CODE OF PRINCIPLES OF GOOD CORPORATE GOVERNANCE The Capital Markets Rules issued by the Malta Financial Services Authority require the directors to prepare and include in the Annual Financial Report a Statement of Compliance with the Code of Principles of Good Corporate Governance within Appendix 5.1 to Chapter 5 of the Capital Markets Rules. The Statement's required minimum contents are determined by reference to Capital Markets Rule 5.97. The Statement provides explanations as to how the Company has complied with the provisions of the Code, presenting the extent to which the Company has adopted the Code and the effective measures that the Board has taken to ensure compliance throughout the accounting period with those Principles.	We are required to report on the Statement of Compliance by expressing an opinion as to whether, in light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have identified any material misstatements with respect to the information referred to in Capital Markets Rules 5.97.4 and 5.97.5, giving an indication of the nature of any such misstatements. We are also required to assess whether the Statement of Compliance includes all the other information required to be presented as per Capital Markets Rule 5.97. We are not required to, and we do not, consider whether the Board's statements on internal control included in the Statement of Compliance cover all risks and controls, or form an opinion on the effectiveness of the Company's corporate governance procedures or its risk and control procedures.	In our opinion, the Statement of Compliance has been properly prepared in accordance with the requirements of the Capital Markets Rules issued by the Malta Financial Services Authority. We have nothing to report to you in respect of the other responsibilities, as explicitly stated within the Other information section.
REMUNERATION STATEMENT The Capital Markets Rules issued by the Malta Financial Services Authority require the directors to prepare a Remuneration report, including the contents listed in Appendix 12.1 to Chapter 12 of the Capital Markets Rules.	We are required to consider whether the information that should be provided within the Remuneration report, as required in terms of Appendix 12.1 to Chapter 12 of the Capital Markets Rules, has been included.	In our opinion, the Remuneration report has been properly prepared in accordance with the requirements of the Capital Markets Rules issued by the Malta Financial Services Authority.

AREA OF THE ANNUAL REPORT AND FINANCIAL STATEMENTS 2024 AND THE RELATED DIRECTORS' RESPONSIBILITIES	OUR RESPONSIBILITIES	OUR REPORTING
	Other matters on which we are required to report by exception	We have nothing to report to you in respect of these responsibilities.
	We also have responsibilities under the Maltese Companies Act (Cap. 386) to report to you if, in our opinion:	
	- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us. - the financial statements are not in agreement with the accounting records and returns. - we have not received all the information and explanations which, to the best of our knowledge and belief, we require for our audit.	
	We also have responsibilities under the Capital Markets Rules to review the statement made by the directors that the business is a going concern together with supporting assumptions or qualifications as necessary.	

OTHER MATTER – USE OF THIS REPORT

Our report, including the opinions, has been prepared for and only for the Parent Company's shareholders as a body in accordance with Article 179 of the Maltese Companies Act (Cap. 386) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior written consent.

APPOINTMENT

We were first appointed as auditors of the Company on 11 June 2015. Our appointment has been renewed annually by shareholder resolution representing a total period of uninterrupted engagement appointment of 10 years.

Lucienne Pace Ross
Principal

For and on behalf of

PricewaterhouseCoopers

78, Mill Street, Zone 5, Central Business District
Qormi, Malta

29 April 2025



CORINTHIA

GROUP

INTERNATIONAL HOTEL INVESTMENTS P.L.C.
2024 ANNUAL REPORT & FINANCIAL STATEMENTS



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