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# FINANCIAL ANALYSIS SUMMARY

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10 JUNE 2026

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**ISSUER**

**INTERNATIONAL HOTEL INVESTMENTS P.L.C.**

**(C 26136)**

*Prepared by:*



**MZ INVESTMENTS**



**MZ INVESTMENTS**

The Board of Directors  
International Hotel Investments p.l.c.  
22, Europa Centre  
Floriana FRN 1400  
Malta

10 June 2026

Dear Board Members,

### **Financial Analysis Summary**

In accordance with your instructions, and in line with the requirements of the MFSA Listing Policies, we have compiled the Financial Analysis Summary (the "**Analysis**") set out on the following pages and which is being forwarded to you together with this letter.

The purpose of this Analysis is that of summarising key financial data appertaining to International Hotel Investments p.l.c. (the "**Issuer**", "**Group**", or "**IHI**"). The data is derived from various sources or is based on our own computations as follows:

- (a) Historical information for the most recent three financial years ended 31 December 2023, 31 December 2024, and 31 December 2025 has been extracted from the respective audited consolidated annual financial statements.
- (b) The forecast and projected information for the financial years ending 31 December 2026 and 31 December 2027 has been provided by the Group.
- (c) Our commentary on the financial performance, cash flows, and financial position of the Issuer is based on explanations provided by IHI.
- (d) The ratios quoted in this Analysis have been computed by applying the definitions set out in Part 4 – Explanatory Definitions.
- (e) Relevant financial data in respect of the companies included in Part 3 – Comparative Analysis has been extracted from public sources such as websites of the companies concerned, financial statements filed with the Malta Business Registry, as well as other sources providing financial information.

This Analysis is meant to assist investors by summarising the more important financial information of the Group. This Analysis does not contain all data that is relevant to investors and is meant to complement, and not replace, the contents of the full Prospectus. Furthermore, it does not constitute an endorsement by our firm of any securities of the Issuer and should not be interpreted as a recommendation to invest or not invest in any of the Issuer's securities. We will not accept any liability for any loss or damage arising out of the use of this Analysis, and no representation or warranty is provided in respect of the reliability of the information contained in the Prospectus. As with all investments, investors are encouraged to seek professional advice before investing in the Issuer's securities.

Yours faithfully,

**Evan Mohnani**  
Head of Corporate Broking

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

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

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## PART 1 – INFORMATION ABOUT THE ISSUER

### 1. KEY ACTIVITIES

International Hotel Investments p.l.c. carries on the business of an investment company in relation to the ownership, development, and operation of hotels, as well as residential and commercial real estate across several countries. It generates revenue primarily from the operation of own hotels, whilst additional income is derived from the following sources:

- i) Corinthia Hotels Limited (“**CHL**”), which manages and operates a number of hotel properties owned by IHI, related parties, and independent third parties.
- ii) Real estate activities, through rental income generated from the lease of commercial centres situated in Tripoli and St Petersburg, as well as Grand Hotel Prague Towers.<sup>1</sup>
- iii) Catering services provided through the operation of Corinthia Caterers Limited, Catermax Limited, and Costa Coffee Malta.
- iv) Project management, engineering, and related architectural and structural services, provided through QPM Limited (“**QP**”).<sup>2</sup>
- v) Origination, financing, and development of real estate projects, provided through CREV Limited (“**CREV**”).<sup>3</sup>

IHI owns the Corinthia brand in all respects, and its business strategy is based on three main pillars, namely: (i) maximising revenue and earnings from hotel operations and other businesses; (ii) disposing of non-core properties and mature assets that no longer fit within the Group’s strategy; and (iii) extending the Corinthia brand to luxury properties that are mostly or entirely owned by independent third parties, through management agreements, leases, and real estate developments in which IHI may not necessarily be the lead investor.

An important initiative spearheaded by the Group in recent years has been its expansion into the upper four-star and lower five-star segments of the market through the establishment of the Verdi Hotels brand. In addition to owning and managing the Verdi St George’s Bay Marina, IHI manages six Verdi-branded hotels located in the Czech Republic (Panorama by Verdi Hotels), Hungary (Verdi Hotel Budapest), Tunisia (Verdi Hotel Tunis), Malta (Vivaldi by Verdi Hotels and Verdi Gżira Hotel), and Portugal (Verdi Santarém). Of these six properties, two are owned by IHI’s parent company, CPHCL Company Limited (“**CPHCL**”), namely Verdi Hotel Budapest and Verdi Hotel Tunis. At present, the Group is holding discussions to affiliate Verdi Hotels with a major collection franchise, with the aim of further strengthening the brand’s marketing and distribution platform.

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<sup>1</sup> Formerly operated as the Corinthia Hotel Prague prior to its rebranding. On 1 April 2024, the Group leased the property to an independent specialist operator for a five-year period, whilst retaining the right to terminate the lease agreement early in the event of a sale. In early 2026, IHI recommenced the process of exploring potential opportunities to sell this property.

<sup>2</sup> During 2025, the Group launched DesignEQ within the QP brand, a luxury hospitality design studio with a fully operational and bespoke base in London and a strengthened dual hub in Dubai, supporting the Group’s expanding activity across the Middle East, particularly the United Arab Emirates, and North Africa.

<sup>3</sup> Previously, Corinthia Developments International Limited.

The following table lists the Group's principal assets and operations:

International Hotel Investments p.l.c.							
Principal Assets and Operations							
	Location	% ownership	No. of hotel rooms	Asset Value			Notes
				2023 €'000	2024 €'000	2025 €'000	
<b>Owned and managed hotels</b>							
Corinthia Hotel London	United Kingdom	50	283	536,218	580,091	534,036	(1)
Corinthia Hotel Lisbon	Portugal	28	518	119,091	143,988	145,073	(2)
Corinthia Hotel Budapest	Hungary	100	414	116,025	112,600	111,426	(3)
Corinthia Grand Hotel Astoria Brussels	Belgium	50	126	82,118	124,709	130,121	(1)
Radisson Blu Resort & Spa Golden Sands	Malta	100	329	68,000	91,001	90,308	
Corinthia Hotel Tripoli	Libya	100	300	65,400	70,888	69,255	
Corinthia Hotel St George's Bay	Malta	100	248	56,039	55,562	54,598	(4)
Corinthia Hotel St Petersburg	Russia	100	388	53,458	56,945	68,018	
Radisson Blu Resort St Julian's	Malta	100	252	46,000	45,069	55,999	(4)
Verdi St George's Bay Marina	Malta	100	200	34,800	34,239	33,758	(4)
Corinthia Palace Hotel & Spa	Malta	100	147	31,482	31,223	31,179	
<b>Owned hotel – leased to third parties</b>							
Grand Hotel Prague Towers	Czech Republic	100	539	87,980	96,563	109,959	(5)
<b>Leased and managed hotels</b>							
Corinthia Hotel Rome	Italy	n/a	60	n/a	n/a	n/a	(6)
Corinthia Borgo di Perolla Tuscany (2030)	Italy	n/a	80	n/a	n/a	n/a	
<b>Managed hotels</b>							
Panorama by Verdi Hotels	Czech Republic	n/a	441	n/a	n/a	n/a	
Verdi Hotel Budapest	Hungary	n/a	310	n/a	n/a	n/a	
Verdi Hotel Tunis	Tunisia	n/a	309	n/a	n/a	n/a	
Vivaldi by Verdi Hotels	Malta	n/a	263	n/a	n/a	n/a	
Verdi Gzira Hotel	Malta	n/a	106	n/a	n/a	n/a	
Verdi Santarém	Portugal	n/a	105	n/a	n/a	n/a	
The Surrey Corinthia Hotel New York	USA	n/a	100	n/a	n/a	n/a	(7)
Corinthia Grand Hotel Du Boulevard Bucharest	Romania	n/a	30	n/a	n/a	n/a	
Corinthia Hotel & Residences Doha (2026)	Qatar	n/a	110	n/a	n/a	n/a	(8)
Corinthia Hotel & Residences Riyadh (2027)	Saudi Arabia	n/a	85	n/a	n/a	n/a	(9)
Corinthia Hotel & Residences Dubai (2028)	United Arab Emirates	n/a	125	n/a	n/a	n/a	(10)
Corinthia Hotel Maldives (2028)	Maldives	n/a	63	n/a	n/a	n/a	
Corinthia Resort Lake Como (2028)	Italy	n/a	58	n/a	n/a	n/a	(11)
Corinthia Hotel & Residences Chengdu (2032)	China	n/a	150	n/a	n/a	n/a	(12)
<b>Investment properties</b>							
Tripoli Commercial Centre	Libya	100	n/a	83,260	86,300	90,300	
St Petersburg Commercial Centre	Russia	100	n/a	38,316	36,829	42,432	
Corinthia Oasis	Malta	100	n/a	30,817	48,200	60,484	(13)
Site in Tripoli	Libya	100	n/a	29,500	29,500	29,500	
Craven House, London (office building)	United Kingdom	100	n/a	11,333	11,675	12,033	(14)
Pinheiro Chagas Residences	Portugal	100	n/a	6,386	3,342	-	(15)
Mediterranean Investments Holding p.l.c.	Libya	25	413	n/a	n/a	n/a	(16)
<b>Total</b>			<b>6,552</b>	<b>1,496,223</b>	<b>1,658,724</b>	<b>1,668,479</b>	

**Notes:**

- (1) Although Corinthia Hotel London and Corinthia Grand Hotel Astoria Brussels are each 50% indirectly owned by IHI, both are under the control and management of the Group and are therefore fully consolidated in the financial statements of the Issuer. The remaining 50% shareholding in Corinthia Hotel London and Corinthia Grand Hotel Astoria Brussels is indirectly owned by Libyan Foreign Investment Company ("LAFICO") through NLI Holdings Limited ("NLI").
- (2) On 1 April 2026, IHI sold a 72% shareholding in Corinthia Hotel Lisbon to Orion Real Estate Fund VI, an experienced investor in the European hotel sector. CHL will continue to manage and operate the hotel under the Corinthia brand through a 20-year management agreement.
- (3) The property includes an additional 26 penthouse apartments, known as 'Royal Residences', which are not included in the room count.
- (4) On 29 January 2026, the Group obtained an outline development permit from the Planning Authority for the addition of two storeys at Corinthia Hotel St George's Bay, Radisson Blu Resort St Julian's, and Verdi St George's Bay Marina, which would allow for the creation of an additional 252 rooms in aggregate, namely 74 new rooms for Radisson Blu Resort St Julian's, and 77 and 101 additional rooms for Corinthia Hotel St George's Bay and Verdi St George's Bay Marina, respectively.
- (5) Asset value includes unutilised land situated adjacent to the hotel.
- (6) The 7,000 sqm building, located in Parliament Square, formerly served as the seat of the Bank of Italy. The hotel is leased for a period of 40 years and commenced operations in early March 2026.

- (7) *The property also includes 14 additional luxury residences that have been sold but are serviced by the hotel.*
- (8) *Additional 18 hotel-serviced villas earmarked for sale are not included in the room count.*
- (9) *Additional 10 hotel-serviced villas earmarked for sale are not included in the room count.*
- (10) *Additional 96 branded residences earmarked for sale are not included in the room count.*
- (11) *Room count excludes three additional branded residences.*
- (12) *Additional 60 branded residences earmarked for sale are not included in the room count.*
- (13) *The 83,530 sqm site at Golden Bay, located in an area known as Hal-Ferh in Ghajn Tuffieha in close proximity to the Radisson Blu Resort & Spa Golden Sands, is in the process of being developed into a low-rise 161-key luxury resort, supported by a top-tier wellness centre, food and beverage outlets, an underground car park, as well as 25 detached serviced villas and bungalows earmarked for sale. The overall project is aimed at maintaining a highly landscaped surrounding that is very sensitive to the area's natural character and rural environment. Indeed, the development will only cover circa 30% of the total site area, with around 16,000 sqm allocated to the hotel resort and approximately 9,000 sqm to the residential component.*
- (14) *The office building was acquired in August 2022 and is currently fully occupied by the Group.*
- (15) *The apartment block comprises seven upmarket units. The last remaining unit was sold in FY2025.*
- (16) *The acquisition of a 25% equity stake in Mediterranean Investments Holding p.l.c. ("MIH") is expected to be concluded by 30 June 2026 for a total consideration of €37 million. The investment will be funded through debt financing from APS Bank p.l.c., which is intended to be repaid principally through dividends to be received by IHI from MIH. In FY2025, MIH generated revenue of €33.50 million, EBITDA of €23.83 million, and profit after tax of €19.72 million. MIH closed FY2025 with total assets of €315.26 million, net assets of €220.13 million, and net debt of €38.25 million.*

## 1.1 OTHER ASSETS

### BENHAZI PROJECT

IHI has been at the core of efforts to assemble a project to develop a 228-room five-star Corinthia hotel, 2,000 sqm of retail space, and 10,000 sqm of office space on a prime site in Benghazi, Libya. In recent months, IHI has signed an MOU with the local authorities to kickstart the project, and retain a 10% shareholding at no new cost, besides being awarded the contracts for design, project management, asset management and hotel operations.

### MEDINA TOWERS PROJECT

IHI owns 25% of the share capital of Medina Towers Joint Stock Company ("MTJSC") which is an entity set up for the purpose of owning and developing the Medina Towers project in Tripoli. The other shareholders of MTJSC are MIH, Arab Union Contracting Company, and Alinmaa Holding Company, each holding a 25% equity stake.

The parcel of land over which the project will be developed measures circa 13,000 sqm and is situated in Tripoli's main high street. The architectural concept stems from a four-storey podium that will include a mix of residential, retail, commercial and conference space. A curved tower rises from the sixth level and peaks at the 40th level, where a double height restaurant will complete the project. The development will comprise a total gross floor area of circa 199,000 sqm. The execution of this project is currently on hold.

IHI's direct and indirect shareholding interest in the Medina Towers project will increase from 25% to 31.25% once the Group concludes the acquisition of a 25% equity stake in MIH for €37 million by 30 June 2026. In addition to its 25% direct shareholding in the Medina Towers project, MIH wholly operates the **Palm City Residences** located in Jazour, Libya, through a build-operate-transfer agreement with CPHCL expiring in 2071. The shorefront gated village comprises 413 units ranging from one-bedroom apartments to four-bedroom semi-detached villas. It offers a host of amenities and leisure facilities including a piazza, a supermarket, a variety of retail shops, a laundry, a health clinic, and several catering outlets and cafeterias. The complex also features numerous indoor and outdoor sports facilities, including a fully equipped gym, a squash court, tennis courts, an indoor pool, water sports facilities, and an outdoor swimming pool.

In addition, MIH plans to develop the **Palm Waterfront** project, adjacent to the Palm City Residences, pursuant to an 80-year build-operate-transfer agreement with CPHCL. The site has a footprint of circa 64,000 sqm and the planned development will include a 150 room 4-star hotel, 332 residential units for lease or sale, 3,400 sqm of office space, 4,000 sqm of commercial and entertainment facilities, as well as a 117-berth yacht marina with facilities. The execution of this project is currently on hold.

### GILDED TRIUMVIRATE LP

The Group has a 4% effective shareholding interest in Gilded Triumvirate LP, which, in turn, owns two contiguous hotels and an office block in Beverly Hills, California ("**Beverly Hills operations**").

The Hôtel Lili, previously known as The Maison 140 Hotel, and the Mosaic Hotel, which together comprise 93 rooms, are operated by Palisociety, an independent hotel management company, under the oversight of CREV, and are leased to the Group for a five-year period, extendable by a further twelve months, with effect from February 2025. On the other hand, the office block is predominantly leased to a joint venture that is 50%-owned by IHI until 31 December 2034. It comprises two buildings connected by a skybridge and offers around 5,574 sqm of total rentable area. One of the office buildings is primarily used for vehicle parking and includes a reception area, as well as office space measuring circa 860 sqm. The second building comprises various offices and meeting rooms, together with a lounge, restaurant space, and a roof-level deck measuring circa 650 sqm.

Gilded Triumvirate LP holds a 75% equity stake in Golden Triangle p.l.c., which, in turn, has €42 million in debt securities listed and traded on the Regulated Main Market (Official List) of the Malta Stock Exchange. The remaining 25% equity stake in Golden Triangle p.l.c. is held by IHI. The bonds were issued in the first half of 2025, and the net proceeds were advanced to Gilded Triumvirate LP to finance the acquisition of the Maison 140 Hotel, the Mosaic Hotel, and the office block.

## 2. DIRECTORS AND SENIOR MANAGEMENT

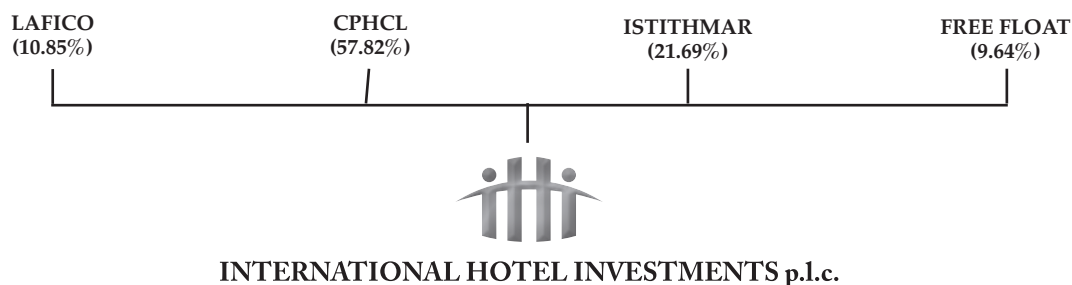
The Board of Directors of IHI comprises the following ten individuals who are responsible for the overall development, strategic direction, and risk management of the Group:

Alfred Pisani	Chairman and Executive Director
Simon Naudi	Managing Director and Chief Executive Officer
Frank Xerri de Caro	Non-Executive Director
Joseph Pisani	Non-Executive Director
Moussa Atiq Ali	Non-Executive Director
Douraid Zaghouani	Non-Executive Director
Richard Cachia Caruana	Senior Independent Non-Executive Director
Alfred Camilleri	Independent Non-Executive Director
Hamad Mubarak Mohd Buamin	Independent Non-Executive Director
Mohamed Mahmoud Alzarouq Shawsh	Independent Non-Executive Director

The Chief Executive Officer, together with the Chairman, is responsible for managing IHI's assets and subsidiary businesses covering all aspects relating to investments, development, and operations, as well as for identifying and executing new investment opportunities. The other key members of the Group's senior management team are Neville Fenech (Chief Financial Officer), Michael Izzo (Chief Strategy Officer), Clinton Fenech (General Counsel), and Stephen Bajada (Company Secretary).

## 3. ORGANISATIONAL STRUCTURE

The diagram below provides a condensed illustration of IHI's organisational structure. A complete list of the companies forming part of the Group is included in Section 17, 'Investments in Subsidiaries', and Section 18, 'Other Investments', of the Annual Report and Financial Statements for the financial year ended 31 December 2025, which is also available at: <https://www.corinthiagroup.com/investors/>.



IHI's shares have been listed on the Regulated Main Market (Official List) of the Malta Stock Exchange since 2 June 2000. CPHCL holds 355,988,463 shares, equivalent to 57.82% of IHI's total issued share capital. Istithmar Hotels FZE and LAFICO are both strategic investors in the Group, holding 133,561,548 shares and 66,780,771 shares, equivalent to 21.69% and 10.85% of IHI's total issued share capital, respectively.<sup>4</sup> The remaining 9.64% of the Group's issued share capital is held by the general public.

The Group's organisational structure has expanded considerably over the years in line with IHI's growth and development. The current organisational structure allows the Issuer to keep its strategic direction and development in focus whilst allowing the respective boards and management teams of the Group's various subsidiaries to focus on achieving IHI's operational objectives. Indeed, the Issuer has an autonomous organisational structure for each hotel property and operation. Furthermore, IHI's philosophy is based on the ownership of each hotel property through a company established in the jurisdiction where the hotel is located.

<sup>1</sup> Istithmar Hotels FZE is ultimately owned by the Government of Dubai whilst LAFICO is owned by the State of Libya. LAFICO also owns 50% of CPHCL, whilst up to approximately half of its direct holding of 10.85% in IHI is subject to a call option in favour of CPHCL.

#### 4. SEGMENT INFORMATION

##### 4.1 HOTEL OPERATIONS

Hotel Operations	2023	2024	2025	2026	2027
For the financial year 31 December	Actual	Actual	Actual	Forecast	Projection
	€'000	€'000	€'000	€'000	€'000
<b>Revenue:</b>					
London	92,326	95,774	88,795	96,830	104,297
Malta	70,298	74,782	77,230	81,638	79,398
Rome				17,077	31,274
Brussels			14,946	23,195	30,532
Budapest	21,870	26,936	28,908	30,124	29,182
St Petersburg	11,954	14,157	17,735	20,507	20,265
Tripoli	4,413	9,408	8,482	10,307	18,597
Beverly Hills			5,537	6,769	8,168
Lisbon	31,977	38,005	39,157	8,727	-
Prague*	16,287	2,815			
	<b>249,125</b>	<b>261,877</b>	<b>280,790</b>	<b>295,174</b>	<b>321,713</b>
<b>EBITDA:</b>					
London	22,677	22,757	21,204	20,417	24,088
Malta	15,457	16,149	19,276	20,331	19,210
Rome				2,295	10,148
Brussels			(10,522)	(1,523)	2,470
Budapest	4,128	5,944	6,177	6,497	5,297
St Petersburg	3,180	5,016	6,707	7,580	7,374
Tripoli	(389)	2,620	1,771	1,928	7,605
Beverly Hills			1,363	1,743	2,991
Lisbon	8,414	10,187	11,444	1,746	
Prague*	1,954	(824)			
	<b>55,421</b>	<b>61,849</b>	<b>57,420</b>	<b>61,014</b>	<b>79,183</b>
<b>EBITDA Margin (%):</b>					
London	24.56	23.76	23.88	21.09	23.10
Malta	21.99	21.59	24.96	24.90	24.19
Rome				13.44	32.45
Brussels			(70.40)	(6.57)	8.09
Budapest	18.88	22.07	21.37	21.57	18.15
St Petersburg	26.60	35.43	37.82	36.96	36.39
Tripoli	(8.81)	27.85	20.88	18.71	40.89
Beverly Hills			24.62	25.75	36.62
Lisbon	26.31	26.80	29.23	20.01	n/a
Prague*	12.00	(29.27)			
	<b>22.25</b>	<b>23.62</b>	<b>20.45</b>	<b>20.67</b>	<b>24.61</b>

\* Hotel was leased to third parties as from 1 April 2024.

The Group's hotel operations segment reported a stronger revenue performance in **FY2025**, as total income increased by 7.22%, from €261.88 million in FY2024 to €280.79 million in FY2025, mainly reflecting the first full-year contribution from the Corinthia Grand Hotel Astoria Brussels and the initial revenue contribution from the Beverly Hills operations. These increases were, however, partly offset by the loss of operating income from the Group's hotel in Prague, which was leased to third parties as from 1 April 2024, as well as the weaker revenue performance of Corinthia Hotel London and, to a much lesser extent, Corinthia Hotel Tripoli. EBITDA declined by 7.16%, from €61.85 million in FY2024 to €57.42 million in FY2025, principally due to the absorption of Corinthia Grand Hotel Astoria Brussels, resulting in a drop in the EBITDA margin to 20.45% from 23.62% in FY2024.

**Corinthia Hotel London** remained the largest revenue contributor, although revenue declined by 7.29%, from €95.77 million in FY2024 to €88.80 million. This reduction was driven by unfavourable currency movements, as well as lower occupancy and average daily rate (“ADR”), reflecting increased competition in the London market following the entry of new operators. EBITDA, however, decreased at a slightly lower rate of 6.82%, from €22.76 million to €21.20 million, with the EBITDA margin improving marginally from 23.76% in FY2024 to 23.88% in FY2025, as the Group implemented a number of cost-reduction initiatives to mitigate the negative financial impact.

The hotels in **Malta** achieved a 3.27% increase in revenue in FY2025 to €77.23 million, compared to €74.78 million in FY2024. However, EBITDA improved at a much stronger rate of 19.36%, from €16.15 million to €19.28 million, resulting in a notable increase in the EBITDA margin from 21.59% to 24.96%. This growth was driven mainly by the Radisson Blu Resort & Spa Golden Sands and the Corinthia Palace Hotel & Spa. The former registered higher occupancy at a significantly improved ADR following the continued purchase of timeshare room nights, enabling the benefit of the higher rates to flow directly to the Group. Meanwhile, although occupancy at Corinthia Palace Hotel & Spa declined slightly year-on-year, this was offset by a higher ADR following the recent renovation of rooms and the conversion of a number of rooms into suites.<sup>5</sup>

**Corinthia Grand Hotel Astoria Brussels** generated revenue of €14.95 million in FY2025, representing its first full year of operations following its opening in late 2024. However, the hotel reported a negative EBITDA of €10.52 million which included one-time significant pre-opening costs. The EBITDA loss also reflected the launch and initial operating phase of the hotel, including the impact of market penetration and the time required for the asset to reach a more stabilised level of trading in a completely untapped luxury market segment in Brussels.

**Corinthia Hotel Budapest** registered revenue growth of 7.32%, from €26.94 million in FY2024 to €28.91 million in FY2025. EBITDA increased at a slower pace, by 3.92%, from €5.94 million to €6.18 million, resulting in the EBITDA margin narrowing from 22.07% to 21.37%. During the year, the hotel continued to be highly active in the meetings, incentives, conferences, and exhibitions market, whilst additional focus was also directed towards leisure tourism.

**Corinthia Hotel St Petersburg** performed strongly in FY2025, with revenue rising by 25.27% to €17.74 million (FY2024: €14.16 million), whilst EBITDA increased by 33.71% to €6.71 million (FY2024: €5.02 million). As a result, the EBITDA margin improved from 35.43% to 37.82%, effectively placing the hotel as the highest EBITDA margin hotel asset of the Group. The hotel's performance was underpinned by higher ADR denominated in Rouble, along with a favourable exchange rate. In euro terms, ADR increased by circa 25%, supported by a modest occupancy increase of around 2 percentage points.

**Corinthia Hotel Tripoli** reported a weaker performance in FY2025, primarily due to a notable drop in occupancy, with revenue decreasing by 9.84%, from €9.41 million to €8.48 million. EBITDA declined more sharply by 32.40%, from €2.62 million to €1.77 million, whilst the EBITDA margin contracted from 27.85% to 20.88%, despite an improvement of around 7% in ADR.

The **Beverly Hills** operations started in March 2025 and generated revenue of €5.54 million and EBITDA of €1.36 million, representing an EBITDA margin of 24.62%.

**Corinthia Hotel Lisbon** continued to contribute positively, with revenue increasing by 3.03% to €39.16 million in FY2025, compared to €38.01 million in FY2024, and EBITDA rising by 12.34% to €11.44 million, from €10.19 million in the prior year. The EBITDA margin improved year-on-year from 26.80% to 29.23%, reflecting a stronger operating performance supported by a higher ADR, albeit at a marginally lower occupancy level.

In **FY2026**, revenue from the hotel operations segment is forecast to increase by 5.12% to €295.17 million, whilst EBITDA is expected to grow by 6.26% to €61.01 million. As a result, the overall EBITDA margin is forecast to improve to 20.67%. The forecast improvement is expected to be driven by the first contribution from Corinthia Hotel Rome which was inaugurated in March 2026, as well as the continued growth of Corinthia Grand Hotel Astoria Brussels as this hotel progresses through its market penetration phase. On the other hand, revenue and EBITDA from Corinthia Hotel Lisbon are expected to drop sharply, to €8.73 million and €1.75 million, respectively, following the reduction in the Group's ownership of the hotel from 100% to 28% as from 1 April 2026.

**Corinthia Hotel London** is expected to register a rebound in revenue of 9.05% to €96.83 million. However, EBITDA is forecast to decline by 3.71% to €20.42 million, with the EBITDA margin falling to 21.09%. This anticipated deterioration in profitability reflects cost and inflationary pressures, notwithstanding the expected recovery in revenue. Furthermore, the hotel's operations are expected to be somewhat disrupted by a planned €7.65 million investment programme relating to the continued refurbishment and upgrading of certain rooms into suites, together with the refurbishment of the hotel's Crystal Lounge and five to six meeting rooms.

The Group's hotel operations in **Malta** are forecast to continue improving across all five hotels in FY2026, with revenue expected to increase by 5.71% to €81.64 million and EBITDA forecast to rise by 5.47% to €20.33 million. The EBITDA margin is projected to remain broadly stable at 24.90%.

<sup>5</sup> In Q1 2026, Corinthia Palace Hotel & Spa was included in the prestigious Virtuoso global network and the American Express Hotel Collection. Virtuoso is the leading global network of agencies specialising in luxury and experiential travel, while the American Express Hotel Collection is a curated programme of hotels available to eligible American Express cardholders. Inclusion in these programmes is subject to stringent eligibility criteria, including exceptional service standards and curated guest experiences.

**Corinthia Hotel Rome** is forecast to contribute revenue of €17.08 million and EBITDA of €2.30 million, representing an EBITDA margin of 13.44%, during its first period of operations of around nine months.

**Corinthia Grand Hotel Astoria Brussels** is forecast to increase revenue by 55.19% to €23.20 million in FY2026. Although the hotel is still expected to report negative EBITDA of €1.52 million, this would represent a substantial improvement year-on-year reflecting the gradual normalisation of operations following the initial market penetration phase.

**Corinthia Hotel Budapest** is forecast to grow revenue by 4.21% to €30.12 million, whilst EBITDA is expected to increase by 5.18% to €6.50 million, with the EBITDA margin improving slightly to 21.57%.

**Corinthia Hotel St Petersburg** is expected to continue growing in FY2026, with revenue forecast to increase by 15.63% to €20.51 million and EBITDA projected to rise by 13.02% to €7.58 million. However, the EBITDA margin is expected to ease slightly to 36.96%.

The performance of **Corinthia Hotel Tripoli** is forecast to recover notably in FY2026, with revenue increasing by 21.52% to €10.31 million and EBITDA rising by 8.87% to €1.93 million, although the EBITDA margin is expected to decline further to 18.71%.

The Group's **Beverly Hills** operations are forecast to generate revenue of €6.77 million and EBITDA of €1.74 million, representing an EBITDA margin of 25.75%, during the first full year of contribution to the Group.

In **FY2027**, revenue from hotel operations is projected to increase by almost 9% to €321.71 million. EBITDA is projected to increase at a stronger rate of 28.48% to €79.18 million, resulting in a significant improvement in the overall EBITDA margin to 24.61%. The projected improvement reflects a stronger EBITDA contribution from Corinthia Hotel Rome during its first full twelve-month period of operations, the expected turnaround of Corinthia Grand Hotel Astoria Brussels into positive EBITDA, and a notable EBITDA recovery in London and Tripoli, partly offset by lower projected EBITDA contributions from Malta, Budapest, and St Petersburg, as well as the absence of consolidated income from Corinthia Hotel Lisbon.

**Corinthia Hotel London** is projected to grow its revenue by 7.71% to €104.30 million, with EBITDA rising by 17.98% to €24.09 million and the EBITDA margin improving by just over 2 percentage points to 23.10%, following the completion of the refurbishment investment programme in FY2026.

The Group's hotels in **Malta**, by contrast, are projected to report a 2.74% decline in revenue to €79.40 million and EBITDA contracting by 5.51% to €19.21 million. The EBITDA margin is projected to decrease to 24.19%. This expected drop in business is attributable to the major refurbishment programme at Corinthia Hotel St George's Bay.

**Corinthia Hotel Rome** is projected to generate revenue of €31.27 million in FY2027, representing a year-on-year increase of 83.14%, as the hotel benefits from its first full year of operations. EBITDA is projected to surge markedly to €10.15 million, with the EBITDA margin improving substantially to 32.45%.

**Corinthia Grand Hotel Astoria Brussels** is projected to continue with its progression beyond the initial market penetration period, with revenue increasing by 31.63% to €30.53 million. EBITDA is expected to turn positive at €2.47 million, resulting in an EBITDA margin of 8.09%.

**Corinthia Hotel Budapest** is projected to experience a 3.13% decline in revenue to €29.18 million in FY2027. Furthermore, EBITDA is expected to contract by 18.47% to €5.30 million, with the EBITDA margin projected to fall to 18.15%, reflecting the impact of a planned €20 million refurbishment programme.

**Corinthia Hotel St Petersburg** is projected to remain a high-margin contributor, notwithstanding a marginal decline in revenue of 1.18% to €20.27 million and a 2.72% reduction in EBITDA to €7.37 million. Its EBITDA margin is projected to remain strong at 36.39%.

**Corinthia Hotel Tripoli** is projected to record a significant improvement in performance in FY2027, with revenue increasing by 80.43% to €18.60 million and EBITDA rising sharply to €7.61 million. This would result in a marked improvement in the EBITDA margin to 40.89%.

The Group's operations in **Beverly Hills** are also projected to improve, with revenue increasing by 20.67% to €8.17 million and EBITDA rising by 71.60% to almost €3 million. The EBITDA margin is projected to strengthen considerably to 36.62%.

#### 4.2 HOTEL MANAGEMENT SERVICES

CHL manages and operates several hotels, the majority of which are currently owned by IHI. However, in recent years, the Group placed considerable emphasis on entering into, and successfully concluding, several agreements across various countries for the management and operation of properties owned by independent third parties.

Management contracts are typically structured for a term of 20 years. Key commercial terms generally include management fees based on total turnover, marketing and reservation fees based on rooms revenue, and incentive fees based on gross operating profit. In addition, CHL makes efficient use of capital and resources, reflecting the minimal capital outlay involved, if any, in each new management contract, whilst providing a cost-effective means of gaining in-depth knowledge of various hotel markets. The services offered by CHL focus on the following areas of expertise:

- (i) **Operations** – comprises the design and development of new hotels under development, as well as responsibility for overall operations and support to general managers, engineering, standards, quality, and sustainability.
- (ii) **Finance** – covers procurement and information technology.
- (iii) **Human resources** – involves organisational culture and people management.
- (iv) **Commercial** – covers revenue management, sales, public relations, marketing, distribution, and loyalty programmes.
- (v) **Business growth** – includes sourcing new opportunities and negotiating agreements for the management of new Corinthia hotels.

Separately, CHL also holds a minority stake in GHA Holdings Limited (“GHA”), the owner of the Global Hotel Alliance, of which CHL is a member alongside more than 50 other hotel brands. GHA has achieved strong growth over the years and today serves as an umbrella for over 950 upscale and luxury hotels worldwide. It provides a low-cost, full-service loyalty programme, GHA DISCOVERY, through a unique multi-brand technology platform that enables brands to retain loyal customers and attract new business from members enrolled by other brands.

The following table summarises the financial performance of CHL between FY2023 and FY2025, together with the forecast and projections for FY2026 and FY2027, respectively:

Hotel Management Services For the financial year 31 December	2023	2024	2025	2026	2027
	Actual	Actual	Actual	Forecast	Projection
	€'000	€'000	€'000	€'000	€'000
<b>Revenue:</b>					
Owned hotels	14,916	16,700	15,083	15,572	18,592
Third party owned hotels	1,808	2,196	3,399	6,727	10,075
Other <sup>1</sup>	279	575	563	2,626	2,760
	<b>17,003</b>	<b>19,471</b>	<b>19,045</b>	<b>24,925</b>	<b>31,427</b>
<b>EBITDA<sup>2</sup></b>	<b>2,759</b>	<b>609</b>	<b>(992)</b>	<b>1,407</b>	<b>9,747</b>
<b>EBITDA margin (%)</b>	<b>16.23</b>	<b>3.13</b>	<b>(5.21)</b>	<b>5.64</b>	<b>31.01</b>

<sup>1</sup> Includes Corinthia Hotel Lisbon as from 1 April 2026.

<sup>2</sup> Includes one-time costs related to the pre-opening of new hotels.

The hotel management services segment reported a marginal contraction in revenue in FY2025 to €19.05 million from €19.47 million in FY2024. Revenue from owned hotels declined by 9.68% to €15.08 million compared to €16.70 million in FY2024. This decline was mainly attributable to Corinthia Hotel London which registered a weaker performance during the year, although this was partly offset by growth achieved across most other owned hotels and the twelve-month income from Corinthia Grand Hotel Astoria Brussels. In contrast, revenue from third-party owned hotels surged by 54.78%, from €2.20 million in FY2024 to €3.40 million in FY2025, reflecting organic growth from existing and already managed hotels, together with new income generated from The Surrey Corinthia Hotel New York, which opened in October 2024, and Corinthia Grand Hotel Du Boulevard Bucharest, which opened in March 2025. Other revenue remained broadly unchanged year-on-year at €0.56 million.

Despite the marginal reduction in total revenue, the segment registered a more pronounced decline at EBITDA level, moving to a negative €0.99 million in FY2025 from a positive €0.61 million in FY2024. The weaker EBITDA performance was mainly influenced by the pre-opening, launch, and ramp-up costs incurred in relation to the Corinthia Grand Hotel Astoria Brussels and, to a lesser extent, Corinthia Hotel Rome. As a result, whilst the segment continued to benefit from a broader and growing management platform, profitability in FY2025 remained materially impacted by the cost absorption associated with recently opened and ramping-up properties.

In **FY2026**, the hotel management services segment is forecast to register a strong recovery, with total revenue expected to increase by 30.87% to €24.93 million. Revenue from owned hotels is projected to increase by 3.24% to €15.57 million, reflecting improved performance across all markets, including London, together with the new income from Corinthia Hotel Rome which opened in March 2026. Revenue from third-party owned hotels is expected to almost double, reaching €6.73 million, whilst other revenue is forecast to rise materially to €2.63 million, including income from the management and operation of Corinthia Hotel Lisbon.

At EBITDA level, the segment is forecast to return to profitability in FY2026, with EBITDA expected to amount to €1.41 million. Accordingly, the EBITDA margin is expected to rebound to 5.64% reflecting the expected increase in revenue, the increased market penetration of newly opened hotels, and the gradual normalisation of costs following the pre-opening, launch, and ramp-up expenses incurred in the preceding years.

In **FY2027**, the positive trajectory is projected to strengthen, with total revenue expected to increase by a further 26.09% to €31.43 million. Revenue from owned hotels is projected to rise by 19.39% to €18.59 million, with growth mostly driven by Corinthia Hotel London. Meanwhile, income from third-party owned hotels is expected to exceed €10 million, fuelled by the full twelve-month income from Corinthia Hotel Rome compared to circa nine-month contribution in FY2026, the twelve-month income from Corinthia Hotel & Residences Doha, which is expected to open in late 2026, and the initial income from Corinthia Hotel & Residences Riyadh. Other revenue is projected to remain relatively stable at €2.76 million.

The segment's profitability is projected to improve substantially in FY2027, with EBITDA increasing to €9.75 million and the EBITDA margin rising to 31.01%, reflecting a broader portfolio of managed hotels with a progressively higher level of recurring income from independently owned properties, as well as improved market penetration and performance.

#### **4.2.1 UPCOMING MANAGED HOTELS**

##### **CORINTHIA HOTEL & RESIDENCES DOHA (2026)**

In Q3 2020, CHL entered into an agreement with United Development Company ("**UDC**"), the Qatari owner and master developer of The Pearl Island in Doha, to manage and operate a luxury Corinthia hotel situated within UDC's newest flagship real estate development, namely Gewan Island. Corinthia Hotel & Residences Doha occupies a footprint of around 13,000 sqm and will feature 110 guestrooms, a 1,000-person banquet hall, several restaurants, and a luxury spa facility. The development also includes branded villas earmarked for sale, a golf course, a yacht club, and a beach club, all of which are managed by CHL. The yacht club and the golf course commenced operations in October 2022, whilst the villas were completed in 2024.

Separately, in Q1 2024, CHL entered into a technical services and pre-opening agreement with UDC in relation to **Viva Bahriya Tower 25**, a development situated on The Pearl Island. The project covers a footprint of circa 7,180 sqm and comprises around 170 serviced apartments, restaurants, lounges, and car parking facilities, all of which are to be managed under the Corinthia brand. UDC also mandated QP to assist with the architectural design, interior design, structural and building services engineering, and cost management of the project.

##### **CORINTHIA HOTEL & RESIDENCES RIYADH (2027)**

In Q3 2022, CHL entered into a technical and pre-opening services agreement, as well as a 20-year management agreement, with Diriyah Gate Company Limited ("**DGCL**") in relation to a new ultra-luxury Corinthia hotel within the Diriyah Gate development in Riyadh, Saudi Arabia. DGCL is wholly owned by the Public Investment Fund of Saudi Arabia, which serves as the sovereign wealth fund of the Saudi Arabian government.

Diriyah Gate is a USD20 billion heritage and tourism project aimed at attracting 25 million visitors annually. Located on the principal luxury shopping street within Diriyah Gate, Corinthia Hotel & Residences Riyadh will have a built-up area of more than 28,000 sqm and will comprise 85 rooms and suites, as well as ten serviced residences earmarked for sale.

##### **CORINTHIA HOTEL & RESIDENCES DUBAI (2028)**

In Q4 2024, CHL entered into a technical and pre-opening services agreement, as well as a hotel management agreement, in relation to the development and operation of a Corinthia city hotel situated within the Dubai International Financial Centre. The project will comprise 125 rooms, 96 branded apartments, multiple food and beverage outlets, a spa and gym, and a signature rooftop club and restaurant. QP is also involved in this project as project manager and interior designer.

##### **CORINTHIA HOTEL MALDIVES (2028)**

In Q2 2023, CHL entered into a technical and pre-opening services agreement, as well as a 20-year hotel management agreement, with Maarah Pvt Ltd, which forms part of Niro Investment Group and, in turn, exclusively holds the head lease to a lagoon located in Kaafu Atoll, Maldives.

Corinthia Hotel Maldives will be an island resort built on reclaimed land. The project will feature 63- beach and water villas, state-of-the-art wellness facilities, multiple fitness spaces, and a selection of five restaurants operated in collaboration with internationally renowned brands. The development has an aquatic-inspired design, with the main pavilion and independent water-edge villas situated on the principal island, whilst the wellness facilities will be located on smaller islands.

### CORINTHIA RESORT LAKE COMO (2028)

In Q4 2025, CHL entered into a technical and pre-opening services agreement, as well as a hotel management agreement, with RoundShield Partners LLP, a European private credit and tactical opportunities platform that forms part of Harrison Street Asset Management, in relation to a resort to be developed in Lake Como, Italy.

Located adjacent to the grounds of Italy's second-oldest golf course in the alpine village of Menaggio, Corinthia Resort Lake Como will comprise 58 guestrooms, three branded residences, spa and wellness facilities, multiple dining venues, and access to the golf club.

### CORINTHIA BORGO DI PEROLLA TUSCANY (2030)

In Q1 2026, IHI announced that it entered into contractual arrangements to develop, lease, and operate a new luxury Corinthia resort in Borgo di Perolla, Tuscany, Italy.

Set in the heart of the Tuscan countryside, the Corinthia Borgo di Perolla will transform a collection of vintage historic buildings into a luxury resort experience that brings together heritage, nature, and contemporary elegance. The resort lies at the heart of the 13th-century Perolla Estate, a 13 million sqm landscape of sustainably managed woodland, olive groves, and vineyards, and enriched by historic sites. Set within easy reach of the medieval town of Massa Marittima, the coast, the beaches of Castiglione della Pescaia and Punta Ala, and the region's celebrated hot springs, the setting combines rural seclusion with exceptional access to some of Tuscany's most desirable attractions.

The development is being undertaken in partnership with the project's investor and entrepreneur Gaetano Buglisi and his BGenera Group, whose vision is to create a sustainable Tuscan retreat of enduring value. Designed by Milan-based alErta design studio, Corinthia Borgo di Perolla Tuscany will sensitively restore and repurpose historic structures into a refined, village-style retreat, rooted in authenticity and a strong connection to its surroundings. Design works are underway following which works will commence to launch the hotel by 2030. The resort will feature 80 keys, including suites, private villas, dedicated wellness, event spaces, including a restored historic chapel, together with a carefully curated collection of restaurants and amenities celebrating local cuisine and seasonal produce. A branded residential component will further strengthen the appeal of Borgo di Perolla, Tuscany, as a long-term lifestyle destination.

### CORINTHIA CHENGDU & RESIDENCES (2032)

In Q1 2026, CHL entered into a technical and pre-opening services agreement, as well as a hotel management agreement, with Chengdu ShiLong Industry Co. for the development and management of a new 150-room Corinthia hotel. The project is located at the intersection of the Jiaozi Financial District and the Dayuan Business District, and will also comprise 60 branded residences.

## 4.3 REAL ESTATE ACTIVITIES

The Group has a portfolio of commercial real estate mainly comprising the commercial centres located in Tripoli (rentable area of 7,555 sqm) and St Petersburg (rentable area of 12,422 sqm), and the Grand Hotel Prague Towers.

Real Estate Activities For the financial year 31 December	2023	2024	2025	2026	2027
	Actual	Actual	Actual	Forecast	Projection
	€'000	€'000	€'000	€'000	€'000
Rental Income	9,710	12,940	15,651	15,855	15,815
<b>EBITDA:</b>					
Tripoli Commercial Centre	6,769	4,603	5,396	5,701	5,815
St Petersburg Commercial Centre	1,180	2,387	3,364	3,514	3,690
Grand Hotel Prague Towers	-	3,557	5,170	5,353	5,366
Other	(104)	(232)	(255)	78	78
	<b>7,845</b>	<b>10,315</b>	<b>13,675</b>	<b>14,646</b>	<b>14,949</b>
<b>EBITDA margin (%)</b>	<b>80.79</b>	<b>79.71</b>	<b>87.37</b>	<b>92.37</b>	<b>94.52</b>

The real estate segment registered a stronger performance in **FY2025**, with rental income increasing by almost 21% to €15.65 million compared to €12.94 million in FY2024. Segment EBITDA increased at a faster pace, rising by 32.57%, to €13.68 million from €10.32 million in FY2024. As a result, the EBITDA margin improved materially to 87.37% compared to 79.71% in the prior year, reflecting the degree of operating leverage inherent in the rental business model.

The performance in FY2025 was particularly positively impacted by the full twelve-month contribution from Grand Hotel Prague Towers, compared to nine months of income in FY2024, together with an improved contribution from both the Tripoli Commercial Centre and the St Petersburg Commercial Centre. EBITDA from Grand Hotel Prague Towers increased by 45.35% year-on-year to €5.17 million compared to €3.56 million in FY2024. Meanwhile, EBITDA from the Tripoli Commercial Centre increased by 17.23% to €5.40 million (FY2024: €4.60 million), whilst the St Petersburg Commercial Centre recorded an increase of 40.93% to €3.36 million (FY2024: €2.39 million). The latter was also boosted by the appreciation of the Russian Rouble.

In **FY2026**, rental income is forecast to increase marginally by 1.30% to €15.86 million. Segment EBITDA is projected to rise by 7.10% to €14.65 million, whilst the EBITDA margin is expected to improve further to 92.37%. The projected improvement in profitability is mainly underpinned by continued stable income generation from the segment's principal real estate assets, with both the Tripoli Commercial Centre and the St Petersburg Commercial Centre expected to remain virtually fully occupied throughout the year.

EBITDA from the Tripoli Commercial Centre is forecast to increase by 5.65% to €5.70 million, whilst EBITDA from the St Petersburg Commercial Centre is projected to rise by 4.46% to €3.51 million. Grand Hotel Prague Towers is also expected to register further growth, with EBITDA forecast to increase by 3.54% to €5.35 million.

In **FY2027**, rental income is projected to remain broadly stable at €15.82 million. Segment EBITDA is projected to increase by 2.07% to €14.95 million. Consequently, the EBITDA margin is expected to improve to 94.52%, reflecting the continued strong profitability of the segment and the expectation that the principal commercial centres will remain virtually fully occupied throughout the projection period.

The projected growth in FY2027 is expected to be mainly driven by the two commercial centres. EBITDA from the Tripoli Commercial Centre is projected to increase by 2% to €5.82 million, whilst EBITDA from the St Petersburg Commercial Centre is forecast to rise by 5.01% to €3.69 million. Grand Hotel Prague Towers is projected to remain broadly stable, with EBITDA increasing marginally by 0.24% to €5.37 million.

#### 4.4 PROJECT MANAGEMENT & DEVELOPMENT

Although wholly owned by the Issuer, QP and DesignEQ operate at arm's length from IHI. Over the years, QP has expanded internationally across various countries and, during FY2025, accelerated its strategic shift towards open-market competitiveness, with third-party work representing 83% of turnover and international revenue growing by 72% year-on-year to account for 56% of total revenue.

In this context, **QP** delivered a milestone year in FY2025, achieving record revenue of €13.26 million, up by 30.27% year-on-year. Furthermore, EBITDA rose markedly to €2.56 million from €1.89 million in FY2024, whilst the EBITDA margin advanced by 70 basis points to 19.27%, as QP scaled its delivery capacity to meet a broader and more complex global project portfolio, thereby solidifying its position as a diversified, internationally competitive, professional services platform.

**CREV** also delivered a standout year in FY2025, as it concluded a USD145 million ultra-prime Beverly Hills assemblage. As part of this process, CREV secured a new Kuwaiti equity partner, was key in raising €42 million through debt securities listed on the Regulated Main Market (Official List) of the Malta Stock Exchange issued by Golden Triangle p.l.c., and structured a joint venture with The Gores Group. Following the establishment of the Beverly Hills operations, CREV initiated the process leading to the future development of a flagship Corinthia Hotel & Residences property in Beverly Hills.

During FY2025, CREV also made further progress on its resort project on Grace Bay in Turks & Caicos, securing key land rights over a prime site, agreeing a development framework with the government, and submitting the project for outline planning. The development is being pursued through a joint venture with the US family owning the land, with CREV co-developing the project alongside the local landowner. The project is expected to comprise a luxury 67-room Corinthia hotel, together with 11 villas and 74 apartments for sale, principally targeting the US market.

Another major new opportunity in Los Cabos, Mexico, is also gathering pace and is expected to further strengthen the Group's development pipeline. In this regard, CREV entered into a preliminary agreement for a significant hotel and residential project, comprising a luxury Corinthia hotel together with approximately 600 villas and residences for sale within a golf and beach resort. CREV is expected to participate as a partner in the project and is currently negotiating the terms of an equity investment into the development vehicle, which will in turn partner with the local landowners to carry the extensive project forward. Preliminary agreements are already in place to secure 90% of the project's USD72 million equity requirement, alongside the Group's token equity contribution. Once implemented, the project is expected to generate development fees, promote income, and a hotel management agreement for CHL, thereby supporting the Group's strategy of expanding its income streams through capital-light development and management opportunities in high-end international destinations.

## 4.5 CATERING

Event catering services are provided under the Group's Corinthia Caterers and Catermax brands, as well as through the operation of the Costa Coffee franchise in Malta. The catering segment reported revenue of €20.86 million in FY2025, representing an increase of 6.16% over the prior year (FY2024: €19.65 million). However, at EBITDA level, the catering business reported a decline in profitability to €0.59 million compared to €0.80 million in FY2024.

For FY2026 and FY2027, the Group expects this business segment to generate revenue in excess of €20 million and EBITDA of around €0.80 million per annum.

## 5. INFORMATION RELATING TO THE ISSUER'S SECURITIES

The Issuer has five bonds which are listed on the Regulated Main Market (Official List) of the Malta Stock Exchange. The key information relating to these bonds is provided in the table below:

Security ISIN	Security	Symbol Code	Amount Outstanding	Market Price*
MT0000111303	4.00% International Hotel Investments p.l.c. Secured 2026	IH26A	€ 55,000,000	99.87%
MT0000111311	4.00% International Hotel Investments p.l.c. Unsecured 2026	IH26B	€ 60,000,000	99.89%
MT0000111337	3.65% International Hotel Investments p.l.c. Unsecured 2031	IH31A	€ 80,000,000	93.00%
MT0000111345	6.00% International Hotel Investments p.l.c. Unsecured 2033	IH33A	€ 60,000,000	103.00%
MT0000111352	5.30% International Hotel Investments p.l.c. Unsecured 2035	IH35A	€ 35,000,000	100.05%
			<b>€ 290,000,000</b>	

\*As at 21 May 2026

The authorised share capital of IHI is €1 billion. The issued share capital amounts to €615,684,920, divided into 615,684,920 ordinary shares with a nominal value of €1.00 each, all of which are fully paid up. The key market data relating to IHI's shares is set out in the table below:

International Hotel Investments p.l.c. Key Market Data For the financial year 31 December 2025		
Total number of shares in issue ('000)	[A]	615,685
Share price as at 21 May 2026 (€)	[B]	0.510
Market capitalisation (€'000)	[A multiplied by B]	313,999
Shareholders' funds (€'000)	[C]	715,521
Net asset value per share (€)	[C divided by A]	1.1622
Price-to-net asset value (times)	[A multiplied by B] divided by [C]	0.44
Profit for the year attributable to the owners of the company (€'000)	[D]	20,784
Earnings per share (€)	[D divided by A]	0.0338
Price-to-earnings ratio (times)	[A multiplied by B] divided by [D]	15.11
Gross dividend per share (€)*	[E]	0.0300
Gross dividend yield based on share price as at 21 May 2026 (%)	[E] divided by [B]	5.88

\* Gross interim dividend in respect of the 2026 financial year. Where applicable, given that the dividend was paid out of the untaxed account, a withholding tax of 15% applies to individuals resident in Malta.

## 6. RELATED PARTY DEBT SECURITIES

The table below provides a list of the outstanding debt securities of the entities related to the Group that are listed on the Regulated Main Market (Official List) of the Malta Stock Exchange:

Security ISIN	Security	Symbol Code	Amount Outstanding	Market Price*
MT0000101270	5.35% CPHCL Finance p.l.c. Unsecured & Guaranteed 2035	CF35A	€ 45,000,000	101.25%
MT0002891209	5.30% Golden Triangle p.l.c. Secured & Guaranteed 2030	GT30A	€ 42,000,000	101.00%
MT0000371303	5.25% Mediterranean Investments Holding p.l.c. Unsecured & Guaranteed 2027	MI27A	€ 30,000,000	100.00%
MT0000371311	5.85% Mediterranean Investments Holding p.l.c. Unsecured & Guaranteed 2028	MI28A	€ 20,000,000	101.70%

\*As at 21 May 2026

## 7. ECONOMIC UPDATE<sup>6</sup>

The following provides an overview of the most significant macroeconomic trends affecting IHI's principal markets.

### 7.1 BELGIUM<sup>7</sup>

The Belgian economy grew by 1% in 2025, mainly driven by robust private consumption. However, investment slowed down and the contribution of net exports remained negative. Real GDP increased by 0.2% in the first quarter of 2026. However, decreasing consumer confidence points to a slowdown in the second quarter of 2026.

Private consumption is expected to weaken over the 2026-2027 forecast period, reflecting reduced purchasing power stemming from higher inflation and lower growth in social benefits. The saving rate is set to remain stable at 12% of disposable income in 2026 and 2027. Investment is projected to grow modestly, weighed down by tighter financial conditions, uncertainty stemming from geopolitical tensions, and the surge in energy prices. Household investment is expected to decline further in 2026, as building permits continue their downward trend. Exports are expected to slightly recover as of 2026. At the same time, imports are also projected to pick up, in particular due to defence-related deliveries. As a result, net exports are set to continue contributing negatively to GDP also in 2027. Overall, real GDP growth is projected to decelerate to 0.7% in 2026, before increasing to 0.9% in 2027.

Key Economic Indicators	2023	2024	2025	2026	2027
	Actual	Actual	Actual	Projection	Projection
<b>Belgium</b>					
Real GDP growth (% year-on-year)	1.60	1.10	1.00	0.70	0.90
Inflation - HICP (% year-on-year)	2.30	4.30	3.00	3.40	2.60
Unemployment (%)	5.50	5.70	6.20	6.60	6.50
Current account balance (% of GDP)	0.10	(0.40)	(2.30)	(2.60)	(2.60)
General fiscal balance (% of GDP)	(4.10)	(4.40)	(5.20)	(5.20)	(5.40)
Gross public debt (% of GDP)	102.50	103.90	107.90	110.50	112.80

Source: European Commission, Directorate-General for Economic and Financial Affairs, 'European Economic Forecast, Spring 2026', 21 May 2026.

Employment is forecast to increase gradually over the 2026-2027 forecast period, underpinned by reforms aimed at extending careers, through the pension reform, notably the bonus-malus system, and reintegrating long-term sick employees into the labour market. Unemployment is projected to slightly increase to 6.6% in 2026, from 6.2% in 2025, before declining to 6.5% in 2027, as the two-year cap on unemployment benefits duration is expected to increase the number of active job-seekers. Wage growth is set to moderate over the 2026-2027 forecast period, mainly due to more stable inflation compared to previous years and the cap on the indexation of higher wages.

Headline inflation, based on the Harmonised Index of Consumer Price ("HICP"), is projected to rise from 3% in 2025 to 3.4% in 2026. Energy inflation is expected to rise as a result of the conflict in the Middle East. Services inflation is set to remain elevated, fuelled by rising prices for service vouchers, higher university tuition fees, and VAT increases on certain products. HICP inflation is projected to ease to 2.6% in 2027 as energy and non-energy industrial goods prices are expected to decelerate. However, this slowdown is forecast to be partly offset by higher services prices.

In 2025, the general government deficit increased significantly to 5.2% of GDP, up from 4.4% in 2024. This was driven by a strong decline in revenues, mainly from income and wealth taxes, in combination with higher expenditure in particular on defence and social benefits. The deficit is projected to stabilise at 5.2% of GDP in 2026 mainly due to measures taken by the federal and regional governments to contain spending and increase revenue. Higher expenditure on defence and interest payments is expected to partly offset reductions in current spending on social benefits, subsidies, and public sector wages. The decrease in current spending stems from a range of reforms and consolidation measures targeting pensions and labour market reintegration. At the same time, revenue as a percentage of GDP is projected to increase as a consequence of fiscal measures on VAT, capital gains tax, and financial sector taxation.

<sup>6</sup> This section is based on information available at the time of publication of the source consulted and is subject to continuous developments as macroeconomic conditions, policies, and external factors evolve.

<sup>7</sup> Source: European Commission, Directorate-General for Economic and Financial Affairs, 'European Economic Forecast, Spring 2026', 21 May 2026, available at: [https://economy-finance.ec.europa.eu/publications/european-economic-forecast-spring-2026\\_en](https://economy-finance.ec.europa.eu/publications/european-economic-forecast-spring-2026_en)

In 2027, the deficit is forecast to widen again to 5.4% of GDP, driven by higher expenditure. The decline in other current revenue and capital transfers following the end of the Recovery and Resilience Facility (“RRF”) is mirrored by lower expenditure. On the revenue side, various measures broadly offset each other. In terms of expenditure, the expected increase in defence spending and interest payments is only partially offset by a decline in intermediate consumption and public sector wages. The latter reflects slower growth in public sector employees and the partial wage indexation. Defence spending is projected to increase gradually from 1.4% of GDP in 2025 to 1.8% in 2027, taking into account the delivery timelines for military equipment.

General government gross debt stood at 107.9% of GDP as at the end of 2025. The structurally high general government deficits are the main driver of the projected increase in the debt-to-GDP ratio to 112.8% by 2027.

## 7.2 CZECH REPUBLIC<sup>8</sup>

Czech Republic’s real GDP grew by 2.6% in 2025, driven by both domestic and external demand. Growth is expected to slow down to 1.8% in 2026, under the impact of the energy price shock and a negative contribution from net exports. However, growth is projected to pick up to 2.4% in 2027, supported by solid household and government consumption, investment, and improvements in the contribution from net exports.

Household consumption was the main driver of growth in the second half of 2025, and this trend is set to continue over the 2026-2027 forecast period. Consumer confidence has improved markedly since April 2025, but was impacted by increased uncertainty and higher energy prices in April 2026. Despite these recent developments, household consumption is forecast to expand by close to 3% in both 2026 and 2027, supported by further growth in real wages and a gradual decline in households’ saving rates. In 2025, household consumption surpassed 2019 levels for the first time, following a protracted decline during the COVID-19 pandemic and the energy crisis between 2021 and 2022. Household saving rates are projected to gradually moderate, but will remain well above the historic average, due to elevated consumer uncertainty as well as to structurally larger asymmetries in the distribution of disposable income. Investment is expected to contribute positively to growth, expanding at a brisk pace in 2026 and 2027 following an increased absorption of EU funds, recovery in residential construction, and higher demand, both domestic and foreign-based, in some industrial segments.

Key Economic Indicators	2023	2024	2025	2026	2027
	Actual	Actual	Actual	Projection	Projection
<b>Czech Republic</b>					
Real GDP growth (% year-on-year)	-	1.30	2.60	1.80	2.40
Inflation - HICP (% year-on-year)	12.00	2.70	2.30	2.70	2.80
Unemployment (%)	2.60	2.60	2.80	3.10	3.20
Current account balance (% of GDP)	0.10	2.10	1.70	0.40	0.80
General fiscal balance (% of GDP)	(3.70)	(2.00)	(2.10)	(2.80)	(2.90)
Gross public debt (% of GDP)	42.20	43.30	44.30	45.80	47.20

Source: European Commission, Directorate-General for Economic and Financial Affairs, ‘European Economic Forecast, Spring 2026’, 21 May 2026.

Exports are expected to grow in 2026 and 2027, driven by fiscal expansion and higher defence spending in some key trading partners. At the same time, US tariffs, higher energy costs, and economic uncertainty are expected to weigh on export growth, especially in 2026. The strong expansion in domestic demand is expected to lead to rapid imports growth, resulting in a negative contribution of net exports to economic growth in 2026, before turning slightly positive in 2027.

The unemployment rate is projected to pick up gradually, from 2.8% in 2025 to 3.2% by 2027, though it will remain among the lowest in the EU. The recent structural changes affecting the Czech economy are reflected in employment, with higher female participation and employment in services, matched by a decline in manufacturing employment. Nominal wage growth is projected to remain markedly above inflation but is expected to gradually decline, from the 6.5% recorded in 2025 to 5.5% in 2026 and 4.9% in 2027.

HICP inflation is projected to accelerate, from 2.3% in 2025 to 2.7% in 2026, and 2.8% in 2027. The energy price shock is pushing inflation higher, directly impacting energy inflation and subsequently passing through to the other HICP components. In 2026, price increases in transport fuels and gas are expected to outweigh the decline in electricity prices due to the government taking over the payment of the renewable energy fee from consumers. Energy inflation is expected to accelerate in 2027, due to a delayed pass-through to consumer prices. Services inflation is projected to moderate in 2026, reflecting the slowing wage growth, following the same trend in 2027. Core inflation excluding energy and food is forecast above HICP inflation in 2026, at 3%, before edging down to 2.5% in 2027.

<sup>8</sup> Source: European Commission, Directorate-General for Economic and Financial Affairs, ‘European Economic Forecast, Spring 2026’, 21 May 2026, available at: [https://economy-finance.ec.europa.eu/publications/european-economic-forecast-spring-2026\\_en](https://economy-finance.ec.europa.eu/publications/european-economic-forecast-spring-2026_en)

General government deficit increased marginally to 2.1% of GDP in 2025 from 2% in 2024, on the back of higher employee pay and increased government subsidies for renewable energy sources, partially offset by higher GDP growth. Public investment increased in 2025 as percentage of GDP, supported also by the completion of projects financed by the EU. The budget deficit is forecast to increase to 2.8% of GDP in 2026, turning the fiscal stance from neutral to expansionary. The revenue-to-GDP ratio is projected to decrease, reflecting the full phase-out of the tax on energy companies' windfall profits. Expenditure is set to stay broadly unchanged as a percentage of GDP, with the growth of social benefits stabilising due to reduced pension indexation, while government employee salaries are expected to rise in line with nominal wage increases. The untargeted temporary reduction in excises on diesel taken in response to the outbreak of the war in the Middle East amounts to less than 0.1% of GDP in 2026.

The deficit is expected to rise to 2.9% in 2027. The revenue-to-GDP ratio is set to decline on the back of decreasing capital transfers from the EU, broadly offset by a decline in spending on social benefits and public investment. Public debt remains low compared to the EU average, as debt-to-GDP ratio is forecast to rise from 44.3% in 2025 to 47.2% by 2027, driven by the negative primary balance, partly offset by GDP growth.

### 7.3 HUNGARY<sup>9</sup>

Real GDP growth stood at 0.5% in 2025, supported by strong consumption which benefited from substantial wage increases and a decline in household savings. In contrast, investment declined, and exports remained sluggish due to the weak performance of manufactured goods and business services. Economic activity increased in the first quarter of 2026 by 0.8% quarter-on-quarter, due to an increase in industrial production and sustained strong performance of services.

GDP growth is forecast to gain momentum in 2026 and 2027, to 1.8% and 2.1%, respectively, underpinned by domestic demand and exports, as well as improved confidence. Consumption is expected to remain a key growth driver in 2026, supported by strong wage growth and fiscal measures. However, consumption is set to moderate in 2027 as wage growth slows down.

Investment is set to gradually recover and increase by 3.9% in 2027, driven by public investment, a pick-up in construction, supported by elevated housing demand and improving business sentiment. Export growth is projected to increase, boosted by the launch of assembly facilities in the automotive industry and the expected recovery in external demand. At the same time, elevated energy prices are set to deteriorate the terms of trade in 2026, and the current account balance is forecast to shift from a surplus of 1.7% of GDP in 2025 to a deficit of 0.2% in 2026 before returning to surplus again, of 0.5% of GDP, in 2027.

The unemployment rate declined marginally to 4.4% in 2025, from 4.5% in 2024, although the number of job vacancies fell. The unemployment rate is forecast to remain stable over the 2026-2027 forecast period, as labour hoarding decreases in line with the economic recovery. Nominal wage growth is set to remain elevated in 2026, driven by an 11% increase in the minimum wage, wage hikes in the public sector, and an overall tight labour market. However, wage growth is expected to moderate in 2027 as the one-off public-sector wage hike fades out.

Key Economic Indicators	2023	2024	2025	2026	2027
	Actual	Actual	Actual	Projection	Projection
<b>Hungary</b>					
Real GDP growth (% year-on-year)	(0.80)	0.70	0.50	1.80	2.10
Inflation - HICP (% year-on-year)	17.00	3.70	4.40	3.20	3.10
Unemployment (%)	4.10	4.50	4.40	4.50	4.40
Current account balance (% of GDP)	0.10	1.90	1.70	(0.20)	0.50
General fiscal balance (% of GDP)	(7.00)	(5.10)	(4.70)	(6.20)	(5.80)
Gross public debt (% of GDP)	73.30	73.50	74.60	75.10	76.80

Source: European Commission, Directorate-General for Economic and Financial Affairs, 'European Economic Forecast, Spring 2026', 21 May 2026.

HICP inflation averaged 4.4% in 2025, compared to 3.7% in 2024, with HICP excluding energy and food reaching 5.9%. However, by March 2026, HICP inflation declined to 2.1% owing to a decline in food inflation, modest repricing of services, and fuel price regulations which limited the impact of rising oil prices due to the conflict in the Middle East. Moreover, inflationary pressures from strong domestic demand and high wage growth were largely offset by currency appreciation. As such, HICP inflation is forecast to decrease to 3.1% by 2027, from the forecast of 3.2% in 2026, driven by the moderation of energy prices and easing wage pressures.

<sup>9</sup> Source: European Commission, Directorate-General for Economic and Financial Affairs, 'European Economic Forecast, Spring 2026', 21 May 2026, available at: [https://economy-finance.ec.europa.eu/publications/european-economic-forecast-spring-2026\\_en](https://economy-finance.ec.europa.eu/publications/european-economic-forecast-spring-2026_en)

The budget deficit narrowed from 5.1% of GDP in 2024 to 4.7% in 2025, largely due to falling interest expenditure, reflecting lower coupons on inflation-linked bonds, and cuts to public investment. In 2026, the deficit is projected to widen to 6.2% of GDP, driven by new measures targeting households and expenditure slippages. Income tax revenue is expected to decline due to the continued phasing-in of the personal income tax exemption for mothers and an increase in the family tax allowance, totalling an estimated 0.6% of GDP. In addition, the gradual introduction of a 14th month pension and new housing support measures for households and public workers are expected to increase the deficit by around 0.5% of GDP.

Further public sector wage increases, along with bonuses for military and law enforcement employees paid in January 2026 that are estimated at 0.5% of GDP, are projected to drive continued strong public wage growth. Current expenditure overruns should further add to the deficit. These are expected to be only partially offset by the extension of sectoral taxes on windfall profits into 2026 and an increase in the bank tax. Public investment is projected to increase after two years of decline. Overall, the fiscal stance is expected to be strongly expansionary in 2026.

In 2027, the deficit is projected to remain elevated at 5.8% of GDP, in part due to the increasing cost of already legislated income tax measures and the 14th month pension, alongside the expiry of sectoral taxes. Interest expenditure is projected to remain broadly stable as a share of GDP. As such, the fiscal stance is projected to be contractionary in 2027 relative to 2026.

The debt-to-GDP ratio is projected to increase over the 2026-2027 forecast period, from 74.6% in 2025 to 76.8% by 2027. The forecast increase to 75.1% of GDP in 2026 reflects the large deficit but is almost counterbalanced by the revaluation of foreign-denominated debt due to recent currency appreciation. In 2027, a stronger increase is forecast on the back of the persistently high deficit.

## 7.4 ITALY<sup>10</sup>

In 2025, real GDP grew by 0.5%, driven by a robust expansion in domestic demand but held back by foreign demand. Household consumption rose by 1.1% on the back of strong employment and wage growth, while investment grew by 3.5%. Residential construction activity contracted further, following a sharp decline in 2024, due to the protracted phasing out of tax credits for housing renovation. In contrast, non-residential construction and investment in equipment and intangibles rose steadily, buoyed by RRF funding. Growth in imports of goods and services outpaced that of exports, particularly in goods trade.

The conflict in the Middle East is expected to affect all components of demand. Private consumption is set to decelerate, owing to a reduction in real disposable income, and despite a slight drop in the saving rate. Investment growth is projected to slow compared to 2025, as housing construction falls slightly. The RRF continues to support investment in infrastructure and equipment, although the latter is set to be dampened by geopolitical tensions and rising interest rates. The impact of US tariffs and disruptions in some export markets due to the conflict in the Middle East is anticipated to further upset the goods export outlook while reducing imports. Net exports are thus expected to subtract from GDP growth over the 2026-2027 forecast period, albeit less than in 2025.

In 2027, real GDP is forecast to accelerate slightly to 0.6%, from the forecast 0.5% in 2026, as the inflationary shock eases and trade flows increase. Private consumption growth is expected to remain subdued, while investment is expected to be constrained by a slowdown in construction activity and equipment purchases following the expiry of the RRF. Net exports are set to contribute positively to GDP growth, as exports increase in line with foreign demand and imports, particularly of investment goods, decelerate.

Employment growth slowed in 2025 and is projected to remain modest over the 2026-2027 forecast period. With declining working-age population and stabilising participation rates, the unemployment rate is set to fall further to 5.7% in 2026 and 2027 from 6.1% in 2025. Wage growth is expected to moderate to below 3%, as renewed inflationary pressures are not fully passed through to wages, amid softening labour demand and the lagged, partial indexation of wage contracts.

The sharp monthly increase in energy prices as from March 2026 is expected to quickly pass through to other goods and services, driving HICP inflation to 3.2% in 2026 from 1.7% in 2025. However, the assumed moderation of energy commodity prices over the 2026-2027 forecast period is expected to bring HICP inflation below 2% in 2027, even as food and services inflation remains elevated.

Key Economic Indicators	2023	2024	2025	2026	2027
	Actual	Actual	Actual	Projection	Projection
<b>Italy</b>					
Real GDP growth (% year-on-year)	0.90	0.80	0.50	0.50	0.60
Inflation - HICP (% year-on-year)	5.90	1.10	1.70	3.20	1.80
Unemployment (%)	7.70	6.50	6.10	5.70	5.70
Current account balance (% of GDP)	0.20	1.00	1.20	0.50	0.60
General fiscal balance (% of GDP)	(7.10)	(3.40)	(3.10)	(2.90)	(2.90)
Gross public debt (% of GDP)	133.90	134.70	137.10	138.50	139.20

Source: European Commission, Directorate-General for Economic and Financial Affairs, 'European Economic Forecast, Spring 2026', 21 May 2026.

<sup>10</sup> Source: European Commission, Directorate-General for Economic and Financial Affairs, 'European Economic Forecast, Spring 2026', 21 May 2026, available at: [https://economy-finance.ec.europa.eu/publications/european-economic-forecast-spring-2026\\_en](https://economy-finance.ec.europa.eu/publications/european-economic-forecast-spring-2026_en).

In 2025, the government deficit declined to 3.1% of GDP, down from 3.4% in 2024. This improvement reflects an increase of 30 basis points of GDP in the primary surplus, which reached 0.8% of GDP, while interest expenditure remained stable at 3.9% of GDP. The strengthening of the primary balance was mainly driven by higher current revenues. In particular, a rise in social security contributions followed the 2025 changes to the tax wedge, which replaced the cuts in employee social security contributions with a permanent reduction in personal income taxation. Despite these changes, income tax revenues continued to grow, supported by favourable labour market conditions, alongside increased tax revenues from financial assets and VAT. At the same time, capital expenditure exceeded expectations, with investment spending reaching 3.8% of GDP, supported by the implementation of RRF projects, subsidies for firms' green and digital investments, and spending on housing renovation tax credits, which amounted to 0.4% of GDP, significantly higher than anticipated by the government (0.05% of GDP).

In 2026, the deficit is projected to narrow marginally, to 2.9% of GDP. Interest expenditure is set to increase by 30 basis points of GDP, due to rising yields, particularly on inflation-linked bonds. Tax revenues are expected to increase in line with nominal GDP. The 2026 budget introduced changes to income taxation, including a further cut to the labour tax wedge for middle income earners, to be fully compensated by increases in taxes for financial institutions and insurance companies. On the expenditure side, the decrease in subsidies to investments is partially compensated by further public investment, strengthened by RRF funds, and primary current expenditure. The energy support measures introduced before 4 May 2026 – amounting to 0.06% of GDP – have been entirely financed by budgetary savings.

The deficit is projected to remain stable at 2.9% of GDP in 2027. The lagged effects of higher inflation are expected to push up current expenditure, particularly on pensions, while the phase-out of RRF-related projects will lead to lower capital expenditure.

The government debt-to-GDP ratio is set to reach 139.2% by the end of 2027, from 137.1% in 2025. The increase is driven by a debt-increasing interest-growth-rate differential and large stock-flow adjustments related to the housing renovation tax credits affecting the deficit in previous years, while the debt-reducing impact of primary surpluses remains limited.

## 7.5 LIBYA<sup>11</sup>

Libya's economic performance during the first nine months of 2025 has been marked by a strong rebound in overall GDP driven primarily by the recovery and expansion of the oil sector. Following the 2024 Central Bank of Libya crisis – which triggered a sharp contraction in oil GDP and a slowed overall GDP growth – oil production surged during the first nine months of 2025, averaging 1.3 million barrels per day, an increase of 17% year-on-year. With the strong performance in oil activity, the non-oil sectors remained robust, supported by both private and public consumption. Despite persistent structural, security, and political challenges, these trends reflect the positive impact of increased investments and ongoing maintenance in oil projects, alongside gradual improvements in security conditions.

Key Economic Indicators	2022	2023	2024	2025	2026	2027
	Actual	Actual	Actual	Forecast	Projection	Projection
<b>Libya</b>						
Real GDP growth (% year-on-year)	(8.30)	10.20	1.90	13.30	3.50	3.90
Oil GDP growth (% year-on-year)	(17.00)	17.80	(5.50)	17.40	3.80	3.70
Non-Oil GDP growth (% year-on-year)	7.90	(0.60)	14.30	6.80	2.90	4.00
Inflation - CPI (% year-on-year)	4.50	2.40	2.10	2.10	2.10	2.00
Current account balance (% of GDP)	22.20	4.20	(4.30)	(2.00)	(0.80)	2.80
General fiscal balance (% of GDP)	2.70	(0.10)	0.10	3.80	3.30	4.10

Source: World Bank Group, 'Libya Economic Monitor: Setting the Path Towards Accountability and Transparency in Public Financial Management', 1 November 2025.

On the fiscal front, public finances have shown improvement, with the Government of National Unity's fiscal surplus widening to 3.6% of GDP during the first nine months of 2025, compared to 0.7% in the same period of 2024. This was achieved despite softer oil prices, as higher oil production and the April 2024 devaluation of the Libyan dinar boosted hydrocarbon revenues by 33%, offsetting declines in tax revenues. However, public expenditure continued to rise, driven by increases in the wage bill and subsidies, while capital spending declined sharply. In the external sector, the merchandise trade surplus contracted by 16% in the first half of 2025, reflecting lower oil export receipts and higher imports, particularly for development and reconstruction projects.

Looking ahead, the economy is projected to register strong growth in 2025. Real GDP is projected to grow by 13.3% in 2025, driven primarily by the boost of oil sector activities by 17.4%, and moderate to 3.5% in 2026 and 3.9% in 2027 as oil output stabilizes. The non-oil GDP is also expected to remain robust, growing by 6.8%, supported by resilient private and public consumption. The fiscal position is anticipated to improve, with the fiscal surplus reaching 3.8% of GDP in 2025 and averaging 3.5% in the medium term. Meanwhile, the current account deficit is expected to narrow to 2% of GDP in 2025, before returning to a surplus of 3% by 2027 as oil receipts recover.

However, the outlook faces significant downside and upside risks. The main challenges stem from persistent political fragmentation, institutional divisions, and the absence of a unified national budget, all of which undermine macro-fiscal management and economic stability. Externally, a sharper-than-expected slowdown in global growth or further declines in oil prices could adversely affect fiscal and external balances. Conversely, improvements in political stability or a recovery in global oil demand could boost economic prospects. In the medium term, the primary challenge remains diversifying the economy and reducing dependence on hydrocarbons, while climate-related shocks and regional instability add further layers of risk to Libya's economic trajectory.

<sup>110</sup> Source: World Bank Group, 'Libya Economic Monitor: Setting the Path Towards Accountability and Transparency in Public Financial Management', 1 November 2025, available at: <https://openknowledge.worldbank.org/server/api/core/bitstreams/86fffd45-7610-4a69-bb3c-9fa1dbfa6664/content>.

## 7.6 MALTA<sup>12</sup>

Following a 4% expansion in 2025, real GDP is expected to grow by 3.7% in 2026, despite heightened economic uncertainty. This growth is driven by robust private and public consumption, and is further underpinned by a solid performance in key export sectors.

Malta's robust economic performance is rooted in its strong services sectors, such as recreational, professional, IT, and financial services. The contribution of net exports to growth is positive, resulting from large net positive services trade outweighing the negative balance of trade in goods. The growth of the tourism sector outperformed expectations in 2025 and is expected to maintain momentum in 2026, despite the increased geopolitical uncertainty.

As real wages are forecast to continue increasing, private consumption is set to grow by 3.3% in 2026 and 3.5% in 2027. After a strong increase by 5.9% in 2025, government consumption growth is expected to slow down to 4.6% in 2026 and 3.9% in 2027, still providing a notable contribution to GDP growth. After a small contraction in 2025, investment is expected to return to growth by 2% in 2026 and 4% in 2027 on account of stronger public investment. Real GDP growth is forecast to slow somewhat to 3.6% in 2027, reflecting expectations of more pronounced effects of labour shortages and an expected slowdown in external demand.

Employment grew by 3.9% in 2025, underpinned by inflows of foreign workers. This, however, did not lead to decreasing labour shortages, as vacancy rates continued to increase. Employment growth is expected to slow to 3.2% in 2026 and 3.1% in 2027 in line with the moderation in economic activity. The unemployment rate is expected to remain very low at 3%. After the majority of collective wage agreements in the public sector were finalised, the nominal wage growth per employee averaged 4.2% in 2025 and is forecast to moderate to 3.5% in 2026 and 2.1% in 2027.

Inflation is expected to pick up to 2.7% in 2026 after reaching 2.4% in 2025, as the international energy prices shock indirectly drives up transport, food, and services inflation. The direct effect on local energy inflation of global energy prices increases is neutralised by the measures of the Maltese authorities to keep retail energy prices unchanged. HICP inflation is expected to drift lower to 2.3% in 2027.

Key Economic Indicators	2023	2024	2025	2026	2027
	Actual	Actual	Actual	Projection	Projection
<b>Malta</b>					
Real GDP growth (% year-on-year)	10.60	6.20	4.00	3.70	3.60
Inflation - HICP (% year-on-year)	5.60	2.40	2.40	2.70	2.30
Unemployment (%)	3.50	3.20	3.10	3.00	3.10
Current account balance (% of GDP)	5.80	6.50	8.30	6.30	6.10
General fiscal balance (% of GDP)	(4.40)	(3.40)	(2.20)	(2.20)	(2.10)
Gross public debt (% of GDP)	46.90	45.90	46.40	46.20	46.20

**Source:** European Commission, Directorate-General for Economic and Financial Affairs, 'European Economic Forecast, Spring 2026', 21 May 2026.

In 2025, the general government deficit fell to 2.2% of GDP from 3.4% in 2024. This was due to strong government revenue growth, driven by nominal GDP growth and significant tax windfalls. Government expenditure continued to increase significantly, with substantial increases in the government's wage bill and intermediate consumption, as well as a one-off expenditure arising from a court decision.

In 2026, the government deficit is forecast to remain stable at 2.2% of GDP. Weaker growth in income tax intakes is foreseen due to the reduction in personal income tax rates. Government expenditure is expected to continue increasing significantly in 2026, including as a result of the higher cost of energy subsidies. The deficit is set to fall to 2.1% of GDP in 2027, as public sector wage growth is expected to moderate while subsidies and intermediate consumption as a share of GDP are also expected to decrease.

The public debt-to-GDP ratio is expected to stabilise at 46.2% over the 2026-2027 forecast period compared to 45.9% in 2024 and 46.4% in 2025.

## 7.7 PORTUGAL<sup>13</sup>

Portugal's economy faced a series of unexpected shocks at the beginning of 2026, starting with severe storms in January and February, followed by a steep surge in energy prices in March and April. Consequently, the economic sentiment deteriorated and GDP growth slowed from 0.9% quarter-on-quarter in Q4 2025 to a preliminarily estimated standstill in Q1 2026. Although retail sales remained resilient, consumer confidence dropped to a two-year low. However, the business sentiment indicators, particularly in the services sector, regained ground after a dip in January, pointing to the resilience of the economy. Overall, domestic demand continued to contribute positively to growth in Q1 2026, despite the slowdown from the previous quarter, while the contribution of net exports remained negative.

<sup>12</sup> **Source:** European Commission, Directorate-General for Economic and Financial Affairs, 'European Economic Forecast, Spring 2026', 21 May 2026, available at: [https://economy-finance.ec.europa.eu/publications/european-economic-forecast-spring-2026\\_en](https://economy-finance.ec.europa.eu/publications/european-economic-forecast-spring-2026_en)

<sup>13</sup> **Source:** European Commission, Directorate-General for Economic and Financial Affairs, 'European Economic Forecast, Spring 2026', 21 May 2026, available at: [https://economy-finance.ec.europa.eu/publications/european-economic-forecast-spring-2026\\_en](https://economy-finance.ec.europa.eu/publications/european-economic-forecast-spring-2026_en)

Economic growth is projected to gradually improve in quarter-on-quarter terms over the 2026-2027 forecast period, helped by repair works following the storm damage and the expected peak in the use of RRF funds in 2026. However, elevated energy prices are still set to weigh negatively, particularly in Q2 2026. In full-year terms, growth is forecast to drop only marginally from 1.9% in 2025 to 1.7% in 2026, before rebounding slightly to 1.8% in 2027. Investments are projected to benefit substantially from the RRF cycle in 2026, partly offsetting the negative investment sentiment in the private sector. In 2027, the steep fall in RRF-related investments is projected to be partly offset by a rebound in EU structural funds and improving sentiment in the private sector. The current account surplus is forecast to move very close to a balanced position in 2026 and 2027, as imports are set to continue growing faster than exports while the negative energy price effect in 2026 is only expected to be partly recovered in 2027.

Key Economic Indicators	2023	2024	2025	2026	2027
	Actual	Actual	Actual	Projection	Projection
<b>Portugal</b>					
Real GDP growth (% year-on-year)	3.10	2.20	1.90	1.70	1.80
Inflation - HICP (% year-on-year)	5.30	2.70	2.20	3.00	2.30
Unemployment (%)	6.50	6.50	6.00	5.90	5.80
Current account balance (% of GDP)	0.40	2.00	1.00	0.10	0.20
General fiscal balance (% of GDP)	1.10	0.60	0.70	(0.10)	(0.40)
Gross public debt (% of GDP)	96.90	93.50	89.70	87.60	86.00

Source: European Commission, Directorate-General for Economic and Financial Affairs, 'European Economic Forecast, Spring 2026', 21 May 2026.

After a strong increase in 2025, employment growth is projected to moderate in 2026, reflecting the weaker economic outlook and slower migration inflows, which are expected to limit labour supply. Wage growth is also projected to slow down but to continue exceeding inflation, as the labour market remains relatively tight amid a record-high employment rate. Despite the country's low job vacancy rate overall, significant labour shortages are reported in construction, IT, and medical services. Unemployment is forecast to edge down from 6% in 2025 to 5.9% in 2026 and 5.8% in 2027. Unit labour costs are set to moderate, broadly in line with developments in main trading partners.

HICP inflation increased from 2.2% in 2025 to 2.7% year-on-year in March 2026 due to a steep rise in international energy prices. The main transmission channel was limited to fuel prices while wholesale electricity prices remained comparatively low in Portugal, benefiting from the high level of water reservoirs and the high share of renewables in the domestic power production. HICP inflation is expected to peak in Q2 2026 and to gradually recede afterwards as the spike in energy prices is set to have only a moderate lagged effect on energy-intensive goods and services. In full-year terms, HICP inflation is forecast to reach 3% in 2026 before decreasing to 2.3% in 2027. Core inflation excluding energy and food is set to increase at a slower pace to 2.4% in both 2026 and 2027.

The budget balance in 2025 turned out better than expected, with Portugal recording a surplus of 0.7% of GDP. This outcome was driven by lower-than-initially budgeted capital expenditure, also related to RRF loans, despite a 30 basis points increase compared to 2024. In addition, tax revenues and social contributions each grew by 20 basis points of GDP, benefitting from the sustained economic activity and dynamic labour market whereas interest expenditure was 10 basis points of GDP lower.

The general government surplus is forecast to slip into a deficit of 0.1% of GDP in 2026 and 0.4% of GDP in 2027. In 2026, the expected decline reflects the impact of government support measures taken in response to the series of storms in January and February. The decline of the general government balance in 2026 and 2027 also results from previously introduced balance-deteriorating measures such as reductions in personal and corporate income tax rates.

Public debt fell from 93.5% of GDP in 2024 to 89.7% of GDP in 2025. Over the 2026-2027 forecast period, the downward trend is projected to continue, albeit at a slower pace. Indeed, public debt is forecast to reach 87.6% of GDP in 2026 and 86% of GDP in 2027 on the back of persisting primary balance surpluses and favourable growth-interest rate differentials.

## 7.8 RUSSIA<sup>14</sup>

Russian economic growth slowed sharply to 1% in 2025, from 4.9% in 2024, as the country's full-scale war in Ukraine increasingly took its toll domestically. Growth slowed in all GDP components, with investment growth down to -0.4%. Accordingly, the Russian economy is by now two-tiered, with a military industrial complex that remains supported by government contracts and has access to preferential lending, while civilian industries are crowded out. Growth in both private and government consumption roughly halved in 2025 compared to 2024. Relatively resilient private consumption in particular was key in preventing an even more marked deceleration in economic activity in 2025, as a persistently tight labour market continued to drive real wage increases. The macroeconomic imbalances that built over the last few years have widened, exacerbated by sanctions from the EU and its allies, as reflected in particular by the deteriorating fiscal situation and rising private debt levels.

<sup>14</sup> Source: European Commission, Directorate-General for Economic and Financial Affairs, 'European Economic Forecast, Spring 2026', 21 May 2026, available at: [https://economy-finance.ec.europa.eu/publications/european-economic-forecast-spring-2026\\_en](https://economy-finance.ec.europa.eu/publications/european-economic-forecast-spring-2026_en)

High-frequency indicators point to a continued weak performance in the first quarter of 2026. Real year-on-year GDP growth dropped to -0.3% in Q1 2026, after two extraordinarily weak months in January with -1.8% year-on-year growth and in February with -1.1%. The manufacturing Purchasing Managers' Index has remained in contractionary territory since June 2025, decreasing again to 48.1 points in April 2026. Business confidence dropped to its lowest value since late 2022. On the household side, retail sales growth slowed in January and February to around 2%, but picked up again in March at 6.2%, supported by solid real wage growth in early 2026.

The surge of hydrocarbon prices caused by the conflict in the Middle East is set to support Russian GDP through different channels, however, much of the effect of the windfall gains is expected to be muted as structural weaknesses persist. Investment is forecast to start growing slowly again due to improved monetary conditions and the hydrocarbon windfall gains, although most of the latter is expected to be used to meet the established federal budget deficit targets and to reduce the corporate debt burden. Private consumption growth is forecast to moderate further, as wage growth is set to slow despite the oil price boom and consumer sentiment has worsened. Only a slight increase in export volumes is forecast, as oil production is close to potential and limited by OPEC+ quotas. Overall, GDP growth is projected to pick up to 1.3% in 2026 before slowing to 1.1% in 2027.

Key Economic Indicators	2023	2024	2025	2026	2027
	Actual	Actual	Actual	Projection	Projection
<b>Russia</b>					
Real GDP growth (% year-on-year)	4.10	4.90	1.00	1.30	1.10
Inflation - CPI (% year-on-year)	5.90	8.40	8.70	5.70	4.80
Unemployment (%)	3.20	2.50	2.20	2.30	2.40
Current account balance (% of GDP)	2.40	2.90	1.70	3.80	2.10
General fiscal balance (% of GDP)	(2.20)	(1.60)	(3.20)	(2.20)	(2.80)
Gross public debt (% of GDP)	15.20	14.80	17.50	18.90	21.20

Source: European Commission, Directorate-General for Economic and Financial Affairs, 'European Economic Forecast, Spring 2026', 21 May 2026.

Partly driven by a 2 percentage points VAT hike, the disinflationary process observed since March 2025 halted in January 2026, when inflation rose 40 basis points to 6% year-on-year, to remain broadly unchanged in February 2026 and March 2026. The labour market remains tight, with average unemployment in 2025 at a historic low of 2.2% and projected to only edge up marginally to 2.4% by 2027. Continued military spending, paired with the projected limited pickup in economic activity due to the increase in oil and gas prices, is set to exert further upward price pressures. First round price effects of the commodity shock are expected to be largely muted due to fuel subsidies. For these reasons the central bank has so far only cautiously cut its policy interest rate, resulting in still high real interest rates. In sum, inflation is expected to stay on its downward trajectory, averaging 5.7% in 2026 and 4.8% in 2027.

Russia ran its largest federal budget deficit since the pandemic in 2025 at 3.2% of GDP, as low global oil prices, a strong Ruble, and Western sanctions weighed on federal oil and gas revenues, which fell by 24% year-on-year. In Q1 2026, oil and gas revenues slumped even more drastically, by 45% year-on-year. The conflict in the Middle East materially changed that situation as Russia's official federal budget for 2026 and 2027 seems more attainable. However, budgeted expenditures in the context of Russia's ongoing war in Ukraine seem unrealistically low and are expected to see upward deviations. In combination, these forces would result in a projected general government deficit of 2.2% for 2026 and 2.8% for 2027, which would cause general government gross debt to increase to 18.9% in 2026 and 21.2% in 2027.

## 7.9 UNITED KINGDOM<sup>15</sup>

Real GDP grew by 1.4% in 2025, driven primarily by domestic demand. Gross fixed capital formation expanded by 3.4%, reflecting a pickup in both public and private investment, and public consumption rose by 1.7%. Private consumption was more muted, at 1%, as households continued to rebuild their balance sheets. Net exports subtracted from growth as imports expanded more quickly than exports. The energy price shock that emerged in early 2026 is expected to have a notable but transitory impact on both growth and inflation, as the UK enters this period in a materially different position than in 2022. Gas demand has fallen since the last energy crisis and the transmission into broader electricity prices has been reduced. Moreover, second-round effects on inflation are expected to be low as the labour market has loosened, the output gap is assessed as negative, and the fiscal stance is restrictive rather than supportive, all of which point to demand-side weakness.

<sup>15</sup> Source: European Commission, Directorate-General for Economic and Financial Affairs, 'European Economic Forecast, Spring 2026', 21 May 2026, available at: [https://economy-finance.ec.europa.eu/publications/european-economic-forecast-spring-2026\\_en](https://economy-finance.ec.europa.eu/publications/european-economic-forecast-spring-2026_en)

Key Economic Indicators	2023	2024	2025	2026	2027
	Actual	Actual	Actual	Projection	Projection
<b>United Kingdom</b>					
Real GDP growth (% year-on-year)	0.30	1.10	1.40	0.70	1.20
Inflation - CPIH (% year-on-year)	6.80	3.30	3.90	3.20	1.90
Unemployment (%)	4.00	4.30	4.80	5.20	5.00
Current account balance (% of GDP)	(3.60)	(3.00)	(2.40)	(2.70)	(2.60)
General fiscal balance (% of GDP)	(6.00)	(6.10)	(5.50)	(4.90)	(4.50)
Gross public debt (% of GDP)	98.80	99.80	102.20	103.80	104.90

Source: European Commission, Directorate-General for Economic and Financial Affairs, 'European Economic Forecast, Spring 2026', 21 May 2026.

GDP growth is projected at 0.7% in 2026. Private consumption is expected to slow to 0.6% as real incomes are weakened by higher energy and food prices. Investment growth is set to moderate to 1.1%, with business investment dampened by persistent uncertainty and weaker external demand. Export growth is expected to slow to 0.7% as external conditions deteriorate, while imports decelerate more sharply in line with the weak domestic demand. Conversely, public consumption is set to continue to support activity, at 1.8%. Growth is projected to recover to 1.2% in 2027 as the energy shock unwinds and household consumption strengthens. The saving rate, which stood at 9.8% of disposable income in 2025, is expected to ease only gradually to 8.4% by 2027, as households remain cautious in the face of elevated inflation and uncertainty.

The labour market continued to loosen through 2025, with unemployment rising to 4.8% from 4.3% in 2024. The unemployment rate is projected to reach 5.2% in 2026, before edging back to 5% in 2027. Employment is expected to contract slightly in 2026, consistent with weaker activity and the continued unwinding of labour hoarding accumulated post-pandemic, growing modestly by 0.3% in 2027. Compensation per employee is projected to decelerate sharply, from 5.7% in 2025 to 2.9% in 2026 and 2.7% in 2027, reflecting easing wage pressures as slack accumulates. Similarly, unit labour cost growth is expected to moderate from 5.9% in 2025 to 2% in 2026 and 1.8% in 2027.

Inflation, as measured by the Consumer Price Index which includes costs of owner-occupied housing ("CPIH"), is projected at 3.2% in 2026, before falling to 1.9% in 2027, reflecting the pass-through of higher oil and food prices. Overall, underlying inflation continues to be sticky as services inflation in particular has shown limited progress in coming down. Furthermore, household inflation expectations have risen markedly recently following the upsurge in the price of oil, thus raising the risk of a slower return to target.

The general government deficit is projected to narrow from 5.5% in 2025 to 4.9% in 2026 and 4.5% in 2027. Frozen personal income tax thresholds provide most of the revenue increase as higher nominal wages push employees into higher tax bands. On the expenditure side, inflation-linked welfare spending is set to rise steadily in 2026, partially offsetting the revenue gains. The energy relief package announced in response to the recent energy shock is expected to be targeted at vulnerable households and materially smaller than the largely universal support measures deployed in 2022. This is consistent with the government's commitment to the fiscal rule and to preserving market confidence after the gilt market dislocation of autumn 2022. Despite the declining deficit, general government gross debt continues to rise, from 102.2% of GDP in 2025 to 103.8% in 2026 and 104.9% in 2027, as primary balances remain insufficient to stabilise the debt ratio at prevailing interest costs.

## PART 2 – FINANCIAL REVIEW

### 8. FINANCIAL ANALYSIS

The historical information is extracted from the audited consolidated annual financial statements of IHI for the years ended 31 December 2023, 31 December 2024, and 31 December 2025.

**The forecast and projected information for the financial years ending 31 December 2026 and 31 December 2027 has been provided by the Group and is based on future events and assumptions which the Issuer believes to be reasonable. However, actual outcomes may be adversely affected by unforeseen circumstances, and the variation between forecasts and projections with actual results could be material.**

**The estimates presented in this Analysis assume that the carrying values of the Group's hotels and investment properties will not be revalued upwards or impaired, and therefore no adjustments have been made as to possible uplifts or impairments in value of assets which can materially affect the values in the Statement of Comprehensive Income and the Statement of Financial Position.**

#### THE GROUP'S OPERATIONS IN LIBYA

Note 5 to the 2025 Annual Report and Financial Statements outlines the significant uncertainties and judgments associated with the valuation of the Group's assets in Libya. These uncertainties directly affect the projected cash flows from related operations, which are themselves influenced by the timing of a recovery in the country. As a result, various plausible scenarios could materially impact the financial performance of the Group's operations in Libya and the valuation of the associated assets. This matter is considered fundamental to stakeholders due to the potential effects that these uncertainties could have on the valuation of the Group's assets in Libya and the recoverability of certain debtors. As at 31 December 2025, the Group's assets in Libya were carried at €193.52 million<sup>16</sup> (31 December 2024: €191.89 million), whilst the aggregate amount of inventories and trade receivables, net of provisions, stood at €3.70 million (31 December 2024: €3.80 million).

#### THE GROUP'S OPERATIONS IN RUSSIA

Note 5 to the 2025 Annual Report and Financial Statements also addresses the prevailing circumstances in Russia and the higher element of uncertainties surrounding the valuation of the Group's assets in this country. Following the military conflict that erupted between Russia and Ukraine in February 2022, international sanctions were imposed on Russia, along with countersanctions introduced by the Russian government. These measures continue to evolve, making it challenging to assess their full impact on the Group. To navigate these complexities, the Group has engaged international legal advisors to help manage the implications of the sanctions.

The Corinthia Hotel St Petersburg and adjoining commercial centre have remained fully operational despite the adverse circumstances. However, future operational income remains uncertain, as the level of business activity depends on the duration and developments of the conflict. Additionally, the ongoing situation has led to increased volatility in the Rouble exchange rate, which may further influence the valuation and contribution amounts reported in the Group's financial statements.

As at 31 December 2025, the Group's assets in Russia were carried at €110.45 million, compared to just over €100 million as at the end of FY2024, despite the sale during FY2025 of the Group's 10% shareholding in a mixed-use real estate project in Moscow, which was concluded at a profit. CHL also terminated the hotel management agreement associated with this project.

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<sup>16</sup> These comprise Corinthia Hotel Tripoli (€69.25 million), Tripoli Commercial Centre (€90.30 million) and the adjoining site (€29.50 million), as well as the investment in MTJSC (€4.47 million).

International Hotel Investments p.l.c.					
Statement of Total Comprehensive Income					
For the financial year 31 December					
	2023	2024	2025	2026	2027
	Actual	Actual	Actual	Forecast	Projection
	€'000	€'000	€'000	€'000	€'000
Revenue	287,773	306,788	335,340	365,999	398,007
Costs of providing services	(151,241)	(158,082)	(177,748)	(187,016)	(184,771)
<b>Gross profit</b>	<b>136,532</b>	<b>148,706</b>	<b>157,592</b>	<b>178,983</b>	<b>213,236</b>
Marketing and administrative expenses	(58,825)	(68,649)	(76,782)	(80,474)	(86,413)
Other operating costs	(17,382)	(17,677)	(18,893)	(22,854)	(24,683)
<b>EBITDA</b>	<b>60,325</b>	<b>62,380</b>	<b>61,917</b>	<b>75,655</b>	<b>102,140</b>
Depreciation and amortisation	(27,592)	(28,468)	(29,791)	(37,094)	(36,619)
<b>Adjusted operating profit</b>	<b>32,733</b>	<b>33,912</b>	<b>32,126</b>	<b>38,561</b>	<b>65,521</b>
Adjustments in value of property and intangible assets	5,018	12,434	18,374	-	-
Changes in value of indemnification assets	-	-	(968)	-	-
Other operational exchange gains / (losses)	(1,246)	812	432	-	-
<b>Operating profit</b>	<b>36,505</b>	<b>47,158</b>	<b>49,964</b>	<b>38,561</b>	<b>65,521</b>
Share of net profit / (loss) of associates and joint ventures	(25)	(15)	332	2,235	4,755
Net finance costs	(37,488)	(42,689)	(42,096)	(45,543)	(45,348)
Other	(3,118)	(2,112)	1,053	2,298	-
<b>Profit / (loss) before tax</b>	<b>(4,126)</b>	<b>2,342</b>	<b>9,253</b>	<b>(2,449)</b>	<b>24,928</b>
Taxation	(7,177)	(3,588)	1,954	2,959	(6,283)
<b>Profit / (loss) for the year</b>	<b>(11,303)</b>	<b>(1,246)</b>	<b>11,207</b>	<b>510</b>	<b>18,645</b>
<b>Other comprehensive income / (expense)</b>					
Gross surplus / (impairment) on revaluation of hotel properties	62,495	75,894	8,403	-	-
Other effects, currency translation differences, and taxation	(32,736)	(620)	(10,943)	-	-
	<b>29,759</b>	<b>75,274</b>	<b>(2,540)</b>	-	-
<b>Total comprehensive income for the year</b>	<b>18,456</b>	<b>74,028</b>	<b>8,667</b>	<b>510</b>	<b>18,645</b>

International Hotel Investments p.l.c.					
Key Financial Ratios					
	FY2023	FY2024	FY2025	FY2026	FY2027
	Actual	Actual	Actual	Forecast	Projection
Gross profit margin (%) (Gross profit / revenue)	47.44	48.47	46.99	48.90	53.58
EBITDA margin (%) (EBITDA / revenue)	20.96	20.33	18.46	20.67	25.66
Operating profit margin (%) (Adjusted operating profit / revenue)	11.37	11.05	9.58	10.54	16.46
Net profit margin (%) (Profit after tax / revenue)	(3.93)	(0.41)	3.34	0.14	4.68
Return on equity (%) (Profit after tax / average equity)	(1.37)	(0.14)	1.23	0.06	2.05
Return on assets (%) (Profit after tax / average assets)	(0.66)	(0.07)	0.57	0.03	0.93
Return on invested capital (%) (Adjusted operating profit / average invested capital)	2.28	2.20	1.99	2.30	3.76
Interest cover (times) (EBITDA / net finance costs)	1.61	1.46	1.47	1.66	2.25

## STATEMENT OF COMPREHENSIVE INCOME

In **FY2025**, IHI generated revenue of €335.34 million, representing an increase of 9.31% over the €306.79 million figure recorded in FY2024. The year-on-year improvement was principally driven by stronger revenue across the Group's main operating segment, hotel operations, where revenue increased by 7.22% to €280.79 million (FY2024: €261.88 million). Project management services, provided by QP, and catering revenue also trended higher, by 30.27% and 6.16% to €13.26 million (FY2024: €10.18 million) and €20.86 million (FY2024: €19.65 million), respectively. Rental income also increased, moving from €12.94 million in FY2024 to €15.65 million in FY2025. Conversely, income from hotel management services drifted marginally lower to €19.05 million compared to €19.47 million in FY2024.

Costs of providing services increased by 12.44%, from €158.08 million in FY2024 to €177.75 million in FY2025. As the increase in costs exceeded the rate of revenue growth, gross profit rose by a more modest 5.98% to €157.59 million from €148.71 million in the prior year. Consequently, the gross profit margin contracted to just under 47% compared to 48.47% in FY2024.

Marketing and administrative expenses increased by 11.85%, to €76.78 million (FY2024: €68.65 million), whilst other operating costs increased by 6.88% to €18.89 million (FY2024: €17.68 million). As a result, EBITDA decreased marginally by 0.74% to €61.92 million compared to €62.38 million in FY2024. The EBITDA margin consequently declined to 18.46% from 20.33% in FY2024.

The reported EBITDA performance was materially affected by pre-opening and ramp-up costs relating to the Corinthia Grand Hotel Astoria Brussels and Corinthia Hotel Rome. In aggregate, these costs amounted to €12.75 million in FY2025, compared to €7.40 million in FY2024. Excluding these costs, normalised EBITDA increased from €69.78 million in FY2024 to €74.66 million in FY2025, representing an increase of just over 7%.

Depreciation and amortisation increased by 4.65% to €29.79 million (FY2024: €28.47 million). Consequently, adjusted operating profit declined by 5.27% to €32.13 million compared to €33.91 million in FY2024. The adjusted operating profit margin decreased to 9.58% from 11.05% in FY2024, reflecting the weaker reported EBITDA together with the higher depreciation and amortisation charge. The return on invested capital ("ROIC") also eased to 1.99% compared to 2.20% in FY2024.

Operating profit increased to €49.96 million from €47.16 million in FY2024, representing year-on-year growth of 5.95%. This improvement was driven by the higher positive adjustment in the value of property and intangible assets, which amounted to €18.37 million compared to €12.43 million in FY2024. The FY2025 fair value adjustment comprised €13.30 million in relation to Grand Hotel Prague Towers, €4 million in relation to the Tripoli Commercial Centre, and €1.07 million in relation to Craven House in London. This positive fair value movement more than offset the negative €0.97 million movement in indemnification assets and the reduction in other operational exchange gains to €0.43 million from €0.81 million in FY2024.

The Group's share of results from associates and joint ventures improved from a marginal loss of €0.02 million in FY2024 to a profit of €0.33 million in FY2025. Net finance costs decreased slightly to €42.10 million from €42.69 million, whilst the interest cover ratio remained broadly stable at 1.47 times. Other income amounted to €1.05 million compared to an expense of €2.11 million in FY2024.

Overall, profit before tax improved significantly to €9.25 million compared to €2.34 million in FY2024. The Group also recognised a tax credit of €1.95 million in FY2025, compared to a tax charge of €3.59 million in the prior year. Consequently, IHI reported a profit for the year of €11.21 million compared to a loss of €1.25 million in FY2024. The net profit margin improved to 3.34%, whilst the return on equity ("ROE") and the return on assets ("ROA") moved to 1.23% and 0.57%, respectively.

Within other comprehensive items, the Group recorded an expense of €2.54 million, compared to an income of €75.27 million in FY2024, notwithstanding a gross surplus on revaluation of hotel properties of €8.40 million. The latter comprised an increase of €12.11 million on Radisson Blu Resort St Julian's, €12 million on Corinthia Oasis, €3.96 million on Corinthia Hotel St Petersburg, and €1 million on Corinthia Hotel Lisbon. These gains were, however, partially offset by a €20.66 million fair value loss on Corinthia Hotel London.

Other effects within comprehensive items comprised currency translation differences and taxation, which amounted to a negative €10.94 million compared to a negative €0.62 million in FY2024. Within this movement, the Group recorded a combined currency translation loss of €10.30 million, relative to a gain of €15.05 million registered in FY2024. The weakening of the Pound Sterling against the Euro resulted in a translation loss on the Group's investments in London. This was partially offset by the strengthening of the Russian Rouble in relation to the Group's operations in Russia. As a result, total comprehensive income decreased materially to €8.67 million from €74.03 million in FY2024.

For **FY2026**, IHI is forecasting revenue growth of 9.14% to just under €366 million. The increase is expected to be driven by hotel operations, where revenue is forecast to rise by 5.12% to €295.17 million, hotel management services, where revenue is forecast to increase by 30.87% to €24.93 million, and project management services, where revenue is expected to surge to €25.16 million. Rental income is expected to remain broadly stable at €15.86 million, whilst catering revenue is projected to ease slightly to €20.46 million.

Gross profit is forecast to increase by 13.57% to €178.98 million, outpacing the projected increase in revenue. Accordingly, the gross profit margin is expected to improve to 48.90%.

Despite an aggregate increase of 8% in marketing, administrative and other operating costs to €103.33 million, EBITDA is forecast to rise by 22.19% to €75.66 million, whilst the EBITDA margin is expected to improve to 20.67%. This anticipated improvement reflects both revenue growth and a more effective operating cost structure, with the positive operating leverage expected to offset the forecast increase in overheads.

Adjusted operating profit is projected to increase by 20.03% to €38.56 million, notwithstanding a considerable rise in depreciation and amortisation to €37.09 million, reflecting higher charges on the Group's newest investments. The adjusted operating profit margin and ROIC are forecast to edge higher to 10.54% and 2.30%, respectively.

In the absence of any fair value adjustments, which amounted to €18.37 million in FY2025, operating profit is expected to trend lower year-on-year in FY2026. Meanwhile, the share of profit from associates and joint ventures is expected to increase markedly to €2.24 million, reflecting the first contributions from Corinthia Hotel Lisbon (28% shareholding) and MIH (25% shareholding). Net finance costs are expected to increase to €45.54 million, however, the interest cover is projected to improve to 1.66 times, supported by the stronger EBITDA base.

After accounting for other gains of €2.30 million, mainly related to the sale of the Group's 10% shareholding in a mixed-use real estate project in Moscow, IHI is forecast to register a loss before tax of €2.45 million. However, in view of the projected tax credit of €2.96 million, the Group is expected to register a profit for the year of €0.51 million. The net profit margin is therefore forecast at 0.14%, whilst ROE and ROA are expected to stand at 0.06% and 0.03%, respectively.

In FY2027, the Group is projecting further revenue growth of 8.75% to €398.01 million. Hotel operations are expected to remain the principal contributor, with revenue projected to increase by almost 9% to €321.71 million. Hotel management services are forecast to grow by 26.09% to €31.43 million, whilst project management revenue is projected to remain broadly stable at €25 million. Catering revenue is expected to amount to €20.87 million, in line with the prior year, whilst rental income is projected at €15.82 million.

Gross profit is projected to rise by 19.14% to €213.24 million, with the gross profit margin improving materially to 53.58%. Despite an aggregate increase of 7.52% in marketing, administrative, and other operating costs to €111.10 million, EBITDA is expected to surge by just over 35% to €102.14 million, resulting in an EBITDA margin of 25.66%.

After accounting for depreciation and amortisation charges of €36.62 million, adjusted operating profit is projected to reach €65.52 million, representing growth of nearly 70% over the FY2026 forecast. Accordingly, the adjusted operating profit margin is projected to strengthen significantly to 16.46%, whilst ROIC is anticipated to rise to 3.75%.

The share of profit from associates and joint ventures is expected to increase further to €4.76 million, reflecting a full twelve-month contribution from Corinthia Hotel Lisbon and MIH, with both associates also projected to perform better year-on-year. Meanwhile, net finance costs are set to remain stable at €45.35 million, whilst interest cover is projected to improve notably to 2.25 times on the back of the solid growth in EBITDA.

Overall, the Group is projecting profit before tax of €24.93 million. After accounting for a tax charge of €6.28 million, profit for the year is expected to amount to €18.65 million, which would translate into a net profit margin of 4.68%, and a ROE and ROA of 2.04% and 0.92%, respectively.

International Hotel Investments p.l.c.					
Statement of Cash Flows					
For the financial year 31 December	2023	2024	2025	2026	2027
	Actual	Actual	Actual	Forecast	Projection
	€'000	€'000	€'000	€'000	€'000
Net cash from operating activities	54,593	53,070	81,507	64,461	100,911
Net cash from / (used in) investing activities	(54,066)	(68,017)	(24,055)	34,646	(56,464)
Net cash from / (used in) financing activities	19,180	(5,067)	(29,305)	(144,453)	(31,825)
<b>Net movement in cash and cash equivalents</b>	<b>19,707</b>	<b>(20,014)</b>	<b>28,147</b>	<b>(45,346)</b>	<b>12,622</b>
Cash and cash equivalents at beginning of year	55,740	78,533	62,448	83,865	38,519
Effect of translation to the presentation currency	3,086	3,929	(6,730)	-	-
<b>Cash and cash equivalents at end of year</b>	<b>78,533</b>	<b>62,448</b>	<b>83,865</b>	<b>38,519</b>	<b>51,141</b>
Net capital expenditure*	56,452	69,710	24,745	(32,958)	59,940
<b>Free cash flow</b>	<b>(1,859)</b>	<b>(16,640)</b>	<b>56,762</b>	<b>97,419</b>	<b>40,971</b>

\* Calculated as gross capital expenditure minus the proceeds from the disposal of fixed and, or intangible assets.

## STATEMENT OF CASH FLOWS

In FY2025, the Group registered a marked improvement in cash generation from operating activities, with net cash inflows increasing by €28.44 million to €81.51 million compared to €53.07 million in FY2024. This stronger operating cash flow performance was achieved despite a decline in pre-working capital operating cash flows, which eased to €61.35 million from €62.98 million in FY2024. On the other hand, IHI recorded a material working capital release of €23.94 million compared to an outflow of €7.73 million in FY2024, albeit this was partly offset by higher tax payments of €3.77 million compared to €2.18 million in the prior year.

Net cash used in investing activities declined sharply to €24.06 million in FY2025 from €68.02 million in FY2024, representing a year-on-year reduction in investment cash outflows of €43.96 million. This was principally attributable to a much lower level of net capital expenditure, which amounted to €24.75 million in FY2025 compared to €69.71 million in FY2024, with the latter particularly impacted by the Group's investment in the Corinthia Grand Hotel Astoria Brussels. Interest received increased to €2.35 million from €1.69 million in FY2024, partly offset by a €1.66 million outflow in respect of financial assets.

Free cash flow improved significantly in FY2025, turning positive at €56.76 million compared to a negative free cash flow position of €16.64 million in FY2024. This shift was driven by the combined effect of stronger operating cash inflows and a much lower net capital expenditure requirement.

Net cash used in financing activities increased substantially to €29.31 million in FY2025, compared to just €5.07 million in FY2024. This movement was mostly driven by an outflow of €17.41 million in relation to a repayment of other financial liabilities, comprising advances from related parties, compared to an inflow of €8.51 million in FY2024. Other outflows during the year amounted to €58.20 million, relating to leases, interest, and debt securities, although these were partly offset by higher bank borrowings, which generated a net inflow of €46.31 million compared to €42.92 million in FY2024.

Overall, the Group generated a positive net movement in cash and cash equivalents of €28.15 million in FY2025, compared to a net cash outflow of €20.01 million in FY2024. As a result, cash and cash equivalents increased from €62.45 million as at the end of FY2024 to €83.87 million as at the end of FY2025, notwithstanding a negative translation effect of €6.73 million.

In **FY2026**, the Group is forecast to generate net cash from operating activities of €64.46 million, representing a year-on-year decrease of €17.05 million. This anticipated reduction is mainly attributable to an adverse working capital movement of €10.80 million, compared to the significant working capital release recorded in FY2025. On the other hand, before working capital and tax adjustments, the Group's underlying operating cash flow base is forecast to increase by €16.61 million year-on-year to just under €78 million.

Net cash from investing activities is forecast to turn positive at €34.65 million, boosted by the proceeds from the sale of the 72% shareholding in Corinthia Hotel Lisbon and the first dividend from MIH, which are expected to more than offset capital expenditure of around €94 million. The latter includes the acquisition of a 25% shareholding interest in MIH, as well as various projects relating to the renovation or refurbishment of the Group's hotel properties, including those located in Attard, Budapest, London, and St Petersburg, together with the new projects led by CREV in Turks & Caicos and Los Cabos, Mexico.

Financing cash flows are forecast to register a substantial net outflow of €144.45 million, mainly attributable to a net repayment of bank borrowings of €42.43 million, together with lease payments of €28.56 million, interest payments of €43.21 million, dividends of €18.47 million, and an €11.78 million repayment of other borrowings.

Overall, the Group is forecast to record a net decrease in cash and cash equivalents of €45.35 million, resulting in a year-end balance of €38.52 million.

In **FY2027**, net cash from operating activities is projected to increase markedly to €100.91 million, representing a year-on-year increase of €36.45 million. This improvement is expected to be supported by stronger profitability as well as a working capital release of €6.90 million, marginally offset by higher tax payments of €7.76 million.

Net cash used in investing activities is projected at €56.46 million, comprising net capital expenditure of nearly €60 million, partly offset by dividend income of around €3.50 million. Free cash flow is projected to remain positive at €40.97 million. During the year, the Group expects to remain active in further upgrading its hotel properties, including those located in Budapest and St George's Bay, whilst also supporting its new ventures and partnerships in Italy and other international markets.

Net cash used in financing activities is projected to narrow to €31.83 million. Bank borrowings are projected to generate a net inflow of €21.71 million, whilst lease and interest payments are expected to amount to €13.53 million and €40 million, respectively.

Overall, the Group is projecting a positive net movement in cash and cash equivalents of €12.62 million, resulting in a year-end balance of €51.14 million.

International Hotel Investments p.l.c.					
Statement of Financial Position					
As at 31 December					
	2023	2024	2025	2026	2027
	Actual	Actual	Actual	Forecast	Projection
	€'000	€'000	€'000	€'000	€'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Intangible assets	46,395	45,972	44,488	43,472	42,488
Indemnification assets	17,168	17,168	14,973	14,973	14,973
Investment property	161,635	253,492	276,622	275,439	275,439
Property, plant and equipment	1,341,845	1,262,807	1,251,113	1,282,092	1,303,262
Right-of-use assets	14,810	12,601	23,557	162,664	148,657
Financial assets	9,494	9,807	3,386	3,386	3,386
Investments in associates and joint ventures	5,034	5,207	6,092	65,246	66,525
Trade and other receivables	453	11,012	9,350	12,605	19,605
Deferred tax assets	20,761	27,870	26,090	27,490	27,490
	<b>1,617,595</b>	<b>1,645,936</b>	<b>1,655,671</b>	<b>1,887,367</b>	<b>1,901,825</b>
<b>Current assets</b>					
Inventories	14,535	19,187	17,505	19,490	22,599
Financial assets	110	86	68	87	87
Trade and other receivables	48,707	58,216	59,937	62,917	64,005
Tax assets	228	189	327	32	32
Cash and cash equivalents	87,084	71,656	92,623	48,467	60,536
Assets classified as held for sale	-	147,330	145,942	-	-
Assets placed under trust management	77	77	77	77	77
	<b>150,741</b>	<b>296,741</b>	<b>316,479</b>	<b>131,070</b>	<b>147,336</b>
<b>Total assets</b>	<b>1,768,336</b>	<b>1,942,677</b>	<b>1,972,150</b>	<b>2,018,437</b>	<b>2,049,161</b>
<b>EQUITY</b>					
<b>Capital and reserves</b>					
Called up share capital	615,685	615,685	615,685	615,685	615,685
Reserves and other components of equity	48,317	105,006	125,413	125,413	125,451
Accumulated losses	(50,728)	(46,361)	(25,577)	(38,672)	(17,775)
Minority interest	223,074	236,046	203,522	202,915	200,701
	<b>836,348</b>	<b>910,376</b>	<b>919,043</b>	<b>905,341</b>	<b>924,062</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Bank borrowings	332,844	382,581	377,367	392,117	354,253
Bonds	297,769	253,275	173,106	286,134	286,548
Lease liabilities	13,221	11,582	21,302	146,956	141,732
Other financial liabilities	24,623	33,224	11,813	10,000	10,000
Deferred tax liabilities	110,992	133,969	122,965	118,988	113,973
Trade and other payables	8,134	26,010	11,638	21,878	18,538
	<b>787,583</b>	<b>840,641</b>	<b>718,191</b>	<b>976,073</b>	<b>925,044</b>
<b>Current liabilities</b>					
Bank overdraft	8,551	9,208	8,758	9,948	9,395
Bank borrowings	29,845	31,731	74,512	24,580	84,982
Bonds	10,362	44,953	114,825	-	-
Lease liabilities	2,715	2,174	4,303	8,775	8,015
Other financial liabilities	91	-	4,000	-	-
Trade and other payables	90,606	100,460	123,959	85,337	85,738
Current tax liabilities	2,235	3,134	4,559	8,383	11,925
	<b>144,405</b>	<b>191,660</b>	<b>334,916</b>	<b>137,023</b>	<b>200,055</b>
<b>Total liabilities</b>	<b>931,988</b>	<b>1,032,301</b>	<b>1,053,107</b>	<b>1,113,096</b>	<b>1,125,099</b>
<b>Total equity and liabilities</b>	<b>1,768,336</b>	<b>1,942,677</b>	<b>1,972,150</b>	<b>2,018,437</b>	<b>2,049,161</b>
<i>Total debt</i>	<i>720,021</i>	<i>768,728</i>	<i>789,986</i>	<i>878,510</i>	<i>894,925</i>
<i>Net debt</i>	<i>632,860</i>	<i>696,995</i>	<i>697,286</i>	<i>829,966</i>	<i>834,312</i>
<i>Invested capital (total equity plus net debt)</i>	<i>1,469,208</i>	<i>1,607,371</i>	<i>1,616,329</i>	<i>1,735,307</i>	<i>1,758,374</i>

International Hotel Investments p.l.c. Key Financial Ratios	FY2023 Actual	FY2024 Actual	FY2025 Actual	FY2026 Forecast	FY2027 Projection
Net debt-to-EBITDA (times) ( <i>Net debt / EBITDA</i> )	10.49	11.17	11.26	10.97	8.17
Net debt-to-equity (times) ( <i>Net debt / total equity</i> )	0.76	0.77	0.76	0.92	0.90
Net gearing (%) ( <i>Net debt / net debt and total equity</i> )	43.07	43.36	43.14	47.83	47.45
Debt-to-assets (times) ( <i>Total debt / total assets</i> )	0.41	0.40	0.40	0.44	0.44
Leverage (times) ( <i>Total assets / total equity</i> )	2.11	2.13	2.15	2.23	2.22
Current ratio (times) ( <i>Current assets / current liabilities</i> )	1.04	1.55	0.94	0.96	0.74

## STATEMENT OF FINANCIAL POSITION

In **FY2025**, the Group's total assets increased by €29.47 million to €1.97 billion from €1.94 billion as at the end of FY2024. The increase was mainly driven by higher investment property (+€23.13 million to €276.62 million), cash and cash equivalents (+€20.97 million to €92.62 million), and right-of-use assets (+€10.96 million to €23.56 million). These positive movements were partly offset by reductions in other items, with the most material being property, plant, and equipment ("PPE"), which dropped by €11.69 million to €1.25 billion, and financial assets, which declined by €6.44 million to €3.45 million.

Total equity expanded by €8.67 million to €919.04 million, from €910.38 million as at the end of FY2024, corresponding to a leverage multiple of 2.15 times. The improvement in equity base was mainly attributable to the increase in reserves and other components of equity, which rose by €20.41 million to €125.41 million, together with the reduction in accumulated losses to €25.58 million from €46.36 million as at 31 December 2024. These positive movements were partly offset by a decline in minority interest, which decreased by €32.52 million to €203.52 million, reflecting the impact of the total comprehensive expense attributable to NLI.

Total liabilities increased by €20.81 million to €1.05 billion in FY2025 from €1.03 billion as at the end of FY2024. The increase was primarily attributable to higher debt, which rose by €21.26 million to just under €790 million, and trade and other payables, which edged higher by €9.13 million to €135.60 million. On the other hand, tax liabilities contracted by €9.58 million year-on-year to €127.52 million.

As net debt remained broadly stable at €697.29 million, and in view of the stronger equity base, net debt-to-equity and net gearing trended lower year-on-year to 0.76 times and 43.14%, respectively. On the other hand, the net debt-to-EBITDA multiple increased marginally to 11.26 times from 11.17 times in FY2024, whilst the debt-to-assets ratio remained unchanged at 0.40 times. The current ratio weakened to 0.94 times from 1.55 times as at the end of FY2024, reflecting a sharper increase in current liabilities than the 6.65% growth in current assets. This was mainly due to the reclassification of certain funding obligations, including a bank facility secured on Corinthia Hotel Lisbon.

In **FY2026**, total assets are forecast to increase further by €46.29 million to €2.02 billion. The increase is expected to be driven principally by right-of-use assets, which are forecast to reach €162.66 million, mostly due to the commencement of the lease of Corinthia Hotel Rome. Other material increases are expected within investments in associates and joint ventures, mainly due to the new investment in MIH and the reclassification of Corinthia Hotel Lisbon following the sale of a 72% shareholding. PPE is also expected to increase significantly, by €30.98 million to €1.28 billion, reflecting the Group's continued commitment to upgrading its hotel properties in line with the market. On the other hand, apart from the sale of Corinthia Hotel Lisbon, the other major forecast negative movement is expected to relate to cash and cash equivalents.

Total equity is forecast to decline by €13.70 million to €905.34 million, largely reflecting the gross dividend of €0.03 per share declared on 24 April 2026. As total assets are expected to increase whilst equity declines, leverage is forecast to rise to 2.23 times.

Total liabilities are forecast to increase by almost €60 million to €1.11 billion in FY2026. The increase is expected to be mainly driven by lease liabilities, which are forecast to rise sharply to €155.73 million from €25.61 million as at the end FY2025. Conversely, other components of debt are expected to drop by €41.60 million, whilst other declines are forecast within trade and other payables and tax liabilities. Total debt is forecast to increase to €878.51 million, reflecting the significant increase in lease liabilities despite the projected reduction in bank borrowings, bonds, and other financial liabilities. Net debt is forecast to rise to €829.97 million, whilst invested capital is expected to increase to €1.74 billion from €1.62 billion as at the end of FY2025.

The forecast increase in net debt, together with the expected contraction in equity, is forecast to lead to an increase in the net debt-to-equity multiple and net gearing ratio, to 0.92 times and 47.83%, respectively. Similarly, debt-to-assets is projected to trend higher to 0.44 times. Conversely, net debt-to-EBITDA is forecast to improve to 10.97 times, as EBITDA growth is expected to more than compensate for the increase in net debt.

In **FY2027**, total assets are projected to increase by a further €30.72 million to €2.05 billion. The increase is expected to be driven principally by higher cash balances, PPE, and trade and other receivables. Cash and cash equivalents are projected to reach €60.54 million. PPE is projected to rise by €21.17 million to €1.30 billion, reflecting a number of new refurbishment investments in hotel properties, whilst trade and other receivables are projected to increase by €8.09 million to €83.61 million. Conversely, right-of-use assets are expected to decrease by €14.01 million to €148.66 million, reflecting the depreciation charge for the year.

Total equity is projected to increase by €18.72 million to €924.06 million. This improvement is expected to be driven by a €20.90 million reduction in accumulated losses to €17.78 million, reflecting the projected stronger profitability. Reserves and other components of equity are forecast to edge minimally higher to €125.45 million, whilst minority interest is projected to decline slightly to €200.70 million. Despite the increase in equity, leverage is projected to remain broadly stable at 2.22 times.

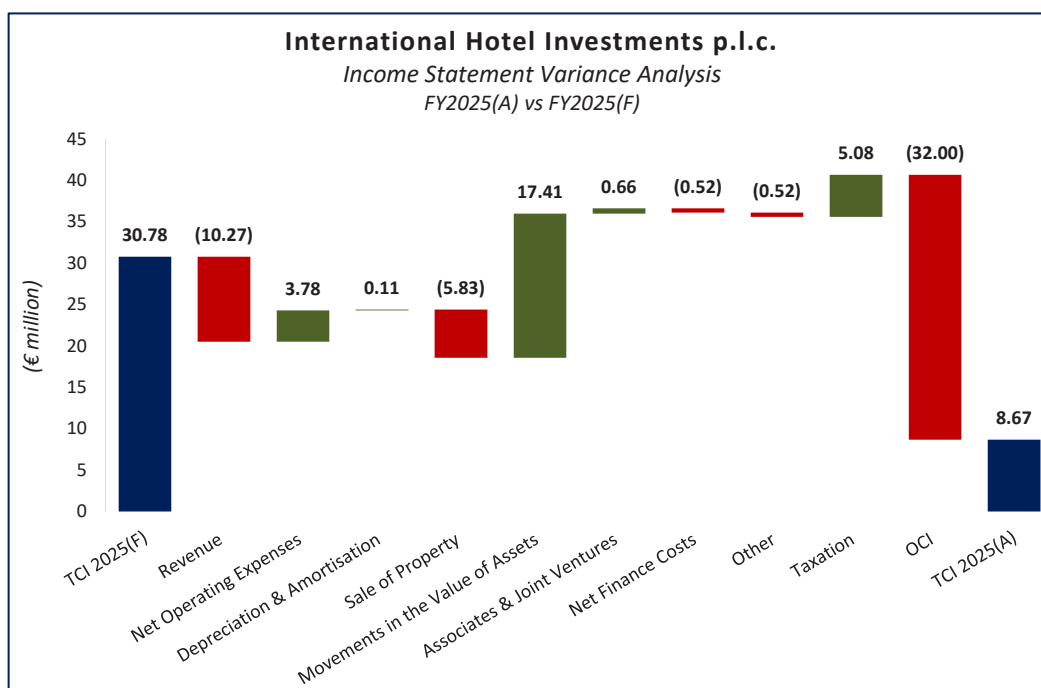
Total liabilities are projected to increase by €12 million to €1.13 billion in FY2027. The increase is expected to be driven principally by higher bank borrowings to €448.63 million, partly offset by reductions in lease liabilities, tax liabilities, and trade and other payables. Total debt is projected to increase by €16.42 million to €894.93 million, whilst net debt is projected to rise by only €4.35 million to €834.31 million, supported by the higher cash balance. Invested capital is projected to increase by €23.07 million to €1.76 billion.

The net debt-to-EBITDA multiple is forecast to improve materially to 8.17 times, indicating the Group's stronger earnings relative to its net debt. The net debt-to-equity multiple is projected to ease slightly to 0.90 times, whilst net gearing is expected to decline marginally to 47.45%. However, the debt-to-assets ratio is projected to remain unchanged at 0.44 times, reflecting stable indebtedness relative to the Group's asset base. Meanwhile, the current ratio is projected to weaken to 0.74 times, from 0.96 times estimated as at the end of FY2026, as some of the Group's bank borrowings approach repayment.

## 9. VARIANCE ANALYSIS

The following is an analysis of the major variances between the forecast financial information for the year ended 31 December 2025, as included in the Analysis dated 30 June 2025, and the audited consolidated annual financial statements for the same period, published on 24 April 2026.

<b>International Hotel Investments p.l.c.</b>		
<b>Statement of Total Comprehensive Income</b>		
<b>For the financial year 31 December</b>	<b>2025</b>	<b>2025</b>
	<b>Actual</b>	<b>Forecast</b>
	<b>€'000</b>	<b>€'000</b>
Revenue	335,340	345,609
Costs of providing services	(177,748)	(179,257)
<b>Gross profit</b>	<b>157,592</b>	<b>166,352</b>
Marketing and administrative expenses	(76,782)	(78,370)
Other operating costs	(18,893)	(19,580)
<b>EBITDA</b>	<b>61,917</b>	<b>68,402</b>
Depreciation and amortisation	(29,791)	(29,900)
<b>Adjusted operating profit</b>	<b>32,126</b>	<b>38,502</b>
Net gains from the sale of property and businesses	-	5,834
Adjustments in value of property and intangible assets	18,374	-
Changes in value of indemnification assets	(968)	-
Other operational exchange gains	432	-
<b>Operating profit</b>	<b>49,964</b>	<b>44,336</b>
Share of net profit / (loss) of associates and joint ventures	332	(325)
Net finance costs	(42,096)	(41,576)
Other	1,053	2,003
<b>Profit before tax</b>	<b>9,253</b>	<b>4,438</b>
Taxation	1,954	(3,125)
<b>Profit for the year</b>	<b>11,207</b>	<b>1,313</b>
<b>Other comprehensive income / (expense)</b>		
Gross surplus / (impairment) on revaluation of hotel properties	8,403	-
Other effects, currency translation differences, and taxation	(10,943)	29,462
	<b>(2,540)</b>	<b>29,462</b>
<b>Total comprehensive income for the year</b>	<b>8,667</b>	<b>30,775</b>



## STATEMENT OF COMPREHENSIVE INCOME

In FY2025, IHI generated revenue of €335.34 million, which was 2.97% below the forecast of €345.61 million. The adverse revenue variance was primarily attributable to hotel operations, which generated €280.79 million compared to the forecast of €289.49 million, representing a shortfall of 3%. Hotel management services and project management also performed below expectations, with revenue amounting to €19.05 million and €13.26 million, respectively, compared to the corresponding forecasts of €22.91 million and €14.92 million. These negative variances were partly mitigated by stronger-than-forecast rental income, which amounted to €15.65 million compared to €14.79 million forecast, representing a positive variance of 5.80%. Moreover, the Group recorded higher catering revenue of €20.86 million compared to the forecast of €20.16 million, resulting in a favourable variance of 3.46%.

Although costs of providing services were lower than forecast by 0.84%, this saving was not sufficient to offset the weaker revenue performance. As a result, gross profit amounted to €157.59 million compared to the forecast of €166.35 million, representing an adverse variance of 5.27%.

Marketing costs and administrative expenses amounted to €76.78 million, which was 2.03% lower than the forecast of €78.37 million. Other operating costs were also lower than expected, amounting to €18.89 million compared to the forecast of €19.58 million, resulting in a favourable variance of 3.51%. These cost savings partially absorbed the weaker gross profit performance. Nevertheless, EBITDA amounted to €61.92 million, which was 9.48% lower than the forecast of €68.40 million. However, after excluding pre-opening and ramp-up costs of €12.75 million incurred in FY2025 in relation to the Corinthia Grand Hotel Astoria Brussels and Corinthia Hotel Rome, normalised EBITDA amounted to €74.66 million, representing a positive variance of 9.15% over the forecast EBITDA figure.

Depreciation and amortisation amounted to €29.79 million, broadly in line with the forecast of €29.90 million. Consequently, adjusted operating profit amounted to €32.13 million compared to the forecast of €38.50 million, representing an adverse variance of 16.56%.

Although the Group did not realise any gains from sale of property in FY2025, reflecting the slight delay in the partial sale of Corinthia Hotel Lisbon which was concluded on 1 April 2026, the financial performance of IHI in FY2025 was boosted by positive fair value adjustments of €18.37 million on property. This favourable variance was partly reduced by changes in the value of indemnification assets, which had not been forecast, whilst other operational exchange gains amounted to €0.43 million compared to nil forecast. As a result, operating profit reached €49.96 million compared to the forecast of €44.34 million, representing a favourable variance of 12.69%.

The share of results from associates and joint ventures also moved favourably relative to forecast, with the Group recognising a net share of profit of €0.33 million compared to a forecast net loss of €0.33 million. Net finance costs amounted to €42.10 million compared to the forecast of €41.58 million, representing an adverse variance of just 1.25%. Meanwhile, other income amounted to €1.05 million compared to the forecast of €2 million, resulting in an adverse variance of €0.95 million.

Overall, profit before tax amounted to €9.25 million compared to the forecast of €4.44 million, representing a favourable variance of €4.82 million. Taxation was more favourable than forecast, with the Group recognising a positive tax movement of €1.95 million compared to a forecast tax charge of €3.13 million, resulting in a favourable variance of €5.08 million. Consequently, profit for the year amounted to €11.21 million compared to the forecast of €1.31 million, representing a favourable variance of €9.89 million.

At the level of other comprehensive income, the Group recorded a gross surplus on the revaluation of hotel properties of €8.40 million. However, other effects were negative at €10.94 million, compared to a forecast positive movement of €29.46 million. As a result, total comprehensive income for the year amounted to €8.67 million compared to the forecast of €30.78 million, representing an adverse variance of €22.11 million. Therefore, whilst the Group exceeded the forecast profit for the year, total comprehensive income was materially below forecast due to the negative variance recorded within other comprehensive income.

International Hotel Investments p.l.c.		
Statement of Cash Flows		
For the financial year 31 December		
	2025	2025
	Actual	Forecast
	€'000	€'000
Net cash from operating activities	81,507	62,371
Net cash from / (used in) investing activities	(24,055)	106,278
Net cash used in financing activities	(29,305)	(82,365)
<b>Net movement in cash and cash equivalents</b>	<b>28,147</b>	<b>86,284</b>
Cash and cash equivalents at beginning of year	62,448	62,448
Effect of translation to the presentation currency	(6,730)	1,190
<b>Cash and cash equivalents at end of year</b>	<b>83,865</b>	<b>149,922</b>
Net capital expenditure*	24,745	(101,818)
<b>Free cash flow</b>	<b>56,762</b>	<b>164,189</b>

\* Calculated as gross capital expenditure minus the proceeds from the disposal of fixed and, or intangible assets.

## STATEMENT OF CASH FLOWS

In FY2025, IHI generated net cash from operating activities of €81.51 million, which was €19.14 million higher than the forecast of €62.37 million. The positive variance was mainly driven by a working capital release of €23.94 million, compared to a forecast working capital outflow of €9.44 million, resulting in a positive variance of €33.37 million. This was, however, partly offset by lower underlying profitability after excluding non-cash items, as well as a higher-than-expected tax outflow of €3.77 million.

Net cash used in investing activities amounted to €24.06 million, compared to a forecast net inflow of €106.28 million, resulting in a material adverse variance of €130.33 million. This variance was principally attributable to proceeds from the sale of assets, which amounted to only €2.39 million compared to the forecast of €136.37 million, mainly due to the slight delay in the partial sale of Corinthia Hotel Lisbon which was concluded on 1 April 2026. Meanwhile, although capital expenditure was lower than forecast, amounting to €27.13 million compared to €34.56 million and therefore representing a favourable variance of €7.42 million, this was not sufficient to offset the substantial shortfall in asset disposal proceeds. The variance was also negatively affected by financial assets, which resulted in an actual cash outflow of €1.66 million compared to a forecast inflow of €3.52 million, resulting in an adverse variance of €5.17 million. On the other hand, interest received was stronger than forecast at €2.35 million compared to €0.94 million.

From a free cash flow perspective, the Group generated positive free cash flow of €56.76 million compared to a forecast free cash flow of €164.19 million, translating into an adverse variance of €107.43 million. This mainly reflected the variance in net capital expenditure, which amounted to €24.75 million compared to the forecast inflow of €101.82 million, primarily due to the slight delay in the partial sale of Corinthia Hotel Lisbon.

Net cash used in financing activities amounted to €29.31 million, compared to a forecast outflow of €82.37 million, representing a favourable variance of €53.06 million. This was mainly attributable to bank borrowings, which generated a net cash inflow of €46.31 million compared to a forecast net outflow of €6.15 million, reflecting the delayed repayment of the existing loans relating to Corinthia Hotel Lisbon which were settled in the first half of 2026. Interest paid was also lower than forecast at €43.87 million compared to €57.47 million, representing a favourable variance of €13.60 million. These favourable movements were partly offset by a higher outflow on advances from related parties, which amounted to €17.41 million compared to the forecast of €4 million. Lease payments were broadly in line with forecast, at €3.60 million compared to €4.07 million.

Overall, the Group recorded a net increase in cash and cash equivalents of €28.15 million in FY2025 compared to the forecast net increase of €86.28 million, representing an adverse variance of €58.14 million. Moreover, the effect of foreign exchange translation was negative €6.73 million compared to a forecast positive movement of €1.19 million. Consequently, cash and cash equivalents at the end of the year amounted to €83.87 million compared to the forecast of €149.92 million, representing an adverse variance of €66.06 million.

## STATEMENT OF FINANCIAL POSITION

The principal driver of the variances within the Statement of Financial Position related to the slight delay in the partial sale of Corinthia Hotel Lisbon, which was concluded on 1 April 2026. The Group ended FY2025 with total assets of €1.97 billion, €49.26 million higher than the forecast of €1.92 billion. Compared to the forecasts, the Group held Corinthia Hotel Lisbon as an asset held for sale and also closed the year with lower balances in cash, PPE, investments in associates and joint ventures, and trade and other receivables.

Total equity amounted to €919.04 million as at 31 December 2025, €22.11 million below the forecast of €941.15 million. Reserves and other components of equity stood at €125.41 million, which was €9.17 million above the forecast of €116.25 million. However, this positive variance was outweighed by higher accumulated losses and lower minority interest. The former amounted to €25.58 million compared to the forecast of €17.86 million, representing an adverse variance of €7.72 million. Minority interest stood at €203.52 million compared to the forecast of €227.08 million, resulting in a negative variance of €23.56 million.

Total liabilities amounted to €1.05 billion as at the end of FY2025, €71.37 million higher than the forecast of €981.74 million. This variance was mainly driven by higher bank borrowings and higher trade and other payables. Bank borrowings amounted to €460.64 million compared to the forecast of €412.09 million, representing an adverse variance of €48.54 million. Trade and other payables amounted to €135.60 million compared to €104.68 million forecast, resulting in a negative variance of €30.92 million. These adverse movements were partly offset by lower other financial liabilities which amounted to €15.81 million compared to the forecast of €29.22 million, representing a favourable variance of €13.41 million. Total debt was higher than forecast by €37.92 million whilst net debt amounted to €697.29 million compared to the forecast of €597.43 million.

<b>International Hotel Investments p.l.c.</b>		
<b>Statement of Financial Position</b>		
<b>As at 31 December</b>	<b>2025 Actual €'000</b>	<b>2025 Forecast €'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Intangible assets	44,488	45,670
Indemnification assets	14,973	15,371
Investment property	276,622	260,445
Property, plant and equipment	1,251,113	1,272,554
Right-of-use assets	23,557	20,792
Financial assets	3,386	3,720
Investments in associates and joint ventures	6,092	24,882
Trade and other receivables	9,350	17,408
Deferred tax assets	26,090	27,704
	<b>1,655,671</b>	<b>1,688,546</b>
<b>Current assets</b>		
Inventories	17,505	17,006
Financial assets	68	87
Trade and other receivables	59,937	62,581
Tax assets	327	32
Cash and cash equivalents	92,623	154,560
Assets classified as held for sale	145,942	-
Assets placed under trust management	77	77
	<b>316,479</b>	<b>234,343</b>
<b>Total assets</b>	<b>1,972,150</b>	<b>1,922,889</b>
<b>EQUITY</b>		
<b>Capital and reserves</b>		
Called up share capital	615,685	615,685
Reserves and other components of equity	125,413	116,245
Accumulated losses	(25,577)	(17,858)
Minority interest	203,522	227,079
	<b>919,043</b>	<b>941,151</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Bank borrowings	377,367	388,173
Bonds	173,106	172,996
Lease liabilities	21,302	17,931
Other financial liabilities	11,813	29,223
Deferred tax liabilities	122,965	121,572
Trade and other payables	11,638	11,506
	<b>718,191</b>	<b>741,401</b>
<b>Current liabilities</b>		
Bank overdraft	8,758	4,638
Bank borrowings	74,512	19,282
Bonds	114,825	115,000
Lease liabilities	4,303	4,820
Other financial liabilities	4,000	-
Trade and other payables	123,959	93,170
Current tax liabilities	4,559	3,427
	<b>334,916</b>	<b>240,337</b>
<b>Total liabilities</b>	<b>1,053,107</b>	<b>981,738</b>
<b>Total equity and liabilities</b>	<b>1,972,150</b>	<b>1,922,889</b>
<i>Total debt</i>	<i>789,986</i>	<i>752,063</i>
<i>Net debt</i>	<i>697,286</i>	<i>597,426</i>
<i>Invested capital (total equity plus net debt)</i>	<i>1,616,329</i>	<i>1,538,577</i>

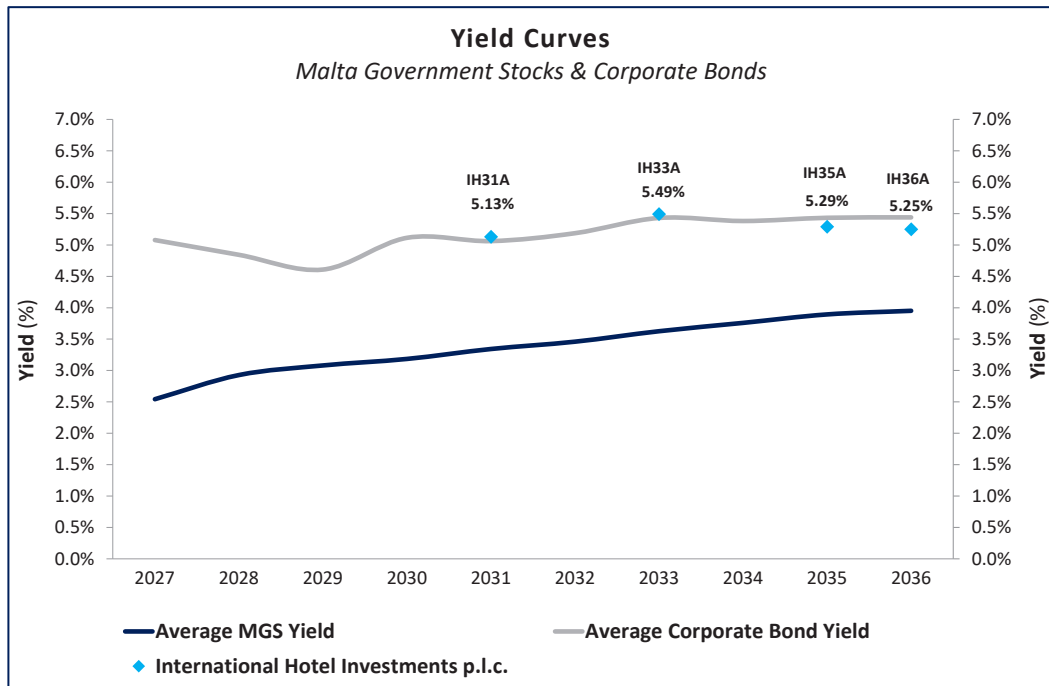
## PART 3 – COMPARATIVE ANALYSIS

The table below provides a comparison between the Group and its bonds with other debt issuers and their respective debt securities listed on the Regulated Main Market (Official List) of the Malta Stock Exchange. Although there are significant variances between the activities of the Group and those of other debt issuers (including different industries, principal markets, competition, capital requirements etc.), and material differences between the risks associated with the Group's business/es and those of other debt issuers, the comparative analysis illustrated in the table below serves as an indication of the relative financial strength and creditworthiness of the Group.

Comparative Analysis*	Amount Issued (€'000)	Yield-to-Maturity / Worst (%)	Interest Cover (times)	Net Debt-to-EBITDA (times)	Net Gearing (%)	Debt-to-Assets (times)
4.00% International Hotel Investments p.l.c. Secured 2026	55,000	4.59	1.47	11.26	43.14	0.40
5.00% Dizz Finance p.l.c. Unsecured & Guaranteed 2026	8,000	13.16	0.90	15.02	89.77	0.54
3.75% Premier Capital p.l.c. Unsecured 2026	32,696	7.57	9.72	2.54	71.95	0.61
4.00% International Hotel Investments p.l.c. Unsecured 2026	60,000	4.13	1.47	11.26	43.14	0.40
3.25% AX Group p.l.c. Unsecured 2026	15,000	7.60	3.81	4.88	39.07	0.35
4.00% Hili Finance Company p.l.c. Unsecured & Guaranteed 2027	50,000	3.97	4.45	4.66	68.88	0.59
4.35% SD Finance plc Unsecured & Guaranteed 2027	65,000	4.33	5.41	2.98	30.68	0.33
4.00% Eden Finance p.l.c. Unsecured & Guaranteed 2027	40,000	4.55	4.03	5.76	26.30	0.24
5.25% Mediterranean Investments Holding p.l.c. Unsecured & Guaranteed 2027	30,000	5.24	9.25	1.60	14.80	0.16
4.00% Stivala Group Finance p.l.c. Secured & Guaranteed 2027	45,000	5.23	4.91	5.15	21.67	0.20
4.75% Best Deal Properties Holding p.l.c. Secured & Guaranteed 2025-2027	5,783	4.73	n/a	9.43	76.67	0.72
4.75% Gap Group p.l.c. Secured & Guaranteed 2025-2027	12,355	4.73	n/a	0.30	4.28	0.17
3.85% Hili Finance Company p.l.c. Unsecured & Guaranteed 2028	40,000	5.48	4.45	4.66	68.88	0.59
5.85% Mediterranean Investments Holding p.l.c. Unsecured & Guaranteed 2028	20,000	5.00	9.25	1.60	14.80	0.16
5.75% PLAN Group p.l.c. Secured & Guaranteed 2028	12,000	4.91	5.65	7.37	55.40	0.54
5.75% Best Deal Properties Holding p.l.c. Secured & Guaranteed 2027-2029	15,000	4.98	n/a	9.43	76.67	0.72
5.00% Hili Finance Company p.l.c. Unsecured & Guaranteed 2029	80,000	4.65	4.45	4.66	68.88	0.59
3.65% Stivala Group Finance p.l.c. Secured & Guaranteed 2029	15,000	4.90	4.91	5.15	21.67	0.20
3.80% Hili Finance Company p.l.c. Unsecured & Guaranteed 2029	80,000	4.61	4.45	4.66	68.88	0.59
3.75% AX Group p.l.c. Unsecured 2029	10,000	4.21	3.81	4.88	39.07	0.35
6.25% GPH Malta Finance p.l.c. Unsecured & Guaranteed 2030	18,144	5.67	3.04	5.76	92.40	0.82
5.25% ACMUS p.l.c. Secured 2028-2030	19,000	5.24	3.88	475.77	80.85	0.76
5.10% PLAN Group p.l.c. Secured & Guaranteed 2030	28,200	4.84	5.65	7.37	55.40	0.54
5.20% SD Finance plc Unsecured & Guaranteed 2031 S1 T1	33,000	5.19	5.41	2.98	30.68	0.33
5.35% MM Star Malta Finance p.l.c. Secured & Guaranteed 2029-2031	35,000	5.35	1.20	10.80	75.65	0.70
3.65% International Hotel Investments p.l.c. Unsecured 2031	80,000	5.13	1.47	11.26	43.14	0.40
3.50% AX Real Estate p.l.c. Unsecured 2032	40,000	5.13	3.19	7.66	51.19	0.46
5.35% Best Deal Properties Holding p.l.c. Unsecured 2032	7,000	5.04	n/a	9.43	76.67	0.72
5.50% MM Triton Malta Finance p.l.c. Secured & Guaranteed 2032	45,000	5.12	1.40	9.39	71.50	0.67
5.80% GPH Malta Finance plc Unsecured & Guaranteed 2032	15,000	5.70	3.04	5.76	92.40	0.82
5.00% Mariner Finance p.l.c. Unsecured 2032	36,930	4.81	4.52	5.45	46.94	0.46
5.00% Hili Finance Company p.l.c. Unsecured & Guaranteed 2033	60,000	4.69	4.45	4.66	68.88	0.59
5.85% AX Group p.l.c. Unsecured 2033	40,000	5.51	3.81	4.88	39.07	0.35
6.00% International Hotel Investments p.l.c. Unsecured 2033	60,000	5.49	1.47	11.26	43.14	0.40
4.50% The Ona p.l.c. Secured & Guaranteed 2028-2034	16,000	5.11	3.62	7.48	73.09	0.68
5.35% Hal Mann Vella Group p.l.c. Secured 2031-2034	23,000	5.35	2.40	9.18	48.21	0.43
5.30% International Hotel Investments p.l.c. Unsecured 2035	35,000	5.29	1.47	11.26	43.14	0.40
5.50% Juel Group p.l.c. Secured & Guaranteed 2035	32,000	5.50	2.55	5.93	51.80	0.46
5.35% CPHCL Finance p.l.c. Unsecured & Guaranteed 2035	45,000	5.18	1.36	12.35	42.84	0.40
5.50% Finestday Malta p.l.c. Secured & Guaranteed 2036	25,000	5.50	1.69	8.85	58.21	0.55
5.25% International Hotel Investments p.l.c. Unsecured 2036 S1 T1	30,000	5.25	1.47	11.26	43.14	0.40

\*As at 21 May 2026

Sources: (i) Malta Stock Exchange; (ii) M.Z. Investment Services Limited; and (iii) the most recent audited annual financial statements of the respective Issuers and, or Guarantors, except for MM Triton Malta Finance p.l.c. (FY2026[F]) and Finestday Malta p.l.c. (FY2027[P]).



The closing market price of the **3.65% International Hotel Investments p.l.c. unsecured bonds 2031 (IH31A)** as at 21 May 2026 was 93.00%. This translated into a yield-to-maturity (“YTM”) of 5.13%, representing a premium of 7 basis points over the average YTM of 5.06% of other local corporate bonds maturing in the same year. The spread over the corresponding average Malta Government Stock (“MGS”) yield of 3.34% stood at 179 basis points.

The closing market price of the **6.00% International Hotel Investments p.l.c. unsecured bonds 2033 (IH33A)** as at 21 May 2026 was 103.00%. This translated into a YTM of 5.49%, representing a premium of 6 basis points over the average YTM of 5.43% of other local corporate bonds maturing in the same year. The spread over the corresponding average MGS yield of 3.63% stood at 186 basis points.

The closing market price of the **5.30% International Hotel Investments p.l.c. unsecured bonds 2035 (IH35A)** as at 21 May 2026 was 100.05%. This translated into a YTM of 5.29%, representing a discount of 14 basis points to the average YTM of 5.43% of other local corporate bonds maturing in the same year. The spread over the corresponding average MGS yield of 3.89% stood at 140 basis points.

The new **5.25% International Hotel Investments p.l.c. unsecured bonds 2036 S1 T1 (IH36A)** have been priced at a discount of 19 basis points to the average YTM of 5.44% of other local corporate bonds maturing in the same year as at 21 May 2026. The premium over the corresponding average MGS yield of equivalent maturity (3.95%) stood at 130 basis points.

## PART 4 – EXPLANATORY DEFINITIONS

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### STATEMENT OF COMPREHENSIVE INCOME

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<i>Revenue</i>	Total income generated from business activities.
<i>EBITDA</i>	Earnings before interest, tax, depreciation, and amortisation. It is a metric used for gauging operating performance excluding the impact of capital structure. EBITDA is usually interpreted as a loose proxy for operating cash flows.
<i>Adjusted operating profit / (loss)</i>	Profit (or loss) from core operations, excluding movements in the fair value of investment property, share of results of associates and joint ventures, net finance costs, and taxation.
<i>Operating profit / (loss)</i>	Profit (or loss) from operating activities, including movements in the fair value of investment property but excluding the share of results of associates and joint ventures, net finance costs, and taxation.
<i>Share of results of associates and joint ventures</i>	Share of profit (or loss) from entities in which the company does not have a majority shareholding.
<i>Profit / (loss) after tax</i>	Net profit (or loss) registered from all business activities.

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### PROFITABILITY RATIOS

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

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### STATEMENT OF CASH FLOWS

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

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### STATEMENT OF FINANCIAL POSITION

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<i>Non-current assets</i>	These represent long-term investments which full value will not be realised within the next twelve months. Such assets, which typically include property, plant, equipment, and investment property, are capitalised rather than expensed, meaning that the amortisation of the cost of the asset takes place over the number of years for which the asset will be in use. This is done instead of allocating the entire cost to the accounting year in which the asset was acquired.
<i>Current assets</i>	All assets which could be realisable within a twelve-month period from the date of the Statement of Financial Position. Such amounts may include development stock, accounts receivable, cash and bank balances.
<i>Non-current liabilities</i>	These represent long-term financial obligations which are not due within the next twelve months, and typically include long-term borrowings and debt securities.
<i>Current liabilities</i>	Liabilities which fall due within the next twelve months from the date of the Statement of Financial Position, and typically include accounts payable and short-term debt.
<i>Total equity</i>	Represents the residual value of the business (assets minus liabilities) and typically includes the share capital, reserves, as well as retained earnings.

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**FINANCIAL STRENGTH / CREDIT RATIOS**

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<i>Interest cover</i>	Measures the extent of how many times a company can sustain its net finance costs from EBITDA.
<i>Net debt-to-EBITDA</i>	Measures how many years it will take a company to pay off its net interest-bearing liabilities (including lease liabilities) from EBITDA, assuming that net debt and EBITDA are held constant.
<i>Net debt-to-equity</i>	Shows the proportion of net debt (including lease liabilities) to the amount of equity.
<i>Net gearing</i>	Shows the proportion of equity and net debt used to finance a company's business and is calculated by dividing net debt by the level of invested capital.
<i>Debt-to-assets</i>	Shows the degree to which a company's assets are funded by debt and is calculated by dividing all interest-bearing liabilities (including lease liabilities) by total assets.
<i>Leverage</i>	Shows how many times a company is using its equity to finance its assets.
<i>Current ratio</i>	Measures the extent of how much a company can sustain its short-term liabilities from its short-term assets.

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