

CPHCL

FINANCE p.l.c

Company Announcement

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

Half-Yearly Financial Report

The Board of Directors of CPHCL Finance p.l.c. has approved the attached Half-Yearly Financial Report for the period 1 March to 31 August 2022.

This report can also be viewed on: <https://www.cphcl.com/corinthia-finance-plc/>.



Rachel Stilon
Company Secretary

Encl.

28 October 2022

CPHCL FINANCE P.L.C.
(Previously known as Corinthia Finance Plc)

Interim Financial Statements (Unaudited)
For the six-month period 1 March 2022 to
31 August 2022

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Directors' report

The directors present their report together with the unaudited interim financial statements of CPHCL Finance Plc (the 'Company') for the six month period 1 March 2022 to 31 August 2022.

Basis of preparation

The published figures have been extracted from the unaudited financial statements for the six months from 1 March 2022 to 31 August 2022 and its comparative period in 2021. The comparative Statement of Financial Position as at 28 February 2022 has been extracted from the audited financial statements for the year then ended. This report is being published in terms of Capital Market Rule 5.74 issued by the Malta Financial Services Authority and has been prepared in accordance with the applicable Capital Market Rules and the International Accounting Standard 34, 'Interim Financial Reporting'. In terms of Capital Market Rule 5.75.5, the Directors are stating that this Half-Yearly Report has not been audited or reviewed by the auditors of the Company.

Principal activities

The principal activity of the Company is to finance the ownership, development, operation and financing of hotels, resorts and leisure facilities, forming part of the Corinthia Group of Companies, of which it is a member.

The Company is a special purpose vehicle set up for financing transactions of the Corinthia Group of Companies. It raised such finance mainly through the issue of bonds, which are quoted on the Malta Stock Exchange and guaranteed by Corinthia Palace Hotel Company Limited, to whom the proceeds from their issue have been advanced.

Review of the business

During the six-month period ended 31 August 2022, the Company registered a profit of €1,194.

Notwithstanding a slower than anticipated start to the year on account of the pandemic's Omicron variant, the Corinthia Group's hotels reported increases in revenues and consequently EBITDA. The Group's focus on cost controls remains in place.

State of Affairs and Outlook

The Group remains confident of a full recovery from the impact of the pandemic in the months ahead. Prospects for the coming months and 2023 confirm this trend.

Capex remains tightly controlled and management remains focused on maintaining tight discipline on all operating costs especially in view of the inflationary pressures on costs and energy. The challenge remains labour shortages as the industry generally struggles to attract workers as demand increases.

The Group has sufficient liquidity and financial resources to meet payment obligations including the Company's bond interest payments as they arise throughout the course of 2023. The directors therefore consider the going concern assumption in the preparation of the Half Yearly Report as appropriate as at the date of authorisation for issue.

Directors

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

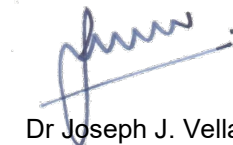
Mr Joseph Fenech – deceased 3 August 2022
Mr Frank Xerri de Caro (Chairman)
Dr Joseph J. Vella
Mr Mario P. Galea
Mr Alfred Camilleri – appointed 4 August 2022

In accordance with the Company's Articles of Association, the present directors remain in office.

On behalf of the board,



Mr Frank Xerri de Caro
Chairman



Dr Joseph J. Vella
Director

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

28 October 2022

Interim statement of profit or loss

	Period from 1 March 2022 to to 31 August 2022 €	Period from 1 March 2021 to 31 August 2021 €
Finance income	875,000	875,000
Finance costs	(850,000)	(850,000)
Net interest earned	25,000	25,000
Administrative expenses	(23,163)	(19,839)
Profit before tax	1,837	5,161
Tax expense	(643)	(1,806)
Profit after tax for the period	1,194	3,355

Interim statement of financial position

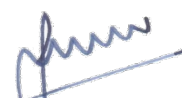
	Notes	31 August 2022 €	28 February 2022 €
ASSETS			
Non-current			
Loans owed by parent company	3	39,910,000	39,910,000
Total non-current assets		39,910,000	39,910,000
Current			
Receivables		1,254,675	1,912,222
Other financial assets		20,150	20,150
Cash and cash equivalents		99,702	83,059
Total current assets		1,374,527	2,015,431
Total assets		41,284,527	41,925,431
EQUITY			
Share capital		250,000	250,000
Retained earnings		17,301	16,107
Total equity		267,301	266,107
Non-current liabilities			
Bonds in issue	2	40,000,000	40,000,000
Total non-current liabilities		40,000,000	40,000,000
Current liabilities			
Payables		1,017,226	1,659,324
Total current liabilities		1,017,226	1,659,324
Total liabilities		41,017,226	41,659,324
Total equity and liabilities		41,284,527	41,925,431

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

The condensed interim financial statements on pages 3 to 8 were approved by the board of directors, authorised for issue on 28 October 2022 and signed on its behalf by:



Mr Frank Xerri de Caro
Chairman



Dr Joseph J. Vella
Director

Interim statement of changes in equity

	Share capital €	Retained earnings €	Total €
At 1 March 2021	250,000	9,628	259,628
Profit for the period	-	3,355	3,355
Total comprehensive income for period	-	3,355	3,355
	250,000	12,983	262,983
At 31 August 2021			
At 1 September 2021	250,000	12,983	262,983
Profit for the period	-	3,124	3,124
Total comprehensive income for period	-	3,124	3,124
	250,000	16,107	266,107
At 28 February 2022			
At 1 March 2022	250,000	16,107	266,107
Profit for the period	-	1,194	1,194
Total comprehensive income for period	-	1,194	1,194
	250,000	17,301	267,301
At 31 August 2022			

Interim statement of cash flows

	Period from 1 March 2022 to 31 August 2022 €	Period from 1 March 2021 To 31 August 2021 €
Cash flows from operating activities		
Cash used in operating activities	(24,795)	(46,705)
Tax paid	(8,562)	(2,000)
Net cash used in operating activities	(33,357)	(48,705)
Cash flows from investing activities		
Interest received	1,750,000	1,750,000
Net cash generated from investing activities	1,750,000	1,750,000
Cash flows from financing activities		
Interest paid	(1,700,000)	(1,700,000)
Net cash used in financing activities	(1,700,000)	(1,700,000)
Net change in cash and cash equivalents	16,643	1,295
Cash and cash equivalents at beginning of period	83,059	73,169
Cash and cash equivalents at end of period	99,702	74,464

Notes to the financial statements

1. Summary of significant accounting policies

The accounting policies applied by the Company are consistent with those disclosed in the financial statements for the year ended 28 February 2022.

2. Bonds in issue

	Interest rate	Repayable by	31 August 2022 €	28 February 2022 €
Bond V	4.25%	12 April 2026	40,000,000	40,000,000
			40,000,000	40,000,000

The bond issue costs have been borne by the parent company. The payment of this bond and interest thereon is guaranteed by the parent company which has bound itself jointly and severally with the Company.

3. Related party transactions

Finance income

	Period from 1 March 2022 to 31 August 2022 €	Period from 1 March 2021 to 31 August 2021 €
Interest charged on loans owed by parent company	875,000	875,000

Loans owed by parent company

	Security	Interest rate	Repayable by	31 August 2022 €	28 February 2022 €
Loan VI	None	4.375%	5 April 2026	39,910,000	39,910,000

Loan VI is to be fully repaid by 5 April 2026.

This loan ranks pari passu, without any priority or preference within all other present and future unsecured and unsubordinated obligations of the parent company, to which the loan has been advanced.

No loss allowance has been recognised based on the 12-month expected credit loss.

Receivables

	31 August 2022	28 February 2022
	€	€
Current		
Amounts owed by parent company	547,170	331,520
Accrued interest income	704,861	1,579,861
	1,252,031	1,911,381

The Company is a subsidiary of CPHCL Company Limited. The Company's related parties include its parent company, fellow subsidiaries, key management personnel (the directors) and all other parties forming part of the Corinthia Group of Companies.

4. Events after the end of the reporting period

No adjusting or significant non-adjusting events have occurred between the end of the reporting period and the date of authorisation by the board.

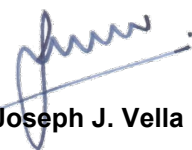
We confirm that to the best of our knowledge:

- the interim financial statements give a true and fair view of the financial position of CPHCL Finance Plc as at 31 August 2022, and of its financial performance and its cashflows for the six-month period then ended in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting (International Accounting Standard 34 – Interim Financial Reporting), and
- The interim Directors' Report includes a fair review of the information required in terms of Capital Market Rules 5.81 to 5.85.



Frank Xerri de Caro

Chairman



Joseph J. Vella

Director

28 October 2022