REGISTRATION DOCUMENT
DATED 28 OCTOBER 2021

This Registration Document is issued in accordance with the provisions of Chapter 4 of the Capital Markets Rules issued by the MFSA and in accordance with the provisions of the Prospectus Regulation.

by

INTERNATIONAL HOTEL INVESTMENTS p.l.c.

A PUBLIC LIMITED LIABILITY COMPANY REGISTERED UNDER THE LAWS OF MALTA

WITH COMPANY REGISTRATION NUMBER C 26136

THE MFSA HAS AUTHORISED THE ADMISSIBILITY OF THESE SECURITIES AS A LISTED FINANCIAL INSTRUMENT. THIS MEANS THAT THE SAID INSTRUMENT IS IN COMPLIANCE WITH THE REQUIREMENTS AND CONDITIONS SET OUT IN THE CAPITAL MARKETS RULES. IN PROVIDING THIS AUTHORISATION, THE MFSA DOES NOT GIVE ANY CERTIFICATION REGARDING THE POTENTIAL RISKS IN INVESTING IN THE SAID INSTRUMENT AND SUCH AUTHORISATION SHOULD NOT BE DEEMED OR BE CONSTRUED AS A REPRESENTATION OR WARRANTY AS TO THE SAFETY OF INVESTING IN SUCH INSTRUMENT.

THE MFSA ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THE PROSPECTUS, MAKES NO REPRESENTATIONS AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THE PROSPECTUS INCLUDING ANY LOSSES INCURRED BY INVESTING IN THESE SECURITIES.

A PROSPECTIVE INVESTOR SHOULD ALWAYS SEEK INDEPENDENT FINANCIAL ADVICE BEFORE DECIDING TO INVEST IN ANY LISTED FINANCIAL INSTRUMENT. A PROSPECTIVE INVESTOR SHOULD BE AWARE OF THE POTENTIAL RISKS IN INVESTING IN THE SECURITIES OF AN ISSUER AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION AND CONSULTATION WITH HIS OR HER OWN INDEPENDENT FINANCIAL ADVISOR.

APPROVED BY THE BOARD OF DIRECTORS

Joseph Fenech on behalf of: Alfred Pisani (Chairman), Moussa Alhassan Atiq Ali, Abdulnaser M.B. Ahmida, David Curmi, Hamad Mubarak Mohd Buamin, Joseph Pisani, Frank Xerri de Caro, Douraid Zaghouani

Manager and Registrar	Sponsor	Legal Counsel
BOV Bank of Valletta	MZ INVESTMENT SERVICES	CAMILLERI PREZIOSI ADVOCATES

IMPORTANT INFORMATION

THIS REGISTRATION DOCUMENT CONTAINS INFORMATION ON INTERNATIONAL HOTEL INVESTMENTS P.L.C. AS ISSUER IN ACCORDANCE WITH THE REQUIREMENTS OF THE CAPITAL MARKETS RULES ISSUED BY THE MFSA, THE ACT AND THE PROSPECTUS REGULATION.

NO BROKER, DEALER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORISED BY THE ISSUER OR ITS DIRECTORS TO ISSUE ANY ADVERTISEMENT OR TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE SALE OF SECURITIES OF THE ISSUER OTHER THAN THOSE CONTAINED IN THIS REGISTRATION DOCUMENT AND IN THE DOCUMENTS REFERRED TO HEREIN, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY THE ISSUER OR ITS DIRECTORS OR ADVISORS.

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THE PROSPECTUS DOES NOT CONSTITUTE, AND MAY NOT BE USED FOR PURPOSES OF, AN OFFER OR INVITATION TO SUBSCRIBE FOR SECURITIES: BY ANY PERSON IN ANY JURISDICTION IN WHICH SUCH OFFER OR INVITATION IS NOT AUTHORISED OR IN WHICH THE PERSON MAKING SUCH OFFER OR INVITATION IS NOT QUALIFIED TO DO SO; OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR INVITATION. THE DISTRIBUTION OF THE PROSPECTUS IN CERTAIN JURISDICTIONS MAY BE RESTRICTED AND, ACCORDINGLY, PERSONS INTO WHOSE POSSESSION IT IS RECEIVED ARE REQUIRED TO INFORM THEMSELVES ABOUT, AND TO OBSERVE, SUCH RESTRICTIONS.

THE PROSPECTUS AND THE OFFERING, SALE OR DELIVERY OF ANY BONDS MAY NOT BE TAKEN AS AN IMPLICATION: (I) THAT THE INFORMATION CONTAINED IN THE PROSPECTUS IS ACCURATE AND COMPLETE SUBSEQUENT TO ITS DATE OF ISSUE; OR (II) THAT THERE HAS BEEN NO MATERIAL ADVERSE CHANGE IN THE FINANCIAL POSITION OF THE ISSUER SINCE SUCH DATE; OR (III) THAT ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE PROSPECTUS IS ACCURATE AT ANY TIME SUBSEQUENT TO THE DATE ON WHICH IT IS SUPPLIED OR, IF DIFFERENT, THE DATE INDICATED IN THE DOCUMENT CONTAINING THE SAME.

THIS REGISTRATION DOCUMENT IS VALID FOR A PERIOD OF TWELVE MONTHS FROM THE DATE HEREOF. FOLLOWING THE LAPSE OF THIS VALIDITY PERIOD, THE ISSUER IS NOT OBLIGED TO SUPPLEMENT THE PROSPECTUS IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES.

IT IS THE RESPONSIBILITY OF ANY PERSONS IN POSSESSION OF THIS DOCUMENT AND ANY PERSONS WISHING TO APPLY FOR ANY SECURITIES ISSUED BY THE ISSUER TO INFORM THEMSELVES OF, AND TO OBSERVE AND COMPLY WITH, ALL APPLICABLE LAWS AND REGULATIONS OF ANY RELEVANT JURISDICTION. PROSPECTIVE INVESTORS OF ANY SECURITIES THAT MAY BE ISSUED BY THE ISSUER SHOULD INFORM THEMSELVES AS TO THE LEGAL REQUIREMENTS OF APPLYING FOR ANY SUCH SECURITIES AND ANY APPLICABLE EXCHANGE CONTROL REQUIREMENTS AND TAXES IN THE COUNTRIES OF THEIR NATIONALITY, RESIDENCE OR DOMICILE.

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A COPY OF THIS DOCUMENT HAS BEEN SUBMITTED TO THE MFSA IN SATISFACTION OF THE CAPITAL MARKETS RULES, THE MALTA STOCK EXCHANGE IN SATISFACTION OF THE MALTA STOCK EXCHANGE BYE-LAWS AND HAS BEEN DULY FILED WITH THE MALTA BUSINESS REGISTRY IN ACCORDANCE WITH THE ACT.

STATEMENTS MADE IN THIS REGISTRATION DOCUMENT ARE, EXCEPT WHERE OTHERWISE STATED, BASED ON THE LAW AND PRACTICE CURRENTLY IN FORCE IN MALTA AND ARE SUBJECT TO CHANGES THEREIN.

ALL THE ADVISORS TO THE ISSUER HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER IN RELATION TO THE PROSPECTUS OF WHICH THIS REGISTRATION DOCUMENT FORMS PART, AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION OR RESPONSIBILITY TOWARDS ANY OTHER PERSON. NONE OF THE ADVISORS ACCEPT ANY RESPONSIBILITY TOWARDS ANY INVESTOR OR ANY OTHER PERSON WHOMSOEVER IN RELATION TO THE CONTENTS OF AND ANY INFORMATION CONTAINED IN THIS REGISTRATION DOCUMENT, ITS COMPLETENESS OR ACCURACY OR ANY OTHER STATEMENT MADE IN CONNECTION THEREWITH.

THE CONTENTS OF THE ISSUER'S WEBSITE OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE ISSUER'S WEBSITE DO NOT FORM PART OF THIS PROSPECTUS UNLESS SUCH CONTENTS ARE INCORPORATED BY REFERENCE INTO THE PROSPECTUS. ACCORDINGLY, NO RELIANCE OUGHT TO BE MADE BY ANY INVESTOR ON ANY INFORMATION OR OTHER DATA CONTAINED IN SUCH WEBSITES AS THE BASIS FOR A DECISION TO INVEST IN THE SECURITIES.

THE DIRECTORS OF THE ISSUER CONFIRM THAT WHERE INFORMATION INCLUDED IN THIS REGISTRATION DOCUMENT HAS BEEN SOURCED FROM A THIRD PARTY, SUCH INFORMATION HAS BEEN ACCURATELY REPRODUCED AND AS FAR AS THE DIRECTORS OF THE ISSUER ARE AWARE AND ARE ABLE TO ASCERTAIN FROM INFORMATION PUBLISHED BY THAT THIRD PARTY, NO FACTS HAVE BEEN OMITTED WHICH WOULD RENDER THE REPRODUCED INFORMATION INACCURATE OR MISLEADING.

THE VALUE OF INVESTMENTS CAN RISE AS WELL AS FALL AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. INVESTORS MAY LOSE ALL OR PART OF THEIR CAPITAL INVESTED IN THE ISSUER'S SECURITIES. PROSPECTIVE INVESTORS ARE URGED TO CONSULT A LICENSED STOCKBROKER OR AN INVESTMENT ADVISOR LICENCED UNDER THE INVESTMENT SERVICES ACT (CAP. 370 OF THE LAWS OF MALTA) PRIOR TO INVESTING IN SECURITIES ISSUED BY THE COMPANY.

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1. DEFINITIONS

In this Registration Document the following words and expressions shall bear the following meanings except where the context otherwise requires:

Act	the Companies Act (Cap. 386 of the Laws of Malta);
AHCT	Alinmaa Holding Company for Tourism & Real Estate Investments, a company registered under the laws of Libya and having its registered office at Al-Hamamat St., Al Madina Alsiahya, Tripoli, Libya;
AUCC	Arab Union Contracting Company, a company registered under the laws of Libya and having its registered office at Level 21, General Department, Tripoli Tower, Tower 1, Tripoli, Libya;
Bond Issue	the issue of the Bonds;
Bondholders	a holder of Bonds to be issued by the Issuer in terms of the Prospectus;
Bonds	the €80,000,000 unsecured bonds of a nominal value of €100 per bond payable in full upon subscription, redeemable at their nominal value on the Redemption Date and bearing interest at a rate of 3.65% per annum, as described in further detail in the Securities Note;
Capital Markets Rules	the capital markets rules issued by the MFSA, as may be amended from time to time;
CDI	Corinthia Developments International Limited, a company registered under the laws of Malta with company registration number C 70440 and having its registered office at 22, Europa Centre, Floriana FRN 1400, Malta;
CHL	Corinthia Hotels Limited, a company registered under the laws of Malta with company registration number C 26086 and having its registered office at 1, Europa Centre, Floriana FRN 1400, Malta;
Company, IHI or Issuer	International Hotel Investments p.l.c., a company registered under the laws of Malta with company registration number C 26136 and having its registered office at 22, Europa Centre, Floriana FRN 1400, Malta;
Corinthia Brand	any and all intellectual property associated with the Corinthia brand for hotel and property operations, the legal and beneficial ownership of which is held by CHL;
Corinthia Group	CPHCL and the companies in which CPHCL has a controlling interest;
Corinthia Oasis	Corinthia Oasis Company Limited, a limited liability company registered under the laws of Malta with company registration number C 48380 and having its registered office at 22, Europa Centre, John Lopez Street, Floriana, FRN 1400, Malta;
CPHCL	Corinthia Palace Hotel Company Limited, a company registered under the laws of Malta with company registration number C 257 and having its registered office at 22, Europa Centre, Floriana FRN 1400, Malta;
Directors or Board	the directors of the Issuer whose names are set out in section 3.1 of this Registration Document under the heading "Directors of the Issuer";
Euro or €	the lawful currency of the Republic of Malta;
GHA	means GHA Holdings Limited, an exempted company incorporated under the laws of the Cayman Islands with company registration number 338838 and having its registered office at the offices of Walkers Corporate Limited, Cayman Corporate Centre, 27 Hospital Road, George Town, Grand Cayman KY1-9008, Cayman Islands;
Group	the Issuer (as parent company) and its Subsidiaries;
GSR	Golden Sands Resort Limited, a company registered under the laws of Malta with company registration number C30569 and having its registered office at The Radisson SAS Golden Sands Resort & Spa, Golden Bay, Limits of Mellieħa, MLH 5510, Malta;
IHGH	Island Hotels Group Holdings p.l.c., a company registered under the laws of Malta with company registration number C 44855 and having its registered office at 22, Europa Centre, John Lopez Street, Floriana FRN 1400, Malta, which company has been struck off the Registry of Companies following a merger by amalgamation with the Issuer;

IHGH Group	IHGH (as parent company) and its subsidiaries prior to 29 December 2017, on which date IHGH was struck off the Registry of Companies following a merger by amalgamation with the Issuer;
Istithmar	Istithmar Hotels FZE, a company registered under the laws of Dubai with company registration number 01256L and having its registered office at PO Box 262080, Level 38, Al Shatha Tower, Media City, Dubai, United Arab, Emirates;
LAFICO	Libyan Foreign Investment Company, a company registered under the laws of Libya with company registration number 9481 and having its registered office at Ghadem Aljabel, Gharian, P.O. Box 4538 Tripoli, Libya;
Malta Stock Exchange or MSE	Malta Stock Exchange p.l.c., as originally constituted in terms of the Financial Markets Act (Cap. 345 of the laws of Malta) with company registration number C 42525 and having its registered office at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta;
Manager & Registrar	Bank of Valletta p.l.c., a public limited liability company with company registration number C 2833 and having its registered office at 58, Zachary Street, Valletta, VLT 1130, Malta;
Medina Tower JSC (Libya) or MTJSC	Medina Tower Joint Stock Company for Real Estate and Development, a joint stock investment company registered under the commercial laws of Libya (in accordance with Law No. 5 (1997) as amended by Law No. 7 (2004) and Law No. 9 (2010)) with privatization and investment board number 343 and having its registered office at Tripoli Tower, Suite 107, Tower 2, Level 10, Tripoli, Libya;
MFSA	the Malta Financial Services Authority, appointed as the competent authority to approve prospectuses for the purposes of the Financial Markets Act (Cap. 345 of the laws of Malta);
MIH	Mediterranean Investments Holding p.l.c., a company registered and existing under the laws of Malta with company registration number C 37513 and having its registered office situated at 22, Europa Centre, Floriana FRN 1400, Malta;
NLI	NLI Holdings Limited, a company registered and existing under the laws of Jersey with company registration number 100582 and having its registered office at First Floor, Durell House, 28 New Street, St. Helier, Jersey, JE2 3RA, United Kingdom;
Prospectus	collectively, the Registration Document, the Securities Note and the Summary Note;
Prospectus Regulation	Regulation (EU) No. 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended, and in accordance with the provisions of Commission Delegated Regulation No. 2019/979 and Commission Delegated Regulation No. 2019/980 issued thereunder;
QP	QPM Limited, a company registered and existing under the laws of Malta with company registration number C 26148 and having its registered office at 22, Europa Centre, Floriana FRN 1400, Malta;
Redemption Date	means the redemption date of the Bonds as specified in the Securities Note;
Registration Document	this document in its entirety;
Securities Note	the securities note issued by the Issuer dated 28 October 2021, forming part of the Prospectus;
Sponsor	M.Z. Investment Services Ltd, a company registered under the laws of Malta with company registration number C 23936 and having its registered office at 61, M.Z. House, St Rita Street, Rabat RBT 1523, licensed by the MFSA and a member of the MSE;
Subsidiaries	an entity over which the parent has control. In terms of the International Financial Reporting Standards (IFRS) as adopted by the European Union, a group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. The term "**Subsidiary**" shall be construed accordingly. The term "**Subsidiaries**" shall collectively refer to the said entities;
Summary	the summary issued by the Issuer dated 28 October 2021, forming part of the Prospectus.

Unless it appears otherwise from the context:

a. words importing the singular shall include the plural and *vice versa*;
b. words importing the masculine gender shall include also the feminine gender and *vice versa*;
c. the word "may" shall be construed as permissive and the word "shall" shall be construed as imperative;
d. all references in this Prospectus to "*Malta*" shall be construed as defined in Article 124 (1) of the Constitution of Malta;
e. any phrase introduced by the terms "*including*", "*include*", "*in particular*" or any similar expression is illustrative only and does not limit the sense of the words preceding those terms; and
f. any reference to a law, legislative act, and/or other legislation shall mean that particular law, legislative act and, or legislation as in force at the time of issue of this Registration Document.

2. RISK FACTORS

PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER WITH THEIR OWN INDEPENDENT FINANCIAL AND OTHER PROFESSIONAL ADVISORS THE FOLLOWING RISK FACTORS AND OTHER INVESTMENT CONSIDERATIONS, AS WELL AS ALL THE OTHER INFORMATION CONTAINED IN THE PROSPECTUS, BEFORE MAKING ANY INVESTMENT DECISION WITH RESPECT TO THE ISSUER. SOME OF THESE RISKS ARE SUBJECT TO CONTINGENCIES WHICH MAY OR MAY NOT OCCUR, AND THE ISSUER IS NOT IN A POSITION TO EXPRESS ANY VIEWS ON THE LIKELIHOOD OF ANY SUCH CONTINGENCIES OCCURRING.

THE RISK FACTORS BELOW HAVE BEEN CATEGORISED UNDER FOUR MAIN CATEGORIES, ACCORDING TO WHETHER THE RISK FACTORS RELATE TO: (I) ECONOMIC RISKS; OR (II) RISKS RELATING TO THE GROUP'S FINANCING AND INVESTMENT STRATEGIES; (III) BUSINESS AND OPERATIONAL RISKS; AND (IV) LEGAL, REGULATORY AND COMPLIANCE RISKS. THE RISK FACTOR FIRST APPEARING UNDER EACH CATEGORY CONSTITUTES THAT RISK FACTOR WHICH THE DIRECTORS HAVE ASSESSED TO BE THE MOST MATERIAL RISK FACTOR UNDER SUCH CATEGORY AS AT THE DATE OF THIS REGISTRATION DOCUMENT. IN MAKING THIS ASSESSMENT OF MATERIALITY, THE DIRECTORS HAVE EVALUATED THE COMBINATION OF: (I) THE PROBABILITY THAT THE RISK FACTOR OCCURS; AND (II) THE EXPECTED MAGNITUDE OF THE ADVERSE EFFECT ON THE FINANCIAL CONDITION AND PERFORMANCE OF THE ISSUER IF THE RISK FACTOR WERE TO MATERIALISE.

IF ANY OF THE RISKS DESCRIBED BELOW WERE TO MATERIALISE, THEY COULD HAVE A SERIOUS EFFECT ON THE ISSUER'S FINANCIAL RESULTS AND TRADING PROSPECTS AND ON THE ABILITY OF THE ISSUER TO FULFIL ITS OBLIGATIONS UNDER THE SECURITIES TO BE ISSUED IN TERMS OF THE PROSPECTUS. THE RISKS AND UNCERTAINTIES DISCUSSED BELOW ARE THOSE IDENTIFIED AS SUCH BY THE DIRECTORS OF THE ISSUER AS AT THE DATE OF THIS REGISTRATION DOCUMENT, BUT THESE RISKS AND UNCERTAINTIES MAY NOT BE THE ONLY ONES THAT THE ISSUER FACES OR COULD FACE. ADDITIONAL RISKS AND UNCERTAINTIES, INCLUDING THOSE WHICH THE ISSUER'S DIRECTORS ARE NOT CURRENTLY AWARE OF, MAY WELL RESULT IN A MATERIAL IMPACT ON THE FINANCIAL RESULTS, FINANCIAL CONDITION, OPERATIONAL PERFORMANCE AND, OR TRADING PROSPECTS OF THE ISSUER.

THE PROSPECTUS, THE DOCUMENTATION INCORPORATED BY REFERENCE HEREIN, AND, OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH SECURITIES ISSUED BY THE ISSUER: (I) IS NOT INTENDED TO PROVIDE THE BASIS FOR ANY CREDIT OR OTHER EVALUATION; (II) IS NOT AND SHOULD NOT BE CONSIDERED AS A RECOMMENDATION BY THE ISSUER, THE DIRECTORS, ANY OF THE ADVISORS LISTED IN SECTION 3 BELOW, THE SPONSOR, MANAGER AND REGISTRAR, OR ANY OF THE AUTHORISED FINANCIAL INTERMEDIARIES THAT ANY RECIPIENT OF THIS PROSPECTUS, THE DOCUMENTATION INCORPORATED BY REFERENCE HEREIN, OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION THEREWITH, SHOULD PURCHASE ANY SECURITIES ISSUED BY THE ISSUER, INCLUDING THE BONDS. PROSPECTIVE INVESTORS SHOULD MAKE THEIR OWN INDEPENDENT EVALUATION OF ALL RISK FACTORS, AND SHOULD CONSIDER ALL OTHER SECTIONS IN THE PROSPECTUS; AND (III) CONTAIN STATEMENTS THAT ARE, OR MAY BE DEEMED TO BE, "*FORWARD LOOKING STATEMENTS*".

2.1 FORWARD-LOOKING STATEMENTS

Forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "forecasts", "projects", "anticipates", "expects", "envisages", "intends", "may", "will", or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements relate to matters that are not historical facts. They appear in a number of places within the Prospectus and include statements regarding the intentions, beliefs or current expectations of the Issuer and, or the Directors concerning, amongst other things, the Issuer's strategy and business plans, financial condition and performance, results of operations, liquidity, prospects, investments, and the markets in which it operates.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur, in the future. Forward-looking statements are not a guarantee of future performance and should therefore not be construed as such. The Issuer's actual operational results, financial condition and performance, and trading prospects may differ materially from the impression created by the forward-looking statements contained in the Prospectus. In addition, even if the operational results, financial condition and performance, and trading prospects of the Issuer are consistent with the forward-looking statements contained in the Prospectus, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that may cause these differences include, but are not limited to, those factors identified under this section and elsewhere in the Prospectus.

All forward-looking statements contained in the Prospectus are made only as at the date hereof. Subject to applicable legal and regulatory obligations, the Issuer and its Directors expressly disclaim any obligations to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

2.2 ECONOMIC RISKS

2.2.1 Risks relating to the impact of COVID-19

The global spread and impact of the COVID-19 pandemic is complex, unpredictable and continuously evolving and has resulted, since March 2020, in significant disruption and additional risks to the hospitality industry including Corinthia's Group's hospitality operations, the travel industries and the global economy. The COVID-19 pandemic has led governments and other authorities around the world to impose measures intended to control its spread, including restrictions on large gatherings of people, travel bans, border closing and restrictions, temporary business closures, quarantines, shelter-in-place orders and social distancing measures. As a result, the COVID-19 pandemic and its consequences have significantly reduced global travel and demand for hotel rooms and have had a material detrimental impact on the global commercial activity across the hospitality and travel industries all of which had, and may continue to have, a material adverse impact on the Corinthia Group's operations and financial results.

The extent, duration, and magnitude of the COVID-19 pandemic's effects will depend on various factors, all of which are highly uncertain and difficult to predict, including, but not limited to, the impact of the pandemic on global and regional economies, travel, economic activity, as well as actions taken by governments, businesses, and individuals in response to the pandemic, and any additional resurgence, or COVID-19 variants. These factors include the impact of the COVID-19 pandemic on unemployment rates and consumer discretionary spending; governmental or regulatory orders that impact the hospitality industry, including the Group's business and its industry; the demand for travel and transient and group business; levels of consumer confidence; and the pace of recovery until the effects of the pandemic subside, and immediately thereafter. Over the course of 2021, the majority of travel restrictions were lifted in Europe and most countries in which the Group operates recorded significant progress in the vaccine roll-out. Nonetheless, demand for hotel services, including corporate travel and group meetings, may remain depressed for a significant length of time, and as such, the Group cannot predict if and when demand will return to pre-COVID-19 levels.

The full impact of the COVID-19 pandemic on the Group's business will depend on a range of factors, which the Issuer is not able to accurately predict as at the date of this Prospectus, including the duration and scope of the pandemic, the impact of new COVID-19 variants, the pace and effectiveness of the vaccine roll-out, the impact on economic activity and any future measures adopted by the governments in various jurisdictions to mitigate the impact of the COVID-19 pandemic, any of which may have a negative impact on the Group's suppliers and customers, or the economy as a whole and, could, in turn have an adverse effect on the operations and financial results of the Group.

The Group has considered the potential continued impact of COVID-19 on the Group's business in the next few years and has assumed that a gradual recovery to pre COVID-19 level of business could be realised between 2023 and 2025. Notwithstanding this expectation, the anticipated recovery remains highly uncertain as it is dependent on external factors that are clearly not within the control of the Group's management. A delay in timing of the above-mentioned recovery may result in a situation where the Group may require additional short to medium term funding to meet its working capital and debt service obligations.

As the Group manages the effects of the pandemic on its business, the Group's level of indebtedness increased and may continue to increase. There is no guarantee that bank and other borrowings will be available in the future to fund the Group's obligations or will be available on terms consistent with the Group's expectations. Furthermore, there is no guarantee that the Issuer will be successful in rolling over its bonds presently listed on the Official List of the MSE on favourable terms.

The COVID-19 pandemic has impacted, and could continue to impact, the pace and timing of the Group's growth. During this period of uncertainty, the Group's principal goal is to preserve its liquidity position. As such, should the current environment prolong beyond the Group's expectations, the Group's current development pipeline may not be completed and developed within already determined timeframes. In addition, the Group may need to postpone or cancel planned renovations or developments, which could adversely impact the Group's business.

The impact of the COVID-19 pandemic is continuously evolving, and the continuation of the pandemic, any additional resurgence, or COVID-19 variants could precipitate or aggravate the other risk factors included in this Registration Document, which in turn could further materially adversely affect the Group's business, financial condition, liquidity, results of operations, and profitability, including in ways that are not currently known to the Group or that the Group does not currently consider to present significant risks.

2.2.2 Risks relating to the political, economic and social environment of the emerging markets in which part of the Group's operations are based

The Group has part of its operations situated in emerging markets. Emerging markets present economic and political conditions which differ from those of more developed markets, thereby possibly resulting in less social, political and economic stability, which could render investments in such markets riskier than investments in more developed markets. Businesses in emerging markets may not be operating in a market-oriented economy as is generally associated with developed markets. The emerging markets in which part of the Group's operations are situated are undergoing and may continue to undergo substantial political, economic and social reform, and the implications and consequences of reform may not be entirely clear at the outset. As the political, economic and social environments in certain countries in which the Group operates remain subject to continuing development, investments in these countries are characterized by a degree of uncertainty. Any unexpected changes in the political, social, economic or other conditions in these countries may have an adverse effect on any investments made. The consequences may be profound and accordingly prospective investors should take into account the unpredictability associated therewith.

Specific country risks more often associated with emerging markets that may have a material impact on the Group's business, operating results, cash flows and financial condition include: acts of warfare and civil clashes; political, social and economic instability; government intervention in the market including tariffs, protectionism and subsidies; changes in regulatory, taxation and legal structures; difficulties and delays in obtaining permits and consents for operations and developments; inconsistent governmental action and, or lack or poor condition of infrastructure. Furthermore, the legal and judicial systems of certain countries in which the Group operates may be different from those which some investors may be more familiar with in certain civil and common law jurisdictions, and investors in Malta may consider such systems as not providing, in various aspects, the level of comfort for investment which they are used to under the Maltese legal system or other civil and common law jurisdictions. Accordingly, they may consider that the Issuer may face difficulties in enforcing its legal rights relating to the properties owned in such countries.

The room rates and occupancy levels of hotels forming part of the Group could be adversely impacted by the events set out in this risk factor, all of which could have the effect of reducing domestic or international travel and consequently decreasing the demand for hotel rooms, which may have an adverse impact on the Group's operations and financial results. At present two jurisdictions in which the Group has substantial investments, Libya and the Russian Federation, are subject to an unstable political, economic and social environment.

2.2.3 Risks relating to the political, economic and social environment in Libya

The continued instability and state of uncertainty prevailing since the 2011 uprising continues to have a negative effect on travel to Libya and consequently on the performance and operation of the Group's hotel in Tripoli.

With intensifying conflict and a blockade of oil terminals and fields, the economy registered one of the worst performances in recent records for a substantial part of 2020. Starting in mid-September 2020, a rapprochement between political/military factions brought much-needed relief to the economy, capping the GDP plunge at 31.3%, annually. An interim government has been appointed earlier on this year and elections are expected to be held on 24 December 2021.

Security concerns resulting from the above, as well as social unrest and lack of clarity on the political situation have also brought about a decline in investor confidence, investment (including foreign direct investment) and capital spending. Such factors could have an adverse effect on the operations of the Corinthia Group as well as on its business, financial condition and results of operations.

2.2.4 Risks relating to the political, economic and social environment in the Russian Federation

In consequence of past actions particularly in Ukraine, the Russian Federation remains subject to international criticism and a series of European and international sanctions on its financial, defence and energy sectors, which are expected to have an adverse effect on both the political and economic development of the country. Such sanctions were due to expire in July 2021 but were extended by the European Union until 31 January 2022. These sanctions include: a travel ban imposed to prevent named Russian and Crimean officials, prominent members of the Russian business community and politicians travelling to Canada, the United States, and the European Union; a ban on business transactions with certain specified companies; trade restrictions relating to the Russian energy and defence industries; and the freezing of funds and economic resources of certain specified natural and legal persons deemed responsible for various abuses affecting Ukraine. The measures also prohibit the direct or indirect import, export or transfer of all defence-related material and establish a ban for dual-use goods and technology for military use or military-end users in Russia. The sanctions further curtail Russian access to certain sensitive technologies that can be used in the Russian energy sector, for instance in oil production and exploration.

The abovementioned negative political or economic factors and trends may, if they were to impact a significant part of the customers of the Group's operations in St. Petersburg (and eventually, Moscow), have a material adverse effect on the Group's business, financial condition and results of operations.

2.2.5 Natural disasters, contagious disease, terrorist activity and war have in the past adversely affected the hotel industry and similar events could adversely affect the industry in the future

Natural disasters, the spread of contagious disease not only limited to the current COVID-19 pandemic, industrial action, travel-related accidents, terrorist activity and war, and the targeting of hotels and popular tourist destinations in particular, have had a significant negative impact on the hotel industry globally and such events could have a similarly negative impact in the future.

Events such as the aforementioned in locations where the Group owns or operates hotels could directly or indirectly affect travel patterns and reduce the number of business and leisure travelers in affected countries and reduce the demand for hotel accommodation at the Group's hotels. In addition, concerns about air travel safety could substantially decrease the overall amount of air travel, including premium business travel, which is generally associated with the highest average daily rates at hotels. Such a decrease could have an adverse impact on occupancy levels in hotels owned or operated by the Group. Actual or threatened war, terrorist activity, political unrest, civil strife and other geopolitical uncertainty may also reduce overall demand for business and leisure travel. Furthermore, because hotels in major city centres tend to be more vulnerable to these types of events and concerns, and most of the hotels owned and operated by the Group are located in city centres, the occurrence of any of these events or increasing concerns about these events could have a material adverse impact on the business, financial condition, results of operations and prospects of the Group.

2.2.6 Currency fluctuations and other regional economic developments may have a material adverse effect on the Issuer's business, financial condition and results of operations

The Issuer's operations are exposed, in the case of transactions not denominated in Euro, to foreign currency risk on transactions, receivables and borrowings that are denominated in a currency other than the Euro. As a result, exchange gains or losses may arise on the realization of amounts receivable and the settlement of amounts payable in currencies which are not Euro-denominated.

The Issuer's financial statements, which are presented in Euro, can be affected by foreign exchange fluctuations through both: translation risk, which is the risk that the financial statements for a particular period or as of a certain date depend on the prevailing exchange rates of the various currencies against the Euro; and transaction risk, which is the risk that the currency of the costs and liabilities fluctuates in relation to the currency of its revenue and assets, which fluctuation may adversely affect its operating performance.

The occurrence of any of the risks specified herein, or an increased level of concern in relation thereto, could have a material adverse effect on the business, financial condition, results of operations and prospects of the Group.

2.3 RISKS RELATING TO THE GROUP'S FINANCING AND INVESTMENT STRATEGIES

2.3.1 The Group may not be able to realise the benefits it expects from investments made in its properties under development

The Issuer's business, either directly or through subsidiaries or associated entities, consists of the acquisition, development and operation of mixed-use real estate projects, comprising hotels, residences, offices and retail spaces. Property acquisition and development projects are subject to a number of specific risks, including the inability to identify appropriate opportunities or source adequate resources, cost overruns, insufficiency of resources to complete the projects, sales transactions not materialising at the prices and the timing envisaged resulting in a liquidity strain, rental of commercial areas not being effected at the prices and within the timeframes envisaged, higher interest costs, and the erosion of revenue generation. If these risks were to materialise, they would have an adverse impact on the Issuer's revenue generation, cash flows and financial performance.

Renovating, refurbishing or otherwise improving existing properties to maintain the standards of the Corinthia brand, and acquiring and developing new and commercially viable properties, is key to the Group's business and growth strategy. The development and, or improvement of the Group's properties in the future presents a number of risks, including: market disruption or oversupply, which may result in the Group being unable to achieve appropriate room rates or sell residential units at the prices it anticipates, potentially requiring changes in the Group's pricing strategy that could result in significant losses or charges; and construction delays, cost overruns, lender financial defaults or "acts of God" such as earthquakes, hurricanes, floods or fires, which could increase overall project costs or result in project cancellations.

Furthermore, the Group is subject to various counter-party risks, including the risk of counter-parties, such as contractors and subcontractors engaged in the demolition, excavation, construction and finishing of developments in which the Group may be involved, and prospective lessors and, or purchasers defaulting on their obligations with the Group. Such parties (which may include both third parties as well as related parties) may default or fail to perform on their obligations to the Group due to insolvency, lack of liquidity, market or economic downturns, operational failure or other reasons which are beyond the Group's control. If such risks, many of which are common to the real estate industry, were to materialize, they could have an adverse impact on the Group's revenue generation, cash flows and financial performance.

The Group's ability to realise the full benefits that it expects from investments made in properties will depend in turn on its ability to assess and minimise these risks in an efficient and cost-effective manner. No assurance can be given that the Group will be able to deal with these risks in an efficient and cost-effective manner.

2.3.2 The Group may not be able to obtain the capital it requires for development or improvement of existing or new properties on commercially reasonable terms, or at all

The Group may not be able to secure sufficient financing for its current and future investments. No assurance can be given that sufficient financing will be available on commercially reasonable terms or within the timeframes required by the Group, also taking into account the need from time to time for the Group's hotel properties to undergo renovation, refurbishment or other improvements in the future. Any weakness in the capital markets may limit the Group's ability to raise capital for completion of projects that have commenced or for development of future properties. Failure to obtain, or delays in obtaining, the capital required to complete current or future developments and refurbishment projects on commercially reasonable terms, including increases in borrowing costs or decreases in loan availability, may limit the Group's growth and materially and adversely affect its business, financial condition, results of operations and prospects.

In addition, the Group may be exposed to a variety of financial risks associated with the unpredictability inherent in financial markets, including market risks, credit risk and interest rate risk, all of which could have adverse effects on the financial performance of the Group. Specifically, interest rate risk refers to the potential changes in the value of financial assets and liabilities in response to changes in the level of interest rates and their impact on cash flows. The Group may be exposed to the risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows if any future borrowings are made under bank credit facilities set at variable interest rates. Although in such a case the Group seeks to hedge against interest rate fluctuations, this may not always be economically practicable.

Furthermore, the possibility of hedging may become more difficult in the future due to the unavailability or limited availability of hedging counter-parties. An increase in interest rates which is not hedged may have a material adverse effect on the Group's business, financial condition and results of operations.

2.2.3 The Group may not be able to realize the benefits it expects from acquisitions, joint ventures, investments and strategic alliances

The Group has been involved in a number of acquisitions, joint ventures, investments and strategic alliances, the most recent transactions being: the acquisition, in April 2018 of the Corinthia Palace Hotel & Spa from CPHCL; the acquisition, in February 2019, of a minority stake in the companies that own the land lease and buildings at 10 Tverskaya Street, Moscow to be developed into a mixed-use real estate project including a luxury boutique 42-room Corinthia hotel, 109 upmarket residential serviced apartments for re-sale and high-end retail and commercial outlets; and the acquisition of the remaining 50% of the issued share capital of Golden Sands Resort Limited in February 2021. In addition to the foregoing, the Corinthia Group invested in the following: (i) in October 2019, CHL entered into a preliminary lease for the operation of a property in Rome to be redeveloped into a Corinthia hotel; (ii) in October 2020, CHL signed an agreement for the management and operation of a luxury Corinthia hotel to be built in Gewan Island, located in close proximity of The Pearl-Qatar; and (iii) in April 2021, CHL signed an agreement for the management and operation of a luxury Corinthia hotel to be redeveloped in New York. The Group expects to continue to enter into similar transactions as part of its long-term business strategy. Such transactions involve significant challenges and risks, including, the transaction failing to achieve the Group's business strategy; the Group not realising a satisfactory return on the investment; the potential occurrence of difficulties in integrating new employees, business systems, and technology; or the transaction diverting management's attention from the Group's other businesses.

The success of acquisitions, joint ventures and strategic alliances will depend in part on the Group's ability to provide efficient integration from an operational and financial point of view. It may take longer than expected to realise the full benefits from transactions, such as increased revenue, enhanced efficiencies, increased market share, and improved market capitalisation, or the benefits may ultimately be smaller than anticipated or not realised at all. In addition, making such acquisitions requires significant costs for legal and financial advice and can take management's focus away from achieving other strategic objectives.

There is no assurance that these risks or other unforeseen factors will not offset the intended benefits of any transaction, in whole or in part.

2.3.4 The Group's indebtedness could adversely affect its financial position

The Group has a material amount of debt and it expects to incur additional debt in connection with its future growth in terms of acquisitions and developments. The Group is also dependent on the Issuer's ability, where applicable, to successfully roll over its current bonds listed on the Official List of the MSE. A substantial portion of the Group's generated cash flows will be required to make principal and interest payments on the Group's debt. Substantial borrowings under bank credit facilities are expected to be at variable interest rates, which could cause the Group to be vulnerable to increases in interest rates.

The agreements regulating the Issuer's bank debt may impose significant financial covenants on the Issuer. These covenants could limit the Issuer's ability to obtain future financing, make capital expenditure, withstand a future downturn in business or economic conditions generally or otherwise inhibit the ability to conduct necessary corporate activities.

A substantial portion of the cash flow generated from the Subsidiaries' operations is utilized to repay their debt obligations pursuant to the terms of the facilities provided. The financial covenants to which such facilities are subject give rise to a reduction in the amount of cash available for distribution to the Issuer which would otherwise be available for funding of the Issuer's working capital, capital expenditure, development costs and other general corporate costs, or for the distribution of dividends. The Issuer may in certain cases also be required to provide guarantees for debt contracted by its Subsidiaries. Defaults under financing agreements could lead to the enforcement of security over property, where applicable, and, or cross-defaults under other financing agreements.

2.4 BUSINESS AND OPERATIONAL RISKS

2.4.1 Risks common to the hospitality and tourism industry

The Group's hospitality operations and the results thereof are subject to a number of internal and external factors that could adversely affect its business, many of which are common to the hospitality and tourism industry and beyond the Group's control.

The following factors may have a negative impact on the hospitality sector of the Issuer's and the Group's business:

a. changes in travel patterns or seasonal variations, as well as consumer preferences concerning price, quality, location, and type of hospitality packages, any increase in or the imposition of new taxes or surcharges or other expenses relating to air travel and fuel, and cutbacks and stoppages on airlines or sea travel routes bound for countries in which the Group operates hotels, as well as the imposition of travel restrictions, bans or other measures by the relevant authorities which could have a bearing on the number of visitors arriving at such destinations;
b. changes in laws and regulations affecting directly or indirectly the Group's property (re-)development business, including with respect to zoning and planning, health and safety, environmental concerns, and fiscal policies, as well as the related costs of compliance;
c. changes in laws and regulations affecting directly or indirectly the tourism and hospitality industry;
d. increases in operating costs due to general market conditions, inflation, employment costs, workers' compensation and healthcare related costs, utility costs, increased taxes and insurance costs which could impact margins and could therefore impact the viability (or otherwise) of the operations of the Group;
e. socio-demographical changes (ageing markets, family life-cycles and changing structures), and economical changes (recessions, increase in oil prices and exchange rates); and
f. changes in the sales terms and conditions of main sales channels, the respective fees and commissions payable to online travel agents; the termination, non-renewal and, or the renewal on less favourable terms of agreements entered into with local or international intermediaries, or other material agreements such as management or operation agreements, services agreements, travel agent or platform booking agreements, and other distribution channel agreements.

The impact of any of these factors (or a combination of them) may adversely impact room rates and occupancy levels at the Group's hotels, or otherwise cause a reduction in its revenue or profitability, which could have a material adverse effect on the Issuer's and the Group's business, financial condition and results of operations.

2.4.2 The Group's key senior personnel and management have been and remain material to its growth

The Group believes that its growth is partially attributable to the efforts and abilities of the members of its executive management team and other key personnel. If one or more of the members of this team were unable or unwilling to continue in their present position, the Group might not be able to replace them within the short term, which could have a material adverse effect on the Group's business, financial condition and results of operations.

In common with many businesses, the Group will be relying heavily on the contacts and expertise of its senior management teams and other key personnel. Although no single person is solely instrumental in fulfilling the Group's business objectives, there is no guarantee that these objectives will be achieved to the degree expected following the possible loss of key personnel. The loss of the services of any of the key personnel could have, in the short term, a material adverse effect on the Group's business.

2.4.3 Litigation risk

All industries, including the real estate development industry, are subject to legal claims, with or without merit. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation and dispute resolution process, there can be no assurance that the resolution of any particular legal proceeding or dispute will not have a material adverse effect on the Group's future cash flow, results of operations or financial condition.

2.4.4 The Group's insurance policies

Historically, the Group has maintained insurance at levels determined by the Group, following advice from industry experts, to be appropriate in the light of the cost of cover and the risk profiles of the business in which the Group operates. With respect to losses for which the Group is covered by its policies, it may be difficult and may take time to recover such losses from insurers. In addition, the Group may not be able to recover the full amount claimed from the insurer. No assurance can be given that the Group's current insurance coverage would be sufficient to cover all potential losses, regardless of the cause, nor can any assurance be given that an appropriate coverage would always be available at acceptable commercial rates.

2.4.5 Competition risk

The business of the Group is susceptible to strong and increasing local and global competition, influenced by a variety of determining factors including price, variety and quality of services, availability, reliability, after-sales service and logistical arrangements, and the fluctuations in demand and supply in respect of both competing or substitute goods and services. A decline in the relative competitive strength of the Group could adversely affect the Group's results of its operations, financial condition, and its prospects.

In particular, the Group may be compelled by the strength of its competitors that are able to supply goods and services at lower prices, to reduce its own prices. The ability of the Group to maintain or increase its profitability will in turn be dependent on its ability to offset such decreases in the prices and margins of its goods and services.

2.4.6 The Group's reliance on non-proprietary software systems and third-party information technology providers

To varying degrees, the Group is reliant upon the efficient and uninterrupted operations of its computer systems, software and telecommunications networks, access to the internet, as well as the systems and services of other third parties for the running of its business and is exposed to the risk of failure of such systems. Whilst the Group has service agreements and disaster recovery plans with third-party providers of these systems to ensure their continuity and stability, there can be no assurance that the service or systems will not be disrupted. Disruption to those technologies or systems and, or lack of resilience in operational availability could adversely affect the efficiency of the Group's business, financial condition and/or operating results.

2.4.7 A significant portion of the Issuer's operating expenses are fixed, which may impede them from reacting quickly to changes in its revenue

A significant portion of the Issuer's costs are fixed and the Issuer's operating results are vulnerable to short-term changes in revenues. The Issuer's inability to react quickly to changes in revenue by reducing operating expenses could have a material adverse effect on its business, financial condition and results of operations.

2.4.8 Liquidity risk

The lack of liquidity and alternative uses of real estate investments could significantly limit the Issuer's ability to respond to adverse changes in the performance of its properties thereby potentially harming their respective financial condition. Furthermore, the Issuer's ability to sell, in a timely fashion, one or more of its properties in response to changing economic, financial and investment conditions, is limited.

The real estate market is affected by many factors, such as general economic conditions, availability of financing, interest rate movements and other factors, including supply and demand, that are beyond the Issuer's control.

2.4.9 The Issuer is exposed to the risk of failure of the Group's proprietary reservations system and increased competition in reservations infrastructure

The Group has its own proprietary central reservation system to serve as a central repository for all the Group's hotel room inventories. The system provides an electronic link between multiple sales channels, including Group websites, third-party internet intermediaries and travel agents, Group reservation offices and the Group's hotels. Lack of resilience or failure of the central reservation system could lead to service disruption and may result in significant interruption in processing room bookings and reservations, which could negatively impact revenues. There can be no assurance that the continued stability of this system will not be disrupted. In addition, inadequate investment in this system or failure to maintain an effective e-commerce strategy may adversely affect the Group's competitiveness and its market share, thereby materially adversely affecting the business, financial condition, results of operations and prospects of the Issuer.

2.5 LEGAL, REGULATORY AND COMPLIANCE RISKS

2.5.1 Risks relating to the collection, processing and storage of personal data

Whenever personal data is collected, processed and stored by the Company and the Group, the activity conducted is subject to the rules governing the processing of personal data in terms of the Data Protection Act (Cap. 586 of the laws of Malta), subsidiary legislation issued thereunder and the GDPR.

The Issuer and the Group are subject to a number of obligations concerning the processing of personal data under such regulation which if breached, could result in the Company being liable to fines that could affect the financial position of the Company. To this end, the Group has appointed a Group Data Protection Officer who is the liaising person for data subjects and the regulator.

Breach of data privacy legislation could result in the Group being subject to claims by its customers, for infringement of privacy rights. Should any such claims be brought, the Group could face administrative proceedings (including criminal proceedings) initiated against it by data protection regulators which could result in penalties of up to the higher of €20 million or 4% of Group turnover. In addition, any inquiries made, or proceedings initiated by the relevant regulator, could lead to negative publicity which could materially adversely affect its reputation and, as a result, its business, earnings and, or financial condition. The more restricted the ability to collect and use personal data in a way that is of commercial use to the Group could also adversely impact the Group's business.

2.5.2 Risks relative to changes in laws

The Group is subject to taxation, environmental and health and safety laws and regulations. As with any business, the Group is at risk in relation to changes in laws and regulations and the timing and effects of changes in the laws and regulations to which it is subject, including changes in the interpretation thereof which cannot be predicted. No assurance can be given as to the impact of any possible judicial decision or change in law or administrative practice after the date of the Prospectus upon the business and operations of Group companies.

3. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT, ADVISORS AND AUDITORS OF THE ISSUER

3.1 DIRECTORS OF THE ISSUER

As at the date of this Registration Document, the Board of Directors of the Issuer is constituted by the following persons:

Alfred Pisani I.D. Card: 126839M	Chairman and Executive Director	29 March 2000
Frank Xerri de Caro ID Card: 122646M	Senior Independent Non-Executive Director	2 July 2004
Hamad Mubarak Mohd Buamin Emirati Passport N.: A2555282	Independent Non-Executive Director	31 December 2013
Abdulnaser M.B. Ahmida Libyan Passport N.: 740641	Independent Non-Executive Director	21 January 2014
Douraid Zaghouani French Passport N.: 13FV17960	Independent Non-Executive Director	3 November 2014
Joseph Pisani ID Card: 672637M	Non-Executive Director	22 December 2014

Joseph Fenech ID Card: 656656M	Non-Executive Director	20 April 2021
Moussa Alhassan Atiq Ali Libyan Passport N.: PF1J3Z48	Non-Executive Director	23 July 2021
David Curmi ID Card: 0477759M	Independent Non-Executive Director	17 February 2021

The business address of the Directors is the same as that of the Issuer.

The c*urriculum vitae* of each of the Directors are set out in Section 7.1.4 below.

3.2 COMPANY SECRETARY OF THE ISSUER

The Company Secretary of the Issuer is Mr Jean-Pierre Schembri (ID Card: 0573281M). The business address of the Company Secretary is the same as that of the Issuer.

3.3 SENIOR MANAGEMENT OF THE ISSUER

The Chairman, the Chief Executive Officer, and other senior members of the executive team, are responsible for the Issuer's day-to-day management. Alfred Pisani is the Chairman of the Company. Simon Naudi holds the post of Chief Executive Officer. Neville Fenech holds the post of Chief Financial Officer of the Issuer. Clinton Fenech is the Company's General Counsel.

3.4 RESPONSIBILITY AND AUTHORISATION STATEMENT

The Directors of the Issuer are the persons responsible for the information contained in this Registration Document. To the best of the knowledge and belief of the Directors (who have all taken reasonable care to ensure such is the case), the information contained in this Registration Document is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

This Registration Document has been approved by the MFSA as the competent authority in Malta for the purposes of the Prospectus Regulation. The MFSA has only approved this Registration Document as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation and such approval should not be considered as an endorsement of the Issuer and, or the Bonds.

3.5 ADVISORS TO THE ISSUER

The persons listed under the sub-heading "Advisors" have advised and assisted the Directors in the drafting and compilation of the Prospectus.

Legal Counsel to the Issuer
Name: Camilleri Preziosi
Address: Level 3, Valletta Buildings, South Street, Valletta VLT 1103, Malta

Sponsor
Name: M.Z. Investment Services Ltd
Address: 61, M.Z. House, St. Rita Street, Rabat RBT 1523, Malta

Financial Advisors
Name: PricewaterhouseCoopers
Address: 78, Mill Street, Zone 5, Central Business District, Qormi CBD 5090, Malta

Manager and Registrar
Name: Bank of Valletta p.l.c.
Address: 58, Zachary Street, Valletta VLT 1130, Malta

3.6 AUDITORS OF THE ISSUER

Name: PricewaterhouseCoopers
Address: 78, Mill Street, Zone 5, Central Business District, Qormi CBD 5090, Malta

The annual statutory consolidated financial statements of the Issuer for the financial years ended 31 December 2018, 2019, and 2020 were audited by PricewaterhouseCoopers. PricewaterhouseCoopers is a firm of certified public accountants holding a warrant to practice the profession of accountant in terms of the Accountancy Profession Act (Cap. 281 of the laws of Malta). The Accountancy Board registration number of PricewaterhouseCoopers is AB/26/84/38.

4. INFORMATION ABOUT THE ISSUER

4.1 HISTORICAL DEVELOPMENT OF THE ISSUER

Full legal and commercial name of the Issuer:	International Hotel Investments p.l.c.
Registered address:	22, Europa Centre, Floriana FRN 1400, Malta
Place of registration and domicile:	Malta
Company registration number:	C 26136
Legal Entity Identifier ('LEI'):	529900LVB0R279MUX376
Date of registration:	29 March 2000
Legal form:	The Issuer is lawfully existing and registered as a public limited liability company in terms of the Act.
Telephone number:	+356 21 233 141
Email:	ihi@corinthia.com
Website:	www.corinthiagroup.com

The Issuer was established and promoted by the Corinthia Group as the principal vehicle for the international expansion of the Group's hotels and mixed-use developments.

In 2000, following a successful initial public offering, the Issuer's shares were listed on the Official List of the Malta Stock Exchange. As at the date hereof, CPHCL holds directly 57.81% of the issued share capital of the Issuer, whilst Istithmar and LAFICO both act as strategic investors in the company with direct holdings of 21.69% and 10.85% respectively. The remaining shares in the Issuer are held by the general investing public. LAFICO also owns 50% of CPHCL, whilst up to approximately half of its direct holding of 10.85% in the Issuer is subject to a call option in favour of CPHCL.

4.2 ORGANISATIONAL STRUCTURE OF THE GROUP

The Group's organisational structure has expanded over the years in line with the Group's development phases and growth. The Group's organisational structure allows the Issuer to keep the strategic direction and development of the Group as its primary focus, whilst allowing the respective boards and management teams of the Subsidiaries to focus on achieving the Group's operational objectives. CHL, the hotel management company, provides the necessary support, expertise and guidance to the Subsidiaries with respect to the operation of each hotel.

The Group has adopted an autonomous organisational structure for each hotel property and operation. The Group's philosophy is based on the ownership of each hotel property through a company established in the jurisdiction where the hotel is located.

As the holding company of the Group, the Issuer is ultimately dependent upon the operations and performance of its Subsidiaries and their respective operations.

The following diagram summarises the structure of the Corinthia Group and the position within the said group of the Issuer.

LAFICO (10.85%)

CPHCL (57.81%)

ISTITHMAR (21.69%)

PUBLIC (9.65%)

INTERNATIONAL HOTEL INVESTMENTS p.l.c.

BRAND MANAGEMENT, DEVELOPMENT, PROJECT MANAGEMENT AND CATERING OPERATIONS

100% of CHL Limited
(Malta C26086)
operator and developer of the Corinthia Brand. Operates all property investments referred to herein and in the subsequent column directly or through fully-owned subsidiaries, as well as the following for affiliates and third parties:

5* Corinthia Hotel Khartoum

5* Ramada Plaza Hotel Tunis

4* Panorama Hotel Prague

4* Aquincum Hotel Budapest

100% of CHL NYC Inc
(Delaware 5824058)
(to operate Corinthia New York)

100% of Corinthia Developments International Limited
(Malta C70440)
(development company)

100% of Corinthia Caterers Limited
(Malta C24720)
(event catering company – also owns 50% of a catering and retail Maltese subsidiary)

100% of Catermax Limited
(Malta C50842)
(industrial catering)

100% of The Coffee Company Malta Limited
(Malta C55973
(Costa Coffee Malta)

100% of QPM Limited
(Malta C26148)
(project & cost management architectural & design services – also owns subsidiaries in the UK, Belgium and Malta as well as a branch in Libya)

HOTEL PROPERTY AND REAL ESTATE SUBSIDIARY INVESTMENTS

100% of IHI Hungary Zrt
(Hungary 01-10-044660)
(Corinthia Hotel Budapest)

100% of IHI Malta Hotel Limited
(Malta C84130)
(Corinthia Palace Hotel & Spa, Malta)

100% of Alfa Investimentos Turisticos Lda
(Portugal 500014949)
& 100% of IHI Lisbon Limited
(Malta C28556)
(Corinthia Hotel & Spa, Lisbon)

100% of Five Star Hotels Limited
(Malta C4848)
(Corinthia Hotel St George's Bay, Malta)

100% of IHI Towers s.r.o.
(Czech Republic 27191711)
(Corinthia Hotel Prague)

100% of IHI Benelux B.V.
(Netherland 393337)
& 100% of IHI St Petersburg LLC
(Corinthia Hotel & Commercial Centre, St Petersburg)

100% of Corinthia Towers Tripoli Limited
(Malta C31135)
(Corinthia Hotel & Commercial Centre, Tripoli)

55% of Libya Hotels & Developments JSC
(Libya 172-6194)
(45% owned by LFICO)
(Corinthia Hotel & Residences Benghazi – early development stage, still on hold)

100% of Marina San Gorg Limited
(Malta C4852)
(Marina Hotel, St George's Bay, Malta)

100% of Bay Point Hotel Limited
(Malta C13170)
(Radisson Blu Resort St Julians)

100% of Corinthia Oasis Company Limited
(Malta C48380)
(Hal Ferh Complex - 83,550 sqm plot for development)

100% of Corinthia (Malta) Staff Services Limited
(Malta C19442)
& 100% of Golden Sands Resort Limited
(Malta 30569)
(Radisson Blu Resort & Spa Golden Sands)

ASSOCIATE INVESTMENTS

50% of NLI Holdings Limited
(Jersey100582)
(50% owned by LAFICO)
(Corinthia Hotel & Residences, London – also owns subsidiaries in Jersey, the UK and Malta)

50% of Hotel Astoria S.A.
(Belgium 405.752.087)
(50% owned by LAFICO)
(Corinthia Grand Hotel Astoria, Brussels – opening 2022)

25% of Medina Tower Joint Stock Company
(Libya PIB 343)
(25% MIH, 25% AUCC, 25% AHCT)
(Medina Tower Project, Tripoli, Libya – 10,000 sqm site fully permitted for a mixed use development – on hold)

10% of Lizar Holdings Limited
(Cyprus HE 392170)
(Corinthia Hotel & Residences, Moscow)

The following table provides a list of the principal assets and operations of the Issuer:

INTERNATIONAL HOTEL INVESTMENTS PLC
PRINCIPAL ASSETS AND OPERATIONS
AS AT 30 JUNE 2021

Name	Location	Description	% ownership	No. of hotel rooms
Corinthia Hotel Budapest	Hungary	Property owner	100	439
Corinthia Hotel St Petersburg	Russia	Property owner	100	385
Commercial property St Petersburg	Russia	Property owner	100	n/a
Corinthia Hotel Lisbon	Portugal	Property owner	100	518
Pinhiero Chagas	Portugal	Residential apartment block	100	n/a
Corinthia Hotel Prague	Czech Republic	Property owner	100	551
Corinthia Hotel Tripoli	Libya	Property owner	100	300
Commercial property Tripoli	Libya	Property owner	100	n/a
Corinthia Hotel St George's Bay	Malta	Property owner	100	250
Marina Hotel St George's Bay	Malta	Property owner	100	200
Corinthia Hotel & Residences London*	United Kingdom	Property owner	50	283
Corinthia Grand Astoria Hotel Brussels*	Belgium	Property owner (under development)	50	125
Corinthia Hotel & Residences Moscow	Russia	Property owner (under development)	10	42
Radisson Blu Resort St Julian's	Malta	Property owner	100	252
Radisson Blu Resort & Spa Golden Sands	Malta	Property owner & vacation ownership operation	100	338
Corinthia Palace Hotel & Spa	Malta	Property owner	100	146
Corithia Hotels Limited	Malta	Hotel management	100	n/a
QPM Limited	Malta	Project management	100	n/a
CDI Limited	Malta	Project Development	100	n/a
Medina Tower	Libya	Mixed-use property (to be developed)	25	n/a
Benghazi Development	Libya	Mixed-use property (to be developed)	55	n/a
Corinthia Catering and Complex	Malta	Event catering	100	n/a
Corinthia Oasis	Malta	Vacant site (to be developed)	100	n/a
Costa Coffee	Malta	Retail catering	100	n/a
				3,830

**under control and management of IHI*

5. BUSINESS OVERVIEW

IHI carries on the business of an investment company in connection with the ownership, development and operation of hotels, residential and commercial real estate. The Company holds investments in subsidiary and associate companies through which it furthers the business of the Group.

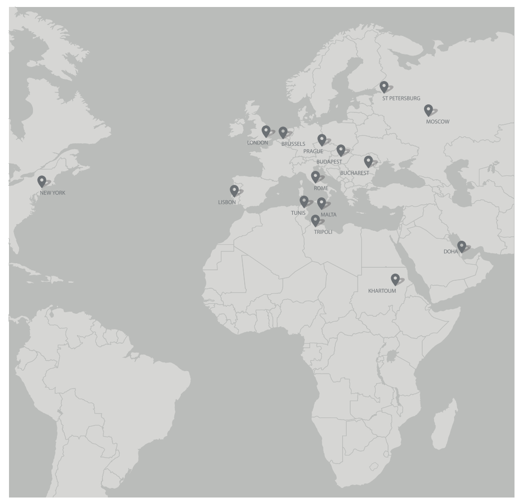
The entire issued share capital of the Issuer is listed on the Official List of the Malta Stock Exchange.

5.1 PRINCIPAL ACTIVITIES

To date, IHI has acquired and/or developed hotels in Prague (Czech Republic), Tripoli (Libya), Lisbon (Portugal), Budapest (Hungary), St Petersburg (Russian Federation), St Julian's (Malta), Attard (Malta) and Golden Bay (Malta). NLI is a joint venture between IHI and LAFICO, each party holding 50% of the issued share capital in NLI. NLI owns the 283-roomed Corinthia Hotel located in London, United Kingdom. A penthouse apartment was sold in 2021 and the sale proceeds have been applied primarily towards the settlement of the bank loan on the said penthouse and in supporting the partial repayment of the bank loan on the London hotel. In January 2017, IHI secured the right to nominate and appoint the majority of the board of directors of NLI, such that IHI is currently consolidating the performance of the Corinthia Hotel London in its financial statements.

Revenue and earnings are derived primarily from the operation of owned hotels. A secondary source of income and earnings is rental income of residential and commercial premises, particularly in St Petersburg, Tripoli and Budapest. Additional revenue streams include fees earned by CHL, a wholly owned subsidiary of IHI, through fees earned from hotels owned by IHI itself or managed pursuant to management contracts with CPHCL and other third parties, project managements services provided through QP and catering services provided through Corinthia Caterers, Catermax and Costa Coffee. As at the date of this Prospectus, CHL manages 11 hotels owned by the Group and four hotels owned by CPHCL and, or third-party owners, and is due to manage another six hotels owned by third-party owners scheduled to open between 2022 and 2023.

IHI-owned and CHL-managed hotels	Ownership	rooms
Corinthia Hotel London	50%	283
Corinthia Hotel St George's Bay – Malta	100%	250
Corinthia Hotel Lisbon	100%	518
Corinthia Hotel Budapest	100%	439
Corinthia Hotel Prague	100%	551
Corinthia Hotel St Petersburg	100%	385
Corinthia Hotel Tripoli	100%	300
Marina Hotel St George's Bay – Malta	100%	200
Radisson Blu Resort Hotel – Malta	100%	252
Radisson Blu Golden Sands Resort – Malta	100%	338
Corinthia Palace Hotel – Malta	100%	146



Other CHL-managed hotels	Owner
Aquincum Hotel – Budapest	CPHCL
Ramada Plaza Hotel – Tunisia	CPHCL
Panorama Hotel – Prague	Third Party
Khartoum Hotel – Sudan	LAFICO

Hotels to be managed by CHL	Owner	Opening Date
Corinthia Hotel Bucharest	Third Party	Opening 2022
Corinthia Hotel & Residences – Doha	Third Party	Opening 2022
Corinthia Hotel – Rome	Third Party	Opening 2023
Corinthia Hotel – New York	Third Party	Opening 2023
Corinthia Hotel & Residences Moscow	Third Party	Opening 2023
Corinthia Hotel Brussels	50% NLI-owned	Opening 2023

Land and commercial properties	
Budapest	Royal Residences
Malta	Corinthia Oasis (detailed designed underway)
St Petersburg	Nevskij Plaza Shopping & Office Centre
Tripoli	Corinthia Commercial Centre
Moscow (10% ownership)	Corinthia Hotel & Residences (under development)

QP, a wholly owned subsidiary of IHI, primarily generates fee income from project management, architectural, structural and other similar services. QP offers a range of project construction, mechanical and electrical engineering, building services, valuation and cost management services to a number of international clients in various countries. It provides services to the Group as well as to its third-party client base. On 12 September 2016 the Issuer increased its stake in QP from 20% to 100%.

The remainder of this section provides a timeline of key investments made by the Group, further information in respect of the more recent of which may be found in section 5.4 below:

i. Libya

In 2010, MTJSC was set up for the purpose of owning and developing the Medina Tower. The shareholders of MTJSC are MIH, IHI, AUCC and AHCT, having a shareholding of 25% each. The parcel of land over which this project will be developed measures circa 13,000m^2 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 199,000m^2. The project designs of the Medina Tower are complete and all development approvals had been obtained from the relevant authorities.

In addition to the aforementioned proposed project in Libya, IHI has a 55% equity participation in Libya Hotel Development and Investment JSC, a company set up in Libya that acquired a derelict building formerly known as the El-Jazeera Hotel and adjoining site in Benghazi, Libya. The remaining 45% equity participation in Libya Hotel Development and Investment JSC is held by LAFICO. Libya Hotel Development and Investment JSC will eventually develop a mixed-use project consisting of a 228-room five-star hotel, 2,000m^2 of retail space and 10,000m^2 of office space.

In light of the prevailing situation in Libya, all works on the Medina Tower and the project in Benghazi project have been put on hold.

ii. Belgium

On 11 April 2016, NLI acquired the entire issued share capital of the Belgian hotel-owning company, Hotel Astoria S.A., resulting in the acquisition by NLI of the Grand Hotel Astoria in Brussels.

iii. United Arab Emirates

In May 2016, CHL signed a technical services and pre-opening services agreement with Meydan Group for the development of a hotel. The owner and CHL have since sold their interests in the hotel. As a result, CHL received a payment of US$5,000,000 on such sale.

iv. Romania

In March 2018, CHL entered into a management agreement with the owners of the property formerly known as the Grand Hotel du Boulevard to manage, once redeveloped, as the Corinthia Hotel Bucharest. Pursuant to the above signing, QP has since been engaged by the property owners to manage the development in all technical aspects. Design development of the regeneration of this listed property has commenced and works are expected to be completed in 2022. The new hotel will feature 33 suites as well as the fully restored Grand Ballroom and various dining and leisure venues.

v. Russia

In February 2019, IHI acquired a 10% minority share for US$5.5 million in a company formed with a consortium of investors to acquire a landmark property 10 Tverskaya Street, Moscow (the "**Moscow Project**"). The acquisition was made with a view to developing the site into a mixed-use real estate project including a luxury Corinthia hotel. The asset is located on a prestigious boulevard in Moscow in a highly popular shopping, cultural and business location, as well as a luxury hotspot with other competing luxury brands all in close proximity. The Moscow Project would cover a gross area of 43,000m^2, consisting of a mixed-use redevelopment into a 42-room boutique luxury Corinthia Hotel, 109 upmarket residential serviced apartments for re-sale, high-end retail and commercial outlets and underground parking.

vi. Italy

In October 2019, CHL entered into a preliminary lease agreement relating to the lease of a building being redeveloped into a 56-room ultra-luxury hotel in central Rome. CDI is project managing the development while CHL shall manage the hotel upon its opening. The hotel is expected to be developed and completed by the year 2023. In terms of the preliminary lease agreement, the owner of the property undertook to grant the lease upon the completion of the development of the property into a hotel and the necessary permits for the operation of the hotel being obtained.

vii. Qatar

In October 2020, CHL entered into an agreement with United Development Company (UDC), the Qatari owner and master developer of The Pearl in Doha, to manage and operate a luxury Corinthia hotel to be built in UDC's newest flagship real estate development, Gewan Island. The Corinthia Hotel Doha will be built on a site having an area of 13,000m^2 and will feature 110 guestrooms, a 1,000-person banquet hall, several restaurants and a luxurious spa facility. The development will also include luxury branded villas, a golf course, and a beach and yacht club, all of which will be managed by CHL.

viii. Malta

In April 2018, IHI acquired the Corinthia Palace Hotel & Spa in Attard through a newly formed subsidiary from its ultimate parent CPHCL. The operating results and assets and liabilities of the acquired business have been consolidated as from 1 April 2018. Furthermore, a significant upgrade of this hotel at a cost of €7.1million has been completed, whilst a further €5 million are earmarked for further upgrading in the rooms and food and beverage facilities.

Until the end of 2020, GSR was a joint venture within the Group. IHI acquired the remaining 50% ownership of GSR following its acquisition of Bezemer Limited, a third-party foreign-owned company incorporated in the British Virgin Islands, on the 26 February 2021. As a result, GSR is fully owned by the Company. The total consideration payable for the acquisition of the shares and other shareholder's receivables, was €13 million. GSR is the owner of the 338-room five-star Radisson Blu Resort & Spa Golden Sands situated at Golden Bay, Malta. The property offers a full complement of five-star hotel and leisure conference facilities. As in the case of the Radisson Blu Resort, St Julians, the Radisson Blu Resort & Spa Golden Sands operates under a franchise agreement with the Carlson Rezidor Hotel Group (a hotel company incorporating hotels worldwide under several brands) that has exclusive rights for the use of the Radisson Blu name within the EMEA region.

As at the date of this Prospectus, Corinthia Oasis holds, under title of emphyteusis a plot of land measuring 83,530m^2 located adjacent to the Radisson Blu Resort & Spa, Golden Sands, Malta (the "**Ħal Ferħ Site**"). The property is earmarked for the development of a mixed-use luxury tourist complex.

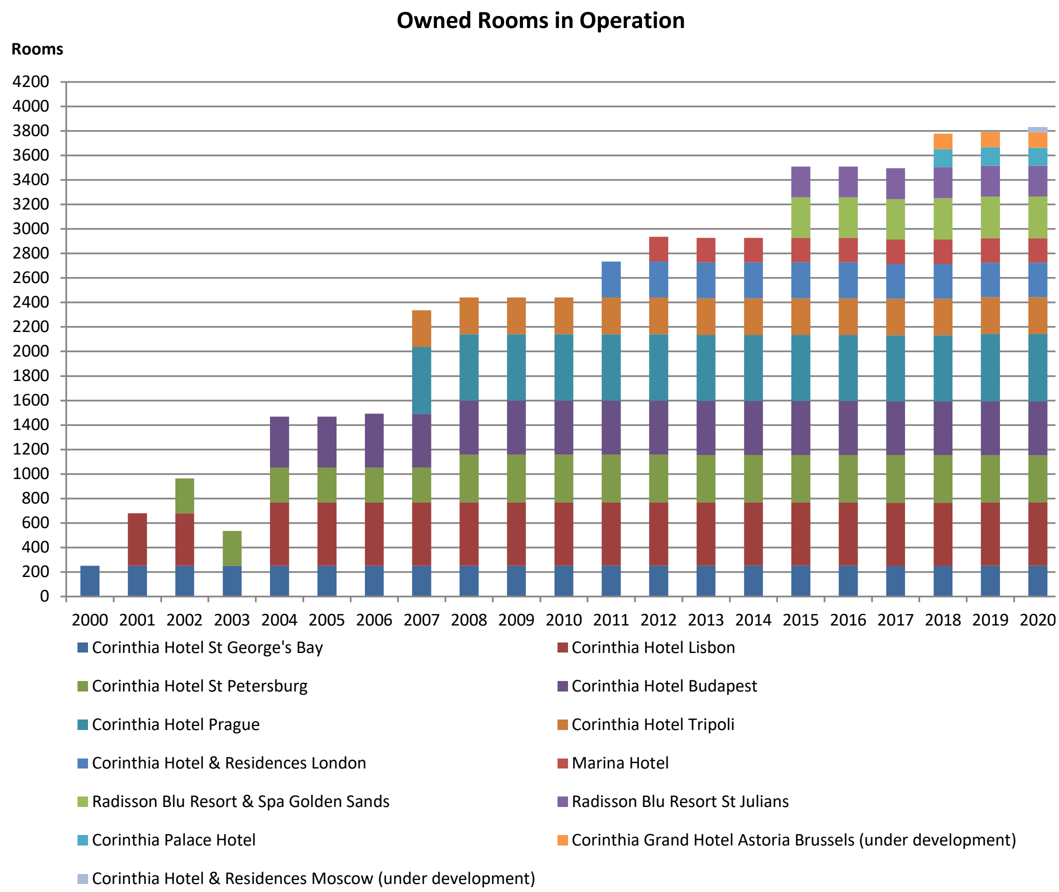
Furthermore, revenue is also generated from retail, events and conference catering business in Malta, and the operation of Costa Coffee outlets in Malta. In this respect, in 2019, the Issuer acquired the entire issued share capital and the businesses of Corinthia Caterers Limited and Catermax Limited from Corinthia Palace Hotel Company Limited.

ix. United States of America

In April 2021, CHL entered into a hotel management agreement in relation to a building being redeveloped into a 97-room ultra-luxury hotel in downtown New York City. Once it opens in 2023, following extensive refurbishment the hotel will include 97 guest rooms including 33 suites, 5 signature suites and 12 luxury residences.

5.2 ROOM INVENTORY

The Issuer fully owns 10 hotel properties, 50% in each of two other hotel properties (namely, Corinthia Hotel & Residences London and Corinthia Grand Hotel Astoria Brussels (under construction)), and 10% of the Corinthia Hotel & Residences Moscow (under construction). The chart below sets out the growth in owned-room inventory of the Issuer since incorporation, which increased from 250 to 3,830 rooms over a span of 21 years.



Source: Management information.

2000: IHI was incorporated on 29 March 2000 and immediately acquired the 250-bedroom Corinthia Hotel situated in St George's Bay, Malta, and the derelict shell of the Grand Hotel Royal in Budapest.

2001: IHI acquired the four star 430-bedroom and four unfinished floors in the Alfa Hotel in Lisbon on 16 August 2001.

2002: IHI acquired the 285-bedroom Corinthia Hotel, St Petersburg on 16 January 2002 together with adjoining buildings for development.

2003: IHI closed the Alfa Hotel, Lisbon on 24 February 2003 for refurbishment and extension.

2004: IHI inaugurated the 414-bedroom Corinthia Hotel, Budapest on 30 April 2004. The Corinthia Hotel, Lisbon re-opened as a five star hotel on 1 May 2004 with 518 bedrooms.

2006: IHI inaugurated 26 penthouse apartments situated at the Corinthia Hotel, Budapest.

2007: IHI acquired, in May 2007, the 544-bedroom Corinthia Hotel, Prague, and the 299-bedroom Corinthia Hotel & Commercial Centre, Tripoli.

2008: IHI completed, in May 2009, the extension of the Corinthia Hotel, St Petersburg by increasing the inventory by a further 105 bedrooms, together with a retail mall and office complex.

2009: In April 2009, IHI and its joint venture partners acquired the landmark Metropole Building and 10, Whitehall Place in London from the Crown Estate and initiated plans to develop a 294-bedroom luxury hotel and 12 residential apartments.

2011: The Corinthia Hotel, London commenced operations in April 2011 while the residential apartments achieved practical completion in November 2012 (in March 2014, 11 of the 12 residential apartments were sold on the open market, whilst the remaining penthouse apartment was sold in August 2021).

2012: IHI acquired the 200-bedroom Marina Hotel in St. Julian's, Malta, on 13 February 2012.

2015: In the second half of 2015, IHI acquired the IHGH Group, owner of the 252 room five-star Radisson Blu Resort in St Julian's and joint owner of the 338 room Radisson Blu Resort & Spa, Golden Sands. The IHG group assets also included Island Caterers Ltd and the Costa Coffee franchise in Malta and the East of Spain.

2016: In April 2016 NLI acquired the entire issued share capital of Hotel Astoria S.A., the company owning the derelict 145 room Grand Hotel Astoria in Brussels.

2017: IHI and IHGH merged by way of amalgamation to the effect that IHI acquired all the assets and liabilities of IHGH. As a result of the merger, IHGH was struck-off the Registry of Companies.

2018: IHI acquired the Corinthia Palace Hotel & Spa business in Attard through a newly formed subsidiary from its ultimate parent CPHCL.

2018: NLI converted 22 rooms at the Corinthia Hotel London into 11 suites.

2019 IHI purchased the entire issued share capital and the businesses of Corinthia Caterers Limited (formerly named FCCL Limited) and Catermax Limited.

2019: IHI purchased a 10% shareholding in the entire issued share capital of the companies owning the land lease and buildings at 10 Tverskaya Street, Moscow.

2019: IHI Benelux B.V. commenced the development of a derelict building with a footprint measure circa 1,500 square meters into a car park and office space behind the Corinthia Hotel St Petersburg.

2019: CHL entered into a preliminary lease agreement for a building in Rome opening in 2023.

2021: CHL engaged to operate and manage a hotel building in New York City once it reopens in 2023 following extensive refurbishment set to result in 97 guest rooms including 33 suites, 5 signature suites and 12 luxury residences.

2021: Group acquired the remaining 50% shareholding in Golden Sands Resort Limited.

5.3 BUSINESS DEVELOPMENT STRATEGY

The onset of the COVID-19 pandemic in Q1 2020 caused the Group to swiftly implement a broad range of health and safety measures whilst ensuring the continued viability of the Group.

In brief, the following actions were implemented:

a. All health and safety measures were adopted as directed by the relevant authorities in the various jurisdictions in which the Group operates. Internal guidelines on operations and staff welfare have also been circulated and updated regularly during the re-opening phase of the Group's hotels.
b. Far-reaching cost cutting and cost containment measures were implemented, including temporarily shutting down hotels for varying periods since March 2020 whilst retaining ongoing security and maintenance in all properties.
c. Capital expenditure has been suspended, other than to finish ongoing works nearing completion.
d. Various actions were initiated following a detailed review of every cost item, including renegotiation of rates and payment deferments.
e. Payroll was curtailed by shedding all part-time workers and others on probation and removal of third-party labour service providers. Selected redundancy programs were also implemented in some of the Group's operations across Europe. Many of the Group's executives also took drastic temporary cuts in their salaries during the 15-month period between April 2020 and June 2021.
f. The Group benefitted from various schemes adopted by Governments which included salary subsidies, as well as the waiver or deferral of payroll taxes and social security contributions. Countries such as the United Kingdom and Czech Republic went beyond wage subsidies to support the hospitality industry with property tax waivers or outright cash grants.
g. The Group has also negotiated with its banks in Malta and internationally to defer payment of capital and, in some cases also interest, apart from the resetting of financial covenants. The Group has also organised separate lines of credit from various banks and even with related parties.

During the second half of 2021, as COVID-19 related restrictions were eased across Europe, the Group continues to adhere to all health and safety measures as directed by the relevant authorities in the various jurisdictions in which the Group operates. All hotels have re-opened, albeit with limited capacity, and room rates are gradually increasing to pre-pandemic levels. Any suspensions relating to capital expenditure are slowly being lifted, whilst all payroll cuts have been removed. IHI is set to maintain a strict focus on containing its costs going forward. As at the date of this Prospectus, most Government schemes are either shortly due to elapse or have been phased out entirely.

In 2021 revenue is projected to increase on account of all hotels having re-opened and a gradual improvement in the hospitality business generally in those jurisdictions where the Group operates. In markets where there is an internally generated demand through a domestic market, such as Russia and the UK, the Group expects hotels such as the Corinthia St Petersburg and Corinthia London to recover faster than others.

The Group has considered the potential continued impact of COVID-19 on the Group's business in the next few years and has assumed that a gradual recovery to pre COVID-19 level of business could be realised between 2023 and 2025. Notwithstanding this expectation, the anticipated recovery remains highly uncertain as it is dependent on external factors that are clearly not within the control of the Group's management.

A delay in timing of the above-mentioned recovery may result in a situation where the Group may require additional short to medium term funding to meet its working capital and debt service obligations. To this effect, the Group has a long and positive track record in terms of negotiating with banks and other financial institutions to acquire or renegotiate financing facilities. Moreover, the Group has the ongoing support of its principal shareholders, particularly that of its majority shareholder Corinthia Palace Hotel Company Limited.

To further ensure that the Group maintains appropriate liquidity levels, the capital expenditure planned for the coming few years, principally relating to the projects described in section 5.4 below, shall be executed in accordance with expectations in the recovery of the hospitality industry. As such, most projects may be completed over a slightly longer period if required without significantly impacting the Group's projected growth.

The Group's total assets as at 30 June 2021 amounted to €1.6 billion, comprising mainly property, plant and equipment and investment property at a carrying amount of €1.4 billion. The potential of identifying property for disposal remains at the Group's discretion under active consideration, should the need arise going forward.

Beyond the COVID-19 crisis, the Group's business strategy is to focus on achieving positive and sustainable financial results, and appreciation in the value of the Group's properties and investments. In the execution of the Group's strategy, management aims to provide a high-quality service at each hotel and treat customers to a unique hospitality experience. Through the provision of a better quality offering the brand value is further enhanced, and occupancy levels and average room rates are improved. Moreover, it enables the Group to target higher-yielding customers, in particular those from the leisure and conference & event segments.

Electronic booking portals have in recent times gained global importance in generating room reservations. In this respect, the Group is continuously optimising its website 'Corinthia.com', developing further its online reservation system and investing in online marketing.

Due to the sudden drop in demand for accommodation services, Group payroll cost was reduced from €93.4 million in FY2019 to €47.3 million in FY2020. The Group intends to retain as much savings as possible in the years ahead although manning levels will have to be increased to an extent to manage growing occupancies. Other areas of cost were equally curtailed. Management is taking this opportunity to reassess the Group's cost structures and implement better controls over operating costs.

The Group's strategy focuses on the operation of hotels that are principally in the five-star or luxury category and ongoing investment in their upkeep is given due importance in order to preserve their attractiveness and incremental value.

In addition, whilst the Group continues to target investments in under-performing properties in emerging markets, it seeks to further diversify its portfolio of investments both geographically (not limiting itself to emerging markets but also focusing on key and mature capital cities) as well as in terms of business segments. As such, apart from the afore-mentioned strategy for internal growth, the Group aims to grow its business externally by further expanding the portfolio of hotels and mixed-use properties and venturing into other businesses through:

- **Acquisitions, joint ventures and developments**
  Management remains active in growing the Group's portfolio of hotel and mixed-use properties by acquisition, particularly if these entail a potential for capital appreciation.

  Furthermore, other mixed-use properties described in section 5.4 below, earmarked for development in the coming years, are expected to generate positive returns for the Group. Moreover, management remains active in the pursuit of new investment opportunities. In particular, if available at attractive prices and subject to funding, the Group is principally interested in developing hotels in mature markets, specifically in certain key European cities.

  In 2016, the Issuer launched CDI, a development company with a remit to plan and execute acquisitions and developments in the hotel and real estate sector, whether for the Company or third parties. CDI has been highly active in 2018, wherein it has originated various off-market projects, in cities and resorts such as Moscow, New York, Miami, Rome, Bucharest and Cannes. Even though some of the projects might not be fully realized, the ability of CDI to tap on and originate real estate projects and raise external funding from renowned institutional investors worldwide, augurs well for the future of this company. CDI is currently project managing the re-development in Rome.

  In 2019, CHL acquired a 10% shareholding in GHA. Since the said acquisition, it increased its shareholding in GHA to 13.1%. GHA is a company that owns the Global Hotel Alliance of which CHL has been a member alongside 35 other hotel brands. The ownership of GHA comprises founding shareholders Kempinski, Omni and Oracle, as well as Pan Pacific and Minor Hotels.

GHA has demonstrated impressive growth, adding luxury brands consistently, with a current member base of 35 upmarket and luxury brands or 550 upmarket and luxury hotels in more than 84 countries, total discovery members of 10.9 million and total active members of 5.4 million. Members within the alliance are members of and have exposure to the Corinthia brand. GHA provides a low-cost full service loyalty program, DISCOVERY, on a unique multi-brand technology platform, allowing brands to retain loyal customers and attract new business from members enrolled by other brands around the world. In 2018, the founding shareholders of GHA sought to strengthen the alliance by inviting strategic members to participate in an equity increase of 30%.

The Directors' strategic direction is to further consolidate the Group's acquisition of new properties, although the policy is to participate in joint ventures rather than acquire a 100% ownership, so that the Group's funds available for investment purposes are better utilised to acquiring an interest in more properties with the support of third-party shareholders joining the Group specifically in such individual developments. The ultimate objective is that many more hotels be operated by Corinthia Hotels and will carry the Corinthia flag.

- **Management contracts**

  The Group is intent on growing ancillary business lines such as hotel management. When originally set up, CHL's activities were limited to the management of hotels that were owned by the Corinthia Group. CHL has in the last few years signed hotel management agreements with third-party owners to operate hotels in Doha, Bucharest and Rome and more recently, in New York. CHL continues to actively pursue the negotiation and conclusion of a number of management agreements with third-party hotel owners and it is expected that this company shall accelerate its growth path significantly in the forthcoming years.

  Accordingly, where attractive opportunities arise, the Group, through CHL, will seek to expand its portfolio of hotels under the Corinthia brand by entering into agreements to manage hotels for third-party owners. Management believes that the strength of the Corinthia brand, its reservation system and online presence, and the quality of its existing operations, place it in a good position to establish such relationships, which are expected to gather momentum in the short to medium term. This diversification is aimed at improving the Group's profitability, cash generation capabilities and return on investment, as well as reducing the overall risk profile of the Issuer.

- **Asset divestment**

  The Group's strategic plan also comprises the divestment of assets located in secondary markets and that have achieved their mature stage of development, to maintain appropriate levels of cash flow, to fund future growth opportunities and, or to create value for shareholders.

- **Acquisition of intellectual property**

  During 2018, CHL acquired rights to use the Corinthia brand in all respects. The acquired rights are in addition to the rights previously held by IHI on the acquisition of the Corinthia brand in 2010. The Corinthia brand is recognised in the statement of financial position as an intangible asset amounting to €21.9 million (FY2019: €21.9 million).

  IHI has taken active steps to protect the significant goodwill that has become inherent in the Corinthia name and has registered its intellectual property rights in several jurisdictions. The Corinthia brand acquisition has proved to be an important part of the Group's strategy to capitalise on the re-positioning of the Corinthia brand as a global luxury hotel brand.

5.4 INVESTMENTS

The Group's principal investments since 2015 are described hereunder:

a. Corinthia Hotel, St George's Bay

Following the acquisition of IHGH in 2015, IHI initiated the design process to consolidate its three hotel properties situated in St George's Bay, St Julians, Malta (namely, the Radisson Blue Resort St Julians, the Corinthia Hotel St George's Bay and the Marina Hotel), and make way for a mixed-use development that will feature a luxury hotel attracting high net worth leisure and corporate guests, a business hotel, as well as high-end residential, office, retail and commercial facilities targeting a six-star market. The said development has been put on hold by the Group.

The sum of €15 million of the net bond proceeds from the Bond Issue will be used to finance the refurbishment of the Corinthia Hotel in St George's Bay.

This five-star property occupies a prime waterfront location and was originally opened in 1995. Over the years, the hotel has established itself among the leading five-star hotels in the area, targeting all sectors including leisure tourism, conferences and corporate travelling. The funds have been allocated to a refurbishment of the hotel and will cover:

- the refurbishment of the hotel's 250 bedrooms, including finishes, furniture, fixture & equipment, bathrooms, corridors and terraces;
- increasing the number of suites by combining standard rooms to create larger suites in keeping with increased demand for this type of room offering;
- a soft refurbishment of the hotel's lobby and public areas;
- enhanced landscaping of the hotel's external areas, swimming pools and restaurants;
- updates to back of house (BOH), mechanical & electrical equipment, as well as fire, life, health and safety measures in keeping with updated legislation and best practices.

A budget has been set at €40,000 per bedroom plus allocations for all other areas.

The precise timing of the project will be coordinated with other, large-scale development projects in the vicinity.

b. Corinthia Hotel St Petersburg

A renovation programme for the Corinthia Hotel St Petersburg relating to the hotel bedrooms in the main building housing the hotel was completed in 2018 in time for the holding of the FIFA World Cup football finals held in the Russian Federation in summer 2018. The project, spanning over a three-year period, was carried out without interrupting the hotel operation and consisted of a soft refurbishment of 280 bedrooms, at an estimated cost of €3.4 million. The renovation of the hotel was funded through available free cash flow generated by this property. In Q3 2019, the Hotel commenced the development of a derelict building with a footprint measuring circa 1,500 square metres situated behind the Hotel. The estimated cost of this development is set at €2.6 million and will consist in the creation of a car park and further office space. Due to the COVID-19 pandemic, this latest project has been put on hold.

c. Ħal-Ferħ Project

Corinthia Oasis, a subsidiary of IHI, holds a 83,900m^2 site located north-west coast of Malta (the "**Ħal-Ferħ Site**") under title of emphyteusis. The Ħal Ferħ Site was granted to IHGH in 2009 under title of perpetual emphyteusis. The perpetual *utile dominium* over the site was subsequently acquired by Corinthia Oasis. In 2020, the said company acquired the perpetual *directum dominium* from the Government of Malta and redeemed the ground-rent to which the site was subject, resulting in the site being held on a freehold basis. In terms of the deed of emphyteusis, the site may be used for tourism development which includes accommodation, ancillary and supporting facilities.

Permits for a 228-unit (735-bed) timeshare resort were issued by the Planning Authority in 2014, however, as at the date of this Prospectus, construction works have not commenced. This permit is still valid.

In July 2021, the Group submitted a revised planning application to the Planning Authority (PA/5420/21), for the development of a resort over the Ħal Ferħ Site. The regeneration project will include a 162-key resort hotel, a top-tier spa and wellness centre, 25 detached hotel-serviced residences and a host of ancillary resort amenities. The total area of the site which Corinthia would develop should such application be approved, amounts to 9,000 square metres.

As part of the project, Corinthia Oasis is also investing in an adjacent 330-space public car park for use by the local community, administered by the Scouts Association. The car park is currently in the construction phase. This carpark is intended to ensure the fulfilment of the condition imposed by the Planning Authority in Malta, namely, that the car park be developed into a public car park and that said car park remains accessible to the general public, thus alleviating demand for parking by visitors to the nearby Golden Bay and Ħal-Ferħ Site. The resort's own parking requirements will be catered for via an underground carpark located within the site itself and by parking facilities located under the residences.

Corinthia plans to start demolition works, clearance of site, carting away and dumping of material, in line with planning authority permit requirements as originally issued under permit number PA/03134/19. Such preparatory works are also included in the abovementioned PA/5420/21, which is still at application stage. Approximately €14 million of the bond proceeds will be used to fund the preparatory works which are covered under PA/03134/19.

d. Brussels

The Grand Hotel Astoria was built in 1910 by a Belgian aristocratic family and by the time it was acquired by its last owners in 2007 it was being operated as a 145 room hotel. Upon its acquisition by the hotel's former owners in 2007, it was closed with a view to carrying out extensive refurbishment. However, such refurbishment failed to get underway and the asset has laid desolate for the last fourteen years. The hotel, once redeveloped, will be renamed the Corinthia Grand Astoria Hotel. CDI is handling the redevelopment of the hotel on behalf of NLI, similar to what IHI had done on the London project. CDI has reconfigured the plans currently in place for the hotel, and with the help of GA Design in London (the designers engaged in the London project), reorganized the ground floor flows and uses, as well as reconfigured the bedroom inventory, to ensure that all bedrooms are larger than $45m^2$. The new key count is set at 126 bedrooms of which 30% will be junior suites or suites. A building permit to carry out the planned redevelopment has been obtained.

A planning permit was issued in December 2017 for the restoration of the historic ground floor and façade of the original hotel, as well as the reconstruction of all upper floors, adjoining land and town houses. The permit is a major gain in additional volumes and floors, for a total built up area of $16,000m^2$. Once completed, the Directors expect the new hotel to offer unrivalled amenities for the city of Brussels including a fully restored grand ballroom, an $850m^2$ spa, various dining venues, boutique meeting facilities and high-end retail shops. Initial strip-out and demolition works have commenced and a contractor for the main construction works was engaged in December 2020. Works have since commenced and are expected to be completed by October 2022.

In 2020, the Issuer, on behalf of NLI, drew up a revised cost estimate for the full refurbishment project, at €62 million, inclusive of all costs, fees and contingencies. The main construction works are under-way and as the date of this Prospectus approximately €16.1 million has been drawn down in associated construction costs. Total costs, including acquisition, professional fees, project costs, interest during the construction period and pre-operating costs are being financed out of an equity injection of €20 million, a bank loan facility of €45 million granted by ARES Bank of Spain and €10 million from each of LAFICO and the Issuer, the ultimate shareholders of NLI Group (which shall be on-lent by NLI to its fully-owned subsidiary and the hotel-owning company, Hotel Astoria S.A.). The Issuer's contribution of €10 million was raised from a bond issue pursuant to a prospectus dated 4 March 2019.

The refurbishment of the Grand Hotel Astoria will add another key destination to the Corinthia Brand's growing portfolio.

e. Corinthia Hotel Lisbon

Alfa Investimentos Lda (a fully-owned subsidiary of the Company) owns the 518-room five-star Corinthia Hotel located in Lisbon, Portugal ("**Corinthia Hotel Lisbon**"), which was acquired in 2001 for €45 million. The Corinthia Hotel Lisbon required significant renovation and following extensive refurbishment was re-opened in May 2004. A fresh renovation programme is under way at the Corinthia Hotel Lisbon, at an estimated cost of €14 million. The refurbishment started in November 2016 and was due to be completed in FY2020. Due to the pandemic, the completion date has been extended by an additional 24 months to better manage cash flow and demand for the newly refurbished rooms.

f. Corinthia Palace Hotel & Spa Malta

On 10 April 2018, CPHCL (the ultimate parent company of the Group) transferred the 150-room five-star Corinthia Palace Hotel & Spa located in Attard, Malta, to IHI. In 2018, the Group initiated an extensive refurbishment of the hotel and a complete transformation of the spa and gym facilities, at a total cost of €7.1 million.

The final phase of this extensive refurbishment includes the part of the property, commonly referred to as "The Villa", which is the main dining area of the hotel, and the hotel's bedrooms. The necessary works, comprising mechanical and electrical works, finishing works, furniture and joinery works, and the deployment of soft furnishings and accessories, are expected to be completed in 2022. Approximately €5 million of the net bond proceeds from the Bond Issue will be used to finance this final phase of the refurbishment of the Corinthia Palace Hotel & Spa Malta.

g. Radisson Blu Resort & Spa Golden Sands

The Radisson Blu Resort & Spa Golden Sands commenced operations in October 2005 and is located on a cliff's edge overlooking Golden Bay beach on the Northern coast of Malta. The Issuer fully owns the Golden Sands resort, increasing its holding from 50% to 100% in February 2021. Title to the site is in the form of temporary *utile dominium* which expires in 2114. The five-star resort comprises a total of 338 keys, various F&B outlets and is equipped with a $1,000m^2$ spa and leisure centre, four pools, a tennis court and a private sandy beach. Nine new bedroom suites were completed in the first semester of 2018 at a cost of €5 million.

In FY2020, the Radisson Blu Resort & Spa Golden Sands ceased the vacation ownership sales operations and placed the Azure Resorts Group into liquidation. Existing timeshare members will continue to enjoy their entitlement until the end of the term in 2045.

h. Corinthia Hotel in Budapest

IHI Magyarország Zrt., a fully-owned subsidiary of the Company, owns the 439-room five-star Corinthia Hotel located in Budapest, Hungary ("**Corinthia Hotel Budapest**") which was officially opened in April 2003. The Corinthia Hotel Budapest has undergone a refurbishment of its corridors and of the bathrooms forming part of the hotel. The project commenced in April 2018 and is expected to be completed in 2022. €4.4 million have been allocated towards the enhancement and refurbishment of these areas, in keeping with the hotel's unique features. The funding for this project has been sourced internally through the cash flows generated by the Corinthia Hotel Budapest.

i. Corinthia Hotel & Residences Moscow

In February 2019, IHI acquired a 10% minority share for US$5.5 million in a joint venture company formed with a consortium of investors to acquire the Russian company that owns a landmark property at 10, Tverskaya Street, Moscow. The acquisition has been made with a view to developing the site, having a development gross area of 43,000m^2, into a mixed-use real estate project including a luxury boutique 42-room Corinthia hotel, 109 upmarket residential serviced apartments for re-sale, high-end retail and commercial outlets and underground parking.

Bank financing for the development of the property is being procured by the Russian company that owns the asset and as of September 2021 it entered a non-binding term sheet with a financial institution for a loan amount of RUB 14,256 million (circa €168 million Euro) with a view to formal documentation being finalised and entered into around December 2021. Should the loan be granted to the Russian company, a security package that is consistent with development finance of this nature will be granted to the final institution, however it is pertinent to note that no security is being granted over share capital in the joint venture company or its respective shareholders (including IHI), and no guarantees (whether for cost overruns or otherwise) are being given by the said shareholders.

The asset is located on a prestigious boulevard in Moscow in a highly popular shopping, cultural, and business location, as well as a luxury hotspot with other competing luxury brands all in close proximity. The Issuer believes that, like its project in St. Petersburg, this site has the potential to be redeveloped into one of Moscow's most prestigious and respectfully-restored old buildings. The listed elements on the façade and the historic Filippov bakery at ground level will be carefully preserved and restored. Development works are presently underway, and the scheduled opening is set for the year 2023.

j. Corinthia Hotel Rome

By virtue of a binding preliminary lease agreement signed in October 2019 with Reuben Brothers (a prominent private equity, real estate investment and development, and debt financing entity), Reuben Brothers undertook to lease a building to CHL following its development into a 60-room ultra-luxury hotel in central Rome upon the completion of the development of the building into a hotel and the issue of the relevant permits to operate the hotel. The property is situated in the former seat of the Central Bank of Italy in Parliament Square. The 7,000 square metre property will be converted into a luxury destination, featuring a number of suites and top of the range bedrooms. Two restaurants, bars, lounges, a spa and other amenities will wrap around a central garden forming part of the property. Once granted, the lease of the hotel is for a period of 25 years with a potential extension of a further five years. The rent payable by CHL is fixed with a reference to a percentage of revenue, with a guaranteed minimum of €5 million per annum as of the fifth year of operation.

CDI, by virtue of a development management agreement entered into with the owners of the property, Reuben Brothers, has assumed responsibility for the management of the development of the hotel in return for a fee.

The estimates cost for the development of the project is €37 million, which amount will be incurred by Reuben Brothers as owners of the property. CHL expects to incur €9 million in costs as lessee of the property, which will be used to finance: (i) the pre-opening budget costs, including, for the recruitment of personnel, marketing and concessions; (ii) the acquisition of supplies and operating equipment and (iii) a capital expenditure contribution towards the general cost of works for the development of the hotel. The €9 million required to be funded by CHL will be financed through the net bond proceeds of the Bond Issue.

k. The Corinthia Hotel New York: an investment in the Corinthia Brand

A subsidiary of CHL incorporated in Delaware (CHL NYC Inc.) has entered into a 25-year hotel management agreement with the owner of a luxury Upper East Side hotel in New York City. The building was acquired by the private equity firm Reuben Brothers in 2020 and is to undergo extensive refurbishment to reopen in early 2023 as a Corinthia Hotel. Once renovated, the hotel will have 97 guest rooms including food and beverage facilities, a spa and gym and 12 luxury residences. By virtue of the management agreement, CHL is appointed as the sole and exclusive manager of the hotel to provide management services and to supervise, direct and control the management and the marketing of the hotel. The management agreement provides for an initial term of 25 years from commencement of operation subject to an extension.

In terms of the management agreement, CHL is required to make a payment of a premium of USD 10.5 million (equivalent to approximately €8.5 million). USD 0.5 million was paid on the signing of the management agreement. The amount of USD 10 million (equivalent to approximately €8 million is payable when the hotel opens in 2023. The amount of €8 million will be funded out of the net bond proceeds to be received from the Bond Issue.

6. TREND INFORMATION AND FINANCIAL PERFORMANCE

6.1 TREND INFORMATION

The spread of COVID-19 since Q1 2020 has severely impacted all economies worldwide. In many countries, including the countries in which the Group has operational activities, businesses have been forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closures of non-essential services triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions. As a result, the Group's business operations have been significantly impacted.

Save for the matter disclosed hereinabove, there have been no material adverse change in the prospects of the Group since the date of publication of its latest audited consolidated financial statements.

The following is an overview of the most significant recent trends affecting the Issuer and the markets in which the Group operates:

Hungary [1]

Hungary's economy started to emerge from the pandemic-induced recession in the second half of 2020. Real GDP fell by 5% in 2020 but industrial and construction activity returned to their pre-pandemic level before the end of the year.

The economy continued its recovery from the economic shock of the pandemic at the beginning of the year (2021). Real GDP rose by 2% quarter-on-quarter in the first quarter of 2021. Recent economic indicators suggest that the recovery may have paused in the second quarter, partly due to persisting supply chain disruptions affecting the automotive industry. The recovery is forecast to resume in the second half of the year as the pandemic recedes and the economy reopens. The expected rebound is signalled by the recent improvement in business and consumer confidence. Growth is set to be driven by the gradual recovery of consumer demand for services, high investment activity supported by EU funds and accommodative fiscal policies. Exports should also make a significant contribution thanks to the supportive external environment and the expected revival of intra-EU tourism.

Annual GDP growth is forecast at 6.3% in 2021, followed by 5.0% in 2022. This is a more frontloaded profile for the economic recovery than what was projected in the spring. The revision reflects data for the first quarter which indicate a milder impact of health-related restrictions on economic activity. Upside risks to the forecast stem from the potential introduction of further stimulus measures, notably a proposed personal income tax refund for families with children ahead of the 2022 elections.

The signals from the labour market are more mixed. In the first quarter of 2021, seasonally adjusted employment remained 1.1% below its pre-pandemic level (in the last quarter of 2019), and vacancy statistics do not yet suggest a strong recovery of aggregate labour demand. Monthly data also point to a slight deceleration of private sector wage growth in the first quarter of 2021. At the same time, firms' perceptions of labour shortages have increased recently and wage growth has held up better in the sectors where such shortages were reported. This could reflect mismatches in terms of the location of employment opportunities and prospective workers, as well as mismatches in the types of jobs available and the skills of the labour force. As a consequence, wage growth may remain elevated despite the more gradual recovery of employment.

HICP[2] inflation rose by 5.3% in May 2021 driven by higher fuel prices and recent excise duty increases. The pass-through of the forint's past depreciation and the repricing of various services after the reopening of the economy may continue to add to inflation in the coming months. The re-emergence of labour market bottlenecks could also fuel inflation in 2022. Overall, inflation is forecast at 4.4% in 2021 and 3.3% in 2022.

[1] *European Economic Forecast – Summer 2021 (European Commission Institutional Paper 156 July'21).*
[2] *The Harmonised Indices of Consumer Prices (HICP) measure the changes over time in the prices of consumer goods and services acquired by households.*

***Russia*[3]**

Even though the pandemic and lower oil prices hit Russia hard in 2020, the real GDP decline was still moderate reflecting relatively light lockdown restrictions, the use of macroeconomic policy buffers, and the small share of contact-intensive services in the economy. Nevertheless, the structure of the economy and renewed geopolitical tensions also imply only a moderate rebound over the forecast horizon.

Real GDP in Russia declined by a relatively moderate 3% in 2020, as net exports and public consumption partly offset contracting private demand. Private consumption dropped sharply as household income declined and uncertainty increased in particular for households working in the large informal sector. Investments, already low in recent years given the weak business environment, decreased further in 2020, amid a shortage of financing for SMEs, lockdowns hitting the service sector, and worse prospects for the oil sector. At the same time, public funding was redirected rapidly from large-scale investments in national projects that were slowly rolled out, towards public consumption, supporting growth. On the external side, oil production cuts undermined exports' growth, but non-oil exports, in particular agricultural exports, held up well due to a good grain harvest, a weaker rouble and rising global food consumption. Imports were down by a staggering 12% year-on-year, reflecting lower consumption, the depreciating rouble and the abrupt decline in outbound tourism.

Despite the recent increase in household savings which is expected to be unwound going forward, private consumption recovery in 2021 is set to be held back by continued uncertainty and weak disposable income growth as well as by slower credit growth as mortgage subsidies are set to be phased out. Slow progress with vaccinations is likely to cloud the outlook for the service sector for the remainder of 2021, as well. However, domestic consumption is set to be supported by continued social transfers and restrictions on outbound tourism.
Investment is expected to recover only slightly in 2021 and in 2022 as the medium-term outlook for the oil-market does not encourage capital spending, the overall investment climate remains muted and the space for expansionary macroeconomic policy is shrinking amid rising inflation. At the same time, geopolitical factors are expected to make financing of large investments more difficult, and the increasing 'de-coupling' of the Russian economy channels investments to less productive sectors, undermining long-term growth. The rise in public investment and consumption is likely to be moderate as fiscal policy is expected to get more restrictive due to worsening financing conditions following US sanctions and the desire to preserve buffers. Exports are expected to grow faster than imports in both 2021 and 2022, as energy exports are set to increase and the weak rouble supports non-energy exports. At the same time, the import substitution policy, the weak rouble and the negative income trend are likely to curb imports.

Simultaneously, the macroeconomic framework with flexible exchange rates and a fiscal rule centred on a fixed oil price, make Russia less vulnerable to external pressures. In addition, the increase of reserve buffers even in crisis times and the payback of foreign currency denominated debt as well as the declining role of foreigners in the government debt market further insulate Russia from international financial trends. However, this greater macroeconomic stability does not automatically lift growth prospects, given structural weaknesses and bottlenecks in the economy. Taken together, real GDP is expected to grow by 2.7% in 2021 and 2.3% in 2022, taking GDP above the pre-pandemic level in the course of 2022.

At its meeting on 23 July 2021, the Board of Directors of the Central Bank of the Russian Federation (CBR) raised the key interest rate by 100 basis points to 6.50%. The move represented the sharpest increase in rates since late 2014 and marked the fourth consecutive hike since March. In line with the previous hike, the decision was driven by elevated price pressures. Inflation accelerated to 6.5% in June 2021 (May: 6.0%), marking the highest reading in nearly five years and climbing further above the Bank's 4.0% target. The price rally continued to gain steam on the back of a robust economic recovery, with GDP estimated to have bounced back to its pre-crisis levels in Q2 2021. Strengthening demand in many industries outpaced their capacity to ramp up output, while consumer lending accelerated, stoking price pressures in turn. Soaring prices for vegetables and tourism services also added fuel to the rally.

The CBR revised its inflation forecast for end-2021 by one percentage point to 5.7% - 6.2% but the Bank expects inflation to slow to 4.0% - 4.5% in 2022 and stay close to 4.0% further ahead - at which point it projects the key rate to return to its long-term neutral range, which is currently estimated at 5.0% - 6.0%.

Fiscal packages of around 3% of GDP, including increased social transfers and support measures for corporations contributed to mitigating the impact of the crisis. While the size of the packages might have not been large compared to other economies, it followed a relatively long phase of restrictive fiscal policy, increasing its impact. After a surplus of 2.6% of GDP in 2019 the budget turned into a deficit of 4.7% of GDP in 2020. Going forward, the deficit is expected to be significantly lower in 2021 at around 3.5% of GDP and 2.5% of GDP in 2022 reflecting higher oil-related revenues, leaving some room for a moderate rise in expenditures.

Downside risks on the external side are related to uncertainty around oil demand and oil prices as well as further escalation of geopolitical tensions, including the possibility of further sanctions. On the upside, higher oil revenues might boost incomes, consumption and investments more than expected as output restrictions are lifted. Higher demand for technology sectors during the pandemic could result in a more efficient use of technology and therefore in higher productivity growth.

[3] *European Economic Forecast – Summer 2021 (European Commission Institutional Paper 156 July'21).*

***Portugal*[4]**

Portugal's economy has been recovering since the beginning of the second quarter of 2021, along with the gradual relaxation of pandemic restrictions. This can already be seen in the sharp increase in the Commission's Economic Sentiment Indicator and hard data for retail sales, industrial production and service sector turnover. The pace of recovery has been dampened by the partial reimposition of temporary restrictions in June, which was triggered by a resurgence in infections. Nevertheless, GDP is projected to rise by 3.3% in the second quarter after a drop of 3.2% during the strict lockdown in the previous quarter. A further increase in growth is expected in the third quarter when foreign tourism in Portugal is set to rise, helped by the vaccination campaign in Europe and the rollout of the EU digital COVID certificate.

In full-year terms, domestic demand is expected to contribute the most to GDP growth in both 2021 and 2022. This reflects pent-up demand from domestic consumers as well as support to both corporate and public investment from the country's Recovery and Resilience Plan[5]. Regarding the external sector, exports of services remain constrained by the international travel industry, which is not expected to fully recover by the end of the forecast period. However, the outlook for goods exports has improved since the previous forecast. Despite mobility restrictions, Portugal's goods exports increased substantially in the first quarter of this year, surpassing their pre-pandemic levels. Export growth continued in April alongside a further improvement in export order books in May.

Overall, GDP is forecast to increase by 3.9% in 2021 and 5.1% in 2022. The economy is thus expected to reach its pre-pandemic level by mid-2022. Risks remain tilted to the downside due to the country's large exposure to foreign tourism. At the same time, this is now largely offset by upside risks in the manufacturing sector, which could benefit further from global demand tailwinds.

Inflation picked up from 0.2% (y-o-y) in the first quarter of 2021 to 0.5% in May on the back of a surge in energy prices, which also had repercussions on transport services and some industrial goods. However, prices of accommodation and restaurants declined substantially in April and May relative to a year earlier, thus keeping the overall inflation rate well below the EU average. Prices of services are expected to gradually increase over the forecast horizon while the upward impact of energy and commodity prices is projected to subside in parallel. Overall, inflation is forecast to increase to 0.8% in 2021 and 1.1% in 2022.

***Czech Republic*[6]**

The strong second wave of the pandemic and related containment measures brought further disruptions to the economy in the first months of this year, leading to a 0.3% quarter-on-quarter GDP decline in the first quarter of 2021. Household consumption slightly declined and together with decreasing government consumption became the most important negative factors behind the decrease in economic activity. On the contrary, investment expenditure provided a positive surprise, growing by 1.6% quarter-on-quarter. Foreign demand developments remained favourable, however, the overall contribution of net exports was lower compared to the previous quarter mainly due to increased imports.

The Czech Republic's economy has been recovering since the second half of April. Positive developments in the public health situation and rising foreign demand are reflected in the sentiment indicators for both households and firms. Private consumption is expected to remain the main driver of the Czech Republic's economic recovery over the forecast horizon, reflecting the stable situation on the labour market, pent-up demand and the drawing down of accumulated excess savings. At the same time, supply chain disruptions due to the ongoing shortage of semi-conductors are weighing on the Czech Republic's automotive sector production and exports. However, these disruptions are expected to be only temporary.

The country's Recovery and Resilience Plan is also set to strengthen private and public investment and thereby boost the economic recovery. In 2022, GDP growth will also be supported by the new EU funding cycle. Overall, GDP is forecast to increase by 3.9% in 2021 and by 4.5% in 2022. Towards the end of the forecast horizon, economic growth in The Czech Republic is expected to reach its potential level.

***Libya*[7]**

Libya entered 2021 as a divided nation aspiring for recovery and healing. With intensifying conflict and a blockade of oil terminals and fields, the economy registered one of the worst performances in recent records for a substantial part of 2020. Starting in mid-September, a rapprochement between political/military factions brought much-needed relief to the economy, capping the GDP plunge at 31.3%, annually. The appointment of an interim Government of National Unity on 10 March 2021 is a positive turn of events and there is rekindled hope for a lasting political settlement leading to elections, which are due to be held in December 2021.

[4] *European Economic Forecast – Summer 2021 (European Commission; Instituto Nacional De Estatistica (www.ine.pt). Institutional Paper 156 July'21).*
[5] *The Recovery and Resilience Facility will make €672.5 billion in loans and grants available to support reforms and investments undertaken by Member States. The aim is to mitigate the economic and social impact of the coronavirus pandemic and make European economies and societies more sustainable, resilient and better prepared for the challenges and opportunities of the green and digital transitions.*
[6] *European Economic Forecast – Summer 2021 (European Commission Institutional Paper 156 July'21).*
[7] *https://www.worldbank.org/en/country/libya/publication/economic-update-april-2021*

For the most part of 2020, the performance of the Libyan economy was the worst in recent records. Even with the rebounding oil proceeds in the last quarter, the economy could not recover its earlier losses, and registered a 31.3% real decrease in GDP. On average, oil production in 2020 is estimated at 405,000 barrels per day, roughly a third of actual output in 2019.

With looming uncertainties, projecting future economic trends is a daunting task. However, if the current rapprochement remains on track, a significant economic recovery in Libya from the 2020 slump is within reach in the forthcoming year. With major maintenance problems still pending, oil production is projected to reach 1.1 million barrel per day (MBD) in 2021. This would lead to a rebound in real GDP growth, to 67% in 2021. In terms of level of GDP, the economy would still be 23% below that in 2010, the year prior to the start of the conflict.

***United Kingdom*[8]**

After falling by 19.5% in the second quarter of 2020 as a consequence of strict lockdown measures implemented to contain the first wave of the pandemic, UK GDP partially rebounded by 16.9% in the third quarter. To contain a second wave of the pandemic, another lockdown was introduced for the month of November, and GDP growth slowed to 1.3% in the fourth quarter of 2020. Overall, real GDP in 2020 fell by 9.8%, mainly due to a fall in private consumption.
The government tightened restrictions again significantly at the end of December 2020 after a sharp increase in the prevalence of COVID-19 cases. This third lockdown, which was only partially eased on 8 March with the re-opening of schools, weighed on output in the first quarter of 2021.

Shortly before the end of 2020, the UK and the EU signed the Trade and Cooperation Agreement (TCA). While the TCA provides for zero tariffs and zero quotas for all goods complying with the appropriate rules of origin, the UK leaving the European Union has inevitably created significant non-tariff barriers (NTBs). This became evident in early 2021 when UK trade volumes with the EU fell sharply. While some of these disruptions will be temporary, as businesses get used to the new rules, UK trade is expected to remain permanently lower over the forecast period as compared to a situation with unchanged EU-UK trading relations.

Private consumption is expected to pick up quickly as restrictions are being eased and pent-up demand is released, though an increase in unemployment following the end of the furlough scheme in September 2021 is expected to temper private consumption slightly. Business investment is forecast to pick up more strongly in the second half of 2021 and in 2022, as uncertainties regarding the further evolution of the pandemic and the new EU-UK trade relationship fade away. In addition, the 'super-deduction' announced in the March 2021 budget, which allows businesses to offset 130% of eligible investment spending, is expected to have a positive impact on business investment over the forecast period. Government consumption is forecast to contribute positively particularly in 2021. Net exports are projected to be a drag on growth over the forecast horizon, as imports are expected to recover more quickly than exports. This would also cause the current account deficit to increase to around 5% of GDP over the forecast horizon. Overall, GDP is expected to increase by 5.0% in 2021 and by 5.3% in 2022. It is set to recover to pre-pandemic levels by the third quarter of 2022.

Government measures supporting employees and the self-employed are expected to keep unemployment relatively low until the third quarter of 2021. Unemployment is then expected to increase, as not all of the employees still on the furlough scheme are expected to return to their jobs. The unemployment rate in 2021 is projected to increase from 4.4% in 2020 to 5.6% in 2021 and to 5.9% in 2022.

The general government deficit is expected to fall from 12.3% in 2020 to 11.8% of GDP in 2021 and to 5.4% in 2022 as the economy recovers. Government fiscal measures to deal with the consequences of the pandemic in 2020-2021 amounted to around 16% of GDP and include income support for employees and self-employed workers, support for businesses and increases in welfare spending. The government also announced liquidity measures of about 16% of GDP, creating contingent liabilities. The main measures from the latest budget in March 2021 to be implemented in the forecast years are the previously mentioned 'super-deduction' and the freezing of the income tax personal allowance from April 2022.

The general government debt-to-GDP ratio increased to above 100% in 2020 as a consequence of the additional fiscal measures and the fall in GDP. It is expected to exceed 100% over the forecast horizon, at 108.1% in 2021 and 108.4% in 2022.

[8] Macroeconomic Forecast November 2018 (Ministry of Finance of the Czech Republic); Czech Statistical Office (www.czso.cz); Praguecitytourism.com (2017 Annual Report Prague City Tourism; Tourism Trends in Prague – January to September 2018). Economic Forecast – Summer 2021 (European Commission Institutional Paper 156 July '21).
[9] Economic Forecast – Summer 2021 (European Commission Institutional Paper 156 July '21).

Malta[9]

Malta's economy grew at a solid quarter-on-quarter rate of 1.9% in the first quarter of this year (2021), driven mainly by service exports. After a considerable decline (-7.8%) in 2020, real GDP is forecast to rebound to 5.6% in 2021. This is more than the 4.6% projected in the spring. The better growth outlook is driven by the strong performance in the first quarter, which has a strong carry-over effect, and the positive picture painted by recent confidence indicators. It also adjusts the recovery path for the downward revision to 2020 GDP growth. The forecast for 2022 is similarly strong, at 5.8%, which means that Malta's economy is expected to reach pre-pandemic levels of activity around mid-2022.

The high pace of vaccinations in Malta and the improvement in the public health situation allowed for a significant relaxation of restriction measures in the second quarter of 2021. Continued strong improvement in business and consumer sentiment up until May 2021, including in the hard-hit food and accommodation services sectors, suggest that economic activity is on a path to a solid recovery. A strong uptake of government-paid consumption vouchers is also supporting a rebound in consumption. Going forward, growth is expected to remain strong on the back of a gradual recovery in the tourism sector, favourable prospects for external demand for other services, and a recovery in private and public investment, supported also by the implementation of the Recovery and Resilience Plan. A limited downside risk is related to possible consequences of the decision of the Financial Action Task Force (an inter-governmental body against money laundering) to add Malta to the grey list of jurisdictions under increased monitoring.

HICP inflation has increased moderately since January, but the increase in energy and imported goods prices and a recovery in the tourism and hospitality sectors are set to increase price pressures in 2021. After picking up to 1.1% in 2021, inflation (HICP) is expected to reach 1.6% in 2022.

6.2 KEY FINANCIAL REVIEW

The financial information about the Issuer is included in the audited consolidated financial statements for each of the financial years ended 31 December 2018, 2019 and 2020. The said statements have been published and are available on the Issuer's website (www.corinthiagroup.com) and at its registered office. Set out below are highlights taken from the audited consolidated financial statements of the Issuer for the years ended 31 December 2018, 2019 and 2020.

The tables and discussion included in this section 6.2 contain certain alternative performance measures (as defined by the European Securities and Markets Authority (ESMA)), including EBITDA (earnings before interest, tax, depreciation and amortization), which the Group's management and other competitors in the industry use. These non-IFRS financial measures are presented as supplemental information as (i) they represent measures which the Directors believe may be relevant for certain investors, securities analysts and other parties in assessing the Group's operating and financial performance and may contribute to a fuller understanding of the Group's cash generation capacity and the growth of its business; and (ii) they may be used by the Group's management as a basis for strategic planning and forecasting.

IHI Group Income Statement (€'000)	**FY2018 Actual**	**FY2019 Actual**	**FY2020 Actual**
Revenue	256,314	268,286	91,909
Direct costs	(141,467)	(145,800)	(53,956)
Gross profit	**114,847**	**122,486**	**37,953**
Other operating costs	(47,343)	(52,696)	(41,703)
EBITDA	**67,504**	**69,790**	**(3,750)**
Depreciation and amortisation	(33,202)	(36,766)	(35,779)
Adjustments in value of property and intagible assets	3,944	(3,656)	(10,521)
Changes in value of liabilities and indemnification assets	143	4,798	–
Results from operating activities	**38,389**	**34,166**	**(50,050)**
Share of (loss) profit: equity accounted investments	(1,364)	(3,951)	(2,448)
Finance income	833	546	702
Finance costs	(21,484)	(23,765)	(23,554)
Other	(7,902)	6,916	(15,012)

[9] *Economic Forecast – Summer 2021 (European Commission Institutional Paper 156 July '21).*

Profit/(Loss) before tax	**8,472**	**13,912**	**(90,362)**
Taxation	(13)	(8,793)	14,713
Profit/(Loss) for the year	**(8,459)**	**5,119**	**(75,649)**
Other comprehensive income (expense)			
Gross surplus (impairment) – revalation of hotel properties	35,842	7,000	(10,246)
Gross share of other comprehensive income of equity accounted investments	–	(4,550)	–
Other effects, currency translation diff and tax	(19,039)	31,331	(38,076)
	16,803	**33,781**	**(48,322)**
Total comprehensive income (expense) for the year net of tax	**25,262**	**38,900**	**(123,971)**

The financial performance for 2020 was materially impacted by COVID-19 and the restrictions and limitations it imposed on the Group's businesses and everyday lives. Total revenue for the year under review amounted to €91.9 million, a reduction of €176.4 million from the revenue generated the year before on account of lockdowns and other restrictions imposed in all countries where we operate.

Notwithstanding the significant reduction in revenue generation, the loss at EBITDA level for 2020 was limited to €3.8 million (FY2019: positive EBITDA of €69.8 million). The minimal loss at EBITDA level in 2020 was achieved in consequence of proactive cost-cutting decisions taken at Group and operating subsidiary levels, including reducing staff complements at all levels as well as various programmes on salary cuts and deferrals.

Adjustments in value of property and intangible assets amounted to a loss of €10.5 million in FY2020 compared to a loss of €3.7 million in FY2019. The said loss for 2020 represents an impairment on goodwill of €2.4 million, an impairment of €5.2 million in the carrying value of the London apartment and a write off of €2.9 million with regard to the work in progress on the Hotel Astoria.

The Group's share of results of associates and joint ventures amounted to a loss of €2.4 million compared to a loss in FY2019 of €4.0 million. This loss reflects the performance of hotel operations at Golden Sands and four months of timeshare operations. The timeshare sales operation was discontinued in May 2020.

In 2020 'other' items amounted to a loss of €15.0 million (FY2019: profit of €6.9 million). This adverse amount mainly represents exchange differences related to the St Petersburg property on account of a weaker Rouble compared to FY2019. Year-on-year the Rouble devalued by 32% against the Euro. Furthermore, currency translation differences of €2.8 million relating to Azure Resorts Group, previously recorded in translation reserves, were released to profit or loss as a result of the loss of joint control over the joint venture.

Changes in fair value during 2020 in respect of the Group's properties amounting to €10.3 million have been recognized with other comprehensive income to reverse previously recognized revaluation reserves. These impairments relate to the Corinthia Hotel Budapest and Corinthia Hotel London. In 2019, a revaluation surplus of €7.0 million in respect of the Group's properties was recognized within other comprehensive income.

On account of a weaker Sterling and Rouble relative to the reporting currency of the Group which is Euro, the Group recorded a combined currency translation loss of €44.1 million in 2020, relative to a profit of €34.5 million registered in 2019.

The Group registered a loss on total comprehensive income of €123.9 million in 2020 against a profit of €38.9 million registered in 2019.

IHI Group Cash Flow Statement (€'000)	**FY2018 Actual**	**FY2019 Actual**	**FY2020 Actual**
Net cash from operating activities	58,980	62,850	(2,965)
Net cash from investing activities	(35,152)	(22,442)	(11,709)
Net cash from financing activities	(20,839)	(21,587)	(14,860)
Net movement in cash and cash equivalents	**2,989**	**18,821**	**(29,534)**
Cash and cash equivalents at the beginning of year	42,652	44,291	65,463
Effect of translation of presentation currency	(1,350)	2,351	454
Cash and cash equivalents at end of year	**44,291**	**65,463**	**36,383**

2020, operating activities across the Group's properties was minimal. As such, net cash used in operating activities amounted to €3.0 million compared to net cash generated in the prior year of €62.9 million.

Due to the pandemic, the Group curtailed its capital expenditure plans for the year. Net cash used in investing activities was reduced by almost 50% in FY2020 and amounted to €11.7 million (FY2019: €22.4 million).

Financing activities principally comprise movement in bank and other borrowings, issuance of debt securities, payment of leases and dividends, and interest paid. During FY2020, the Group repaid €24.0 million of bank borrowings and made withdrawals of €33.6 million (net proceeds of €9.6 million), compared to net proceeds of €19.6 million in FY2019 from bank borrowings and bond issues. Interest paid during the year amounted to €21.9 million (FY2019: €23.0 million), while nil dividends were paid compared to €12.3 million in FY2019.

IHI Group Balance Sheet (€'000)	**31 Dec'18 Actual**	**31 Dec'19 Actual**	**31 Dec'20 Actual**
ASSETS			
Non-current assets			
Intangable assets (including indemnification)	71,966	72,432	68,035
Investment property	203,539	214,174	191,355
Property, plant and equipment	1,151,245	1,181,944	1,102,885
Right-of-use assets	–	13,776	11,690
Investments accounted for using the equity method	48,189	40,144	31,831
Other investments	–	8,401	7,198
Other financial assets at amortised cost and receivables	780	1,801	6,739
Deffered tax assets	10,963	9,233	14,214
Assets placed under trust managment (5.8% Bonds 2021)	3,645	3,698	–
	1,490,327	1,545,603	1,433,947
Current assets			
Inventories	11,490	12,626	10,647
Other financial assets at amortised cost and receivables	1,683	125	43
Trade and other receivables	53,029	43,192	35,106
Taxation	2,527	3,922	3,324
Financial assets at fair value through profit and loss	8,485	8,909	9,250
Cash and cash equivalents	50,190	72,699	46,145
Assets placed under trust management (5.8% Bonds 2021)	122	122	5,637
	127,526	141,595	110,152
Total assets	**1,617,853**	**1,687,198**	**1,544,099**

IHI Group Balance Sheet (cont.) (€'000)	**31 Dec'18 Actual**	**31 Dec'19 Actual**	**31 Dec'20 Actual**
EQUITY			
Capital and reserves			
Called up share capital	615,685	615,685	615,685
Reserves and other equity components	7,943	31,073	(3,646)
Retained earnings (accumulated losses)	59,746	54,247	(8,803)
Minority interest	194,246	196,142	169,940
	877,620	**897,147**	**773,176**

LIABILITIES			
Non-current liabilities			
Bank borrowings	317,559	324,597	345,920
Bonds	202,507	222,584	203,061
Lease and other finiancial liabilites	59	11,202	9,767
Other non-current liabilites	102,552	106,885	92,476
	622,677	665,268	651,227
Current liabilites			
Bank overdrafts	5,899	7,236	9,762
Borrowings	34,618	38,200	37,403
Lease and other financial liabilities	4,553	2,795	2,711
Other current liabilities	72,486	76,552	69,820
	117,556	124,783	119,696
	740,233	**790,051**	**770,923**
Total equity and liabilites	**1,617,853**	**1,687,198**	**1,544,099**

Total assets of the Group as at 31 December 2020 amounted to €1,544 million (FY2019: €1,687 million) and principally comprise the assets included in section 4.2 of this registration document.

Investment property amounting to €191.4 million includes the apartment in London valued at €35.6 million (FY2019: €42.9 million). This apartment was sold in 2021.

In view of the loss incurred in 2020, equity value decreased from €897.1 million in FY2019 to €773.2 million.

Net debt in FY2020 amounted to €544.4 million compared to €516.2 million in FY2019 (a variance of €28.2 million). To support the Group's cash availability, the Company early on in the pandemic engaged with its banks across Europe. Bank of China, HSBC, Bank of Valletta, APS, Sberbank and others were forthright in their support by way of capital repayment deferral schemes and the restatement of banking covenants to match current realities. In the Czech Republic, the Group also successfully paid off a maturing loan, by replacing an €18.1 million bullet payment with a new loan from a new banking relationship on favourable terms. In Malta, the Group took full advantage of the EU-sponsored state scheme whereby companies could tap into soft loans, which in the case of IHI amounted to €24.5 million.

Set out below are the interim financial results of the Issuer for the six-month period 1 January to 30 June 2021, and the comparative interim financial statements for the period 1 January to 30 June 2020. The said results, which are unaudited, have been published and are available on the Issuer's website (www.corinthiagroup.com) and at its registered office.

IHI GROUP INCOME STATEMENT
FOR THE SIX-MONTH PERIOD 1 JANUARY TO 30 JUNE

	2021 Unaudited (€'000)	2020 Unaudited (€'000)
Revenue	**34,618**	51,709
Direct costs	**(18,240)**	(32,166)
	16,378	19,543
Marketing costs	**(1,686)**	(3,791)
Administrative expenses	**(11,866)**	(14,549)
Other operating expenses	**(3,652)**	(3,335)
EBITDA	**(826)**	(2,132)
Depreciation and amortization	**(15,920)**	(18,405)
Other losses arising on property, plant and equipment	**(49)**	-
Net changes in fair value of indemnification assets	**(105)**	(105)

Results from operating activities	**(16,795)**	(20,537)
Net changes in fair value of financial assets through profit and loss	**629**	366
Finance income		
– interest expense and similar charges	**218**	191
Finance costs		
– interest expense and similar charges	**(12,140)**	(11,580)
– net exchange differences on borrowings	**(1,777)**	(4,061)
Share of net loss of associates and joint ventures accounted for using the equity method	**(292)**	(1,029)
Loss before tax	**(30,157)**	(36,650)
Tax credit	**3,775**	6,592
Loss for the period	**(26,382)**	(30,058)
Other comprehensive income/(loss):		
Translation reserve	**18,182**	(36,849)
Income tax relating to components of other comprehensive income	**(747)**	1,667
Share of other comprehensive income of joint ventures and associates accounted for using the equity method		
– currency translation differences	**(7,346)**	–
Other comprehensive income/(loss) for the period, net of tax	**10,089**	(35,182)
Total comprehensive (loss) for the period	**(16,293)**	(65,240)

IHI GROUP BALANCE SHEET
AS AT

	30 June 2021 Unaudited (€'000)	31 December 2020 Audited (€'000)
ASSETS		
Non-current		
Intangible assets	**48,861**	44,639
Indemnification assets	**23,395**	23,396
Investment property	**195,619**	191,355
Property, plant and equipment	**1,177,479**	1,102,885
Right-of-use assets	**11,323**	11,690
Deferred tax assets	**13,651**	14,214
Investments accounted for using the equity method	**4,838**	31,831
Financial assets at fair value through profit or loss	**7,404**	7,198
Other financial assets at amortized cost	**5,679**	6,739
Trade and other receivables	**196**	–
	1,488,445	1,433,947
CURRENT		
Inventories	**12,659**	10,647
Other financial assets at amortised cost	**43**	43
Trade and other receivables	**30,106**	35,106
Current tax asset	**3,198**	3,324
Financial assets at fair value through profit or loss	**8,745**	9,250
Cash and cash equivalents	**39,082**	46,145
Assets placed under trust arrangement	**7,780**	5,637
	101,613	110,152
Total assets	**1,590,058**	1,544,099
EQUITY AND LIABILITIES		
Equity		
Capital and reserves attributable to owners of IHI:		
Issued capital	**615,685**	615,685
Revaluation reserve	**20,365**	20,365
Translation reserve	**(25,017)**	(27,071)
Reporting currency conversion difference	**443**	443

Other components of equity	**2,617**	2,617
Retained earnings	**(31,082)**	(8,803)
	583,011	603,236
Non-controlling interests	**173,872**	169,940
Total equity	**756,883**	773,176
LIABILITIES		
Non-current		
Trade and other payables	**12,528**	5,250
Bank borrowings	**348,417**	345,920
Bonds	**203,246**	203,061
Lease liabilities	**8,610**	9,486
Other financial liabilities	**17,758**	281
Deferred tax liabilities	**92,041**	87,023
Provisions	**206**	206
	682,806	651,227
CURRENT		
Trade and other payables	**82,350**	69,000
Bank borrowings	**43,604**	27,227
Bond	**19,969**	19,938
Lease liabilities	**3,184**	2,591
Other financial liabilities	**126**	120
Current tax liabilities	**1,136**	820
	150,369	119,696
Total liabilities	**833,175**	770,923
Total equity and liabilities	**1,590,058**	1,544,099

IHI GROUP CASH FLOW STATEMENT
FOR THE SIX-MONTH PERIOD 1 JANUARY TO 30 JUNE

	2021 Unaudited (€'000)	**2020 Unaudited (€'000)**
Net cash generated from operating activities	**11,829**	5,054
Net cash used in investing activities	**(18,330)**	(8,226)
Net cash used in financing activities	**(2,743)**	(16,181)
Net change in cash and cash equivalents	**(9,244)**	(19,353)
Cash and cash equivalents at beginning of period	**36,383**	65,463
Effect of translation of group entities to presentation currency	**(1,021)**	(2,906)
Cash and cash equivalents at end of period	**26,118**	43,204

Review of Performance

The disruption caused by COVID-19 on the global hospitality industry remains ongoing. The period January to June 2021 is the first full half-yearly reporting period under such conditions with the results of the comparative period in 2020 including results under a normalized situation for January, February and up to mid-March 2020.

In this unprecedented situation the Group registered revenue of €34.6 million in the first six months of 2021 of which approximately 30% is not hotel-related. The Company posted a negative EBITDA of €0.8 million for the period under review. This compares to revenue of €51.7 million and a negative EBITDA of €2.1 million in the corresponding period last year. This performance clearly evidences the fact that despite a 33% reduction in revenue during the reporting period relative to the corresponding period in 2020, the strict measures of control implemented on payroll and other operating costs were effective to the extent that the EBITDA loss between the two reporting periods actually reduced by €1.3 million.

In reviewing the financial results for the first six months of 2021, one should also note the following:

a. Compared to 2020, net depreciation charges decreased by €2.5 million on account of fully depreciated assets, mainly in London.
b. Interest income and expense are in line with last year with additional interest cost in some properties offset by lower interest in others, on account of loan capital repayments.

c. The share of associates' and joint ventures' results in the comparative period include the Golden Sands Resort joint venture for the full six months whereas in 2021 this is included for the first two months of the year until its acquisition in February. Following the acquisition, the assets and liabilities, and results of this operation are consolidated in the Group.
d. Net foreign exchange translation differences represent the unrealized exchange movements registered mainly in Libya following the devaluation of the Libyan dinar in early January 2021.

As a result of the above, during the period under review, the Group registered a loss after tax of €26.4 million compared to a loss of €30.1 million reported in the same period last year.

The gain, net of tax, of €10.1 million in the Statement of Comprehensive Income mainly reflects the currency translation difference on the Group's non-Euro denominated investments in London and in St Petersburg, in consequence of an improvement in Sterling and Rouble respectively against the reporting currency of the Group which is the Euro.

7. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Alfred Pisani, an Executive Director, is the Chairman of the Company. Simon Naudi, previously an Executive Director of the Issuer, holds the post of Chief Executive Officer. Neville Fenech holds the post of Group Chief Financial Officer. Clinton Fenech is the Company's General Counsel. Jean-Pierre Schembri holds the post of Company Secretary. The Chairman, Chief Executive Officer, and other senior members of the executive team are responsible for the Issuer's day-to-day management.

7.1 THE BOARD OF DIRECTORS OF THE ISSUER

The Issuer is currently managed by a Board consisting of nine Directors entrusted with its overall direction and management, including the establishment of strategies for future development. Its responsibilities include the oversight of the Issuer's internal control procedures and financial performance, and the review of the Issuer's business risks, thus ensuring such risks are adequately identified, evaluated, managed and minimized. All the Directors have access to independent professional advice at the expense of the Issuer, should they so require.

The Chairman of the Board of Directors of the Company and the Chief Executive Officer, together with the Group's executive team, are responsible for acquisitions and development and are entrusted with the Issuer's day-to-day management. The business address of each Director is the registered office of the Issuer.

7.1.1 Executive Directors

The Chairman of the Board of Directors of the Issuer and the Chief Executive Officer are mainly responsible for the identification and execution of new investment opportunities and the funding of the Issuer's acquisitions. They are also responsible for ensuring the establishment of appropriate management contracts of the hotel properties in the case of operational properties, and negotiating and awarding project contracts in the case of the development or refurbishment of new properties. Members of the Board of Directors of the Issuer are also directors or officers of other subsidiary companies within the Group, bringing with them the necessary proficiency and experience in this industry sector, and providing their expertise throughout the entire Group. They are supported in this role by several third-party consultants and other officers of the Issuer.

7.1.2 Non-Executive Directors

The Non-Executive Directors' main function is to monitor the operations and performance of the Chairman and the Chief Executive Officer, as well as to review any investment opportunities that are proposed by the executives. All proposed acquisitions of the Issuer are brought to the Board for approval. Two Non-Executive Directors sitting on the Board of the Issuer are independent Directors.

7.1.3 Boards of Subsidiary Companies

Each hotel property is owned through a subsidiary company located in the jurisdiction where that hotel property is located, and is required to comply with all the laws and regulations of that jurisdiction. Accordingly, a board of directors is entrusted with the responsibility of the direction and management of each Subsidiary within the strategic parameters established by the Board. In some jurisdictions, the Issuer has adopted the structure of a dual board in line with the requirements of the legislation of those jurisdictions. These involve the concept of a board of directors that is entrusted with setting the policies and strategies of the company to be implemented by management in the day-to-day operations and executive decisions, and a supervisory board that is entrusted with monitoring the policy implementation within the company by management.

The board of each Subsidiary is, within the strategic parameters established by the Board of the Issuer, autonomous in the determination of the appropriate policies for the respective hotels and is entrusted with handling the relations with the hotel operating company. Each hotel, in turn, has its own management structure and employees who carry out the function of implementing the policies and directions of the Subsidiary boards under the direction of the hotel operating company.

7.1.4 Curriculum Vitae of Directors

Alfred Pisani is the founder of the Corinthia Group and has been the Chairman and Chief Executive Officer since the inception of Corinthia in 1962. He was responsible for the construction of the Group's first hotel, the Corinthia Palace Hotel & Spa in Attard. He has led the Corinthia Group from a one-hotel company to a diversified group having significant interests. Such interests vary from equity participations, management or both in several geographical areas and include interests in five hotels in Malta, two hotels in each of Turkey, Hungary and Portugal, nine hotels in the Czech Republic, and one in each of Libya, Tunisia, the United Kingdom, the Russian Federation, Sudan and Dubai. Mr. Pisani is also the Chairman of the Issuer.

Frank Xerri de Caro joined the Board of the Issuer as an independent non-executive director in 2005, having previously been General Manager of Bank of Valletta p.I.c., besides serving on the Boards of several major financial, banking and insurance institutions. Mr Xerri de Caro is currently the Chairman of the Issuer's Audit Committee.

Hamad Mubarak Mohd Buamim is President and CEO of the Dubai Chamber of Commerce and Industry and serves as the Deputy Chairman of the World Chambers Federation – ICC- in Paris. He is a member of the board of directors of the United Arab Emirates Central Bank, Chairman of National General Insurance and a board member of Union Properties. He previously served as Chairman of Emirates Financial Services, Chairman of Emirates NBD Capital and board member of Emirates NBD Bank and Network International. Mr. Buamim holds a degree in electrical engineering magna cum laude from the University of Southern California, Los Angeles and an MBA with honours in finance from the University of Missouri, Kansas City.

Douraid Zaghouani is Chief Operating Officer of the Investment Corporation of Dubai (the "**ICD**"). In this role, he supports the CEO Office in corporate strategy development and is responsible for the efficient operational management of the organization, with the aim of optimizing business performance. He manages the areas of strategy, government relations, marketing, corporate communications, legal and compliance, finance and funding, risk and information technology. Prior to joining ICD Mr. Zaghouani was with Xerox for more than 25 years during which period he held a number of senior general management, sales and marketing roles in both Europe and North America. He has also been Chairman of the Board of several Xerox companies, his last appointment being Corporate Officer and President, Channel Partners Operations for Xerox based in New York. Mr. Zaghouani has a degree in civil engineering from the Ecole Nationale des Travaux Publics de L'Etat and is also a graduate in business administration from the ESSEC business school in Paris.

Joseph Pisani is a founder director and member of the main board of CPHCL since 1962, and has served on a number of boards of Subsidiary companies. He served as Chairman of the Monitoring Committee of CPHCL and IHI from 2000 to 2014. He was educated at St Edward's College and the University of Malta.

Abdulnaser M.B. Ahmida is a director of the Risk Management Department at LAFICO. He was previously head of the Financial Analysis Department at LAFICO where he served from 1997 to 2007. He was previously a senior executive at Corporate and Investment Banking Group and at Pak Libya Holding Company. Mr. Ahmida holds a degree in computer engineering from Naser University and a master's degree in financial accounting and management from Bradford University School of Management.

Joseph Fenech is a Fellow of the Association of Chartered Certified Accountants of the United Kingdom and a Fellow of the Malta Institute of Accountants. Mr Fenech joined the Corinthia Group in 1980. Mr Fenech enjoys an acknowledged reputation in the hotel business and corporate financing, having been intimately involved in the Corinthia Group for the past 41 years. Between I June 2014 and 11 April 2021, Mr Fenech occupied the position of Joint Chief Executive of the Company apart from holding a number of directorships in Group subsidiary companies.

David Curmi is a financial services professional and corporate executive. He is currently the Executive Chairman of Air Malta p.l.c., the flag carrier airline of the Maltese Islands. Mr Curmi is an Associate of the Chartered Insurance Institute of the United Kingdom and a Chartered Insurer. He is also a Director of Midi p.l.c., Deputy Chairman of Plaza Centres p.l.c., Director of QP Management, Member of the Board of the Doctoral School (University of Malta), Chairman of L.B. Factors Ltd (a Lasselsberger Group Company) and Member of the Board of the Insurance Protection and Compensation Fund.

Moussa Alhassan Atiq Ali has been the General Manager of LAFICO since 13 June 2021. He has previously occupied the post of Managing Director of the Libya Africa Investment Portfolio (LAIP). He also occupied the position of Legal Consultant at the Libyan Investment Authority (LIA).

7.1.5 Curriculum Vitae of the Chief Executive Officer

Simon Naudi joined the Board of the Issuer in 2005, having joined the Corinthia Group in a senior executive role in 1998. He has since been responsible for corporate strategy, including business development, particularly hotel and real estate acquisitions and project developments. On 1 June 2014 Simon Naudi was appointed Joint Chief Executive Officer of the Issuer and on 12 April 2021 he was appointed as Chief Executive Officer. He is also the CEO of CHL, the Issuer's hotel management company.

7.1.6 Curriculum Vitae of the Issuer's Senior Management

In addition to the abovementioned Chief Executive Officer, the Issuer's Senior Management is composed of:

Jean-Pierre Schembri was appointed as Company Secretary of the Issuer in 2018. Mr Schembri is a graduate in European Studies from the University of Malta and holds a Masters in European Politics and Administration from The College of Europe in Bruges. Between 2005 and 2007 he occupied senior positions at the Ministry of Foreign Affairs and at the Office of the Prime Minister. Between 2007 and 2012 he served at the Permanent Representation of Malta to the EU in Brussels, where he also occupied the post of Chef de Cabinet. Between 2012 and 2018, Mr Schembri joined the European Union Civil Service where he occupied the senior management role of Head of Communications and Stakeholders Unit at the European Asylum Support Office (EASO). While at EASO, Mr Schembri also headed the board secretariat of the agency.

Clinton Fenech joined the IHI Group in 2008. Dr. Fenech holds a Doctorate in Law from the University of Malta and a Masters in Corporate and Finance Law from University College London. Dr Fenech was admitted to the Chamber of Advocates in Malta in 1997 and admitted as a solicitor of the Supreme Court of England and Wales in 2000. Dr. Fenech articled at Ashurst, London where he was from 1998 to 2006. From 2006 to 2008, Dr. Fenech was a member of Gide Loyrette Nouel's corporate finance team in London. Dr. Fenech is responsible for legal matters relating to acquisitions, finance and related corporate matters of the IHI Group.

Neville Fenech has held the position of Group Chief Financial Officer since 2019. Mr Fenech is a fellow of the Chartered Association of Certified Accountants of the United Kingdom and of the Malta Institute of Accountants. Mr. Fenech holds a bachelor's degree in Business Management and an MBA from the University of Malta. Mr. Fenech joined the Corinthia Group in 2000 as finance manager responsible for all financial and accounting matters of a number of companies within the Corinthia Group. In 2017, he was promoted to the post of IHI Chief Financial Officer and is responsible for the IHI Group's financial reporting.

8. MANAGEMENT STRUCTURE

8.1 GENERAL MANAGEMENT STRUCTURE

The Directors have appointed Simon Naudi as the Chief Executive Officer of the Issuer and, together with the Chairman of the Board of Directors of the Issuer, they are the only executive officers of the Issuer. The Issuer has recruited a number of executives that were previously employed by CPHCL and recruited new executives in line with the requirements of the management structure. The executives support the Chief Executive Officer of the Issuer in fulfilling his role as officer of the Issuer.

8.2 HOTEL OPERATIONS

Day-to-day hotel operations are the responsibility of CHL, the Group's hotel operating company that directs each Subsidiary's management and staff in day-to-day operations. The responsibility of the operational performance of each hotel is that of the operating company, whose performance is monitored and evaluated on a regular basis by the board of each subsidiary which in turn reports on performance and operations to the Issuer's Board.

8.3 PROPERTY AUDIT

Regular property audits are carried out by QP. These audits, which are unannounced, comprise a full review of each property twice a year when a physical inspection of the building and the assets is undertaken by experienced engineers. A detailed report is submitted to the owners including a review of the maintenance systems and quality of the maintenance works and recommendations on the replacement of plant and equipment.

8.4 CONFLICT OF INTEREST

Alfred Pisani, in addition to sitting on the board of directors of the Issuer, also acts as director of CPHCL. Simon Naudi, in addition to occupying the post of Chief Executive Officer of the Issuer, provides management services to CPHCL pursuant to a management support services agreement between IHI and CPHCL. Accordingly, conflicts of interest could potentially arise in relation to transactions involving both the Issuer and CPHCL. Frank Xerri de Caro and Joseph Pisani, as well as Joseph Fenech, sit on the board of directors of other companies forming part of the Group, and conflicts of interest could potentially arise in relation to transactions involving the Issuer and any of such other Group companies.

The Audit Committee has the task of ensuring that any such potential conflicts of interest are handled in the best interests of the Issuer and in compliance with the Capital Markets Rules. To the extent known or potentially known to the Issuer as at the date of this Prospectus, there are no other potential conflicts of interest between any duties of the Directors of the Issuer, as the case may be, and of executive officers of the Issuer and their private interests and, or their other duties, which require disclosure in terms of the Regulation.

8.5 EMPLOYEES

As at 31 December 2020, the Issuer employed 1,813 members of staff, 1,346 of whom work in operations and the remaining 467 in management and administration.

9. BOARD PRACTICES OF THE ISSUER

9.1 AUDIT COMMITTEE

The Audit Committee's primary objective is to assist the Board in fulfilling its oversight responsibilities over the financial reporting processes, financial policies and internal control structure. The Committee oversees the conduct of the internal and external audit and acts to facilitate communication between the Board, management, the external auditors and the internal audit team. The internal and external auditors are invited to attend the Audit Committee meetings. The Audit Committee reports directly to the Board of Directors.

The terms of reference of the Audit Committee include support to the Board of Directors of the Issuer in its responsibilities in dealing with issues of: risk, control and governance, and associated assurance. The Board has set formal terms of establishment and the terms of reference of the Audit Committee which set out its composition, role and function, the parameters of its remit as well as the basis for the processes that it is required to comply with.

Briefly, the Committee is expected to deal with and advise the Board on:

a. its monitoring responsibility over the financial reporting processes, financial policies and internal control structures;
b. maintaining communications on such matters between the Board, management and the external auditors; and
c. preserving the Company's assets by assessing the Company's risk environment and determining how to deal with those risks.

In addition, the Audit Committee also has the role and function of evaluating any proposed transaction to be entered into by the Company and a related party, to ensure that the execution of any such transaction is at arm's length, on a commercial basis and ultimately in the best interests of the Company.

The Committee is made up entirely of Non-Executive Directors (a majority of whom are considered independent of the Issuer), who are appointed for a period of three years. Frank Xerri de Caro, an independent Non-Executive Director of the Issuer, acts as Chairman, whilst Joseph Fenech (non-executive director) and Abdulnaser M.B. Ahmida (independent non-executive director) act as members. The Issuer's Company Secretary, Jean-Pierre Schembri, acts as Secretary to the Committee. In compliance with the Capital Markets Rules, Frank Xerri de Caro is considered by the Board to be the Director competent in accounting and, or auditing matters.

9.2 INTERNAL AUDIT

The role of the internal auditor is to carry out systematic risk-based reviews and appraisals of the operations of the Issuer (as well as of the subsidiaries and associates of the Group) for the purpose of advising management and the Board, through the Audit Committee, on the efficiency and effectiveness of internal management policies, practices and controls. The function is expected to promote the application of best practices within the organization.

The internal auditor reports directly to the Audit Committee.

9.3 NOMINATION AND REMUNERATION COMMITTEES

The Nomination and Remuneration Committee is charged with enhancing the quality of nominees to the Board and ensuring the integrity of the nominating process, and with proposing the remuneration package of directors and senior executives of the Issuer and its subsidiaries. The Committee's responsibilities include making recommendations to the Board annually with respect to the composition, size and needs of the Board, recommend criteria for Board membership, including the minimum qualifications for a nominee and the qualities and skills that the committee believes are necessary or desirable for a Board member to possess, and propose adequate remuneration packages.

The Committee is made up of Joseph Fenech (who acts as chairman of the committee) whilst Frank Xerri de Caro and Joseph Pisani act as members. The Issuer's Secretary, Jean-Pierre Schembri, acts as secretary to the Committee.

10. COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

The Issuer is subject to, and supports, the Code of Principles of Good Corporate Governance (the "Code") forming part of the Capital Markets Rules. The Issuer is confident that the adoption of the Code has resulted in positive effects accruing to the Issuer.

The Board considers that during the financial year ended 31 December 2020, the Company was in compliance with the Code save as set out hereunder.

As at 30 April 2021, being the date of approval of the latest Annual Report, the Company was not fully in compliance with the said Principles of Good Corporate Governance specifically by virtue of the following:

- Principle 7 "Evaluation of the Board's Performance": under the present circumstances, the Board does not consider it necessary to appoint a committee to carry out a performance evaluation of its role, as the Board's performance is evaluated on an ongoing basis by, and is subject to the constant scrutiny of, the Board itself, the Company's shareholders, the market and the rules by which the Issuer is regulated as a listed company.

- Principle 9 "Conflicts between Shareholders": currently there is no established mechanism disclosed in the Memorandum and Articles of Association of the Issuer to trigger arbitration in the case of conflict between the minority shareholders and the controlling shareholders. In any such cases should a conflict arise, the matter is dealt with in the Board meetings and through the open channel of communication between the Issuer and the minority shareholders via the Office of the Company Secretary.

11. MAJOR SHAREHOLDERS

As at the date of this Prospectus, CPHCL holds 355,988,463 shares equivalent to 57.81%, Istithmar holds 133,561,548 shares equivalent to 21.69% and LAFICO holds 66,780,771 shares equivalent to 10.85% of the Issuer's total issued share capital (half of this 10.85% is subject to a call option in favour of CPHCL). As far as the Issuer is aware, no persons hold an indirect shareholding in excess of 5% of its total issued share capital.

The Issuer adopts measures in line with the Code of Corporate Governance to ensure that the relationship with CPHCL, LAFICO and Istithmar is retained at arm's length, including adherence to rules on related party transactions requiring the sanction of the Audit Committee.

12. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES

12.1 HISTORICAL FINANCIAL INFORMATION

The historical financial information relating to the Issuer for the three financial years ended 31 December 2018, 2019 and 2020 as audited by PricewaterhouseCoopers are set out in the consolidated financial statements of the Issuer. Such audited consolidated financial statements are available for inspection as set out in section 17 of this Registration Document. The audit reports of these three financial years do not contain any qualification, modification of opinion, disclaimers or emphasis of matter.

The unaudited interim financial statements of the Issuer for the six months ended 30 June 2021 are also available for inspection as set out in section 17 of this Registration Document.

Historical financial information covering financial years ended 31 December 2019 and 31 December 2020 and the interim financial information for the 6-month period until 30 June 2021 is being incorporated by reference as per below. The financial information about the Issuer may be obtained from the Issuer's website https://www.corinthiagroup.com/investors/

	Page number in Annual Report	**Page number in Annual Report**	**Page Number in the Interim Financial Statements**
Information incorporated by reference in this Registration Document	Financial year ended 31 December 2019	Financial year ended 31 December 2020	Interim financial information for the six months ended 30 June 2021
Income Statement	FS34	FS28	4
Statement of Financial Position	FS36 – FS37	FS30 – FS31	6 - 7
Statement of Cash Flows	FS39 – FS40	FS33 – FS34	9
Notes to the Financial Statements	FS46 – FS121	FS40 – FS102	10 – 11
Independent Auditor's Report	FS25 – FS33	FS19 – FS27	N/A

Save for the impacts of the COVID-19 pandemic referred to in section 6 of this Registration document, there were no significant changes to the financial or trading position of the Group since the end of the financial period to which the last audited consolidated financial statements relate.

13. LITIGATION

There is no governmental, legal or arbitration proceedings against the Issuer, including any pending or threatened proceedings, which the Issuer are aware and considers could have significant effects on the financial position or profitability of the Issuer or the Group.

14. ADDITIONAL INFORMATION

14.1 SHARE CAPITAL OF THE ISSUER

The authorized share capital of the Issuer is €1,000,000,000. The issued share capital is € 615,684,920 divided into 615,684,920 ordinary shares of a nominal value of €1 each, fully paid up.

The Issuer's ordinary shares were first admitted to the Official List of the MSE on 2 June 2000, and trading commenced on 5 June 2000.

More than 10% of the Issuer's authorized share capital remains unissued. However, in terms of the Issuer's Memorandum and Articles of Association, none of such capital shall be issued in such a way as would effectively alter the control of the Issuer or nature of its business without the prior approval of the shareholders in general meeting.

There is no capital of the Issuer which is currently under option, save for half of the 10.85% of the issued share capital of the Issuer (66,780,771 ordinary shares) that LAFICO bought from Istithmar on 22 April 2010, which is currently subject to a call option in favour of CPHCL.

14.2 MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE ISSUER

14.2.1 Objects

The Memorandum and Articles of Association of the Issuer are registered with the Registry of Companies. The main object of the Issuer is to carry on the business of a finance and investment company in connection with the ownership, development, operation and financing of hotels, resorts, leisure facilities, tourism related activities and such other activities as may from time to time be ancillary or complimentary to the foregoing whether in Malta or overseas. Clause 3 of the Memorandum of Association contains the full list of objects of the Issuer. A copy of the Memorandum and Articles of Association of the Issuer may be inspected during the lifetime of this Registration Document at the registered office of the Issuer and at the Registry of Companies.

The Memorandum and Articles of Association of the Issuer are registered with the Registry of Companies at the Malta Business Registry. A full list of the objects for which the Issuer is established is set out in Clause 3 of the Memorandum of Association. These objects include:

a. To carry on the business of a finance and investment company in connection with the ownership, development, operation, and financing of hotels, resorts, leisure facilities, mixed-use properties and tourism related activities and such other activities as may from time to time be ancillary or complimentary to the foregoing whether in Malta or overseas;
b. To borrow and raise money for the purpose of its business and to secure the repayment of the money borrowed by hypothecation or other charge upon the whole or part of the movable and immovable assets or property of the Issuer present and future;
c. To invest the capital and other moneys of the company in the purchase or subscription of any stocks, equity securities, debentures, bonds or other securities; and
d. To issue bonds, commercial paper or other instruments creating or acknowledging indebtedness and the sale or offer thereof to the public.

A copy of the Memorandum and Articles of Association of the Issuer may be inspected during the lifetime of this Registration Document at the registered office of the Issuer and at the Malta Business Registry.

15. MATERIAL CONTRACTS

The Issuer has not entered into any material contracts which are not in the ordinary course of its business which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to security holders in respect of the securities being issued pursuant to, and described in, the Securities Note.

16. THIRD PARTY INFORMATION, STATEMENTS BY EXPERTS AND DECLARATIONS OF ANY INTEREST

Save for the financial analysis summary dated 28 October 2021 drawn up by the Sponsor, M.Z. Investment Services Ltd of 61, M.Z. House, St. Rita Street, Rabat RBT 1523, Malta, set out as Annex III to the Securities Note (the "**Financial Analysis Summary**"), the Prospectus does not contain any statement or report attributed to any person as an expert. The author of the Financial Analysis Summary is Mr. Evan Mohnani, Senior Financial Advisor at MZ Investment Services Ltd. The Sponsor does not hold any material interest in the Issuer.

The Financial Analysis Summary has been included in the form and context in which it appears with the authorisation of the Sponsor, which has given and has not withdrawn its consent to the inclusion of such report herein.

The Issuer confirms that the Financial Analysis Summary and any other information sourced from third parties have been accurately reproduced in the Prospectus and that there are no facts of which the Issuer is aware and is able to ascertain that have been omitted and which would render the reproduced information inaccurate or misleading.

17. DOCUMENTS AVAILABLE FOR INSPECTION

For the duration period of this Registration Document the following documents (or copies thereof) shall be available for inspection at the registered address of the Issuer:

a. Memorandum and Articles of Association of the Issuer;
b. Audited consolidated financial statements of the Issuer for the years ended 31 December 2018, 2019 and 2020;
c. Unaudited consolidated financial information of the Issuer for the six-month period 1 January 2021 to 30 June 2021;
d. Financial analysis summary prepared by the Sponsor and dated 28 October 2021; and
e. The letter of confirmation drawn up by PricewaterhouseCoopers dated 28 October 2021.

These documents are also available for inspection in electronic form on the Issuer's website https://www.corinthiagroup.com/investors/