



COMPANY ANNOUNCEMENT

ISLAND HOTELS

GROUP HOLDINGS PLC

Date of Announcement: 27 April 2010
Reference: 9/2010

The following is a Company Announcement issued by Island Hotels Group Holdings p.l.c. (the “Company”) pursuant to the Malta Financial Services Authority Listing Rules 8.7.17 and 8.7.19.

Quote

Special Business at forthcoming AGM

The extraordinary resolutions that are being proposed for adoption at the forthcoming annual general meeting of shareholders scheduled for 19 May 2010 are the following:

1. That the memorandum and articles of association of the Company be and are hereby amended as follows:
 - a. that following clause 3(k) of the memorandum of association of the Company a new clause 3(l) be inserted as follows:

“3(l) to receive, from any assets held by the company pursuant to any of the provisions of this Clause, dividends, capital gains, interest, and any other income derived from investments including income or gains on their disposal, rents, royalties and similar income whether arising in or outside Malta, and profits or gains attributable to a permanent establishment (including a branch) whether situated in or outside Malta.”
 - b. that clause 4.2 of the Memorandum of Association of the Company be deleted in its entirety and replaced by the following:

“The issued share capital of the company is thirty five million and two hundred and sixty nine thousand and two hundred Euro (€35,269,200) divided into thirty five million and two hundred and sixty nine thousand and two hundred ordinary shares all having a nominal value of one Euro (€1) which has been fully paid up and all of which are listed on the Official List of the Malta Stock Exchange.”
 - c. that clause 8 of the Memorandum of Association of the Company be deleted in its entirety;
 - d. that articles 2(i), (j) (k) and (l) of the Articles of Association of the Company be renumbered as 2(j), (k), (l) and (m) respectively;

Island Hotels Group Holdings p.l.c.

Registered Address: The Coastline Hotel, Salina Bay, Salina, NXR 9030, Malta. Telephone: +356 2157 3781/4

Company Registration No.: C44855

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- e. that following article 2(h) a new article 2(i) be inserted as follows:
“2(i) “Listing Rules” means the listing rules issued by the Listing Authority under the Financial Markets Act (Cap.345 of the laws of Malta).”

- f. that following article 2(m) a new article 2(n) of the articles of association of the Company be inserted as follows:
“2(n) “record date” means the day falling thirty (30) days immediately preceding the date set for the general meeting to which it relates.”

- g. that article 2(m) of the articles of association of the Company be renumbered 2(o).

- h. article 19 of the articles of association of the Company be deleted in its entirety and replaced by the following:
“19. The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine, provided always that such registration shall not be suspended for more than thirty (30) days in any one calendar year and provided further that the registration of transfers may not be suspended at any time between the record date and the general meeting to which it applies.”

- i. article 35 of the articles of association of the Company be deleted in its entirety and replaced by the following new articles:
“35.1 A general meeting of the Company shall be deemed not to have been duly convened unless at least twenty-one (21) days notice has been given in writing, to all those persons entitled to receive such notice in terms of these Articles, the law or the applicable Listing Rules. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it was given, and shall specify the information prescribed by law or applicable Listing Rules.
35.2 The notice period referred to in article 35.1 shall be reduced to fourteen (14) days provided the following conditions are satisfied:
35.2.1 the general meeting in respect of which notice is given is not an annual general meeting;
35.2.2 the Company offers the facility to holders of Equity Securities to vote by electronic means in accordance with the provisions of 38.3 of these Articles of Association;
35.2.3 a resolution reducing the period of notice to not less than fourteen days has been

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duly passed by a majority of not less than two-thirds of the Equity Securities of the Company. Such resolution shall be valid until the following annual general meeting.”

- j. in article 36.1 of the articles of association of the Company the words: “Without prejudice to the provisions of article 9.1 of these articles, no other persons shall be entitled to receive notice of general meetings.” be deleted in their entirety.
- k. article 38 of the articles of association of the Company be renumbered as article 38.1.
- l. following article 38.1 of the articles of association of the Company a new article 38.2 be inserted as follows:

“38.2 A person shall be entitled to participate in and vote at a general meeting if such person is entered as a holder of Equity Securities on the register of members on the record date and any change to any entry on the said register after the record date shall be disregarded in determining the right of any person to attend and vote at the meeting.”
- m. following article 38.2 of the articles of association of the Company a new article 38.3 be inserted as follows:

“38.3 The directors may establish systems to:

 - 38.3.1 allow persons entitled to attend and vote at general meetings of the Company to do so by electronic means in accordance with the relevant provisions of the Listing Rules; and
 - 38.3.2 allow for votes on a resolution on a poll to be cast in advance.”
- n. following article 38.3 of the articles of association of the Company a new article 38.4 be inserted as follows:

“38.4 Should the directors establish any system referred to in article 38.3 any references in these Articles to attendance and voting at a general meeting shall apply mutatis mutandis to attendance and voting by electronic means or to the casting of votes in advance, as applicable.”
- o. following article 38.4 of the articles of association of the Company a new article 38.5 be inserted as follows:

“38.5 The directors may require proof and may establish systems aimed at confirming the

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identity and the rights of a person to attend and cast votes at general meetings: Provided that such proof shall be proportionate to the achievement of the aforesaid objectives.”

- p. article 39 of the articles of association of the Company be deleted in its entirety and replaced by the following:

“39. If within half an hour from the time appointed for the commencement of the meeting, a quorum is not present, the meeting, howsoever called, shall, if duly convened, stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Directors may determine provided that the adjourned meeting is held at least ten days after the final convocation is issued and that no new item is put on the agenda of such adjourned meeting. If at the adjourned meeting a quorum is not yet present within half an hour from the time appointed for the meeting, the Member or Members present shall constitute a quorum.”

- q. article 40.1 of the articles of association of the Company be deleted in its entirety and replaced by the following:

“40.1 At the commencement of any general meeting, whether annual or extraordinary, the Chairman may, subject to the provisions of any applicable rules and regulations, set the procedure which shall be adopted for the proceedings of that meeting. Such procedure shall be binding on the Members.”

- r. article 42 of the articles of association of the Company be deleted in its entirety and replaced by the following:

“42. The chairman may, with the consent of any meeting at which a quorum is present, (and shall if so directed by the meeting), adjourn the meeting (the “Quorate Meeting”) from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unattended or unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty (30) days or more, notice of the Quorate Meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of a Quorate Meeting or of the business to be transacted at such Quorate Meeting.”

- s. article 47 of the articles of association of the Company be deleted in its entirety and replaced by the following:

“47. Subject to any rights or restrictions for the time being attached to any class or classes of Equity Securities, on a show of hands every Member present in person or by proxy shall have one vote, and on a poll every Member present in person or by proxy shall have one

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vote for each Equity Security carrying voting rights of which he is the holder or for which he holds a valid proxy as the case may be.”

- t. article 50 of the articles of association of the Company be deleted in its entirety and replaced by the following new articles as follows:

“50.1 Every person entered into the register of members kept by the Company shall, subject to the provisions of article 50.2, be entitled to appoint one person to act as proxy holder to attend and vote at a general meeting instead of him. The proxy holder shall enjoy the same rights to participate in the general meeting as those to which the Member thus represented would be entitled.

50.2 Where a person whose details are entered into the register of members is holding shares for and on behalf of third parties, such Member shall be entitled to grant a proxy to each of his clients or to any third party designated by a client. The said Member shall be entitled to cast votes attaching to some of the shares differently from the others.

50.3 The instrument appointing a proxy shall be deposited at the registered office of the Company or by electronic mail at the address specified in the notice convening the meeting, not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting, at which the person named in the instrument proposes to vote, or in the case of a poll, not less than forty-eight (48) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid. The provisions of this article 50.3 shall apply *mutatis mutandis* to the revocation of the appointment of a proxy.

50.4 Any person acting as a proxy holder may hold a proxy from more than one Member. Where a proxy holder holds proxies from several Members he may cast votes for a certain Member differently from votes cast for another Member.

50.5 In the case of voting by a show of hands, a proxy who has been mandated by several Members and instructed to vote by some shareholders in favour of a resolution and by others against the same resolution shall have one vote for and one vote against the resolution.”

- u. article 51 of the articles of association of the Company be deleted in its entirety and replaced by the following:

“51. A form of instrument of proxy shall be in such form as may be determined by the directors in accordance with the applicable Listing Rules. The proxy form shall be designed in a way which would allow a Member appointing a proxy to indicate how he would like his proxy to vote in relation to each resolution.”

- v. article 52 and article 52.1 of the articles of association of the Company be renumbered article **Island Hotels Group Holdings p.l.c.**

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- 52.1 and article 52.2 respectively.
- w. in article 87.2 of the articles of association of the Company the words “fourteen (14)” shall be deleted in their entirety and replaced by the words “twenty-one (21)”
 - x. in article 89.1 of the articles of association of the Company the word “post” be deleted in its entirety and replaced by the words “pre-paid mail”.
 - y. following article 89.2 a new article 89.3 be inserted as follows:
“89.3 Notwithstanding the provisions of article 89.1 the Company may publish any notice required to be sent either on its website or on the website of the Exchange on which the Equity Securities are listed, provided that having sent a notice by mail at the address specified in article 89.1 requesting the consent from the holder of Equity Securities to the publication of the notices on such website the holder of Equity Securities has given his consent to receive notice by such means (the “Consenting Shareholder”). From the date of receipt of such consent by the Company any notices required to be sent to the Consenting Shareholder may be sent by publishing the same on the said websites without the need of sending notices by pre-paid mail.”
2. That without prejudice to the provisions of article 3 of the Articles of Association of the Company the directors of the Company be and are hereby authorized and empowered in accordance with Articles 85(2) and 88(7) of the Companies Act, for a period of five years from the date of adoption of this resolution, to issue and allot up to a maximum of 4,730,800 ordinary shares in the Company in exchange for a non-cash consideration, without first offering the said shares to existing holders of Ordinary Shares.

A Shareholders’ circular and notice of the Annual General Meeting has been posted to all shareholders entitled to attend and vote at the said meeting.

Unquote

Signed:

Kenneth Abela
Company Secretary

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