



ISLAND HOTELS

GROUP HOLDINGS PLC

BONDHOLDERS' MEETING

Notice to the Holders of the €35,000,000 6% Bonds due 2024 (the "**Bondholders**") in terms of Section 7.13.2 of the Securities Note forming part of the Prospectus issued by Island Hotels Group Holdings p.l.c.(the "**Company**") and dated 6 May 2014.

Notice is hereby given of the Bondholders' Meeting of Island Hotels Group Holdings p.l.c. to be held at The Mediterranean Conference Centre, Triq I-Isptar, Valletta VLT 1645, Malta on the 20 May 2015 at 4pm for the purpose of considering and, if thought fit, passing the resolutions set out hereunder.

30th April 2015

Resolutions

That the Company be and is hereby authorised and empowered to use approximately €14,000,000 of the proceeds from the Bonds, previously earmarked for the purpose of carrying out the refurbishment and construction works at the Radisson® Blu Resort St. Julians, as indicated in Section 6.2 (Reasons for the Issue and Use of Proceeds) of the securities note issued by the Issuer dated 6 May 2014 (the "Securities Note"), for the following purposes:

- (i) approximately €10,000,000 of the proceeds be used for the early repayment of certain bank loans; and
- (ii) the remaining balance of €4,000,000 be used for general corporate funding purposes of the Group.

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Kenneth Abela
Company Secretary

Important Information

A. Record Date

This notice has been mailed to the Bondholders registered on the Register of Bondholders as at the 20 April 2015. Only such Bondholders shall be entitled to attend and vote at the Bondholders' Meeting.

B. Participation and voting by Bondholders

A Bondholder may participate and vote at the meeting in any of the following ways:

- a. By personally attending the meeting; or
- b. By submitting a proxy form to the Company.

i. Personal Attendance

A Bondholder may participate at the meeting personally by physically attending the meeting on the appointed day and time at the venue where the meeting is held. (See "Admission to Meeting").

ii. Participation by Proxy

A Bondholder may participate by proxy by completing and signing the proxy form dispatched to all Bondholders together with this notice and sending same to the office of the Company Secretary not less than 48 hours before the time appointed for the meeting. A proxy form is to be sent to the Company by mail to Radisson Blu Resort St. Julians, Louis V. Farrugia Street, St. George's Bay, St. Julians STJ 3391, using the stamped self-addressed envelope provided. Proxies appointing the Chairman and sent by mail as aforesaid are to be accompanied by the ballot sheet.

C. Completing the Proxy Form

A Bondholder wishing to participate at the meeting by proxy is to complete all details required on the proxy form fully, clearly and accurately. This includes:

- a. Indicating whether the Bondholder wishes to appoint as proxy the Chairman of the meeting or another person. In the case that a Bondholder wishes to appoint a person other than the Chairman of the meeting as proxy, the full name, address and I.D. Card number of the proxy are to be clearly and legibly inserted in the appropriate space;
- b. Indicating whether the Bondholder wishes the proxy to vote as the appointed proxy wishes or whether the Bondholder wishes to instruct the proxy how to vote. In either case a mark ought to be made in the appropriate box indicated in the proxy form. In the event that no indication is made it shall be deemed that the Bondholder authorises the proxy to vote as the proxy wishes, unless the Bondholder indicates how he/she wishes the bonds held to be voted by inserting the number of bonds or another appropriate mark against the relevant resolutions, in which case the proxy shall be deemed authorised to vote only as indicated by the Bondholder in the proxy form.
- c. Where a Bondholder wishes to have his/her proxy vote in a particular manner then he/she should indicate his/her voting preference in the appropriate box against each resolution. The use of a cross or a mark (instead of putting a number of votes) in the appropriate space on the proxy form under either 'FOR' or 'AGAINST' will be interpreted that the Bondholder has assigned all the votes either 'FOR' or 'AGAINST' the resolution as the case may be. If a cross or a mark is placed in both 'FOR' or 'AGAINST' for the same resolution, then the Bondholder's vote on that particular resolution will be invalid. Any resolution remaining unmarked on the ballot paper will be treated as an abstention.

D. Participation in Voting

A Bondholder wishing to participate simply by having their votes taken into account at the meeting should fill in the proxy form in favour of the Chairman of the meeting and then proceed to instruct the Chairman how to vote on each resolution to be taken at the meeting by completing the "FOR" and/or "AGAINST" boxes in the proxy form.

Admission to the Meeting

- a. In order to be admitted, a Bondholder is to present his Identity Card and the Admission Form enclosed with this notice.
- b. In the case of bonds held jointly by several persons, except in the case of bonds held jointly by husband and wife, the name of the joint Bondholder listed as the representative on the Register of Bondholders shall be eligible to attend and vote at the Meeting. In the absence of such nomination, the person first named on the Register of Bondholders shall, for all intents and purposes, be eligible to attend and vote at the Meeting.
- c. A single representative of a joint bondholding who is not the person listed on the Register as the representative or who is not the person first named on the Register in accordance with (b) above, will only be eligible to attend and vote at the Meeting if a Form of Proxy has been duly executed in his favour by all other joint holders.

- d. In the case of bonds held jointly by husband and wife, both the husband and wife, or either of them, may attend the Meeting.

Provided that:

- i. irrespective of whether both the husband and the wife, or either of them, attend the Meeting, only one voting document will be issued and only one of them shall be entitled to vote; and
 - ii. if they wish to appoint a proxy, the Form of Proxy must be signed and executed by both husband and wife.
- e. When a Bondholder is a body corporate, association of persons, foundation or other collective entity, a representative thereof will only be eligible to attend and vote at the Meeting if the Form of Proxy has been duly executed in his favour by the competent organ of the entity which he represents.
 - f. A Bondholder who is a minor may be represented at the Meeting by his Legal Guardian who will be required to present his Identity card and the Admission Form.
 - g. Admission to the Meeting will be commenced one hour before the advertised time.
 - h. After the Meeting has proceeded to business, voting documents will continue to be validated until such time as the Meeting proceeds to vote on the item of the Agenda by ballot. Thereafter no further voting documents will be validated and admission to the Meeting shall be discontinued.

E. Quorum

A meeting of Bondholders shall only validly and properly proceed to business if there is a quorum present at the commencement of the meeting. For this purpose at least two Bondholders present, in person or by proxy, representing not less than 50% in nominal value of the Bonds then outstanding, shall constitute a quorum. If a quorum is not present within 30 minutes from the time scheduled for the commencement of the meeting as indicated on the notice convening same, the meeting shall stand adjourned to a place, date and time as shall be communicated by the Directors to the Bondholders present at that meeting. An adjourned meeting shall be held not earlier than seven days, and not later than 15 days, following the original meeting. At an adjourned meeting the number of Bondholders present, in person or by proxy, shall constitute a quorum, and only the matters specified in the notice calling the original meeting shall be placed on the agenda of, and shall be discussed at, the adjourned meeting.

F. Draft Resolution and Documents

The draft resolution to be considered and voted upon at the meeting is included as an integral part of this notice. The full unabridged text of any documents submitted to the meeting shall, unless dispatched to Bondholders, be available at the registered office of the Company and on www.islandhotels.com

G. Voting

Voting will take place by means of a ballot.

Bondholders (whether participating in person or by proxy) are required to bring to the meeting their respective ballot papers as sent to them with this notice. Bondholders participating in person or by proxy who do not have their respective ballot papers will not be allowed to vote. Only ballot papers duly validated before the meeting proceeds to vote on the item of the agenda will be deemed valid.

H. Right to ask questions

Bondholders (whether personally or by proxy) are reminded that they are entitled to ask questions which are pertinent and related to any resolution placed before the meeting - and to have such questions answered by the directors or such person(s) as the directors may delegate for that purpose. To ensure efficient proceedings at the meeting the directors invite Bondholders to submit in writing any questions related to the resolutions to be sent to the Company Secretary either by mail at Radisson Blu Resort St. Julians, Louis V. Farrugia Street, St. George's Bay, St. Julians STJ 3391, Malta or email to iro@islandhotels.com by not later than 48 hours before the meeting.