



COMPANY ANNOUNCEMENT

ISLAND HOTELS

GROUP HOLDINGS PLC

Date of Announcement:

10 June 2015

Reference:

73/2015

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.

Quote

Acquisition of the remaining 50% shareholding in Buttigieg Holdings Limited

The Company has today completed the purchase and acquisition of the remaining 50% shareholding in Buttigieg Holdings Limited ("BHL").

The acquisition was completed pursuant to a call option that the Company had retained under the Framework Agreement originally entered into in May 2011 when the Company acquired the first 50% shareholding in BHL. BHL is the parent company of the 100% owned subsidiaries R.J.C. Caterers Limited, a company operating mainly in the retail and contract catering sector, and The Coffee Company Malta Limited and The Coffee Company Spain, that operate the Costa Coffee franchise in Malta and the Eastern Coast of Spain and the Balearic islands.

In consideration the Company shall be issuing 2 million new shares to the selling shareholders *pro rata* to the number of shares they transferred to the Company. The total issued share capital of the Company will therefore increase to 38,583,660 shares of € 1 each. This increase in share capital will have no dilutive effect on existing shareholders with respect to the proposed transaction with International Hotel Investments p.l.c.

The objective behind the acquisition is the consolidation of the investment on BHL as part of a group corporate re-organisation.

Pierre Bartolo and Mario Mifsud will be resigning their directorships of BHL. Together with John Buttigieg who shall also retain his directorship on BHL, they shall be retained as part of the management team of BHL, and will remain involved in the business, ensuring stability and continuity of operations.

The IHGH Shares will be issued at €1 each and will be allotted by not later than 10 days from the date of this announcement.

The issue of the IHGH Shares was authorised by the directors of the Company by resolution dated 8 June 2015. An application for the listing of the IHGH Shares on the official list of the Malta Stock Exchange shall be submitted in the coming days.

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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By virtue of this acquisition IHGH is now the 100 % shareholder of BHL and all its operational subsidiaries.

Unquote

Signed:

A handwritten signature in blue ink, appearing to read 'Kenneth Abela', with a horizontal line underneath.

Kenneth Abela
Company Secretary

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Island Hotels Group Holdings p.l.c. is a public limited company registered in terms of the Companies Act (Cap.386 of the Laws of Malta)