REGISTRATION DOCUMENT
DATED 10 APRIL 2015

This Registration Document is issued in accordance with the provisions of Chapter 4 of the Listing Rules issued by the Listing Authority and in accordance with the provisions of Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements as amended by Commission Delegated Regulation (EU) No. 486/2012 of 30 March 2012, Commission Delegated Regulation (EU) No. 862/2012 of 4 June 2012, Commission Delegated Regulation (EU) No. 759/2013 of 30 April 2013 and Commission Delegated Regulation (EU) No. 382/2014 of 7 March 2014.

by

INTERNATIONAL HOTEL INVESTMENTS P.L.C.

A PUBLIC LIMITED LIABILITY COMPANY REGISTERED IN MALTA
WITH COMPANY REGISTRATION NUMBER C 26136

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A PROSPECTIVE INVESTOR SHOULD ALWAYS SEEK INDEPENDENT FINANCIAL ADVICE BEFORE DECIDING TO INVEST IN ANY LISTED FINANCIAL INSTRUMENTS. 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 DIRECTORS

Joseph Fenech on behalf of: Alfred Pisani, Frank Xerri de Caro, Abdulnaser M.B. Ahmida, Douraid Zaghouani, Hamad Mubarak Mohd Buamin, Abuagila Almahdi, Khaled Algonsel, Joseph Pisani, Michael Beckett, Joseph J. Vella.

Joint Manager and Registrar	Joint Manager	Sponsor	Legal Counsel
BOV Bank of Valletta	HSBC	CHARTS WEALTH MANAGEMENT • CORPORATE BROKING	CAMILLERI PREZIOSI ADVOCATES

IMPORTANT INFORMATION

THIS REGISTRATION DOCUMENT CONTAINS INFORMATION ON INTERNATIONAL HOTEL INVESTMENTS P.L.C. IN ACCORDANCE WITH THE REQUIREMENTS OF THE LISTING RULES OF THE LISTING AUTHORITY, THE COMPANIES ACT (CAP. 386 OF THE LAWS OF MALTA) AND COMMISSION REGULATION (EC) NO. 809/2004 OF 29 APRIL 2004 IMPLEMENTING DIRECTIVE 2003/71/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL AS REGARDS INFORMATION CONTAINED IN PROSPECTUSES AS WELL AS THE FORMAT, INCORPORATION BY REFERENCE AND PUBLICATION OF SUCH PROSPECTUSES AND DISSEMINATION OF ADVERTISEMENTS AS AMENDED BY COMMISSION DELEGATED REGULATION (EU) NO. 486/2012 OF 30 MARCH 2012, COMMISSION DELEGATED REGULATION (EU) NO. 862/2012 OF 4 JUNE 2012, COMMISSION DELEGATED REGULATION (EU) NO. 759/2013 OF 30 APRIL 2013 AND COMMISSION DELEGATED REGULATION (EU) NO. 382/2014 OF 7 MARCH 2014.

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IN RELATION TO EACH MEMBER STATE OF THE EUROPEAN ECONOMIC AREA (OTHER THAN MALTA) WHICH HAS IMPLEMENTED DIRECTIVE 2003/71/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 4 NOVEMBER 2003 ON THE PROSPECTUS TO BE PUBLISHED WHEN SECURITIES ARE OFFERED TO THE PUBLIC OR ADMITTED TO TRADING OR WHICH, PENDING SUCH IMPLEMENTATION, APPLIES ARTICLE 3.2 OF SAID DIRECTIVE, THE SECURITIES CAN ONLY BE OFFERED TO “QUALIFIED INVESTORS” (AS DEFINED IN SAID DIRECTIVE) AS WELL AS IN ANY OTHER CIRCUMSTANCES WHICH DO NOT REQUIRE THE PUBLICATION BY THE ISSUER OF A PROSPECTUS PURSUANT TO ARTICLE 3 OF SAID DIRECTIVE.

A COPY OF THIS DOCUMENT HAS BEEN SUBMITTED TO THE LISTING AUTHORITY IN SATISFACTION OF THE LISTING RULES, THE MALTA STOCK EXCHANGE IN SATISFACTION OF THE MALTA STOCK EXCHANGE BYE-LAWS AND HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES, 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 NAMED IN THE REGISTRATION DOCUMENT UNDER THE HEADING "ADVISORS" IN SECTION 3.3 OF THIS REGISTRATION DOCUMENT HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER IN RELATION TO THIS PUBLIC OFFER AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION TOWARDS ANY OTHER PERSON AND WILL ACCORDINGLY NOT BE RESPONSIBLE TO ANY INVESTOR OR ANY OTHER PERSON WHOMSOEVER IN RELATION TO THE TRANSACTIONS PROPOSED IN THE PROSPECTUS.

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. 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 BONDS.

THE VALUE OF INVESTMENTS CAN GO UP OR DOWN AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER ALL THE INFORMATION CONTAINED IN THE PROSPECTUS AS A WHOLE AND SHOULD CONSULT THEIR OWN INDEPENDENT FINANCIAL AND OTHER PROFESSIONAL ADVISORS.

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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);
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 the Issuer;
Corinthia Group	CPHCL and the companies in which CPHCL has a controlling interest;
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 under the heading "Identity of Directors, Senior Management, Advisors and Auditors";
EDREICO	Economic Development and Real Estate Investment Company, a company registered under the laws of Libya and having its registered office at 49, 4th Floor, Burj Al Fatah Tower, PO BOX 93142, Tripoli, Libya;
Euro or **€**	the lawful currency of the Republic of Malta;
Group	the Issuer (as parent company) and its Subsidiaries;
Issuer or **IHI**	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;
Istithmar	Istithmar Hotels FZE, a company registered under the laws of Dubai with company registration number 01256L and having its registered office at P.O. Box 262080, Level 38, Al Shatha Tower, Media City, Dubai, United Arab, Emirates;
LFICO	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;
Listing Authority	the MFSA, appointed as Listing Authority for the purposes of the Financial Markets Act (Cap. 345 of the Laws of Malta) by virtue of Legal Notice 1 of 2003;
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;
Marina San Gorg Limited	a company registered and existing under the laws of Malta with company registration number C 4852 and having its registered office situated at 22, Europa Centre, Floriana FRN 1400, Malta;
Medina Tower JSC (Libya)	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)) having its registered office at Tripoli Tower, Suite 107, Tower 2, Level 10, Tripoli, Libya, and bearing privatisation and investment board number 343;

MFSA	Malta Financial Services Authority, established in terms of the Malta Financial Services Authority Act (Cap. 330 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;
Prospectus	collectively, the Registration Document, the Securities Note and the Summary Note;
QPM	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;
Registration Document	this document in its entirety;
Regulation	Commission Regulation (EC) No. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in a prospectus and dissemination of advertisements, as amended by: Commission Delegated Regulation (EU) No. 486/2012 of 30 March 2012 amending Regulation (EC) No. 809/2004 as regards the format and the content of the prospectus, the base prospectus, the summary and the final terms and as regards the disclosure requirements; Commission Delegated Regulation (EU) No. 862/2012 of 4 June 2012 amending Regulation (EC) No. 809/2004 as regards information on the consent to use of the prospectus, information on underlying indexes and the requirement for a report prepared by independent accountants or auditors; Commission Delegated Regulation (EU) No. 759/2013 of 30 April 2013 amending Regulation (EC) No. 809/2004 as regards the disclosure requirements for convertible and exchangeable debt securities; and Commission Delegated Regulation (EU) No. 382/2014 of 7 March 2014 amending Regulation (EC) No. 809/2004 as regards to regulatory technical standards for publication of supplements to the prospectus;
Securities Note	the securities note issued by the Issuer dated 10 April 2015, forming part of the Prospectus;
Subsidiary	each of the following companies:- i. Five Star Hotels Limited (incorporated under the laws of Malta); ii. Alfa Investimentos Turisticos Lda (incorporated under the laws of Portugal); iii. IHI Lisbon Limited (incorporated under the laws of Malta); iv. IHI St. Petersburg LLC (incorporated under the laws of the Russian Federation); v. IHI Benelux B.V. (incorporated under the laws of the Netherlands); vi. IHI Hungary Zrt (incorporated under the laws of Hungary); vii. IHI Zagreb d.d. (incorporated under the laws of Croatia. This company is currently dormant); viii. CHI Limited (incorporated under the laws of Malta); ix. Corinthia Towers Tripoli Limited (incorporated under the laws of Malta); x. IHI Towers s.r.o. (incorporated under the laws of the Czech Republic); xi. IHI Benghazi Limited (incorporated under the laws of Malta); xii. Marina San Gorg Limited (incorporated under the laws of Malta), xiii. Libya Hotels & Developments JSC (incorporated under the laws of Libya) and the term 'Subsidiaries' shall collectively refer to the said companies;
Summary Note	the summary note issued by the Issuer dated 10 April 2015, forming part of the Prospectus.

2. RISK FACTORS

ONE SHOULD CAREFULLY CONSIDER THE FOLLOWING MATTERS, AS WELL AS THE OTHER INFORMATION CONTAINED IN THIS REGISTRATION DOCUMENT, BEFORE MAKING ANY INVESTMENT DECISION WITH RESPECT TO THE ISSUER. THE SEQUENCE IN WHICH THE RISKS BELOW ARE LISTED IS NOT INTENDED TO BE INDICATIVE OF ANY ORDER OF PRIORITY OR OF THE EXTENT OF THEIR CONSEQUENCES. NEITHER THE PROSPECTUS NOR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH SECURITIES ISSUED BY THE ISSUER: (I) IS INTENDED TO PROVIDE THE BASIS OF ANY CREDIT OR OTHER EVALUATION NOR (II) SHOULD BE CONSIDERED AS A RECOMMENDATION BY THE ISSUER OR THE SPONSOR OR AUTHORISED FINANCIAL INTERMEDIARIES THAT ANY RECIPIENT OF THIS PROSPECTUS OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION THEREWITH, SHOULD PURCHASE ANY SECURITIES ISSUED BY THE ISSUER. PROSPECTIVE INVESTORS SHOULD MAKE THEIR OWN INDEPENDENT EVALUATION OF ALL RISK FACTORS, AND SHOULD CONSIDER ALL OTHER SECTIONS IN THIS DOCUMENT.

2.1 Forward-looking Statements

The Prospectus and the documents incorporated therein by reference or annexed thereto contain forward-looking statements that include, among others, statements concerning the Issuer's strategies and plans relating to the attainment of its objectives, capital requirements and other statements of expectations, beliefs, future plans and strategies, anticipated developments and other matters that are not historical facts and which may involve predictions of future circumstances. Investors can generally identify forward-looking statements by the use of terminology such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "believe", or similar phrases. These forward-looking statements are inherently subject to a number of risks, uncertainties and assumptions. Important factors that could cause actual results to differ materially from the expectations of the Issuer's Directors include those risks identified under the heading "Risk Factors" and elsewhere in the Prospectus. If any of the risks described were to materialise, they could have a serious effect on the Issuer's financial results, trading prospects and the ability of the Issuer to fulfil its obligations under the securities to be issued. Accordingly, the Issuer cautions the reader that these forward-looking statements are subject to risks and uncertainties that could cause actual events or results to differ from those expressed or implied by such statements and no assurance is given that the future results or expectations will be achieved.

2.2 Risks relating to the Group and its Business

General

The Issuer started trading in 2000 undertaking a strategy of rapid expansion. The Issuer's business is reliant on mixed use developments having hotels as their principal component. The hotel industry globally is characterised by strong and increasing competition. Many of the Issuer's current and potential competitors may have longer operating histories, greater name recognition, larger customer bases and greater financial and other resources than the Issuer. Severe competition in certain countries and changes in economic and market conditions could adversely affect the Issuer's business and operating results.

The Issuer's business interests cover a wide geographical spread that includes operations in new and rapidly developing markets as well as more stabilised locations. The Issuer's business model remains primarily reliant on hotel assets, with a diversified strategy resulting in increased reliance on non-hotel assets, mainly in commercial and residential real estate. Accordingly the Issuer's prospects should be considered in the light of the risks and difficulties generally encountered by companies operating in similar markets and industry sectors.

The Issuer's operations and the results of its operations are subject to a number of factors that could adversely affect the Group's business, many of which are common to the hotel and real estate industry and beyond the Group's control.

Risks relating to the political, economic and social environment of the countries in which the Group operates

A number of the companies within the Group have operations situated in emerging markets, specifically Libya and the Russian Federation. Emerging markets present economic and political conditions which differ from those of the more developed markets, thereby possibly resulting in less social, political and economic stability, which could render investments in such markets more risky 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 characterised 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, and 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 are subject to an increasingly unstable political, economic and social environment. In this regard investors' attention is drawn to the information set out in the following paragraphs of this risk factor with specific reference to Libya and the Russian Federation.

Libya:

The continued instability and state of uncertainty prevailing since the 2011 uprising continues to have a negative effect on travel to Libya and accordingly on the performance and operation of the Group's hotel in Tripoli as well as on the financial results of the Group relative to that particular hotel. Economic, political and financial system risk remain high in Libya with prevalent threats to positive development, including the rising incidence of violent acts resulting from conflicts in several parts of the country. At present extremist groups are proving to be particularly active in the eastern and south-western regions of the country, with a number of attacks targeting locations visited by foreigners, including diplomatic interests and other symbolic targets. The Corinthia Hotel Tripoli is commonly frequented by foreign diplomats, government officials, United Nations personnel and foreign companies.

Practically all foreign embassies in Libya have suspended operations and withdrawn their diplomatic staff, and have advised their respective nationals against all unnecessary travel to the country.

Security concerns resulting from the above, as well as regional instability, 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.

The Russian Federation:

The intervention by the Russian Federation in Ukraine in 2014 had a negative effect on its international relations - particularly with the EU and the US - and on its prospects for growth. The Russian Federation's actions in Ukraine have elicited international criticism and resulted in the imposition of a series of European and international sanctions on the Russian Federation's financial, defence and energy sectors, which are expected to have an adverse effect on both the political and economic development of the country. 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.

The Russian Federation has been negatively impacted by falling prices of its largest export, oil. Reliance on tax revenues from the oil industry makes the Russian Federation particularly sensitive to price movements. The Rouble has weakened significantly as a result of the foregoing.

The abovementioned negative political or economic factors and trends may continue to negatively affect the operating results of the Group and could also have a material impact on the business of the Issuer in these regions.

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, industrial action, travel-related accidents, terrorist activity and war and the targeting of hotels and popular tourist destinations in particular, have in the past had a significant negative impact on the hotel industry globally and such events could have a similarly negative impact in the future. The Corinthia Hotel Tripoli was itself the subject of an armed attack on 27 January 2015.

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 travellers 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.

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 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 Group is exposed to the inherent risks of global and regional adverse economic developments that could result in the lowering of revenues and in reduced income. Since 2010, a number of European Union member states have been implementing austerity measures in an effort to reduce government deficits, with such measures including increases in taxes and reduction in social spending, materially affecting disposable income. The economic downturn, and measures such as the aforesaid which have been adopted as a consequence, as well as any further unexpected changes in the political, social or economic conditions of certain countries, may reduce leisure and business travel to and from those affected countries, which, in turn, may adversely affect the Group's room rates and/or occupancy levels and other income-generating activities, and could potentially lead to increased costs through increased taxes in those particular countries, ultimately resulting in the deterioration of the Group's business and/or operating results in the affected countries.

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

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 its 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 rates and other factors, including supply and demand, that are beyond the Issuer's control.

The Group is exposed to the risk of failure of its proprietary reservations system and increased competition in reservations infrastructure

In 2010 the Group set up its own proprietary central reservations system to serve as a central repository for all of the Group's hotel room inventories. The system provides an electronic link between and to multiple sales channels, including Group websites, third-party internet intermediaries and travel agents, Group reservations offices and the Group's hotels. Lack of resilience or failure of the new central reservations 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 Group.

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

To varying degrees, the Group is reliant upon technologies and operating systems (including IT systems) developed by third parties for the running of its business, and is exposed to the risk of failure in 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.

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.

The Group's insurance policies

Historically, the Group has maintained insurance at levels determined by the Group to be appropriate in 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 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.

2.3 Risks relating to the Issuer's Acquisition Strategy

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

The Issuer's business consists of the acquisition, development and operation of mixed use real estate projects having a hotel as their main component and a supporting commercial and/or residential component. Property acquisition and development projects are subject to a number of specific risks, including the inability to source adequate opportunities, cost overruns, insufficiency of resources to complete the projects, sales transactions not materialising at the prices and the tempo envisaged resulting in a liquidity strain, rental of commercial areas not being affected 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 materialise, 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.

2.4 Risks emanating from the Issuer's Financing Strategy

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.

The Issuer'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. Although the amount of debt funding of the Issuer is expected to increase due to its new projects, the Issuer's policy is such that it intends to maintain its debt to equity ratio at prudent levels with corresponding equity being injected at levels considered to be adequate and prudent under current banking practices. 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 utilised 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 debts 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.

The Issuer may be unable to effectively hedge against interest rates

Although the Issuer 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 counterparties. An increase in interest rates which is not hedged by the Issuer may have a material adverse effect on its business, financial condition and results of operations.

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

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

3.1 Directors

Alfred Pisani	Chairman
Frank Xerri de Caro	Senior Independent Director
Abdulnaser M.B. Ahmida	Non-Executive Director
Douraid Zaghouani	Non-Executive Director
Hamad Mubarak Mohd Buamin	Non-Executive Director
Abuagila Almahdi	Non-Executive Director
Khaled Algonsel	Non-Executive Director
Joseph Pisani	Non-Executive Director
Michael Beckett	Independent Non-Executive Director
Joseph J. Vella	Independent Non-Executive Director

Alfred Fabri is the company secretary of the Issuer.

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 OF THE ISSUER (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.

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

3.2 Senior Management

On 31 October 2014 the Issuer announced that Joseph Fenech and Simon Naudi, both previously executive directors of the Issuer, were jointly appointed to the post of Chief Executive Officer. Alfred Pisani retains his post as Executive Director and Chairman of the Issuer. Joseph Galea and Neville Fenech were appointed as Group Chief Financial Officer and Director of Finance of the Issuer, respectively. The joint Chief Executive Officers, together with Alfred Pisani and other senior members of the executive team, are responsible for the Issuer's day-to-day management.

3.3 Advisors

Legal Counsel to the Issuer	
Name:	Camilleri Preziosi
Address:	Level 3, Valletta Buildings, South Street Valletta VLT 1103 – MALTA
Sponsor	
Name:	Charts Investment Management Service Limited
Address:	Valletta Waterfront, Vault 17, Pinto Wharf, Floriana FRN 1913 – MALTA
Registrar and Joint Manager	
Name:	Bank of Valletta p.l.c.
Address:	BOV Centre, Cannon Road, Santa Venera SVR 9030 – MALTA
Joint Manager	
Name:	HSBC Bank Malta p.l.c.
Address:	111, Archbishop Street, Valletta VLT 1444 – MALTA

3.4 Auditors

Name:	Grant Thornton
Address:	Grant Thornton Tower Business Centre, Suite 3, Tower Street, Swatar BKR 4013 -MALTA

The annual statutory consolidated financial statements of the Issuer for each of the financial years ended 31 December 2011 to 2014 have been audited by Grant Thornton. Grant Thornton 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).

4. INFORMATION ABOUT THE ISSUER

4.1. Historical Development

4.1.1 Introduction

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
Registration Number:	C 26136
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
Fax:	+356 21 234 219
Email:	ihi@corinthia.com
Website:	www.ihiplc.com

The Issuer was set up and promoted by the 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.

Whilst CPHCL holds directly 58.78% of the share capital in the Issuer, Istithmar and LFICO both act as strategic investors in IHI with direct holdings of 22.05% and 11.03% respectively. LFICO also owns 50% of CPHCL, whilst half of its direct holding of 11.03% in the Issuer is subject to a call option in favour of CPHCL. The remaining shares in the Issuer are held by the general investing public.

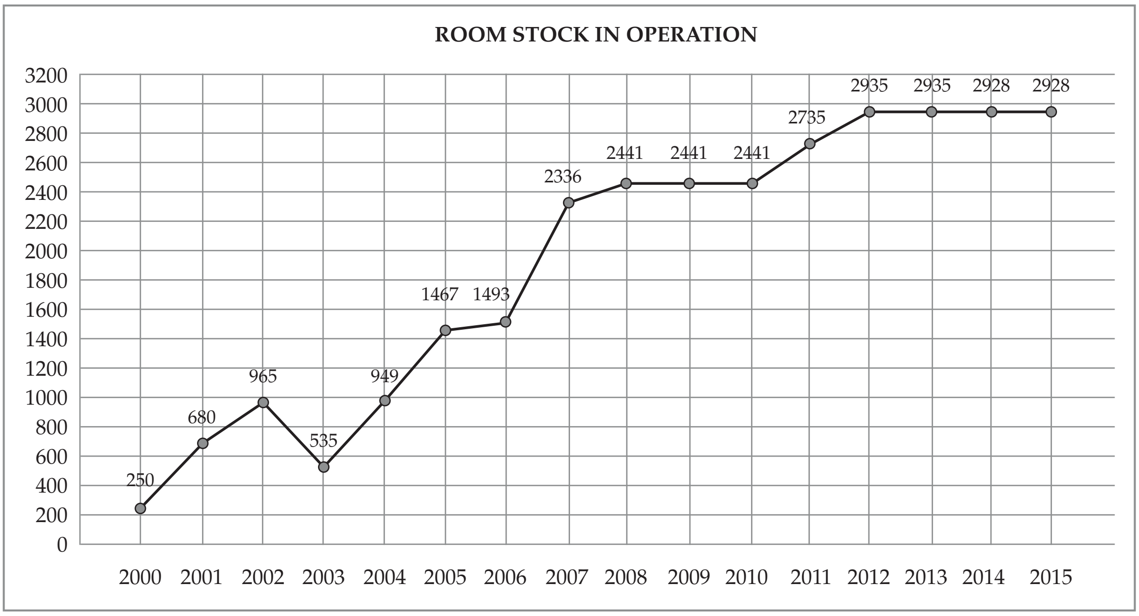
4.1.2 *Investment Objective*

IHI is in the business of developing, owning and operating five-star hotels and commercial real estate in several countries. The principal objective of the Issuer is to achieve above average long-term returns for its shareholders, principally through its long-term growth via investment in a balanced portfolio of mixed use developments having hotel properties as their main component, and hotel operations in a balanced mix between mature and emerging markets.

Over the years the Issuer has varied its investments with a view to achieving a healthy balance between capital appreciation and cash-flow generation. It has managed to generate significant appreciation in value through its involvement in the development of landmark properties and the refurbishment of under-performing hotels making it possible to re-position them at the top-end of their respective markets. The Issuer has also acquired hotels which at the time were already operating at a level close to their maximum potential thereby significantly improving its cash flow generation.

In seeking to achieve its principal objective, the Issuer invests in, acquires and develops real estate projects with a principal focus on hotel assets. To date, the Issuer has acquired landmark five star hotels in Prague (Czech Republic), Tripoli (Libya), Lisbon (Portugal), Budapest (Hungary), St Petersburg (Russian Federation) and St George's Bay (Malta). In addition it owns 50% of a joint venture company that acquired and developed a landmark hotel property in London (United Kingdom). In 2012 IHI acquired, from CPHCL, the Marina Hotel in St George's Bay, Malta, the Issuer's second property in this location. The Issuer also owns 55% of a joint venture company (the remaining 45% being held by LFICO) formed for the purpose of acquiring a site in Benghazi (Libya) earmarked for the development of a five star hotel and mixed use development. IHI also fully owns CHI, a hotel management company whose main objective is to provide professional hotel management services to the Group's hotels and to third party hotel owners and acts as the exclusive manager of hotels under the Corinthia® Brand.

The following table describes room stock in operation:



- 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.
- IHI acquired the 430-bedroom Alfa Hotel in Lisbon on 16 August 2001.
- IHI acquired the 285-bedroom Corinthia Hotel, St Petersburg on 16 January 2002 together with adjoining buildings for development.
- IHI closed the Alfa Hotel, Lisbon on 24 February 2003 for refurbishment and extension.
- IHI inaugurated the 414-bedroom Corinthia Grand Hotel Royal, Budapest on 30 April 2003.
- The Corinthia Hotel, Lisbon re-opened on 1 May 2004 with 518 bedrooms.
- In 2006, IHI inaugurated 26 penthouse apartments situated at the Corinthia Grand Hotel Royal in Budapest.

- IHI acquired, in May 2007, the 544-bedroom Corinthia Hotel, Prague, and the 299-bedroom Corinthia Hotel & Commercial Centre Tripoli.
- 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.
- 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 296-bedroom luxury hotel and 12 residential apartments. The hotel 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.
- In December 2007, IHI and LFICO entered into a preliminary agreement to jointly develop a mixed-use project including a 330-room luxury hotel in Benghazi, Libya. Subsequently IHI and LFICO agreed to re-configure the distribution of space within the development, allocating additional space to office use whilst reducing the number of hotel rooms from 330 to 228 and eliminating the luxury apartment component. In light of the current state of affairs prevailing in Libya, which have resulted in works on the Benghazi development being put on hold on an indefinite basis, the aforementioned room stock allocation previously earmarked for 2015 is not reflected in the above table.
- IHI acquired the 200-bedroom Marina Hotel in St George's Bay, Malta on 13 February 2012.

The aforementioned properties are described in further detail below:

Operating Assets	**Location**	**No. of Hotel Rooms**	**Other Components of the Development**	**% Ownership**
Corinthia Hotel St. George's Bay	Malta	250		100%
Corinthia Grand Hotel Royal & Residences Budapest	Hungary	414	26 luxury residences	100%
Corinthia Hotel & Spa Lisbon	Portugal	518		100%
Corinthia Hotel & Commercial Centre St Petersburg	Russia	388	3,700 sq. m. retail space and 9,340 sq. m. offices	100%
Corinthia Hotel Prague	Czech Republic	539		100%
Corinthia Hotel & Commercial Centre Tripoli	Libya	299	10,000 sq. m. offices	100%
Marina Hotel St George's Bay	Malta	200		100%
Corinthia Hotel and Residences London	UK	294	Penthouse residence forming part of an original set of 12 apartments	50%

The Medina Tower, Tripoli, and the Corinthia Hotel & Commercial Centre, Benghazi, are described in section 4.1.4 below.

4.1.3 *Organisational Structure*

The Issuer has adopted a streamlined and cost-effective organisational structure which has expanded over the years in line with its development phases and growth. The Group's organisational structure as illustrated overleaf is considered to be instrumental in ensuring success. This is due to the fact that it 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. CHI, the hotel management company, provides the necessary support, expertise and guidance to the Subsidiaries with respect to operations 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. This is driven principally by two factors: firstly, retaining a corporate structure that provides efficient tax treatment to the Issuer, and, secondly, ensuring that each hotel property is vested with its own management structure entrusted with its operation. The latter approach suitably adheres to each hotel's need to take account of the particular environment and market in which it operates, albeit subject to the overall direction and the strategic parameters and objectives established by the Issuer's Directors.

QPM, the company specialised in construction and project management in which the Issuer holds a 20% stake, supports the Issuer in the execution of its development plans.

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 organisational structure of the Group is illustrated in the diagram overleaf:

LFICO (50%) Pisani Family (50%)

General Public (8.14%) CPHCL (58.78%) Istithmar Hotels FZE (22.05%)

11.03%

100%

20%

CHI Limited

operator and developer of the Corinthia Brand

CHI currently operates all the property investments referred to herein, as well as the following property investments for affiliates and third parties:

Corinthia Palace Hotel & Spa Malta

Corinthia Hotel Khartoum

Panorama Hotel Prague

Aquincum Hotel Budapest

(Corinthia Golf & Spa Resort Taormina - under development)

IHI PROPERTY INVESTMENTS

100% of IHI Hungary Zrt
(Corinthia Grand Hotel Royal & Residences, Budapest)

100% of Alfa Investimentos Turisticos Lda
& 100% of IHI Lisbon Limted
(Corinthia Hotel & Spa, Lisbon)

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

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

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

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

55% of Libya Hotels & Developments JSC (45% LFICO)
(Corinthia Hotel & Residences Benghazi –under development)

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

25% of Medina Tower Joint Stock Company
(25% MIH, 50% EDREICO)
(Medina Tower Project, Tripoli, Libya – under development)

100% of IHI Zagreb d.d.
(dormant company)

50% of NLI Holdings Limited (50% LFICO)
(Corinthia Hotel & Residences, London)

QPM Limited

(80% CPHCL)

Project & Cost Management
Architecture & Design Services

Subsidiary Companies

Associate Companies

4.1.4 *Business Development Strategy*

At inception, the Issuer owned a 250-room hotel in Malta and a derelict hotel in Budapest. Today it has expanded into a company that fully owns and operates two hotels in Malta (and operates a third for a majority shareholder through its management company CHI), and a hotel in each of Hungary, the Czech Republic, Portugal, Russia and Libya. It also owns 50% of a hotel in the United Kingdom operated by the Issuer's hotel management company, CHI. Through CHI the Issuer also operates a number of other hotels in various jurisdictions for the principal shareholder of the Issuer, CPHCL, as well as for third parties.

In 2007, IHI attracted significant new equity from Istithmar which led the Board to re-assess its future investment strategy. Whilst the Issuer continues to target investments in under-performing properties in emerging markets, today it seeks to further diversify its portfolio of investments both geographically as well as in terms of business segments, in the following manner:

- geographic spread:
  - not only limiting itself to emerging markets but also focusing on key and mature capital cities; and

- business segments:
  - growing ancillary business lines such as hotel management;
  - undertaking developments that are not solely related to hotel properties but that could contain other real estate components such as retail, offices and residential accommodation;
  - acting as developer on hotel and mixed use real estate projects for and on behalf of third party investors.

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. In fact, apart from undertaking the projects that are currently in hand, the Issuer is actively considering its possible involvement as developer in third party owned real estate projects in other major cities and locations. IHI would provide a development service to secure opportunities for such third party investors and lead such projects all the way from land acquisition through to financing, design, construction and delivery, in return for development fees. Other than generating income from the development of such projects, once these are completed the Issuer, through CHI, would also manage the hotels forming part of such developments. Apart from generating fee income through project development and hotel operation, the Issuer would also be fulfilling one of its key objectives of becoming a global player in the provision of hotel management services. Discussions on these grounds are taking place in respect of locations such as Rome and within the USA.

On 28 December 2010 IHI acquired the legal and beneficial ownership of all intellectual property associated with the Corinthia® Brand for hotel and property operations from CPHCL. IHI has, accordingly, 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® trademark, including related logos, is registered as a Community Trademark in the European Union, providing protection throughout the territory of all European Union member states. IHI has also extended the registration of the Corinthia® trademark to other countries outside the European Union where it operates and which are contracting states under the Madrid Agreement Concerning the International Registration of Marks (1891) and the Protocol Relating to the Madrid Agreement (1995) which govern the system for the international registration of marks under the WIPO Convention (World Intellectual Property Organisation) of 1967, including registrations in China, Japan, Australia and the United States. Apart from Community Trademarks throughout the European Union, a number of national trade marks have been secured for the Corinthia® name in a large number of countries including the United States, China, Kazakhstan, the Russian Federation, Turkey, Nigeria, Libya, Tunisia, Sudan, Egypt, Bahrain, Jordan, Oman, Qatar, Saudi and the UAE. The Corinthia® Brand acquisition is an important part of the Group's strategy to capitalise on the repositioning of the Corinthia® Brand as a global luxury hotel brand.

On 13 February 2012 IHI acquired the full ownership of the Marina Hotel in St George's Bay, Malta, through the transfer of all of the issued share capital of Marina San Gorg Limited.

When originally set up, CHI's activities were limited to the management of hotels that were owned by the Corinthia Group. CHI 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 continue on its growth path in the forthcoming years. Ancillary to the foregoing, CHI also assists with pre-opening marketing, recruitment and training of staff and other logistical issues relating to the supply of operating equipment which is often required at a stage preceding the actual management of the hotel and for which CHI enters into a pre-opening agreement. In order to support CHI's sales and marketing team and improve its room reservations and distribution capabilities, in 2010 IHI created its own global distribution system (GDS) using code "IA" for all Corinthia® branded hotels managed by CHI. This was coupled with the introduction of an interactive website and a central reservations system complete with customer relationship management capabilities, centralised voice booking facilities, loyalty programmes and revenue management functions. This development has increased customer flows to the Group's hotels and, in particular, has led to increased room reservations for the Group whilst continuing to distribute rooms through the major GDS companies (Sabre, Apollo, Amadeus, Galileo and Travelport). IHI's creation of a GDS allows increased accessibility to the leading distribution systems and provides an adequate contingency against the Group's potential exposure to failures in, or non-continuance of use of, the Wyndham distribution platform which, up until the creation of the Group's own GDS, was its sole means of access to a GDS. The Group chose not to remain reliant upon the Wyndham distribution platform and in 2012 bought the 30% equity participation of Wyndham in CHI.

Since gaining full control of CHI in 2012 the Issuer has focused on investing in the Corinthia® Brand and the distribution system without any third party restraints on operations or royalty dues. This drive has resulted in significant improvements in room revenues generated by the reservations system and website. In 2014 CHI's reservations system produced *circa* €42 million in room revenue, representing a 50% increase on 2013 (*circa* €28 million), and Corinthia.com delivered *circa* €10.5 million in room revenue to Corinthia hotels as compared to *circa* €9.2 million registered in 2013 (+14%). CHI's reservations system powers its inventory and rates in the GDS systems, the Issuer's branded website Corinthia.com and connections to the Online Travel Agencies (OTA's) such as Booking.com and Expedia. The reservations system is fully integrated with the company's guest loyalty system, Corinthia Discovery.

The Group also recruited highly qualified personnel in the areas of distribution and operations as part of the re-positioning of the Corinthia® brand and the initiative to control a greater proportion of the distribution channels.

In April 2014 the Corinthia hotels in London, Budapest, St Petersburg, Tripoli, Khartoum, Lisbon, Prague, St George's and Attard joined the Global Hotel Alliance[1] and its Ultratravel [2] Collection and Travel Leader Group [3]. Under this arrangement select Corinthia hotels will obtain access to the services and benefits offered by the Global Hotel Alliance on a platform that in turn offers resources to allow the product and/or services of Corinthia and its hotels to be shown under Corinthia's own brand, logo, look & feel. Ultratravel Collection was created to give independent luxury hotels access to a larger customer base, more revenue streams and ultimately enable them to compete more effectively with the global luxury brands.

Whereas the Issuer is mainly involved in the development of hotel assets, over the years it became clear that the Group's development competences could be profitably applied to other kinds of real estate projects that share synergies with the hotel market. On this basis, on 9 June 2009 IHI entered into a joint venture with MIH and EDREICO for the development of the Medina Tower project in Tripoli comprising a 200,000 square metre mixed-use development over a land plot measuring 13,000 square metres in the centre of Tripoli. This mixed-use high-rise development is planned to comprise residences for resale, offices, retail, conferencing and car park facilities for rental to third parties. MIH [4] and IHI each have a 25% equity stake in this development through their respective 25% shareholding in Medina Tower JSC (Libya), the joint venture company which owns the Medina Tower project. This project was placed on hold in light of the prevailing situation in Libya.

[1] The Global Hotel Alliance was established in 2004 and is today the world's largest alliance of independent luxury hotel brands with over 400 hotels across 23 brands in 61 countries, including landmark properties such as Hotel Adlon Kempinski in Berlin, Emirates Palace in Abu Dhabi, Lungarno Portrait Suites in Rome, The Leela Palace in New Delhi, Grace Hotel in Santorini and Alila Villas Uluwatu in Bali. Over 4 million members participate in its global loyalty programme. Source: www.ultratravelcollection.com

[2] Ultratravel is a multi-platform showcase for the world's best luxury travel products and experiences and the Ultratravel Collection. Established in 2013, it is an exclusive association of independent ultra-luxury hotel brands and properties as a marketing platform. Four of CHI's hotels, as members, will share an integrated global platform for guest recognition and loyalty with guests across the collection bringing further exposure of the brand to a collection of select customers who are loyal to a number of brands. Source: www.ultratravelcollection.com

[3] Travel Leaders Group is the largest network of luxury travel agents in the world. Established in 2008, Travel Leaders Group now includes brands such as Pro-Travel, Tzell Travel and the Luxury Travel Network and generates US$17 billion in annual sales. Source: www.ultratravelcollection.com

[4] MIH is itself a joint venture between CPHCL and the National Real Estate Company of Kuwait, each holding a 50% stake. MIH's principal objective is to acquire, develop and operate real estate projects in North Africa. MIH's principal asset is Palm City Residences in Zanzour, Tripoli, Libya, which it owns through its fully owned subsidiary Palm City Limited. Palm City Residences is a fully serviced 413 high specification residential complex that is tenanted out mainly to the expat community in Tripoli.

The Issuer also owns a 20% stake in QPM, with the remaining 80% held by CPHCL. QPM operates independently of, and at arm's length to, IHI and offers a range of project, construction and cost management services to a number of international clients in various countries. Since its inception in March 2000, it became increasingly clear that, given the real estate focus of the Group, this company would be able to add value to the Group as a whole and progressively source projects independently. In August 2012 the offices of David Xuereb and Associates and QPM merged to provide a more comprehensive list of professional services within the construction industry, including project and construction management. Whilst continuing to provide services for the Group, QPM is increasing its third party client base. In 2014, the majority of QPM's income was derived from third party clients' engagements.

The Issuer continues to maintain a strong focus on the improvement in the performance of its present assets in order to safeguard the profitability of the Group during the short to medium term. In doing so, the Issuer constantly seeks to maintain the standards of quality and innovation inherent in its properties. For instance, between 2007 and 2009 the Corinthia Hotel & Commercial Centre St Petersburg underwent its second of three phases of major works, which included the total refurbishment and re-organisation of the existing hotel's foyer, restaurants, bar and public areas and the addition of 105 executive bedrooms, extensive conference facilities and over 11,600 square metres of retail and office space. These areas have been fully operational since May 2009. Occupancy level at the commercial properties has improved at a constant rate and in 2013 registered occupancy of 45% (2012: 28%) and increased further in 2014 to 48%. The third and final phase which is yet to be commenced will include works relating to the creation of a car park and further office space to the rear of the hotel, apart from the refurbishment of a number of hotel bedrooms and an upgrade of the food and beverage facilities. This project has been put on hold temporarily in view of the effect the US and EU sanctions are having on international business in, and travel to, the Russian Federation.

A major change in the Issuer's strategy resulted from the willingness and ability of its principal shareholders to invest, alongside the Issuer, in acquisitions and developments that it would otherwise not have been in a position to acquire on its own. This re-defined strategy was first put to the test through the principal shareholders' willingness to invest alongside the Issuer in IHI's most recent hotel development, completed in central London in 2011. In 2008 the Issuer embarked on a joint venture project to acquire two disused properties in central London from The Crown Estate and subsequently develop them over a three-year investment program. The Issuer has a 50% equity participation, together with LFICO which owns the remaining 50%, in the company that acquired (i) the former Metropole Building (used by the Ministry of Defence until 2002) in Whitehall Place and (ii) 10 Whitehall Place, which is adjacent to the hotel property. Together, the two properties form an island site within Whitehall. The Issuer and LFICO (the "Investors") set on converting the development into a 296-room five star hotel, including a 3,300 square metre spa on four floors managed by the hotel. The Investors completed the reconstruction and proceeded to launch the hotel in July 2011, returning the former Metropole Building back to its original use when first constructed in 1884 as a luxury hotel, now operating as a Corinthia Hotel. CHI entered into a 20 year management agreement for the operation of the hotel since its launch. 10 Whitehall Place was converted into 12 luxury stand-alone and fully serviced apartments, which are supported with dedicated underground car parking and separate entrance, foyer, storage, dedicated 24/7 porter and concierge services including dedicated direct access to the hotel's spa directly from the lobby of the apartment block. These apartments are also serviced by CHI subject to the aforementioned 20 year management agreement. 11 of the apartments were sold in April 2014 by NLI Holdings Limited ("NLI"), in which the Issuer has a 50% shareholding, while the remaining penthouse was retained by the aforesaid company. In line with the Group's prudent funding policy, this development has been funded on a 50:50 ratio through an equity injection by the shareholders in the joint venture company and bank financing procured by the joint venture company itself.

The Issuer is also involved in the following projects:

- On 14 October 2008 the Issuer subscribed to a 55% equity participation in a joint venture company, Libya Hotels and Developments JSC. LFICO holds the remaining 45% stake in this joint venture. The land upon which the project is to be developed is in the process of being transferred by LFICO to Libya Hotels and Developments JSC. Libya Hotels and Developments JSC was set up for the purpose of acquiring the derelict building formerly known as the El-Jazeera Hotel and adjoining site in Benghazi, Libya and its eventual development into a mixed use project designed to comprise a 259 room five star hotel, 2,000 square metres of retail space and 10,000 square metres of office space. Original plans comprised a 228 room five star hotel, 700 square metres of retail space, 3,700 square metres of office space and 30 luxury apartments. Whilst the necessary planning permits for the project were issued by the Benghazi planning authorities and demolition works commenced in January 2014, in light of the prevailing situation in Libya all works on this development have been put on hold, and current plans are due for reconsideration depending on future developments in Libya. So far the activities of this company have been limited to acquiring title to the sites from LFICO and demolishing the derelict El-Jazeera Hotel. It is anticipated that the funding required for the project, once resumed, shall be sourced from a combination of equity injected in the joint venture company by the shareholders and bank financing procured by the joint venture company itself. On completion, CHI will be entrusted with the management of the hotel operation under the Corinthia® Brand. In this respect, IHI and LFICO have binding commitments to award CHI a 20 year pre-opening and operating agreement under the Corinthia Brand.

- The Issuer subscribed to a 25% equity participation in a joint venture company set up by virtue of a Memorandum of Incorporation dated 20 May 2010 and registered under no. 343 at the investment register in Tripoli, Libya on 7 August 2010. This joint venture was set up together with MIH, which holds a 25% equity participation, and EDREICO, a Libyan investment company, which holds the remaining 50% equity participation, for the purpose of developing the Medina Tower mixed-used project comprising a 200,000 square metre development over a plot of land measuring 13,000 square metres in the centre of Tripoli. Plans were completed, and the architect and the main contractor for the project were appointed, to carry out a mixed-use high-rise development comprising 336 residences for resale, 25,000 square metres of office space for rental, 20,000 square metres for retail and leisure, as well as conference and car park facilities for rental to third parties. As in the case of the Benghazi development, however, in light of the prevailing situation in Libya existing plans are due for reconsideration depending on future developments in Libya. The equity contribution required for the first phase of this project is already available, and bank funding for the entire development has also been secured, although as indicated above in light of the prevailing situation in Libya works on this development have been put on hold.

4.1.5 *The Proposed IHG Group Acquisition*

The Issuer has already announced[1] that it has executed a preliminary conditional agreement with the majority shareholders in Island Hotels Group Holdings p.l.c. (IHG Group), with a view to consider making a voluntary offer for the purchase of 100% of the issued share capital of the IHG Group.

On the basis of publicly available information and IHI's analysis, IHI has indicated a tentative enterprise value and net equity value of the IHG Group of €106.5 million and €50 million respectively. Subject to the satisfaction of the conditions described in the aforesaid agreement, and the confirmation of the indicative value of the IHG Group, IHI intends to make a voluntary offer for the shares constituting 100% of the issued share capital of the IHG Group. It is contemplated in the preliminary agreement with shareholders that IHI shall, if and when it makes the voluntary offer, settle the net consideration of €50 million for the acquisition of all the shares of the IHG Group as detailed hereafter. A consideration of €1 per share shall be payable in cash and split into two tranches. The first tranche amounting to €0.55 per share (in aggregate *circa* €20 million) shall be payable on execution of the transaction. The remaining amount of €0.45 per share, making up the second tranche, shall be settled 12 months thereafter (in aggregate *circa* €16 million). Furthermore, as part of the consideration, IHG Group shareholders will also receive 0.246 IHI shares for each IHG Group share through the issuance of 9 million IHI ordinary shares.

[1] Company announcement no: IHI 174, dated 16 January 2015.

Part of the Bond proceeds, not exceeding €10 million, are being earmarked to part finance the first tranche of that acquisition if, following a due diligence exercise to be undertaken by the Issuer and other compliance and regulatory requirements, it is determined that IHI ought to proceed with that acquisition. The Issuer is currently negotiating with financial institutions the sanctioning of a new bank loan facility to finance the remaining balance of the first tranche of *circa* €10 million. In the event that the Issuer decides not to proceed with that acquisition, for any reason, then the proceeds from the Bond not exceeding €10 million shall be applied to reduce the bank indebtedness of the Group[1].

The Directors believe that the acquisition of the IHG Group will provide the Issuer with operational synergies and efficiencies which will benefit the Issuer and its overall operations, but at the date of this Prospectus the Issuer has not had the opportunity of undertaking a full due diligence exercise with respect to the IHG Group, its business and operations. Also, the amalgamation of IHG Group's hotel operation in St George's Bay with that of IHI's own neighbouring hotels would allow for enhanced development opportunities at the adjoining sites in St Julian's, where the Issuer has already intimated its intention to redevelop fully the combined land plots, in a phased project over several years[2]. Further details on this sizeable project will be announced in due course.

In light of the aforesaid, at this stage the Issuer is not in a position to make a full assessment of the impact that the acquisition of the IHG Group will have on the Issuer and its financial position. The Directors will conduct such an assessment as and when the IHG Group is in a position to lawfully disclose to the Issuer and its advisors sufficient information, including price sensitive information, to enable them to conduct a proper due diligence exercise on the IHG Group.

Accordingly, this Prospectus does not take into account the IHG Group acquisition at all nor does it consider the effect that the IHG Group acquisition may have on the Issuer or its Group and does not make any reliance on that transaction being completed.

5. TREND INFORMATION AND FINANCIAL PERFORMANCE

5.1 Trend Information

Save for the downturn in business arising as a direct consequence of the civil unrest in Libya and the imposition of international sanctions on the Russian Federation, there has been no material adverse change in the prospects of the Issuer since the date of its last published audited consolidated financial statements.

In 2011 the North African region was affected by substantial political change. Civil unrest started in Tunisia, followed in Egypt and ultimately spread to Libya. In these three countries the existing governments either stepped down or were removed. 2012 was also characterised by turmoil in Egypt. Whilst the unrest in Libya had largely subsided in the first quarter of 2013, the second and third quarters have seen various protests and episodes of violence, with security concerns and fragmented governance in many areas of the country. The period during the conflict and its aftermath were characterised by political and economic instability and a curtailment of business activity. Civil unrest was also prevalent in the second half of 2014, culminating in a highly unstable political setting featuring two groups claiming legitimacy to govern the country.

[1] See "Reasons for the Bond Issue and Use of Proceeds" section 4.1 of the Securities Note.

[2] Company Announcement no: IHI 176, dated 17 February 2015.

The Issuer owns and operates the Corinthia Hotel & Commercial Centre in Tripoli, Libya (hereinafter the "Corinthia Hotel Tripoli"). The performance of this operation during the course of 2011 was significantly lower than the performance in prior years. During this period of political conflict in North Africa, the Issuer's property in Tripoli remained operational, albeit at a lower level of activity, to match the demands for accommodation in Libya. This ensured that the Issuer's property did not become the focus of the disorder and turmoil that subsisted. As the former government was replaced and the political turmoil began to abate, the hotel experienced a gradual recovery of business activity in its operations, with revenues continuing to increase towards pre-2011 operating levels.

In 2014 management continued to experience a period of low occupancies and implemented extensive cost savings with the objective of minimising its losses in the said financial year.

On 27 January 2015, the Corinthia Hotel Tripoli was the scene of an armed attack. It is not for the Issuer to speculate on the motives behind the attack, but management has nothing to suggest that this was in any way directed against the Issuer. The Corinthia Hotel Tripoli is commonly frequented by foreign diplomats, government officials, United Nations personnel and foreign companies. Since the attack, the hotel's management has returned to the premises and an assessment of the affected parts of the hotel has revealed that damages were contained. The estimated cost of repairs, which are currently underway, is in the region of €1 million. Whilst management is committed to resume the operation of the hotel within the shortest time possible, it is likely that the present situation of low occupancy at the Corinthia Hotel Tripoli will persist in 2015. As such, it is the hotel management's objective during the course of the said year to incur a marginal loss on the operation of the hotel, and to ensure payroll and other operating costs are matched to operating income and contribute in some manner towards general overheads such as utilities, security and maintenance. Save for an area of 1,222 square metres which was vacated in 2013, the commercial centre of offices adjoining the hotel remains in full operation and occupancy, generating around €6 million in rent income annually.

The business of the Issuer in Western and Central Europe continued to operate in what, following the global financial crisis which took place in 2008, is at present still generally considered to be a subdued economic environment. Nonetheless, the Group's properties in this region registered a marginally improved performance in 2012 over the corresponding periods in 2011 and 2010. Similar growth patterns were evidenced in 2013 over 2012 and these were even more pronounced in 2014 over 2013 with a year-on-year growth of 32.9% in EBITDA earnings, notwithstanding the subdued economic and financial background. The Corinthia hotel in St Petersburg has been affected by a reduction in corporate travel to the Russian Federation and by a significant reduction in the value of the Rouble when expressed against the Euro as a result of the international political issues described earlier in this document and the tumbling oil prices which had a significant negative impact on the revenues generated by the Federation from the sale of this commodity. The challenges set to and so far acted upon by this hotel's management team have been to source alternative markets, targeting in particular as much business as possible from within the Russian Federation itself, and to operate the hotel with a wide range of room rates targeting upscale corporate to luxury travellers. A sales office has been opened in Moscow with Russian-language online marketing being given prominence.

The Corinthia hotel in London, which has since opening in 2012 nurtured a strong high-end US-based clientele, has been accepted into the exclusive American Express Fine Hotel and Resorts program as well as in the upscale consortium of travel agencies known as Virtouso, also principally based in the USA.

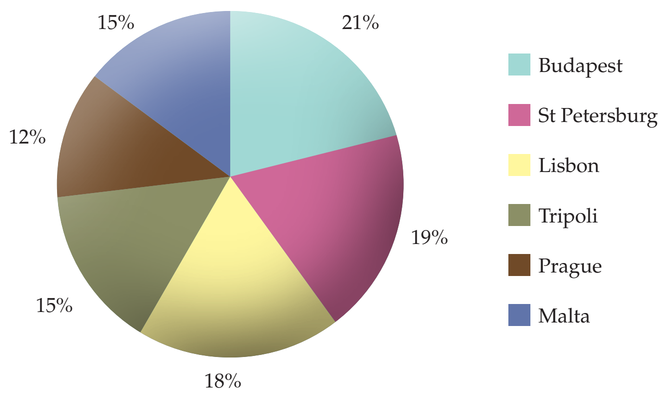
The Issuer has, throughout the years, adopted a strategy aimed at increasing its resilience during challenging times, the likes of which are being experienced at present. In this regard, the results of this strategy have been particularly effective in acting as buffers against the adverse effects of this economic downturn:

- Firstly, the Issuer has distributed its investments across various geographic locations (as shown in the chart overleaf) and is now achieving further diversity through growth in ancillary business segments. The diversity of the Group's investment portfolio mitigates its exposure to any one specific country or source of business, and furthermore ensures that the Group's earnings provide a healthy mix between active income (hotel business) and passive income (long-term rental income) thereby ensuring a more balanced profit and cash generation.

- Whereas the Issuer remains primarily a hotel owning company all its hotel assets contain significant retail, office and/or residential components meaning that it has through the years managed to put its competences in hotel management and real estate development to profitable use. By end 2014, €9.4 million (2013: €9.8 million; 2012: €9 million), or the equivalent of 33% (2013: 28%; 2012: 31%) of its EBITDA, were generated from these ancillary business lines.

- The Issuer has implemented prudent equity and loan policies over the years, resulting in a balance sheet funded with relatively low and sustainable levels of debt. Cash generated by operations provide a healthy cover of interest payment.

Geographical mix of operating profits



5.2. Key Financial Review

The financial information about the Issuer is included in the consolidated financial statements for each of the financial years ended 31 December 2011 to 2014, highlights of which are set out hereunder. The said statements have been published and are available on the Issuer's website (www.ihiplc.com) and at its registered office.

CONDENSED INCOME STATEMENT
For the years ended 31 December

	2014 €'000	2013 €'000	2012 €'000	2011 €'000
Revenue	116,379	123,734	118,567	104,223
Direct costs	(61,147)	(64,152)	(63,554)	(53,863)
Gross profit	**55,232**	**59,582**	**55,013**	**50,360**
Other operating costs	(26,382)	(24,601)	(27,288)	(27,982)
EBITDA	**28,850**	**34,981**	**27,725**	**22,378**
Depreciation and amortisation	(18,390)	(23,763)	(24,208)	(24,429)
Increase in fair value of investment property	(15,391)	571	4,154	5,448
Net impairment reversal (loss) on hotel properties	2,081	5,000	(7,796)	(2,497)
Results from operating activities	**(2,850)**	**16,789**	**(125)**	**900**
Share of (loss) profit from equity accounted investments	(14,537)	(5,788)	4,970	1,155
Net finance costs	(13,035)	(15,940)	(16,783)	(13,899)
Net fair value gain on interest rate swaps	1,466	1,789	1,009	432
Movement in reimbursement assets	(879)	(883)	(454)	(399)
(Loss) profit before tax	**(29,835)**	**(4,033)**	**(11,383)**	**(11,811)**
Taxation	13,549	4,299	950	1,079
(Loss) profit for the year	**(16,286)**	**266**	**(10,433)**	**(10,732)**
Non-controlling interest	20	-	170	334
(Loss) profit attributable to parent company	**(16,266)**	**266**	**(10,263)**	**(10,398)**
Loss per share	**(0.03)**	**(0.00)**	**(0.02)**	**(0.02)**

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

For the years ended 31 December

	2014	2013	2012	2011
	€'000	€'000	€'000	€'000
(Loss) profit for the year	**(16,286)**	**266**	**(10,433)**	**(10,732)**
Other comprehensive income				
Net impairment of hotel properties	(28,953)	(8,200)	(10,889)	(12,703)
Fair value movement on available-for-sale investments	632	-	-	-
Translation difference	6,741	(1,580)	1,270	1,236
Share of other comprehensive income of equity accounted investments	18,380	41,616	19,695	(5,218)
Income tax relating to components of other comprehensive income	3,797	(5,867)	(1,752)	3,287
Other comprehensive income (expense) for the year, net of tax	**597**	**25,969**	**8,324**	**(13,398)**
Total comprehensive (expense) income for the year	**(15,689)**	**26,235**	**(2,109)**	**(24,130)**
Attributable to:				
Owners of the parent	(15,669)	26,235	(1,939)	(23,796)
Non-controlling interest	(20)	-	(170)	(334)
	(15,689)	26,235	(2,109)	(24,130)

CONDENSED BALANCE SHEET

At 31 December

	2014	2013	2012	2011
	€'000	€'000	€'000	€'000
ASSETS				
Non-current	961,305	1,042,268	1,029,533	984,971
Current	50,735	50,404	59,150	81,858
Total assets	**1,012,040**	**1,092,672**	**1,088,683**	**1,066,829**
EQUITY AND LIABILITIES				
Total equity	**594,814**	**626,491**	**600,256**	**602,615**
Liabilities				
Non-current	354,402	390,061	410,385	399,119
Current	62,824	76,120	78,042	65,095
Total liabilities	**417,226**	**466,181**	**488,427**	**464,214**
Total equity and liabilities	**1,012,040**	**1,092,672**	**1,088,683**	**1,066,829**

CONDENSED STATEMENT OF CASH FLOWS

For the years ended 31 December

	2014	2013	2012	2011
	€'000	€'000	€'000	€'000
Net cash from operating activities	30,016	42,078	30,145	14,430
Net cash from investing activities	(4,190)	(4,284)	(21,187)	(10,275)
Net cash from financing activities	(13,467)	(43,666)	(23,837)	(3,163)
Net movement in cash and cash equivalents	**12,359**	**(5,872)**	**(14,879)**	**992**
Cash and cash equivalents at beginning of year	5,491	11,363	26,242	25,250
Cash and cash equivalents at end of year	**17,850**	**5,491**	**11,363**	**26,242**

In **2012** the Group registered an increase in consolidated revenues of 14% when compared with those of 2011. The Marina Hotel in St George's Bay, which was acquired from CPHCL in early 2012, accounted for almost half of this increase. All hotels owned by the Group, with the exception of the Corinthia Hotel & Spa Lisbon, registered increases in revenues over 2011. The Group's top performer for the year under review was the Corinthia Hotel & Commercial Centre in St Petersburg. Throughout 2012 the business of the Corinthia Hotel Tripoli continued to be affected by the sustained instability and state of uncertainty prevailing in Libya since the end of the 2011 uprising. A significantly encouraging performance was registered for the Corinthia Hotel London (in view of the fact that this is an associate investment the results of this operation are reported with the share of equity accounted investments).

In the financial year ended 31 December **2013**, revenue increased by 4% (+€5.2 million) from €118.6 million in 2012 to €123.7 million in 2013. With the exception of the Corinthia Hotel Prague, all the hotels in the Group registered increases in revenues over the corresponding period. With a growth in turnover of 18%, the best performer was the Corinthia Hotel and Commercial Centre in St Petersburg. Corinthia Hotel Tripoli, while still affected by the uncertainty in the country, managed an income growth of 12%. Corinthia Hotel London recorded an encouraging performance in its second full year of operation, however, since the London hotel is an associate, its results are reflected in the income statement within share of equity accounted investments.

Direct and other operating costs increased on account of improved occupancies, additional payroll costs in Libya in consequence of changes in work practices, and a general rise in the cost base in line with enhanced brand service standards being introduced across the Group. The comparative figure for 2012 included one-time costs amounting to €1 million related to the acquisition of the Marina Hotel.

The 2013 Group's EBITDA at €35.0 million represents an improvement of €7.3 million on the €27.7 million reported in 2012, which translates to a year-on-year growth in excess of 25%.

Fair value of hotel properties amounted to a positive €5.0 million as a result of the improved outlook for the Corinthia Hotel Lisbon.

Finance costs in the year under review were lower than the corresponding period last year as regular capital repayments reduced the outstanding balance of bank loans. From a balance sheet perspective, the loan-to-equity ratio, which has historically been set at conservative levels, continued to improve even further during the course of 2013. The fair value of the interest rate swaps held by the Group improved by €1.8 million from the position recorded at 31 December 2012. Furthermore, the interest rate swap agreement which had been entered on the Lisbon property matured in April 2013 and was not renewed, whilst the interest rate swap on the Prague property matured in October 2014 and was likewise not renewed.

The share of profit from equity accounted investments mainly represents the 50% share of IHI in the Corinthia Hotel and Residences in London. The significant improvement in the operating profit of the hotel at £14.0 million compares very favorably with the £8.0 million registered in 2012 and reflects the Hotel's continued market penetration. A loss after tax of £9.8 million was however recorded after accounting for depreciation, financing costs and valuation movements on the Residences.

During 2013 the Group registered a profit after tax of €0.27 million compared to a loss of €10.4 million in 2012.

The income of €26 million recognised in the Statement of Comprehensive Income mainly relates to the Group's share of a revaluation uplift of €39.5 million, net of tax, on the Corinthia Hotel London less an impairment charge of €8.2 million, also net of tax, on the Corinthia Hotel St Petersburg. Total Comprehensive Income for 2013 amounted to €26.2 million compared to an expense of €2.1 million registered in 2012, a year-on-year turnaround of €28.3 million.

In view of the prolonged instability in Libya and the political issues between Russia and Ukraine, revenue generated at Corinthia Hotel Tripoli and Corinthia Hotel St Petersburg for the year ended 31 December **2014** was lower than the prior year by *circa* €16.1 million. Such reduction was however partly compensated by increased revenues at the other Group properties and therefore the overall decrease in income for the said financial year amounted to €7.4 million (a reduction of 6%). This reduction in income inevitably impacted the Group's EBITDA, which decreased by 18% from €35.0 million in 2013 to €28.9 million in 2014. The depreciation charge for 2014 declined by more than €5.4 million (from €23.8 million in 2013 to €18.4 million in 2014) as no provision was made on assets that were fully depreciated.

In April 2014, 11 apartments in Whitehall Place London adjacent to the Corinthia Hotel London, of which IHI holds a 50% stake, were sold to third parties. The penthouse apartment was retained and will be sold when the right opportunity arises. Except for one-off property costs resulting from the aforesaid sale of the apartments, the disposal had no effect on the Group financial statements since the apartments were already valued at their market price in 2013. A loss was registered from equity accounted investments (London Hotel and Residences) for 2014 of €14.6 million, in consequence of building taxes, depreciation, interest and the one-time selling costs of the 11 apartments as the hotel performance registered a marginal improvement in performance in 2014 over 2013.

There has also been a reduction of approximately €2.9 million in finance costs in 2014 (from €15.9 million in 2013 to €13.0 million in 2014) as a result of reduced EURIBOR rates in 2014 coupled with the further reduction of the Group's debt in consequence of scheduled repayments of bank loans.

After accounting for movements in fair value of properties described hereunder, the Group recorded a loss for the year ended 31 December 2014 of €16.3 million (2013: Profit of €0.3 million).

As at 31 December 2014, the Group had a working capital deficiency (current assets less current liabilities) of €12.1 million. This deficiency is being addressed by the Issuer as follows:

- In view of the prevailing situation in Libya, the lender of the €40 million loan on Corinthia Hotel Tripoli has confirmed its intention to postpone capital repayments due on this loan in 2015; and

- An agreement has been reached for the amount payable as dividend to the institutional shareholders of €5.1 million to be settled after the penthouse apartment in London is sold and paid for.

Analysis of Movements in Property Values

For the year ended 31 December 2014

	Income Statement €'000	Other Comprehensive Income €'000	Total €'000
Corinthia Hotel Lisbon	1,240	13,728	**14,968**
Lisbon Apartments	(156)	-	**(156)**
Corinthia Hotel Budapest	10,357	-	**10,357**
Marina Hotel	1,766	-	**1,766**
Corinthia Hotel Tripoli	(8,038)	(26,814)	**(34,852)**
Tripoli Commercial Centre	(5,659)	-	**(5,659)**
Corinthia Hotel St Petersburg	(3,243)	(15,867)	**(19,110)**
St Petersburg Commercial Centre	(9,577)	-	**(9,577)**
Corinthia Hotel London	-	17,933	**17,933**
Net movement in property values	**(13,310)**	**(11,020)**	**(24,330)**

Classified in the financial statements as follows:

Movement in fair value of investment property	(15,391)	-	**(15,391)**
Net impairment reversal (loss) on hotel properties	2,081	(28,953)	**(26,872)**
Revaluation of hotel property (equity accounted investments)	-	17,933	**17,933**
Net movement in property values	**(13,310)**	**(11,020)**	**(24,330)**

On a yearly basis, a value in use assessment is carried out on the Issuer's hotels and investment properties by independent advisors. This process involves the preparation of 10-year future cash flows prepared by an expert in the hospitality industry and financial modeling by an independent accountancy firm. In 2014, the aforesaid process was performed on all Group properties other than the Corinthia Hotel Tripoli, due to the current uncertain environment prevailing in Libya which presented significant difficulty for such advisors to determine a value in use of the property.

As such, a value in use on the Corinthia Hotel Tripoli was determined after the independent advisors presented several scenarios and parameters to the Directors for their consideration. The Directors resolved to adopt the more prudent basis of valuation by applying to the model higher country and other risk premia, and assumed a weaker outlook on future performance. In consequence, the value of the property was impaired by €34.9 million in 2014.

As denoted in the above table, the Group was negatively impacted in 2014 by a reduction of €69.2 million in the values of its properties in Tripoli and St Petersburg (hotels and commercial centres) as a consequence of the *force majeure* situation prevailing in each of the said jurisdictions and the devaluation of the Russian Rouble. On the other hand, through the robust performance achieved by a number of the Group's European hotels, the Issuer registered an improvement of €44.9 million in the fair values of such properties, most notably of which is the uplift in London (limited to 50% share), in Lisbon and in Budapest.

Overall, during the year under review, the Group reported a net impairment (before tax) in the fair value of its properties of €24.3 million (2013: +€36.8 million) which is reported as to €13.3 million in the Income Statement and €11.0 million in the Comprehensive Income Statement as detailed above.

Interest and Debt Service Cover

	2014	**2013**	**2012**	**2011**
Interest cover[1]	2.21	2.19	1.65	1.61
Debt service cover [2]	0.83	0.73	0.77	0.90

[1] *Interest cover is calculated by dividing net interest payable by EBITDA.*
[2] *Debt service cover is calculated by dividing net interest paid and capital loan repayments by EBITDA.*

The interest cover ratio determines the ability of a company to pay interest on its outstanding borrowings. In the years under review, the Group's interest cover has gradually improved from 1.61 times in 2011 to 2.21 times in the current financial year.

The debt service cover ratio measures a company's ability to service its current debts by comparing EBITDA to total debt service obligations. In 2014, the Group registered a debt service cover ratio of 0.83 times (2013: 0.73), being marginally below the target ratio of 1.0. The Group was adversely impacted by the difficult political and operating climate in both Libya and Russia and the devaluation of the local currency in the Russian Federation. This situation caused significant declines in revenue and operating profit generated by the Corinthia Hotel Tripoli and the Corinthia Hotel St Petersburg, and therefore was the primary reason for the Group's debt service cover ratio to remain below 1.0. On the other hand, in 2014, the Issuer's other hotel properties performed better in terms of EBITDA earnings relative to 2013, and this partly mitigated the above mentioned decrease in EBITDA.

When compared to 2013 the debt service cover ratio has improved from 0.73 to 0.83 in in 2014. Such recovery was principally the result of a reduction in the Group's indebtedness from €320.5 million (in 2013) to €299.3 million in 2014, and a decrease in borrowing costs due to the decline in EURIBOR rates in the past few years. As to annual net interest payable, this amount decreased by €2.9 million from €15.9 million (in 2013) to €13.0 million in 2014.

5.3 Latest Developments

The Issuer's activities have, over the recent past, been focused on:

- The acquisition and development of the Corinthia Hotel and Residences London: the acquisition and development of the project was fully funded on a 50:50 ratio through an equity injection by the shareholders in the joint venture company and bank financing procured by the joint venture company itself.

- Acquisition of the Issuer's 55% interest in the joint venture company Libya Hotels & Developments JSC formed in Libya for the purpose of acquiring the derelict El-Jazeera Hotel and adjoining site in Benghazi, Libya. On its part, LFICO, the 45% shareholder of this joint venture company, completed the acquisition of the site in question and transferred the land to the joint venture company.

- The 25% equity participation in the Medina Towers mixed-used project as explained in section 4.1.4 (Business Development Strategy).

- The Issuer's acquisition of the full ownership of the Hotel Marina in St George's Bay, Malta on 13 February 2012.

- The Issuer's acquisition of Wyndham's 30% shareholding in CHI on 9 May 2012 and the direct investment by the Issuer in the Corinthia Brand, the corinthia.com website and its now fully owned hotel operator CHI without further reliance on Wyndham.

- The sale of 11 of the 12 residential apartments adjoining the Corinthia Hotel London in March 2014.

- The Issuer's fully owned subsidiary CHI Limited joining the membership and loyalty program of the Global Hotel Alliance in April 2014.

The Issuer adopts a conservative approach to its debt to equity balance. This strategy, particularly within the context of a global economic downturn, has enabled the Group to record a debt to equity ratio as at 31 December 2014 of 50% (2013: 51%), thus maintaining its debt servicing requirements within sustainable levels whilst at the same time minimising its finance costs.

6. MANAGEMENT

6.1 General

In aggregate, the Group employs 2,366 employees in eight different jurisdictions. The following table shows the manner in which these employees are deployed by the hotels of the Issuer as at 31 December 2014:

Hotel Operation / Issuer	Management and Administration	Operational	Total
Corinthia Hotel St. George's Bay Malta	18	232	250
Corinthia Hotel & Spa Lisbon	54	222	276
Corinthia Hotel & Commercial Centre St Petersburg	45	180	225
Corinthia Grand Hotel Royal & Residences Budapest	64	320	384
Corinthia Hotel & Commercial Centre Tripoli	26	280	306
Corinthia Hotel Prague	81	139	220
CHI Limited	54	2	56
Corinthia Hotel & Residences London	76	413	489
Marina Hotel	31	109	140
The Issuer	20	0	20
Total	**469**	**1,897**	**2,366**

6.2 The Board of Directors

The Issuer is currently managed by a Board consisting of ten 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 Issuer and the Chief Executive Officers, 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.

6.2.1 Executive

The Chairman of the board of directors of the Issuer and the Chief Executive Officers 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. The Chairman of the board of directors of the Issuer and the Chief Executive Officers are also directors or officers of other companies within the Corinthia 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.

6.2.2 Non-Executive Directors

Of the non-executive Directors sitting on the Board of the Issuer, three are independent directors. The non-executive directors' main function is to monitor the operations and performance of the Chairman and the Chief Executive Officers, 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.

6.2.3 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.

6.2.4 *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 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 three hotels in Malta, five hotels in Turkey, two hotels in Hungary, nine hotels in the Czech Republic, two hotels in Portugal and Libya and one in each of Tunisia, the United Kingdom, The Russian Federation, The Gambia and Togo. Mr Pisani is also the Chairman of the Issuer.

Michael Beckett has considerable expertise in international mining, industrial and leisure companies. He is a former independent non-executive chairman of Thomas Cook prior to which he was Deputy Chairman and Senior Independent Director at Thomas Cook. He was Chairman of MyTravel Group plc between 2004 and 2007. Other positions previously held include Chairman of London Clubs International plc, Ashanti Goldfields Company Limited and Clarkson plc, and he was formerly Managing Director of Consolidated Gold Fields plc. Current external appointments include Non-Executive Chairman of Endeavour Mining Corporation (Canada) and Non-Executive Director of Northam Platinum Ltd (South Africa).

Joseph J. Vella is a lawyer by profession. He was admitted to the bar in 1973 and has since then been in private practice. He is currently senior partner of the law firm GVTH & Associates. Dr Vella advises a number of leading commercial or ganisations both in the public and private sector and has been a legal advisor of the Corinthia Group for more than fifteen years. Dr Vella is also a director on several companies in addition to being a director of the Issuer and a number of its Subsidiaries, and is also a director of Corinthia Finance p.l.c. another subsidiary company of the Corinthia Group.

Frank Xerri de Caro, senior Independent Director of the Issuer, joined the Board of the Issuer in 2004, having previously been Chief Executive Officer of Bank of Valletta p.l.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.

Abdulnaser M.B. Ahmida is head of the Financial Analysis Department at LIFCO where he also 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.

Abuagila Almahdi joined LIFCO in 1999 and has served as Deputy Managing Director until he was appointed Vice Chairman of CPHCL in February 2014. He is also Chairman of Medelec Switchgear Limited. Mr Almahdi holds a Bachelor of Accounting degree from Tripoli University, a postgraduate diploma in accounting from the Academy of Graduate Economic Studies Tripoli and a master's degree in Finance, Accounting and Management from Bradford University School of Management.

Hamad Mubarak Mohd Buahim 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 Buahim 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 organisation, with the aim of optimising 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 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.

Khaled Algonsel joined LFICO in 1993. He was Manager of the Treasury and Financial Planning Department and was appointed Managing Director in 2012. He is Chairman of Libya Investment Company, Egypt since 2013 and Vice Chairman of Arab Petroleum Investments Corporation, Saudi Arabia since 2012. He has a bachelor's degree in financial accounting from Gharian Accounting College, a master's degree in financial accounting from The Libyan Academy in Tripoli and a master's degree in banking and finance from The European University.

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

6.2.5 Curriculum Vitae of the Joint Chief Executive Officers

Joseph Fenech is a Fellow of the Chartered Association of Certified Accountants of the United Kingdom and a Fellow of the Malta Institute of Accountants. Mr Fenech joined the Corinthia Group in 1980 after having spent a few years as senior auditor with a local auditing firm. His first appointment was as Group Accountant responsible for all financial and accounting matters of the Corinthia Group operations and in 1990 he was appointed a member of the executive board. On 31 October 2014 Joseph Fenech was appointed joint Chief Executive Officer of the Issuer.

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 31 October 2014 Simon Naudi was appointed joint Chief Executive Officer of the Issuer.

6.3 Directors' Service Contracts

Save for Mr Alfred Pisani none of the Directors of the Issuer have a service contract with the Issuer. A copy of such service contract will be available for inspection at the registered office of the Issuer in accordance with the requirements of the Listing Rules.

All Directors may be removed from their posts of Director by ordinary resolution of the shareholders in general meeting.

6.4 Aggregate Emoluments of Directors

For the financial year ended 31 December 2014 the Group paid an aggregate of €520,000 to its Directors (2013: €600,000).

6.5 Loans to Directors

There are no loans outstanding by the Issuer to any of its Directors nor any guarantees issued for their benefit by the Issuer.

6.6 Removal of Directors

A Director may unless he resigns, be removed by ordinary resolution of the shareholders as provided in articles 139 and 140 of the Act.

6.7 Powers of Directors

By virtue of the Articles of Association of the Issuer the Directors are empowered to transact all business which is not by the Articles expressly reserved for the shareholders in general meeting.

7. MANAGEMENT STRUCTURE

7.1 General

The Directors have appointed Joseph Fenech and Simon Naudi as the joint Chief Executive Officers 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 joint Chief Executive Officers of the Issuer in fulfilling their role as officers of the Issuer.

7.2 Hotel Operations

Day-to-day hotel operations are the responsibility of CHI Limited, 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.

7.3 Property Audit

Regular property audits are carried out by QPM. 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.

7.4 Executive Team

The Issuer had, on inception, entered into an Administrative Support Services Agreement with CPHCL. The agreement ensured that in its initial phase of development the Issuer could sustain its streamlined organizational structure at a senior level by having continued guaranteed access to the top executive staff and support personnel of the Corinthia Group of which the Issuer is a member.

This agreement was terminated on 29 May 2007 in view of the fact that the board of directors of the Issuer of the time determined that the Issuer had reached a stage in its development wherein it could sustain a top executive structure of its own. The key executives and employees previously employed with CPHCL were transferred as full-time executives and employees of the Issuer.

At the subsidiary level, the Directors believe that the current organisational structures are adequate and shall continue to build the organisation's structure at this level on the same model adopted so far. The Directors will maintain these structures under continuous review to ensure that they meet the changing demands of the business and to strengthen the checks and balances necessary for better corporate governance.

7.5 Holdings in excess of 5% of Share Capital

On the basis of information available to the Issuer as at the date of this document, CPHCL holds 325,777,026 shares equivalent to 58.78%, Istithmar holds 122,226,668 shares equivalent to 22.05% and LFICO holds 61,113,332 shares equivalent to 11.03% of the Issuer's total issued share capital (half of this 11.03% 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 and Istithmar is retained at arm's length, including adherence to rules on related party transactions requiring the sanction of the Audit Committee.

7.6 Conflict of Interest

Alfred Pisani, in addition to sitting on the board of directors of the Issuer, also acts as director of CPHCL. Joseph Fenech and Simon Naudi, in addition to occupying the post of joint Chief Executive Officers of the Issuer, provide 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.

The Audit Committee has the task of ensuring that any such potential conflicts of interest are handled in the best interests of the Issuer. 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 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. AUDIT COMMITTEE PRACTICES

8.1 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 Issuer's assets by assessing the Issuer'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 Issuer 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 Issuer.

The Committee is made up of a majority of Non-Executive Directors who are appointed for a period of three years. Frank Xerri de Caro, non-executive and senior independent director of the Issuer, acts as Chairman, whilst Michael Beckett and Joseph J. Vella act as members. The Issuer's Company Secretary, Alfred Fabri, acts as secretary to the Committee. In compliance with the Listing Rules, Frank Xerri de Caro is considered by the Board to be the Director competent in accounting and/or auditing matters.

8.2 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 organisation.

The internal auditor reports directly to the Audit Committee.

8.3 Nominations and Remuneration Committee

The nominations 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 Michael Beckett (who acts as chairman of the committee), Frank Xerri de Caro and Joseph J. Vella. The Issuer's Secretary, Alfred Fabri, acts as secretary to the Committee.

9. 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 Listing 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 2014, the Issuer was in compliance with the Code save as set out hereunder.

As at 29 March 2015, being the date of approval of the latest audited consolidated financial statements, the Issuer 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 Issuer's shareholders, the market and the rules by which the Issuer is regulated as a listed company.

10. HISTORICAL INFORMATION

The historical financial information for each of the financial years ended 31 December 2011 to 2014 as audited by Grant Thornton are set out in the consolidated financial statements of the Issuer. Such audited consolidated financial statements are available on the Issuer's website www.ihiplc.com.

There were no significant changes to the financial or trading position of the Issuer since the end of the financial year to which the last audited consolidated financial statements relate.

11. LITIGATION

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

12. ADDITIONAL INFORMATION

12.1 Share Capital

The Authorised share capital of the Issuer is €1,000,000,000. The issued share capital is €554,238,573 divided into 554,238,573 ordinary shares of a nominal value of €1 each, fully paid up.

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

More than 10% of the Issuer's authorised 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 11.03% of the issued share capital of the Issuer (61,113,332 ordinary shares) that LFICO bought from Istithmar on 22 April 2010, which is currently subject to a call option in favour of CPHCL.

12.2 Memorandum and Articles of Association

12.2.1 Objects

The Memorandum and Articles of Association of the Issuer are registered with the Register 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.

12.2.2 Appointment of Directors

At present, in terms of the Memorandum and Articles of Association, the Board shall consist of not less than four and not more than ten directors.

The Directors themselves or a committee appointed by the Directors (the "Designated Committee"), may make recommendations and nominations to the members for the appointment of Directors at a general meeting. Such recommendations may be made either pursuant to recommendations received from any member holding not less than 2% of the issued share capital having voting rights or by the Directors' or Designated Committee's own recommendations, of a fit and proper person for appointment as a Director, which the Directors or the Designated Committee may then recommend to the members for appointment as Director at the annual general meeting.

12.2.3 Powers of Directors

The Directors are vested with the management of the Issuer, and their powers of management and administration emanate directly from the Memorandum and Articles of Association and the law. The Directors are empowered to act on behalf of the Issuer and in this respect have the authority to enter into contracts, sue and be sued in representation of the Issuer. In terms of the Memorandum and Articles of Association they may do all such things that are not by the Memorandum and Articles of Association reserved for the shareholders in general meeting.

Directors may not vote on any proposal, issue, arrangement or contract in which they have a personal material interest.

The maximum limit of aggregate emoluments of the Directors is, in terms of the Memorandum and Articles of Association, to be established by the shareholders in general meeting. Within that limit the Directors shall have the power to vote remuneration to themselves or any number of their body. Any increases in the maximum limit of Directors' aggregate emoluments have to be approved by the Issuer in the general meeting.

In terms of the Memorandum and Articles of Association, the Board of Directors may exercise all the powers of the Issuer to borrow money and give security therefor, subject to the limit established in the Memorandum and Articles of Association. That limit is currently three times the Issuer's capital and reserves. The shareholders in general meeting have the overriding authority to change, amend, restrict and/or otherwise modify such limit and the Directors' borrowing powers.

There are no provisions in the Issuer's Memorandum and Articles of Association regulating the retirement or non-retirement of Directors over an age limit.

13. 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.

14. INTEREST OF EXPERTS AND ADVISORS

Save for the financial analysis report set out as Annex III of the Securities Note, the Prospectus does not contain any statement or report attributed to any person as an expert. The financial analysis report has been included in the form and context in which it appears with the authorisation of Charts Investment Management Service Limited of Valletta Waterfront, Vault 17, Pinto Wharf, Floriana FRN 1913, Malta, that has given and has not withdrawn its consent to its inclusion herein. Charts Investment Management Service Limited does not have any material interest in the Issuer. The Issuer confirms that the financial analysis report has been accurately reproduced in the Prospectus and that there are no facts of which the Issuer is aware that have been omitted and which would render the reproduced information inaccurate or misleading.

15. 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;
(b) Audited Consolidated Financial Statements of the Issuer for the years ended 31 December 2011 to 2014;
(c) The letter of confirmation drawn up by Grant Thornton dated 10 April 2015; and
(d) Financial Analysis Summary prepared by Charts Investment Management Service Limited dated 10 April 2015.

These documents are also available for inspection in electronic form on the Issuer's website www.ihiplc.com.