

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from your stockbroker, solicitor, accountant or other professional adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all your shares in Park Plaza Hotels Limited (the "Company"), please forward this document, together with the accompanying documents, to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

PARK PLAZA | HOTELS

PARK PLAZA HOTELS LIMITED
(Registered in Guernsey under number 47131)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice of the extraordinary general meeting to be held at 12.00 noon on 29 February 2012 at the offices of Carey Group, Elizabeth House, Les Ruettes Brayes, St Peter Port, Guernsey GY1 1EW is set out on pages 3 and 4 of this document. Whether or not you propose to attend the extraordinary general meeting, please complete and submit the enclosed Form of Proxy in accordance with the instructions printed on it. The Form of Proxy must be completed, signed and returned so as to reach the Company's Registrars by no later than 12.00 noon on 27 February 2012. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual.

Park Plaza Hotels Limited

(Incorporated in Guernsey with registered number 47131)

Directors: Registered office:

Eli Papouchado (Chairman)	1st and 2nd floors
Boris Ivesha	Elizabeth House
Chen Moravsky	Les Ruettes Brayes
Elisha Flax	St Peter Port
Kevin McAuliffe	Guernsey
Nigel Jones	GY1 1EW

26 January 2012

Dear Shareholder,

Notice of extraordinary general meeting of Park Plaza Hotels Limited (the "Company")

I am writing to inform you that the extraordinary general meeting ("EGM") of the Company will be held at 12.00 noon on 29 February 2012 at the offices of Carey Group, Elizabeth House, Les Ruettes Brayes, St Peter Port, Guernsey GY1 1EW.

The formal notice of the EGM and the resolutions to be proposed are set out on pages 3 and 4 of this document. Further information on the business to be conducted at the EGM and the resolutions to be proposed are set out below.

Special business

Change of name (Resolution 1)

The Board of Directors (the "Board") believes that the name of the Company should be changed to clearly distinguish it from the hotel brand names which the group operates under licence or owns. The current name does not fully reflect the group's multi-brand approach for operating hotels. With several art'otels under development, the group's interest in Arenaturist, and recent acquisitions in London and Pattaya Bay, Thailand, the name change would further position the group as a multi-brand operator.

Accordingly, the Board proposes that the name of the Company be changed to PPHE Hotel Group Limited and that the memorandum of incorporation of the Company be updated accordingly. The business of the Company will be unaffected by this name change. In order to change the name of the Company to PPHE Hotel Group Limited, shareholder approval is required.

Electronic and web communications and amendments to the Memorandum and Articles of Incorporation (Resolution 2)

The Company is seeking approval from shareholders to provide documents to them (including, but not limited to annual accounts and reports, summary financial statements, notices of general meetings and any other documents which the Company is required to send to shareholders under applicable laws) using electronic means. The use of electronic communications offers environmental benefits as well as improving the speed and ease of communication between the Company and its shareholders.

It is proposed under this resolution to amend the Company's current articles of incorporation (the "Existing Articles") so as to facilitate the proposed use of electronic and web communications as set out above. The Company's articles of incorporation as amended by this resolution are referred to as the "New Articles".

The following is a summary of the principal changes introduced in the New Articles:

- The definition of "electronic communication" is to be replaced by a new definition of "electronic means", which will have the meaning ascribed to it under the Companies (Guernsey) Law 2008.
- The amendment of article 14.1 allows for notices of annual and extraordinary general meetings to be served using electronic means.
- Article 31.3 has been updated to reflect the requirements under the Companies (Guernsey) Law 2008.
- The amendment of article 31.4 allows for the accounts and Directors' reports to be delivered by electronic means.
- The effect of the amendment to article 34.10, is that if following receipt by a shareholder of the request from the Company to send or supply documents and information via a website in electronic form, the Company does not receive a response from the shareholder within 28 days, the shareholder shall be deemed to have agreed to receive notices and other documents from the Company by electronic means.

A copy of the New Articles showing all the changes to the Existing Articles are available for inspection, as noted on page 4 of this document.

Action to be taken

You will find enclosed a Form of Proxy for use at the EGM. Please complete, sign and return the enclosed form as soon as possible in accordance with the instructions printed thereon, whether or not you intend to be present at the EGM. Forms of Proxy should be returned so as to be received by Capita Registrars PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom, as soon as possible and in any event no later than 48 hours before the time appointed for holding the EGM, that is to say, no later than 12.00 noon on 27 February 2012.

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members and those CREST members who have appointed voting service provider(s), should refer to their CREST sponsor or voting service provider(s) who will be able to take the appropriate action on their behalf.

Recommendation

The Board considers that all the resolutions to be proposed at the EGM are in the best interests of the Company and its shareholders as a whole and unanimously recommend shareholders to vote in favour of all the resolutions, as they intend to do in respect of their own beneficial holdings.

Yours sincerely,



Eli Papouchado
Chairman

Park Plaza Hotels Limited

(Registered in Guernsey under number 47131)

NOTICE IS HEREBY GIVEN that the extraordinary general meeting of Park Plaza Hotels Limited (the "Company") will be held at the offices of Carey Group, Elizabeth House, Les Ruettes Brayes, St Peter Port, Guernsey GY1 1EW on 29 February 2012 at 12.00 noon for the following purposes:

Special business

To consider and, if thought fit, pass the following resolutions as special resolutions:

1. THAT the Company's name be changed from "Park Plaza Hotels Limited" to "PPHE Hotel Group Limited" and that the memorandum of incorporation of the Company be updated accordingly.
2. THAT the existing memorandum and articles of incorporation of the Company (the "Existing Articles") be amended so as to be updated to reflect the new Company's name and to permit the Company to send or supply documents or information to shareholders (including, without limitation, the Company's Annual Report and Accounts) by making them available on a website or other electronic means by making the following changes:
 - a. Replacing the definition and defined terms "electronic communication" in the Existing Articles with a new definition of "Electronic Means" having the meaning ascribed to it in the Companies (Guernsey) Law, 2008, as amended;
 - b. Amending article 14.1 so that notices of annual and extraordinary meetings may be served using Electronic Means;
 - c. Deleting article 31.3 in its entirety and replacing it with a new article 31.3 as follows:

"31.3 Accounts complying with the provisions of the Laws (which for the avoidance of doubt include a profit and loss account and a balance sheet) shall be prepared by the Company. The accounts shall be accompanied by a report of the Directors stating the principal activities and the state and condition of the Company. The accounts and Directors' report shall be signed on behalf of the Directors by at least one of them."
 - d. Deleting article 31.4 in its entirety and replacing it with a new article 31.4 as follows:

"31.4 Where the Company holds an annual general meeting:

 - 31.4.1 a copy of the accounts and Directors' report with the auditor's report (if any) attached thereto shall be laid before that meeting; and
 - 31.4.2 a copy of the accounts and Directors' report with the auditor's report (if any) attached thereto shall be delivered or sent by post to the registered address of the Members or sent by Electronic Means within 12 months of the end of the financial period to which such accounts and reports relate."

e. Inserting a new article 31.5 as follows:

"31.5 Where the Company is authorised not to hold an annual general meeting and does not do so, a copy of the accounts and Directors' report with the auditor's report (if any) attached thereto shall be delivered or sent by post to the registered address of the Members or sent by Electronic Means within 12 months of the end of the financial period to which such accounts and reports relate."

f. Deleting article 34.10 in its entirety and replacing it with a new article 34.10 as follows:

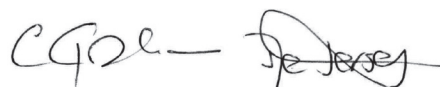
"34.10 Any Member may be requested to notify the Company of an address for the purpose of his receiving communication by Electronic Means from the Company, and having done so or having failed to do so within 28 days after receiving such request, shall be deemed to have agreed to receive notices and other documents from the Company by Electronic Means and in respect of such a Member, the Company may, but is not obliged to, satisfy its obligation to send him any notice or other document by:

34.10.1 publishing such notice or document on a web site; and

34.10.2 notifying him by e-mail (where an e-mail address has been provided) or by post that such notice or document has been so published, specifying the address of the web site on which it has been published, the place on the web site where it may be accessed, how it may be accessed and (if it is a notice relating to a shareholders' meeting) stating (i) that the notice concerns a notice of a company meeting served in accordance with the Laws, (ii) the place, date and time of the meeting, (iii) whether the meeting is to be an annual or extraordinary general meeting and (iv) such other information as the Statutes may prescribe."

and that the memorandum and articles of incorporation incorporating the changes above produced to the meeting marked "A" and initialled by the Chairman of the meeting for the purposes of identification (the "New Articles") be adopted as the memorandum and articles of incorporation of the Company in substitution for, and to the exclusion of, the Existing Articles.

Dated: 26 January 2012



By Order of the Board
C.L. Secretaries Limited
Company Secretary

Registered Office:

1st and 2nd Floors
Elizabeth House
Les Ruettes Brayes
St Peter Port
Guernsey GY1 1EW

Notes:

1. Any member entitled to attend and vote at the meeting may appoint one or more proxies to attend and, on a poll, vote in his stead. Such proxy need not be a member of the Company.
2. To be valid, the form of proxy must be returned in accordance with the instructions printed thereon not later than 12.00 noon on 27 February 2012. The form of proxies should be returned to Capita Registrars, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU United Kingdom.
3. Completion and return of a form of proxy will not prevent a member from attending and voting at the meeting should he so wish.
4. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members and those CREST members who have appointed voting service provider(s), should refer to their CREST sponsor or voting service provider(s) who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (formerly CRESTCo's) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must in order to be valid, be transmitted so as to be received by Capita Registrars (ID RA 10) by no later than 12.00 noon on 27 February 2012. No such message received through the CREST network after this time will be accepted. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the registrars are able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

5. Pursuant to article 16.5 of the Existing Articles, only those shareholders registered in the register of members of the Company as at 6.00 p.m. on 27 February 2012 or, if this meeting is adjourned, 48 hours prior to the time fixed for the adjourned meeting shall be entitled to attend and vote at the extraordinary general meeting in respect of the number of shares registered in their name at that time. Changes to entries on the relevant register of securities after 6.00 p.m. on 27 February 2012 or, if this meeting is adjourned, 48 hours prior to the time fixed for the adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at this extraordinary general meeting.
6. Any corporation which is a member may by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of shareholders of the Company, and the person so authorised shall be entitled to exercise the same powers (other than a power to appoint a proxy) as that corporation could exercise if it were an individual shareholder of the Company.
7. As at 25 January 2012 (the latest practicable date prior to the printing of this document) the Company's issued share capital consisted of 42,677,292 ordinary shares of no par value, all carrying one vote each (1,662,000 of which were held as treasury shares).
8. Copies of the memorandum and articles of incorporation proposed to be amended pursuant to Resolution 2 will be made available for inspection at the registered office of the Company during normal business hours on any week day (Saturdays, Sundays and public holidays excepted) from the date of this notice until the close of the meeting and at the place of the meeting from 15 minutes prior to and during the continuance of the meeting.