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Registre de Commerce et des Sociétés
B190355 - L160066886
déposé le 22/04/2016

MENTION

Nom de la Société	:	**CONSTELLATION HOTELS FRANCE GROUP HOLDING S.A.** Société Anonyme
Siège Social	:	15, boulevard Roosevelt L-2450 LUXEMBOURG
N° du R.C.S.	:	B-190.355

CDD : **687**

Les comptes annuels au 31.12.2014
ont été enregistrés et déposés au Registre de Commerce et des Sociétés de Luxembourg.

Pour mention aux fins de publication au Mémorial, Recueil Spécial des Sociétés et Associations.

Luxembourg, le 21 avril 2016

Signature :

FIDUCIAIRE FERNAND FABER

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Registre de Commerce et des Sociétés
B190355 - L160066886
enregistré et déposé le 22/04/2016

RCSL Nr. : B190355	Matricule : 2014 2218 500

BALANCE SHEET

Financial year from 01 02/09/2014 **to** 02 31/12/2014 *(in* 03 EUR *)*

CONSTELLATION HOTELS FRANCE GROUP HOLDING S.A.

15, boulevard Roosevelt
L-2450 Luxembourg

ASSETS

		Reference(s)		Current year		Previous year
A. Subscribed capital unpaid	1101		101		102	
I. Subscribed capital not called	1103		103		104	
II. Subscribed capital called but unpaid	1105		105		106	
B. Formation expenses	1107		107		108	
C. Fixed assets	1109		109	20.031.000,00	110	
I. Intangible fixed assets	1111		111		112	
1. Research and development costs	1113		113		114	
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115		115		116	
a) acquired for valuable consideration and need not be shown under C.I.3	1117		117		118	
b) created by the undertaking itself	1119		119		120	
3. Goodwill, to the extent that it was acquired for valuable consideration	1121		121		122	
4. Payments on account and intangible fixed assets under development	1123		123		124	
II. Tangible fixed assets	1125		125		126	
1. Land and buildings	1127		127		128	
2. Plant and machinery	1129		129		130	

		Reference(s)		Current year		Previous year
3. Other fixtures and fittings, tools and equipment	1131		131		132	
4. Payments on account and tangible fixed assets under development	1133		133		134	
III. Financial fixed assets	1135		135	20.031.000,00	136	
1. Shares in affiliated undertakings	1137		137	20.031.000,00	138	
2. Amounts owed by affiliated undertakings	1139		139		140	
3. Shares in undertakings with which the undertaking is linked by virtue of participating interests	1141		141		142	
4. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1143		143		144	
5. Securities and other financial instruments held as fixed assets	1145		145		146	
6. Loans and claims held as fixed assets	1147		147		148	
7. Own shares or own corporate units	1149		149		150	
D. Current assets	1151		151	61.914,81	152	
I. Inventories	1153		153		154	
1. Raw materials and consumables	1155		155		156	
2. Work and contracts in progress	1157		157		158	
3. Finished goods and merchandise	1159		159		160	
4. Payments on account	1161		161		162	
II. Debtors	1163		163	61.914,81	164	
1. Trade receivables	1165		165		166	
a) becoming due and payable within one year	1167		167		168	
b) becoming due and payable after more than one year	1169		169		170	
2. Amounts owed by affiliated undertakings	1171		171	61.914,81	172	
a) becoming due and payable within one year	1173		173	61.914,81	174	
b) becoming due and payable after more than one year	1175		175		176	
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177		177		178	
a) becoming due and payable within one year	1179		179		180	
b) becoming due and payable after more than one year	1181		181		182	

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	Reference(s)		Current year		Previous year
4. Other receivables	1183	183		184	
a) becoming due and payable within one year	1185	185		186	
b) becoming due and payable after more than one year	1187	187		188	
III. Transferable securities and other financial instruments	1189	189		190	
1. Shares in affiliated undertakings and in undertakings with which the undertaking is linked by of participating interests	1191	191		192	
2. Own shares or own corporate units	1193	193		194	
3. Other transferable securities and other financial instruments	1195	195		196	
IV. Cash at bank, cash in postal cheque accounts, cheques and cash in hand	1197	197		198	
E. Prepayments	1199	199		200	
TOTAL (ASSETS)		201	20.092.914,81	202	0,00

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LIABILITIES

		Reference(s)		Current year		Previous year
A. Capital and reserves	1301		301	20.004.129,81	302	
I. Subscribed capital	1303		303	31.000,00	304	
II. Share premium and similar premiums	1305		305	20.000.000,00	306	
III. Revaluation reserves	1307		307		308	
IV. Reserves	1309		309		310	
1. Legal reserve	1311		311		312	
2. Reserve for own shares or own corporate units	1313		313		314	
3. Reserves provided for by the articles of association	1315		315		316	
4. Other reserves	1317		317		318	
V. Profit or loss brought forward	1319		319		320	
VI. Profit or loss for the financial year	1321		321	-26.870,19	322	
VII. Interim dividends	1323		323		324	
VIII. Capital investment subsidies	1325		325		326	
IX. Temporarily not taxable capital gains	1327		327		328	
B. Subordinated debts	1329		329		330	
1. Convertible loans	1413		413		414	
a) becoming due and payable within one year	1415		415		416	
b) becoming due and payable after more than one year	1417		417		418	
2. Non convertible loans	1419		419		420	
a) becoming due and payable within one year	1421		421		422	
b) becoming due and payable after more than one year	1423		423		424	
C. Provisions	1331		331		332	
1. Provisions for pensions and similar obligations	1333		333		334	
2. Provisions for taxation	1335		335		336	
3. Other provisions	1337		337		338	
D. Non subordinated debts	1339		339	88.785,00	340	
1. Debenture loans	1341		341		342	
a) Convertible loans	1343		343		344	
i) becoming due and payable within one year	1345		345		346	
ii) becoming due and payable after more than one year	1347		347		348	

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	Reference(s)		Current year		Previous year
b) Non convertible loans	1349	349		350	
i) becoming due and payable within one year	1351	351		352	
ii) becoming due and payable after more than one year	1353	353		354	
2. Amounts owed to credit institutions	1355	355		356	
a) becoming due and payable within one year	1357	357		358	
b) becoming due and payable after more than one year	1359	359		360	
3. Payments received on account of orders as far as they are not deducted distinctly from inventories	1361	361		362	
a) becoming due and payable within one year	1363	363		364	
b) becoming due and payable after more than one year	1365	365		366	
4. Trade creditors	1367	367		368	
a) becoming due and payable within one year	1369	369		370	
b) becoming due and payable after more than one year	1371	371		372	
5. Bills of exchange payable	1373	373		374	
a) becoming due and payable within one year	1375	375		376	
b) becoming due and payable after more than one year	1377	377		378	
6. Amounts owed to affiliated undertakings	1379	379		380	
a) becoming due and payable within one year	1381	381		382	
b) becoming due and payable after more than one year	1383	383		384	
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385	385		386	
a) becoming due and payable within one year	1387	387		388	
b) becoming due and payable after more than one year	1389	389		390	
8. Tax and social security debts	1391	391	3.210,00	392	
a) Tax debts	1393	393	3.210,00	394	
b) Social security debts	1395	395		396	

	Reference(s)		Current year		Previous year
9. Other creditors	1397	397	85.575,00	398	
a) becoming due and payable within one year	1399	399	85.575,00	400	
b) becoming due and payable after more than one year	1401	401		402	
E. Deferred income	1403	403		404	
TOTAL (LIABILITIES)		405	20.092.914,81	406	0,00

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PROFIT AND LOSS ACCOUNT

Financial year from 01 02/09/2014 **to** 02 31/12/2014 *(in* 03 EUR *)*

CONSTELLATION HOTELS FRANCE GROUP HOLDING S.A.

15, boulevard Roosevelt
L-2450 Luxembourg

A. CHARGES

	Reference(s)		Current year		Previous year
1. Use of merchandise, raw materials and consumable materials	1601	601		602	
2. Other external charges	1603	603	23.660,19	604	
3. Staff costs	1605	605		606	
a) Salaries and wages	1607	607		608	
b) Social security on salaries and wages	1609	609		610	
c) Supplementary pension costs	1611	611		612	
d) Other social costs	1613	613		614	
4. Value adjustments	1615	615		616	
a) on formation expenses and on tangible and intangible fixed assets	1617	617		618	
b) on current assets	1619	619		620	
5. Other operating charges	1621	621		622	
6. Value adjustments and fair value adjustments on financial fixed assets	1623	623		624	
7. Value adjustments and fair value adjustments on financial current assets. Loss on disposal of transferable securities	1625	625		626	
8. Interest and other financial charges	1627	627		628	
a) concerning affiliated undertakings	1629	629		630	
b) other interest and similar financial charges	1631	631		632	

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		Reference(s)		Current year		Previous year
9. Share of losses of undertakings accounted for under the equity method	1649		649		650	
10. Extraordinary charges	1633		633		634	
11. Income tax	1635		635	3.210,00	636	
12. Other taxes not included in the previous caption	1637		637		638	
13. Profit for the financial year	1639		639	0,00	640	0,00
TOTAL CHARGES			641	26.870,19	642	0,00

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B. INCOME

	Reference(s)		Current year		Previous year
1. Net turnover	1701	701		702	
2. Change in inventories of finished goods and of work and contracts in progress	1703	703		704	
3. Fixed assets under development	1705	705		706	
4. Reversal of value adjustments	1707	707		708	
a) on formation expenses and on tangible and intangible fixed assets	1709	709		710	
b) on current assets	1711	711		712	
5. Other operating income	1713	713		714	
6. Income from financial fixed assets	1715	715		716	
a) derived from affiliated undertakings	1717	717		718	
b) other income from participating interests	1719	719		720	
7. Income from financial current assets	1721	721		722	
a) derived from affiliated undertakings	1723	723		724	
b) other income from financial current assets	1725	725		726	
8. Other interest and other financial income	1727	727		728	
a) derived from affiliated undertakings	1729	729		730	
b) other interest and similar financial income	1731	731		732	
9. Share of profits of undertakings accounted for under the equity method	1745	745		746	
10. Extraordinary income	1733	733		734	
13. Loss for the financial year	1735	735	26.870,19	736	0,00
TOTAL INCOME		737	26.870,19	738	0,00

The notes in the annex form an integral part of the annual accounts

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Note 1 - General Information

CONSTELLATION HOTELS FRANCE GROUP HOLDING S.A. (hereafter the "Company") was incorporated under the laws of Luxembourg on 2 September 2014 under the legal form of a "Société Anonyme" for an unlimited period of time (R.C.S. number B 190355).

The registered office of the Company is established at 15, boulevard Roosevelt L-2450 Luxembourg. As of 31 December 2014, CONSTELLATION HOTELS FRANCE GROUP HOLDING S.A. belongs to the group CONSTELLATION HOTELS HOLDING LTD S.C.A., a Luxembourg company incorporated on 26 March 2012. The consolidated accounts of CONSTELLATION HOTELS HOLDING LTD S.C.A. are available at its head office at 15, boulevard Roosevelt, L-2450 Luxembourg.

The first financial year covers the period from 2 September 2014 to 31 December 2014. Afterwards the corporation's financial year shall begin on 1 January and shall end on 31 December of each year.

The purpose of the Company is the acquisition of participations, in Luxembourg or abroad, in any companies or enterprises, in any form whatsoever and the management of such participations. The Company may in particular acquire by subscription, purchase and exchange or in any other manner any stock, shares and other participation, derivative products, options, securities, bonds, debentures, certificates of deposit and other debt instruments and more generally, any securities and financial instruments issued by any public or private entity. It may participate in the creation, development, management and control of any company or enterprise. It may further invest in the acquisition and management of a portfolio of patents or other intellectual property rights of any nature or origin. The Company may enter into any kind of derivative agreements, forward agreements, options and swap agreements, and any other similar agreements. The Company may invest directly or indirectly in real estate whatever the acquisition modalities.

The Company may borrow in any form, except by way of public offer. It may issue, by way of private placement only, notes, bonds and any kind of debt and equity securities. The Company may lend funds including, without limitation, the proceeds of any borrowings, to its subsidiaries, affiliated companies and any other company. The Company may also give guarantees and pledges, transfer, encumber or otherwise create and grant security over all or some of its assets to guarantee its own obligations and those of any other company, and, generally, for its own benefit and that of any other company or person. For the avoidance of doubt, the Company may not carry out any regulated activities of the financial sector without having obtained the required authorisation.

The Company may use any techniques and instruments to manage efficiently its investments and to protect itself against credit risks, currency exchange exposure, interest rate risks and other risks.

Note 2 - Basis for preparation

The Company has prepared these separate financial statements for the first time in 2014 in accordance with International Financial Reporting Standards as endorsed by the EU ("IFRS"). These financial statements have been prepared on an historical cost basis and on a going concern basis.

These financial statements were approved by the Board of Directors on 14 October 2015 under Luxembourg Law.

Note 3 - Summary of significant accounting policies

3.1. Functional and presentation currency

The Company's functional currency is the Euro ("EUR"), which is the currency of the primary economic environment in which it operates. The Company's performance is evaluated and its liquidity is managed in EUR. Therefore, the EUR is considered as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The Company's presentation currency is also the EUR.

3.2. Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is classified as current when it is:

- expected to be realized or intended to be sold or consumed in the normal operating cycle
- primarily held for the purpose of trading
- expected to be realized within twelve months after the reporting period, or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.

A liability is classified as current when:

- it is expected to be settled in the normal operating cycle
- it is primarily held for the purpose of trading
- it is due to be settled within twelve months after the reporting period, or

Note 3 - Summary of significant accounting policies (continued)

3.2. Current versus non-current classification (continued)

- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.3. Investment in subsidiaries

Subsidiaries are entities over which the Company has control. Associates are entities over which the Company has significant influence. Subsidiaries acquired are initially recognized at cost being the fair value of the consideration given plus any directly attributable costs. Subsequently, investments in subsidiaries and associates are accounted for at the lower of cost or net realizable value.

At each reporting date, the Company examines the recoverability of investments in subsidiaries and associates when there are indications of impairment. Indications of impairment include such elements as decrease in income, profit or cash flows, significant adverse changes in economy, or in the political stability in a particular country that may indicate that the carrying value of an asset may not be recoverable. If the facts and circumstances indicate that the value of investments in subsidiaries and associates may be impaired, then the calculated discounted future cash flows related to these investments is compared to their carrying value to determine if a write-off in the value of the investments is necessary. The resulting impairment losses are recognized in the income statement.

Any dividend is recognized when the right to receive the dividend is established.

3.4. Financial assets

Financial assets in the scope of IAS 39 are classified based on their nature and their characteristics in one of the following four categories:

- financial assets at fair value through profit and loss,
- loans and receivables,
- held to maturity investments, and
- available for sale financial assets

Note 3 - Summary of significant accounting policies (continued)

3.4. Financial assets (continued)

Financial assets are recognized initially at cost which represents their fair value (plus, in certain cases, directly attributable acquisition/transaction costs).

The Company determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year-end.

The following category of financial asset as defined in IAS 39 is relevant in the Company's financial statements.

3.4.1 Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate ("EIR") method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of comprehensive income. The losses arising from impairment are recognized in the statement of comprehensive income in finance expenses for loans and in cost of sales or other operating expenses for receivables.

3.5. Impairment of financial assets

The Company assesses, at each reporting date, whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that has/have occurred since the initial recognition of the asset (an incurred 'loss event'), has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, the probability that they will enter bankruptcy or other financial reorganization and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Note 3 - Summary of significant accounting policies (continued)

3.6. Financial liabilities

Financial liabilities

Financial liabilities in the scope of IAS 39 are classified based on their nature and their characteristics in one of the following three categories:

(i) financial liabilities at fair value through profit and loss,
(ii) loans and borrowings, and
(iii) payables

Financial liabilities are recognized initially at cost which represents their fair value, and in case of loans and borrowings net of directly attributable transaction costs.
The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement of loans and borrowings

After initial recognition, loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance expenses in the statement of comprehensive income.

3.7. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle such asset and liability on a net basis, or to realize the assets and settle the liabilities simultaneously.

3.8. IFRS 13 Fair Value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

Note 3 - Summary of significant accounting policies (continued)

3.8. IFRS 13 Fair Value measurement (continued)

The principal or the most advantageous market must be accessible to the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.
All assets and liabilities for which fair value is disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

3.9. Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and short-term deposits in banks that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, with original maturities of three months or less.

Short-term investments that are not held for the purpose of meeting short-term cash commitments and restricted margin accounts are not considered as ‘cash and cash equivalents’.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts when applicable.

Note 3 - Summary of significant accounting policies (continued)

3.10. Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

Note 3 - Summary of significant accounting policies (continued)

3.10. Taxes (continued)

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current income tax expense consists of income taxes for the current year based on the Company's profit as adjusted in its tax returns and additional income taxes to cover potential tax assessments which are likely to occur from tax audits by the tax authorities, using the enacted or substantively enacted tax rates at the reporting date.

Note 3 - Summary of significant accounting policies (continued)

3.10. Taxes (continued)

Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the income statement.

3.11. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of comprehensive income net of any reimbursement.

3.12. Interest and similar income and expense

Interest income and expense are recognized in the statement of comprehensive income for all interest-bearing financial instruments using the effective interest method.

3.13. Dividend

Dividend is recognized when the Company's right to receive the payment is established. Dividend is presented gross of any non-recoverable withholding taxes, which are disclosed separately in the statement of comprehensive income.

Note 4 - Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires Management to make judgements, estimates and assumptions that affect the reported amounts recognized in the financial statements and disclosure of contingent liabilities. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Note 4 - Significant accounting judgments, estimates and assumptions (continued)

In the process of applying the Company's accounting policies, Management has exercised judgement and estimates in determining the amounts recognized in the financial statements. The most significant uses of judgment and estimates are as follows:

Taxes

The Company is subject to income taxes in Luxembourg. Significant judgement is required to determine the total provision for current and deferred taxes.

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant Management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Shareholder loans

The Company determined that the shareholders loans disclosed in note 7 does not meet the definition of a derivative under IAS 39 since there is no variable interest feature.

In making this judgment, Management considered that the performance of the Company is driven by a number of different factors many of which are clearly non-financial in nature, for example the general business risks faced by the entity or management actions.

Investments in subsidiaries and associates and loans and receivables at amortized cost impairment tests

At each reporting date the Company assesses any potential indicative factor regarding whether investments in subsidiaries and whether loans and receivables at amortized cost have been impaired. This requires an estimation of their value in use. Estimating the value in use requires the

Company to make an estimate of the expected future cash flows and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Note 5 - Standards, Interpretations and Amendments

The standards and interpretations that are issued by the IASB, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

IFRS 9 Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. Early application of previous versions of IFRS 9 (2009, 2010 and 2013) is permitted if the date of initial application is before 1 February 2015. IFRS 9 has not been endorsed yet by the EU and the Group will assess the impact over its financial position and performance once it will be endorsed by the EU.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 was issued in May 2014 and establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15 revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach to measuring and recognizing revenue. The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IFRS. Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2017 with early adoption permitted. IFRS 15 has not been endorsed yet by the EU and the Group will assess the impact over its financial position and performance once it will be endorsed by the EU.

Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortization

The amendments clarify the principle in IAS 16 and IAS 38 that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortize intangible assets.

Note 5 - Standards, Interpretations and Amendments (continued)

The amendments are effective prospectively for annual periods beginning on or after 1 January 2016, with early adoption permitted. Amendments to IAS 16 and IAS 38 has not been endorsed yet by the EU and the Group will assess the impact over its financial position and performance once it will be endorsed by the EU.

Annual improvements 2010-2012 Cycle

These improvements are effective from 1 July 2014 and are not expected to have a material impact on the Group. They include:

IFRS 2 Share-based Payment

This improvement is applied prospectively and clarifies various issues relating to the definitions of performance and service conditions which are vesting conditions, including:

- A performance condition must contain a service condition
- A performance target must be met while the counterparty is rendering service
- A performance target may relate to the operations or activities of an entity, or to those of another entity in the same group
- A performance condition may be a market or non-market condition
- If the counterparty, regardless of the reason, ceases to provide service during the vesting period, the service condition is not satisfied.

IFRS 8 Operating Segments

The amendments are applied retrospectively and clarify that:

- an entity must disclose the judgments made by management in applying the aggregation criteria in paragraph 12 of IFRS 8, including a brief description of operating segments that have been aggregated and the economic characteristics (e.g., sales and gross margins) used to assess whether the segments are similar;

- the reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker, similar to the required disclosure for segment liabilities.

Note 5 - Standards, Interpretations and Amendments (continued)

IAS 24 Related Party Disclosures
The amendment is applied retrospectively and clarifies that a management entity (an entity that provides key management personnel services) is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services.

Annual improvements 2011-2013 Cycle

These improvements are effective from 1 July 2014 and are not expected to have a material impact on the Company. They include:

IFRS 13 Fair Value Measurement

The amendment is applied prospectively and clarifies that the portfolio exception in IFRS 13 can be applied not only to financial assets and financial liabilities, but also to other contracts within the scope of IFRS 9 (or IAS 39, as applicable).

Annual improvements 2012-2014 Cycle

These improvements are effective from 1 January 2016 and are not expected to have a material impact on the Group. They include:

IFRS 5 Changes in methods of disposal

The amendment is applied prospectively and clarifies that changing from one of the two disposal methods of assets (or disposal groups) to the other, i.e. through sale or through distribution, should not be considered to be a new plan of disposal, rather it is a continuation of the original plan. The amendment also clarifies that changing the disposal method does not change the date of classification.

IFRS 7 Servicing Contracts

The amendment is applied prospectively and clarifies that a servicing contract that includes a fee can constitute continuing involvement in a financial asset. An entity must assess the nature of the fee and arrangement against the guidance for continuing involvement in paragraphs IFRS 7.B30 and IFRS 7.42C in order to assess whether the disclosures are required.

Note 5 - Standards, Interpretations and Amendments (continued)

IAS 19 regional market issue

The amendment is applied prospectively and clarifies that the obligation to recognize a post-employment benefit obligation for its defined benefit plans must be discounted using market rates on high quality corporate bonds or using government bond rates if a deep market for high quality corporate bonds does not exist. Market depth of high quality corporate bonds is assessed based on the currency in which the obligation is denominated, rather than the country where the obligation is located. When there is no deep market for high quality corporate bonds in that currency, government bond rates must be used.

Note 6 – Investment in subsidiary

Investment in subsidiary i.e. Constellation Hotels France Grand S.A., consists of two parts:
1. acquisition of the subsidiary's issued share capital (EUR 100/share) amounting to EUR 31 000, and
2. capital contribution in kind (without shares issuance) amounting to EUR 20 000 000.

The latter became an escrow account when the cash was transferred in favour of the subsidiary, Constellation Hotels France Grand S.A., guaranteeing the enforcement of its obligations in the acquisitions of the shares of Société Des Hotels InterContinental France.

Note 7 - Shareholders loans

The Company has received an advance for an amount of 85 575 from Constellation Hotels Holding Ltd S.C.A. without interest, which will be repayable on demand.

Note 8 - Issued share capital and reserves

On 2 September 2014 (incorporation date) the Company issued capital for an amount of EUR 31 000 represented by 310 shares with a par value of 100 EUR each. The initial share capital was fully subscribed and paid in.

Furthermore, as of 31 December 2014, the Company had not acquired any treasury shares.

Note 8 - Issued share capital and reserves (continued)

Legal reserve

In accordance with Luxembourg legal requirements, a minimum of 5% of the yearly net profit must be transferred to a legal reserve from which distribution is restricted. This requirement is satisfied when the reserve reaches 10% of the issued share capital.

Capital management

For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to ensure the continuous smooth operation of its business activities and to maximize the shareholder value. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company is not subject to externally imposed capital requirements.

Capital contribution without issue of shares

During the year 2014, the shareholders of the Company decided to make several capital contributions without issuing shares in order to finance the project of the Company. As of 31 December 2014, the capital contributions amount to EUR 20 000 000.

Note 9 – Administrative expenses

	From 2 September to 31 December 2014 EUR
Legal fees	(11 500)
Other consulting fees	(11 787)
Other expenses	(373)
Total	**(23 660)**

Note 10 – Income Tax

	From 2 September to 31 December 2014 EUR
Loss before tax	**(23 660)**
Tax expense at Luxembourg rate (2014: 29.22%)	6 913
Minimum tax expense	(3 210)
Net unrecognized deferred tax assets due to tax loss carry forward	(6 913)
Total	(3 210)
Effective tax rate	13.57%

Note 11 – Related party transactions

All advances granted to subsidiaries, advances received from shareholders are related party transactions.

Note 12 - Financial risk management objectives and policies

The Company's principal financial liabilities comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include investment in subsidiaries and joint venture, loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. Due to the limited number of transactions and risks, the finance team of the Company support the Board of Directors in monitoring these risks and address them in due time. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Note 12 - Financial risk management objectives and policies (continued)

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings and deposits.

Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has no exposure to the risk of changes in foreign exchange rates as all the operations are financed in EURO. Therefor the Company has not put in place any specific strategy to mitigate the foreign exchange risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. As at 31 December 2014, the Company has no borrowing and therefore there is no exposure to the interest rate risk. The Company has not put in place any specific strategy in order to mitigate the exposures subject to interest rate risk.

Credit risk

The Company is mainly exposed to credit risk from its subsidiaries not be been able to redeem their loans and related interest towards to Company. As at 31 December 2104, the Company only received a minor advance from the shareholder, therefore there is no credit risk.

Liquidity risk

The Company monitors its risk to a shortage of funds by reviewing on a regular basis the cash needs of the Company.

Note 12 - Financial risk management objectives and policies (continued)

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, and intercompany loans. The Company assessed the concentration risk with respect to refinancing its debt and concluded it to be low. Access to sources of funding is sufficiently available and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

		Less than 1 year	Between 1 to 5 years	More than 5 years
Short term shareholders loan	**85 575**	85 575	---	---
Other current liabilities	**3 210**	3 210	---	---

All financial assets, liabilities are level 3 instruments and the carrying amount approximates the fair value.

Note 13 – Commitments and contingencies

As of 31 December 2014 the Company has no commitments and contingencies.

Note 14 – Subsequent events

In May 2015, CONSTELLATION HOTELS FRANCE GROUP HOLDING S.A. purchased, through its subsidary CONSTELLATION HOTELS FRANCE GRAND S.A. 100% of the shares of the Company Société Des Hotels InterContinental France.

On 20 May 2015, the Company increased its share capital by EUR 193 630 000 and issued 1 936 610 shares, subscribed by its sole shareholder.