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9 September 2015

**Dalata Hotel Group p.l.c.**

**Intention to undertake a Firm Placing and Placing and Open Offer**

Dalata Hotel Group p.l.c. today announces an intention to undertake a Firm Placing and Placing and Open Offer (the "Capital Raise") to raise gross proceeds of approximately €160 million by the issue of 42,666,666 New Ordinary Shares at a price of €3.75 per New Ordinary Share (the "Issue Price").

**Highlights**

- Firm Placing and Placing and Open Offer to raise gross proceeds of approximately €160 million (approximately €153.6 million net of expenses).
- 14,606,666 New Ordinary Shares will be issued through the Firm Placing at the Issue Price to raise gross proceeds of approximately €54.77 million and 28,060,000 New Ordinary Shares will be issued through the Placing and Open Offer at the Issue Price to raise gross proceeds of approximately €105.23 million.
- The Issue Price reflects a 6.9% discount to the Closing Price on 8 September 2015.
- The net proceeds of the Firm Placing and Placing and Open Offer will be principally used to finance further hotel acquisitions, development capital expenditure on existing assets as well as new build opportunities.

The Prospectus containing details of the Capital Raise and the Circular containing details of the Resolutions are expected to be published on Thursday 10 September and will be available on the Company's website, [www.dalatahotelgroup.com/investors/share-offering/](http://www.dalatahotelgroup.com/investors/share-offering/) and, on request, in printed form at the Company's registered office, 4th Floor, Burton Court, Burton Hall Drive, Sandyford, Dublin 18, Ireland and at the offices of the Company's Registrar, Computershare Investor Services (Ireland) Limited, being Heron House, Corrig Road, Sandyford, Dublin 18.

An Extraordinary General Meeting to approve the shareholder resolutions on which the Capital Raise is conditional (the "Resolutions") is expected to be held at 11.00am on 5 October 2015 at the Clayton Hotel, Ballsbridge, Dublin 4, Ireland.

**Commenting on today's announcement, Pat McCann, Chief Executive of Dalata, said:**

*"In addition to a strong set of results, we also announce our intention to raise €160m in additional equity to fund further acquisitions. This underlines our belief that there will continue to be opportunities to acquire well located assets at attractive valuations together with attractive investment opportunities to expand facilities at the hotels that we have already acquired. We also see an opportunity to develop new hotels in Dublin where there has been very limited supply of new hotels in the last 8 years.*

*It has been a very exciting and rewarding last 18 months for Dalata. We are now focused on exploiting the very strong operating platform that we have created by acquiring further properties and maximising the returns from the hotels that we have acquired over the last 12 months."*

**Background to and Reasons for the Capital Raise**

In March 2014, Dalata raised €265 million (before expenses) and listed on AIM and ESM. At that time the Directors believed that the Irish hotel sector represented an attractive investment opportunity due to a number of factors, including:

- The positive outlook for the market due to increasing numbers of visitors coming to Ireland and improved domestic consumer sentiment;
- Limited new supply of hotels as debt finance was tight for businesses in Ireland and the significant gap between hotel replacement costs and asset values in a number of locations; and
- An increased number of hotel assets expected to come to market in 2014 and 2015. The Directors believed that there were opportunities for performance improvements in a number of hotel assets then expected to come to market.

Dalata's strategy at the time was to leverage the Group's core asset management, hotel operation and development competencies to grow its business through a mix of owned, leased and managed hotel assets and the Group planned to acquire a portfolio of hotel assets comprising both assets currently leased by the Group as well as bolt-on opportunities.

In 2014 the Group acquired the Maldron Hotel Pearse Street (€14.4 million), the Maldron Hotel Parnell Square (€15.3 million), the Maldron Hotel Derry (£4.4 million/€5.8 million) and the freehold equivalent interest in 20 rooms in the Maldron Hotel Cardiff Lane (€1.9 million).

In addition, in December 2014 Dalata announced the acquisition of the Moran Bewley's Hotel Group for a total consideration of €452.3 million. The Moran Bewley's Hotel Group contained a portfolio of nine hotels across Ireland and the UK. This acquisition was financed by a vendor placing and an equity placing of a combined 18.3 million of ordinary shares of Dalata to raise €50.3 million (gross of costs), a term loan of €282 million and existing cash resources. This acquisition completed in February 2015 following shareholder and CCPC approval. The integration of the Moran Bewley's Hotel Group into the Dalata Group is progressing ahead of schedule.

During 2015, the Group also acquired the Clayton Hotel Galway (€16.5 million), Whites Hotel Wexford (€15.2 million), the Pillo Hotel Galway (€10.5 million), the Clayton Hotel Belfast (£18.5 million/€25.7 million), the Maldron Hotel Wexford (€3.5 million) and property adjacent to the Maldron Hotel Pearse Street (€0.8 million).

As at the Latest Practicable Date, the Company had deployed or committed all of the net proceeds of the equity fundraisings in March 2014 and December 2014 and had drawn down approximately €282 million of debt financing.

There is a strong pipeline of Irish hotel assets to acquire and the Director's believe that 2015 will see the largest volume of hotel transactions since the start of recovery. The sector outlook in Ireland remains very positive and the quicker than expected integration of the Moran Bewley's Hotel Group reinforces the unique market opportunity for Dalata as the largest hotel group in Ireland by both hotel and room numbers.

The Directors believe that there remain a number of potential Irish hotel acquisition opportunities that are likely to come to the market in the near term and would fit within Dalata's corporate strategy generally including without limitation, its target 15 per cent. leveraged pre-tax return criteria. After due consideration, the Board has concluded that now is the appropriate time for the Company to seek to raise additional capital in order to take advantage of these opportunities.

The net proceeds of the Capital Raise would be used to expand the Group's existing hotel platform in four distinct ways:

- acquisition of the freehold interests in leased assets within the Group's existing portfolio
- infill acquisitions to complete the Group's platform in Ireland
- development capital expenditure on existing assets
- new hotel builds on a selective basis

## **Summary of the principal terms of the proposed Firm Placing and Placing and Open Offer**

### ***Structure***

The Company intends to raise €160 million (gross) or approximately €153.6 million (net of estimated expenses) through the issue of 42,666,666 New Ordinary Shares by way of a Firm Placing and Placing and Open Offer at €3.75 per New Ordinary Share.

### ***Firm Placing***

The Company is proposing to issue 14,606,666 Firm Placed Shares pursuant to the Firm Placing at the Issue Price. By the completion of the bookbuild in respect of the Firm Placing, J&E Davy ("Davy") expect to have placed all the Firm Placed Shares at the Issue Price to institutional and other investors. The Firm Placed Shares are not subject to clawback and do not form part of the Open Offer. The Firm Placing is expected to raise approximately €54.77 million (gross). The Firm Placing is subject to the same conditions and termination rights which apply to the Placing and Open Offer.

### ***Placing and Open Offer***

The Company intends to raise approximately €105.23 million (gross) through the Placing and Open Offer of 28,060,000 New Ordinary Shares at the Issue Price.

Qualifying Shareholders, on and subject to the terms and conditions of the Open Offer, are being given the opportunity to apply for the Open Offer Shares at the Issue Price, pro rata to their holdings of Existing Ordinary Shares on the Record Date on the following basis:

### **1 New Ordinary Shares for every 5 Existing Ordinary Shares**

It is intended that Davy will agree, pursuant to a Placing and Open Offer Agreement to use reasonable endeavours to conditionally place all the Open Offer Shares at the Issue Price with institutional and other investors. The commitments of these Conditional Placees will be subject to clawback in respect of valid applications for the Open Offer Shares by Qualifying Shareholders pursuant to the Open Offer. Subject to waiver or satisfaction of the conditions and the Placing and Open Offer Agreement not being terminated, any Open Offer Shares which are not applied for under the Open Offer would be issued to the Conditional Placees, with the net proceeds retained for the benefit of the Company.

Members of the public will not be eligible to take part in the Firm Placing or the Placing and Open Offer.

### **Conditions**

The Firm Placing and the Placing and Open Offer would be conditional, *inter alia*, upon:

- (i) the passing of all of the Resolutions;
- (ii) Admission becoming effective by not later than 8.00 a.m. on 6 October 2015 (or such later time and/or date as the Company and Davy may agree, not being later than 8.00 a.m. on 30 October 2015); and
- (iii) the Placing and Open Offer Agreement having become unconditional in all respects and not having been terminated in accordance with its terms.

Accordingly, if any such conditions are not satisfied the Firm Placing and the Placing and Open Offer will not proceed, any Open Offer Entitlements admitted to CREST will thereafter be disabled and application monies received under the Open Offer will be refunded to the applicants, by cheque (at the applicant's risk) in the case of Qualifying Non-CREST Shareholders and by way of a CREST payment in the case of Qualifying CREST Shareholders, without interest, as soon as practicable thereafter.

### **Application for Admission**

Applications will be made to the Irish Stock Exchange and the London Stock Exchange for the New Ordinary Shares to be issued under the Firm Placing and Placing and Open Offer to be admitted to trading on the ESM market of the Irish Stock Exchange and the AIM market of the London Stock Exchange.

Subject to the conditions below being satisfied, it is expected that Admission will become effective on 6 October 2015 and that dealings for normal settlement in the New Ordinary Shares will commence at 8.00 a.m. on the same day.

The New Ordinary Shares issued under the Firm Placing and Placing and Open Offer, when issued and fully paid, will be identical to and rank *pari passu* with the Existing Ordinary Shares, including the right to receive all dividends or other distributions made, paid or declared after Admission.

### **Important notice**

Qualifying Shareholders should note that the Open Offer is not a rights issue. Qualifying CREST Shareholders should note that, although the Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a bona fide market claim raised by Euroclear's Claims Processing Unit. Qualifying non-CREST Shareholders should note that the Application Form is not a negotiable document and cannot be traded. Qualifying Shareholders should be aware that in the Open Offer, unlike in a rights issue, any Open Offer Shares not applied for will not be sold in the market or placed for the benefit of Qualifying Shareholders who do not apply under the Open Offer, but will be subscribed for under the Placing for the benefit of the Company.

Upon Admission, the Enlarged Issued Share Capital is expected to be 182,966,666 Ordinary Shares. On this basis, the New Ordinary Shares will represent approximately 23.3% of Dalata's Enlarged Issued Share Capital. A Qualifying Shareholder who takes up his Open Offer Entitlement in full will be diluted by 8% as a result of the Firm Placing. A Qualifying Shareholder who does not take up any Open Offer Shares under the Open Offer (or a Shareholder in the United States or an Excluded Territory who is not eligible to participate in the Open Offer) will experience a more substantial dilution of 23.3% as a result of the Firm Placing and Placing and Open Offer.

## Prospectus

The Prospectus is expected to be published on 10 September 2015 containing full details of how Shareholders can participate in the Open Offer. The Company is also expected to publish the Circular, containing a notice of an extraordinary general meeting expected to be held at 11.00 a.m. on 5 October 2015 at the Clayton Hotel, Ballsbridge, Dublin 4, Ireland. Completion of the Capital Raise is conditional, *inter alia*, upon the approval of the Resolutions set out in the Circular.

Copies of the Prospectus and the Circular will be available from the registered office of Dalata Hotel Group plc at 4<sup>th</sup> floor, Burton Court, Burton Hall Drive, Sandyford, Dublin 18 during normal business hours on any weekday (except Saturdays, Sundays and public holidays) from the date of its publication until Admission. The Prospectus and Circular will both be available on the Company's website, [www.dalatahotelgroup.com/investors/share-offering/](http://www.dalatahotelgroup.com/investors/share-offering/).

## For further information, please contact:

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Jonathan Neilan / Melanie Farrell

## Statistics relating to the Capital Raise

Issue Price per New Ordinary Share	€3.75
Percentage Discount to the Closing Price on 8 September 2015	6.9%
Open Offer Entitlement	1 New Ordinary Shares for 5 Existing Ordinary Shares
Number of Existing Ordinary Shares in issue as at 8 September 2015 (being the Last Practicable Date prior to publication of this announcement)	140,300,000

Number of New Ordinary Shares to be issued pursuant to the Firm Placing	14,606,666
Number of New Ordinary Shares to be issued pursuant to the Placing and Open Offer	28,060,000
Total number of New Ordinary Shares to be issued pursuant to the Firm Placing and the Placing and Open Offer	42,666,666
Enlarged Issued Share Capital upon completion of the Capital Raise	182,966,666
New Ordinary Shares to be issued under the Firm Placing and Placing and Open Offer as a percentage of the Enlarged Issued Share Capital	23.3%
Gross proceeds of the Capital Raise	€160 million
Estimated net proceeds receivable by the Company	€153.6 million

#### Notes

1. All statistics are as at the Last Practicable Date. References to times in this timetable are to Dublin times unless otherwise stated.
2. The estimated net proceeds receivable by the Company are stated after the deduction of costs and expenses (exclusive of VAT) of, or incidental to, the Capital Raise payable by the Company estimated to be approximately €6.4 million.

#### Expected timetable of principal events 2015<sup>1,2</sup>

Record Date for entitlements under the Open Offer <sup>(i)</sup>	6.00 p.m. on 8 September 2015
Announcement of the Capital Raise	9 September 2015
Ex-entitlement date for the Open Offer	8.00 a.m. on 10 September 2015
Publication of the Prospectus and the Circular, Application Forms and Forms of Proxy	10 September 2015
Open Offer Entitlements credited to stock accounts in CREST of Qualifying CREST Shareholders	11 September 2015
Latest recommended time and date for requesting withdrawal of Open Offer Entitlements from CREST (i.e. if your Open Offer Entitlements are in CREST and you wish to convert them into certificated form)	4.30 p.m. on 22 September 2015
Latest recommended time and date for depositing Open Offer Entitlements into CREST (i.e. if your Open Offer Entitlements are represented by an Application Form and you wish to convert them to uncertificated form)	3.00 p.m. on 23 September 2015
Latest time and date for splitting Application Forms (to satisfy <i>bona fide</i> market claims)	3.00 p.m. on 24 September 2015
Latest time and date for receipt of completed Application Forms and payment in full under the Open Offer or settlement of relevant CREST instructions (as appropriate)	11.00 a.m. on 28 September 2015
Latest time and date for receipt of Forms of Proxy or submission of proxy votes electronically	11.00 a.m. on 3 October 2015

Announcement of the take up under the Open Offer	5 October 2015
Time and date of Extraordinary General Meeting <sup>(ii)</sup>	11.00 a.m. on 5 October 2015
Announcement of results of EGM	5 October 2015
Issue of the New Ordinary Shares pursuant to the Firm Placing and Placing and Open Offer and Admission and commencement of dealings in the New Ordinary Shares issued under the Capital Raise expected to commence	8.00 a.m. on 6 October 2015
CREST stock accounts expected to be credited for the New Ordinary Shares issued under the Capital Raise as soon as practicable after	8.00 a.m. on 6 October 2015
Shares certificates for New Ordinary Shares issued under the Capital Raise expected to be despatched	By mid-October 2015

**Notes:**

References to times and dates in this Announcement and the Prospectus are to times and dates in Dublin, Ireland. The dates set out above and mentioned throughout the Prospectus and may be adjusted by the Company, in which event details of new dates will be notified via a Regulatory Information Service.

- (i) Shareholders should note that any Existing Ordinary Shares sold prior to the close of business on 9 September, 2015, the last day on which the Existing Ordinary Shares trade with entitlement will be sold to the purchaser with the right to receive Open Offer Entitlements.
- (ii) The time of the Extraordinary General Meeting is 11.00 a.m. on 5 October 2015. The location of the EGM is the Clayton Hotel Ballsbridge, Merrion Road, Ballsbridge, Dublin 4, Ireland.

**IMPORTANT NOTICES**

*The information in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness. The material set forth herein is for information purposes only and should not be construed as an offer of securities for sale in the United States or any other jurisdiction.*

***This announcement is an advertisement and not a prospectus and investors should not purchase any Shares referred to in this announcement except solely on the basis of information in the prospectus to be published by Dalata Hotel Group plc in due course in connection with the admission of the Shares to trading on the ESM market of the Irish Stock Exchange and the AIM market of the London Stock Exchange.***

*The distribution or publication of this announcement, any related documents, and the offer, sale and/or issue of the Shares in certain jurisdictions may be restricted by law. No action has been taken to permit possession or distribution or publication of this announcement, other than in Ireland and the United Kingdom. Persons into whose possession this announcement (or any other offer or publicity material relating to the Shares) comes are required to inform themselves about and to observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdiction.*

*This announcement has been issued by the Company and is directed only at and being distributed to: (i) persons who are outside the United Kingdom, or (ii) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended from time to time (the "Order"), or (iii) persons who fall within Article 49(2)(a) to (d) of the Order (high net worth companies, unincorporated associations etc), or (iv) persons to whom this announcement may otherwise be lawfully communicated, or (v) persons who are "professional clients" as defined in Schedule 2 of the Markets in Financial Instruments Regulations and, (vi) persons who are Qualifying Shareholders of the Company (all such persons together being referred to as "Relevant Persons"). Any investment activity to which this announcement relates will only be available to and will only be engaged with, Relevant Persons. Any person who is not a Relevant Person should not act or rely on this document or any of its contents.*

*This announcement has been issued by the Company and is directed only at and being distributed to persons in the European Economic Area ("EEA"): (a) who are professional investors within the meaning of Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers ("AIFMD") and, where permitted by the local law of the relevant EEA member state, investors other than professional investors. A "professional investor" is defined in AIFMD as an investor which is considered to be a professional client or may, on request, be treated as a professional client within the meaning of Annex II to Directive 2004/109/EC; and (b) only to the extent that the Shares in the Company: (i) are permitted to be marketed into the relevant EEA member state pursuant to Articles 31, 32 and 43 of AIFMD (as implemented into local law); or (ii) can otherwise be lawfully offered or sold (including on the basis of an unsolicited request from a professional investor).*

*This document may not be published, distributed or transmitted by any means or media, directly or indirectly, in whole or in part, in or into the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Securities may not be offered or sold in the United States absent (i) registration under the U.S. Securities Act of 1933, as amended (the "Securities Act") or (ii) an available exemption from registration under the Securities Act. The securities mentioned herein have not been, and will not be, registered under the Securities Act and will not be offered to the public in the United States.*

*The New Ordinary Shares and Open Offer Entitlements have not been and will not be registered under the applicable securities laws of Australia, Canada, Japan, New Zealand, Switzerland or South Africa.*

*Any subscription for New Ordinary Shares in the proposed Issue should be made solely on the basis of the information contained in the Prospectus to be issued by the Company in connection with Admission. No reliance may or should be placed by any person for any purposes whatsoever on the information contained in this announcement or on its completeness, accuracy or fairness. The information contained in this announcement is given at the date of its publication (unless otherwise marked) and is subject to updating, revision and amendment when the Prospectus is published. In particular, the proposals referred to herein are tentative and are subject to verification, material updating, revision and amendment.*

*Certain statements contained in this announcement constitute "forward-looking statements" regarding the belief or current expectation of the Company and the Directors about the Company's financial condition, results of operations and business. Generally, but not always, words such as "may", "could", "should", "will", "expect", "intend", "estimate", "anticipate", "assume", "believe", "plan", "seek", "continue", "target", "goal", "would" or their negative variations or similar expressions identify forward-looking statements. Such forward-looking statements are not guarantees of future performance. Rather, they are based on current views and assumptions and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of the Company and are difficult to predict, which may cause the actual results, performance, achievements or developments of the Company or the industries in which it operates to differ materially from any future results, performance, achievement or developments expressed or implied from these forward-looking statements. Forward-looking statements speak only as of the date they are made and cannot be relied upon as a guide to future performance. A number of material factors could cause actual results to differ materially from those contemplated by the forward-looking statements. None of the Company or Davy undertakes any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances, unanticipated events, new information or otherwise occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.*

*The New Ordinary Shares are only suitable for investors who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company and in the Shares, for whom an investment in the New Ordinary Shares is part of a diversified investment programme and who fully understand and are willing to assume the risks involved in such an investment programme. There is no guarantee that the Issue will proceed and that Admission will occur and you should not base your financial decisions on the Company's intention in relation to the Admission and Issue at this stage. Acquiring Shares to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested. When considering what further action you should take you are recommended to immediately consult, if you are resident in Ireland, an organisation or firm authorised or exempted pursuant to the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) or the Investment Intermediaries Act 1995 (as amended) and, if you are resident in the United Kingdom, a person authorised under the Financial Services and Markets Act 2000, as amended by the United Kingdom, or another appropriately authorised professional adviser if you are in a territory outside Ireland or the United Kingdom. This announcement does not constitute a recommendation concerning the Issue. The price and value of the Shares may decrease as well as increase. Information in this announcement, past performance and any documents relating to the Issue or Admission cannot be relied upon as a guide to future performance.*

*J&E Davy, which is authorised and regulated in Ireland by the Central Bank of Ireland, is acting exclusively for the Company and no one else in connection with Admission and the Capital Raise and will not be responsible to anyone other than the*



*Company for providing the protections afforded to its clients or for providing any advice in relation to Admission, the Capital Raise or any matter referred to herein.*

*In connection with the Issue and Admission, J&E Davy or any of its affiliates, acting as investors for its own account, in accordance with applicable legal and regulatory provisions, and subject to the provisions of the Placing and Open Offer Agreement, may retain, purchase, sell, offer to sell or otherwise deal for its own account(s) in relation to the Shares and/or related instruments in connection with the Capital Raise otherwise. Accordingly, references in the Prospectus, once published, to the Shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, or any of its affiliates acting as investors for their own accounts. Except as required by applicable law or regulation, J&E Davy does not propose to make any public disclosure in relation to such transactions.*

*None of the Company or Davy or any of their respective affiliates, their respective directors, officers or employees, or any other person accepts any responsibility or liability whatsoever for the contents of, or makes any representation or warranty, express or implied, as to the accuracy, completeness, correctness or fairness of the information or opinions contained in, this announcement or any document referred to in this announcement (or whether any information has been omitted from this announcement) or any other information relating to the Company or their respective affiliates, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of the announcement or its contents or otherwise arising in connection therewith. Accordingly, the Company or Davy and any of their respective affiliates, their respective directors, officers or employees, and any other person acting on their behalf expressly disclaims any and all liability whatsoever for any loss howsoever arising from, or in reliance upon, the whole or any part of the contents of this announcement, whether in tort, contract or otherwise which they might otherwise have in respect of this announcement or its contents or otherwise arising in connection therewith.*

## **APPENDIX**

In this announcement, the following expressions have the following meanings unless the context requires otherwise:

"€" or "EUR" or "euro"	the single currency of member states of the European Communities that adopt or have adopted the euro as their currency in accordance with legislation of the European Union relating to European Economic and Monetary Union;
the "1996 Regulations" or the "CREST Regulations"	the Companies Act 1990 (Uncertificated Securities) Regulations 1996 (S.I. No 68 of 1996);
"Admission"	admission of the Firm Placing and Placing and Open Offer Shares to trading on AIM and ESM in accordance with the AIM Rules and ESM Rules respectively;
"AIM"	the market of that name operated by the London Stock Exchange;
"AIM Rules"	The rules for AIM companies and their nominated advisers, issued by the London Stock Exchange in relation to AIM traded securities;
"Application Form"	the personalised application form being sent to Qualifying Non-CREST Shareholders for use in connection with the Open Offer;
"Board" or "Directors"	the directors of the Company, whose names are set out in Part 3 of the Prospectus, including a duly constituted committee of the directors;
"Capital Raise" or "Firm Placing and Placing and"	the Firm Placing and Placing and Open Offer described in the Prospectus and the Circular;

Open Offer”	
“CCPC”	the Irish Competition and Consumer Protection Commission;
“certificated” or “certificated form”	in relation to a share or security, a share or security which is not in uncertificated form (that is, not in CREST);
“Circular”	the document dated 10 September 2015, including a notice convening the EGM, which comprises a circular to Shareholders;
“Closing Price”	the official price of an Ordinary Share as derived from the Irish Stock Exchange;
“Company” or “Dalata”	Dalata Hotel Group p.l.c.;
“CREST”	the relevant system for the paperless settlement of trades in securities and the holding of uncertificated securities in respect of which Euroclear is the operator (as defined in the CREST Regulations);
“Davy”	J&E Davy, an unlimited company incorporated in Ireland (registered number 106680) and whose registered address is at Davy House, 49 Dawson Street, Dublin 2, Ireland, trading as Davy or, as the context so requires, any affiliate thereof or company within the Davy group;
“Enlarged Issued Share Capital”	the Existing Issued Share Capital together with the Firm Placing and Placing and Open Offer Shares;
“ESM”	the Enterprise Securities Market operated and regulated by the Irish Stock Exchange;
“ESM Rules”	the rules for ESM companies and their ESM advisers, issued by the Irish Stock Exchange;
“EU”	European Union;
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST;
“European Economic Area” or “EEA”	each of the Member States, Norway, Iceland and Liechtenstein;
“Excluded Territories” or “Excluded Territory”	The United States, Canada, Australia, New Zealand, the Republic of South Africa, Switzerland and Japan, and any other jurisdiction where the extension or availability of the Open Offer would breach any applicable law, or any one of them as the context requires;
“Existing Issued Share Capital” or “Existing Ordinary Shares” or “Existing Shares”	140,300,000 Ordinary Shares in issue as at the Latest Practicable Date;
“Extraordinary General Meeting” or “EGM”	the extraordinary general meeting of the Company to be held at Clayton Hotel Ballsbridge, Merrion Road, Ballsbridge, Dublin 4, Ireland on 5 October, 2015 at 11.00 a.m. including any adjournment thereof, and notice of which is set out at the end of the Circular;
“Firm Placing”	the placing of the Firm Placed Shares with the Firm Places in accordance with the Placing and Open Offer Agreement;
“Firm Placed Shares”	the 14,606,666 New Ordinary Shares which are the subject of the

	Firm Placing;
“Firm Placing and Placing and Open Offer Shares”	the 42,666,666 New Ordinary Shares which the Company is proposing to issue pursuant to the Capital Raise;
“Form of Proxy”	the form of proxy for use by Shareholders in connection with the EGM;
“Freehold Equivalent”	a lease for a term of 35 years or more;
“GNL”	Glin Naofa, an unlimited company incorporated in Ireland with registration number 532661;
“Group”	the Company and its subsidiaries and shall include for the avoidance of doubt, all subsidiary companies purchased by the Company from time to time;
“Ireland”	the island of Ireland, and the word “Irish” shall be construed accordingly;
“Irish Stock Exchange” or “ISE”	The Irish Stock Exchange p.l.c.;
“Issue Price”	€3.75 per New Ordinary Share;
“Latest Practicable Date”	the latest practicable date prior to the publication of the Prospectus, being 8 September 2015 (unless otherwise stated);
“London Stock Exchange” or “LSE”	the London Stock Exchange p.l.c.;
“MB Acquisition Agreement”	the agreement entered into on 17 December 2014 between the Company, the MB Vendors, GNL and the MB Group Shareholders in relation to the acquisition of the Moran Group Companies;
“MB Group Shareholders”	Tom Moran, Sheila Moran, Allied Irish Banks p.l.c., the Governor and Company of the Bank of Ireland and Canyon Finance Ireland Limited;
“MB Vendors”	Borua Holdings Limited, Chiswick Moran Hotel Limited, Segal Trading Limited, Ringway Hotels Limited and Sweet St Hotel Limited;
“Member States”	the member states of the EU;
“Moran Bewley’s Hotel Group” or “MBHG”	The portfolio of nine hotels acquired by the Company pursuant to the MB Acquisition Agreement;
“Moran Group Companies”	Swintron Limited, Crescentbrook Limited, Hallowbridge Limited, Islandvale Limited and Trackdale Limited;
“Net Proceeds”	the aggregate subscription price paid in respect of all of the New Ordinary Shares issued pursuant to the Capital Raise less expenses relating to the Capital Raise;
“New Ordinary Shares” or “New Shares”	the Ordinary Shares which the Company is proposing to issue pursuant to the Capital Raise;
“Notice”	the notice of Extraordinary General Meeting set out at the end of the Circular;

“Open Offer”	the offer to Qualifying Shareholders constituting an invitation to apply for the Open Offer Shares on the terms and subject to the conditions set out in the Prospectus, and in the case of Qualifying Non-CREST Shareholders, the Application Form;
“Open Offer Entitlements”	an entitlement of a Qualifying Shareholder to apply for 1 Open Offer Shares for every 5 Existing Shares held by him or her or it on the Record Date pursuant to the Open Offer;
“Open Offer Shares”	the 28,060,000 New Ordinary Shares to be offered to Qualifying Shareholders pursuant to the Open Offer;
“Ordinary Shares” or “Shares”	the ordinary shares of nominal value €0.01 each in the capital of the Company;
“Overseas Shareholder(s)”	Shareholders who are resident in, or citizens of, or who have registered addresses in territories other than Ireland or the United Kingdom;
“Placing”	the conditional placing of the Placing Shares with places in accordance with the Placing and Open Offer Agreement;
“Placing Shares”	the 28,060,000 New Ordinary Shares which are the subject of the Placing;
“Placing and Open Offer Agreement”	the conditional agreement dated 9 September, 2015 between the Company Davy, and the Executive Directors further details of which are set out in the Prospectus;
“Prospectus”	the Prospectus dated 10 September 2015 issued by the Company in connection with the Capital Raise and the admission to trading of the Firm Placing and Placing and Open Offer Shares and approved by and filed with the Central Bank in accordance with the Prospectus Directive and the Prospectus Regulations;
“Prospectus Directive”	Prospectus Directive 2003/71EC;
“Prospectus Regulations”	the Prospectus (Directive 2003/71/EC) Regulations, 2005 (SI No. 324 of 2005) as amended;
“Qualifying CREST Shareholders”	Qualifying Shareholders whose Ordinary Shares are in uncertificated form in CREST on the Record Date;
“Qualifying Non-CREST Shareholders”	Qualifying Shareholders whose Ordinary Shares are in certificated form on the Record Date;
“Qualifying Shareholder(s)”	holders of Existing Ordinary Shares on the register of members of the Company on the Record Date, with the exception of certain Overseas Shareholders at the sole discretion of the Board;
“Record Date”	the date on which the entitlement of Qualifying Shareholders to subscribe for Open Offer Shares was determined by reference to the register of members of the Company, being 6.00 p.m. on 8 September 2015;
“Regulatory Information Service” or “RIS”	one of the regulatory information services authorised by the Irish Stock Exchange and/or the UKLA to receive, process and disseminate regulated information from listed companies;
“Regulation S” “Resolutions”	Regulation S promulgated under the US Securities Act; the Resolutions as set out in the Notice, to be considered and voted on at the EGM;

“Securities Act”	the United States Securities Act of 1933, as amended;
“Shareholder(s)” or “Dalata Shareholder(s)”	a holder or holders of Ordinary Shares;
“subsidiary”	shall be construed in accordance with the Act;
“uncertificated” or in “uncertificated form”	Ordinary Shares recorded on the register of members of the Company as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of an instruction issued in accordance with the rules of CREST;
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“United States”	the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia and all other areas subject to the jurisdiction of the United States of America;
“US Securities Act”	the United States Securities Act 1933 as amended;