

Value and Risk Advisory

Hotels & Hospitality Valuation Report

Client: Dalata Hotel Group plc
Portfolio: Dalata Hotel Portfolio

Date of Valuation: 30 June 2025
Date of Report: 14 July 2025

Unless you are the Client or an Addressee named within the Valuation Report, or have been explicitly identified by us as a party to whom we owe a duty of care and who is entitled to rely on the Valuation Report, Jones Lang LaSalle Limited does not owe or assume any duty of care to you in respect of the contents of the Valuation Report and you are not entitled to rely upon it.

Appendices

Appendix 1.....General Terms and Conditions

Appendix 2.....General Principles

Appendix 3.....Definition of Market Value

Dalata Hotel Group plc
3 Arkle Road
Sandyford Business Park
Dublin D18 T6T7

And

Rothschild & Co
New Court
St Swithin's Lane
London
EC4N 8AL

Jones Lang LaSalle Limited
Styne House
Upper Hatch Street
Dublin D02 DY27
Ireland

Our ref 960540/

Direct line

14 July 2025

Dear Carol Phelan, Chief Financial Officer

Terms of Reference

Addressee: The client for the purposes of the Instruction is the Company. The Valuation Report will be addressed to:

Dalata Hotel Group plc

And

Rothschild & Co Together the "**Addressees**".

For the avoidance of doubt, the Company will be our client of record and we will only take instruction from the Company and not any of the other Addressees.

Instruction and Purpose of Valuation: This report is prepared in accordance with our agreed instructions from Dalata Hotel Group plc (the "Client", the "Company") to undertake a valuation of the Freehold and Leasehold interests in the Hotel Portfolio (the "Hotels" and/or the "Assets").

We have been appointed to undertake valuations of the Portfolio in accordance with the current RICS Valuation – Global Standards, incorporating the International Valuation Standards, together with the RICS Valuation – Global Standards: UK National Supplement where applicable (collectively the "RICS Red Book"), and the requirements of Rule 29 of the Irish Takeover Panel Act 1997, Takeover Rules 2013 (the "Irish Takeover Rules").

The Valuation Report and its appendices are provided in accordance with the Engagement Letter.

We have also been asked to provide confirmation that a current valuation, in this case at the date of the announcement pursuant to Rule 2.5 of the Irish Takeover Rules (the "Rule 2.5 Announcement"), would not be materially different from the Valuations herein provided i.e. as at 30 June 2025.

The Valuation Report is subject to, and should be read in conjunction with, the attached General Terms and Conditions of Business and our General Principles Adopted in the Preparation of Valuations and Reports which are attached in Appendix 2.

Property Address & Tenure:

(the "Properties", the "Portfolio", "the Hotels")

Hotel	Address
Freehold Hotels	
Clayton Ballsbridge Dublin	Merrion Road, Dublin 4
Clayton Dublin Airport	Stockdale Lane, Dublin
Clayton Leopardstown Dublin	Central Park, Leopardstown, Dublin
Clayton Liffey Valley	Liffey Valley Complex, Dublin
Maldron Newlands Cross	Newlands Cross, Dublin
Maldron Parnell Square	Parnell Square West, Dublin 1
Maldron Pearse Street	99-107 Pearse Street, Dublin 2
Maldron Kevin Street	Kevin Street Upper, Dublin
Maldron Merrion Road	Merrion Road, Booterstown, Dublin
Clayton Sligo	Clarion Road, Sligo
Maldron Sandy Road	Sandy Road, Headford Road, Galway
Clayton Galway	Monivea Road, Ballybrit, Galway
Maldron Portlaoise	Abbeyleix Road, Portlaoise

Maldron Limerick	South Ring Road, Roxboro
Clayton Limerick	Steamboat Quay, Limerick
Maldron Shandon	John Redmond Street, Cork
Maldron South Mall	94-95 South Mall, Cork
Clayton Cork City	Lapps Quay, Cork
Clayton Silver Springs	Tivoli, Cork
Clayton Belfast	22-26 Ormeau Avenue, Belfast
Maldron Belfast City	Brunswick Street, Belfast
Maldron Derry	17-19 Butcher Street, Derry
Clayton Leeds	City Walk, Leeds
Clayton Chiswick	626 Chiswick High Street, London
Maldron Finsbury Park	240 Seven Sisters Road, Finsbury Park
Maldron Shoreditch	49-51 Paul Street, London
Leasehold Hotels	
Clayton Cardiff Lane	10-12 Cardiff Lane, Dublin 2
Radisson Blu Dublin Airport	Dublin Airport, Corballis, Dublin
Clayton Manchester Airport	Outwood Lane, Manchester
Clayton London Wall	7-9 Copthall Avenue, London
Clayton City of London	10 New Drum Street, London

Reliance:

The Valuation Report will be addressed jointly to the Addressees and will be for the specific use of and may be relied upon by the Addressees and, by operation of law, the shareholders of the Company strictly for the Purpose set out in the Valuation Report. Save in respect of such Addressees and shareholders (together the “Relying Parties”), third parties may not rely on the Valuation Report.

All Addressees shall be bound by the same liability as set out in this letter and our General Terms and our liability shall be no greater, in duration or extent, as a result of extending reliance to the Addressees, than if the Addressees had been named jointly as our client with the Company.

We are not acting as valuers of the Company itself; the valuation function for the Company and the setting of the Net Asset Value of the Company will remain with the Company. Our role is limited to providing valuations of the Properties in accordance with the RICS Red Book, Rule 29 and the terms set out in our report.

The Valuation Report will be produced for the Purpose and may not be reproduced or used in connection with any other purpose without our prior written consent. No reliance may be placed on draft versions of the Valuation Report.

The Valuation Report will be for the use of the Addressees and the shareholders of the Company for the Purpose and, to the fullest extent permitted by law and the Takeover Rules, we will not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in accordance with the Valuation Report.

Tenure:

As set out in the Property Address table above

Valuation Date:

30 June 2025

Instruction Date:	27 June 2025
Basis of Valuation:	The basis of value for this Valuation Report as required by Rule 29 of the Irish Takeover Rules is Market Value and therefore the Valuations have been prepared on a Market Value basis as defined by the RICS Red Book as: <i>‘The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.’</i>
Inspection:	The Properties are subject to internal inspections on an annual basis, with the last inspections having taken place between September 2024 and November 2024. We have been advised that there have been no material changes to the properties since our last inspections and those assets which have had material change, or entered the portfolio since the past inspection, have been re-inspected. We confirm that the personnel responsible for the Valuations are qualified for the purposes of the Valuations in accordance with the RICS Red Book, including to the extent required by the Irish Takeover Rules. Our valuation is based upon a visual inspection of accessible areas only. We have not carried out a structural survey, nor any tests on any services. We have not conducted any investigations into environmental contaminants or deleterious materials. We have considered any significant ESG Environmental, Social and Governance (ESG) factors as valuers and not as technical ESG experts. We have not measured the Properties and have relied on the floor areas provided. Your attention is drawn to the General Principles attached to this report as Appendix 2 for details of the limits of our investigations made for this Valuation Report.
Personnel:	The valuations have been prepared under the direction of [REDACTED]. In addition, the valuations have been reviewed and approved by two JLL Directors: [REDACTED] and [REDACTED]. We confirm the personnel responsible for this valuation are in a position to provide an objective and unbiased valuation and are competent to undertake the valuation assignment in accordance with the RICS Red Book and are RICS Registered Valuers.
Status:	In preparing these valuations we have acted as external valuers (as defined in the RICS Red Book), subject to any Disclosures.
Disclosure and Regulatory Compliance:	We confirm our ongoing appointment to carry out bi-annual valuations of the Properties. We do not consider this, in our professional opinion, to be a threat to our objectivity and ability to act with independence. The Company has confirmed in writing that this Instruction has been made with the approval of a non-executive director, an independent chair of your audit committee or equivalent or a corporate compliance officer or equivalent. We confirm that neither the individual valuers, nor JLL, have any material connection to any party in the Proposed Transaction nor any personal interest in the Company, the Addressees or the Properties, other than our appointment by the Client to carry out annual valuations, which would cause us or them to cease to qualify as an ‘Independent Valuer’ for the purpose of this report. We undertake in favour of the Company that we shall not

take any actions which would cause us or the relevant valuers to cease to qualify as an ‘Independent Valuer’ for the purposes of this valuation for the duration of the Instruction.

In our firm’s preceding financial year, the proportion of total fees payable by the Client commissioning this valuation was less than 5% of the firm’s total fee income.

It is not anticipated there will be a material increase in the proportion of fees payable to the firm by the Client commissioning this valuation report since the end of the last financial year or in the next financial year.

██████████ has been a signatory for this valuation instruction since December 2023. At present he remains the signatory to this report.

We have an adequate policy in place regarding rotation of signatories, and we do not consider that a rotation of signatories is currently required.

For the purposes of the Irish Takeover Rules, we confirm that there is no material difference between the values stated in this Valuation Report and the values that would be stated were the Valuation Date the date of the Scheme Document.

Sources of Information:

No new information has been provided to us in addition to that which has been provided during our H1 2025 valuation reports.

Market Value:

Tenure	Market Value
Leasehold	€444,600,000 (Four Hundred and Forty Four Million, Six Hundred Thousand Euros)
Freehold	€1,256,840,000 (One Billion, Two Hundred and Fifty Six Million, Eight Hundred and Forty Thousand Euros)
TOTAL	€1,701,440,000 (One Billion, Seven Hundred and One Million, Four Hundred and Forty Thousand Euros)

All properties have been valued in local currency, and then the applicable properties located in the United Kingdom have been converted to Euros at 1.1689 Euros for 1 GBP.

While it should be noted that the guidance set out in the RICS Red Book envisages the assets being valued and sold individually over a reasonable period depending on market circumstances at the time, the valuation of the portfolio as a whole may produce a greater or lesser figure than the aggregate value of the individual properties.

No Material Change since 30 June 2025:

We have also been asked to provide a confirmation that a current valuation, in this case at the date of the announcement pursuant to Rule 2.5 of the Irish Takeover Rules (the “Rule 2.5 Announcement”), would not be materially different from the valuation herein provided at 30 June 2025.

Our understanding, from public reports, is that the Company announced on 6 March 2025 that it had decided to sell the company and delist from the stock market. We understand that a number of bids were due to be received over the period June 2025. We understand that a consortium formed of joint offerors Padox AB and Eiendomsspar AS submitted a non-binding bid, which was rejected by the Board of Directors on 3 June 2025.

We confirm that we have not been involved with the sales process for the Company nor the preferred bidder. Furthermore, we have no information, nor have we been informed of the nature, number or level of bids made by any of the potential bidders for the 100% interest in the Company.

As confirmed, our Valuations are of the Properties and not of an interest in the Company. Our Valuations are based upon the specific details of the Properties having regard to property market transactional evidence available as at the Valuation Date.

We hereby confirm that as at the date of our Valuation Report, we have not become aware (after having made due and careful enquiry of the Company) of any material changes to the Properties which would materially affect our Valuation between the effective date of the Valuation (30 June 2025) and the date of this Valuation Report.

We have not undertaken a formal revaluation of the assets at 14 July 2025. However, in relation to market conditions and movements in the property markets in which the Properties covered by our Valuation Report are located, based on observed transactions involving comparable properties which have occurred, and independent data published, since 30 June 2025, we do not consider that there has been any material change to the Valuation, in aggregate of the Properties.

No allowance has been made for any expenses of realisation, or for taxation (including VAT) which might arise in the event of a disposal and the Property has been considered free and clear of all mortgages or other charges which may be secured thereon.

Market Comment:

In light of the recent decision of the United States to impose import tariffs on all countries globally, there is a degree of uncertainty as to how this will impact the wider economy and real estate markets. In recognition of the potential for market conditions to change rapidly, we highlight the critical importance of the valuation date and confirm the conclusions in our report are valid at that date only and advise you to keep the valuation under regular review.

Liability

Save in respect of our liability for death or personal injury caused by our negligence, or the negligence of our employees, agents or subcontractors or for fraud or fraudulent misrepresentation (which is not excluded or limited in any way):

- a) we shall under no circumstances whatsoever be liable for any indirect or consequential loss arising out of or in connection with the Valuation Report; and
- b) our total liability in respect of all losses arising out of or in connection with the Valuation Report, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, shall not exceed the monetary amount agreed between us and the Addressees, as set out in the Engagement Letter. This amount shall be an aggregate cap on our liability to all Addressees together.

In no circumstances will we have any responsibility or liability in connection with any investment decision made prior to our Valuation Report.

Confidentiality and Publication:

The Valuation Report is addressed to the Addressees for the Purpose. The Client may disclose copies of our Valuation Report and any reports prepared by us in connection with our valuation on a non-reliance basis to any bona fide third party which is considering making an offer for the Company as part of the Potential Transaction (each a "Potential Bidder"), provided that each Potential Bidder signs a non-reliance letter in JLL's standard form, a copy of which has been provided to you (the "Non-Reliance Terms"). No responsibility whatsoever will be accepted to any third party (other than the Relying Parties) and neither the whole of the Valuation Report, nor any part, nor reference thereto, may be published in any document, statement or circular other than Announcement, Scheme Document or Other Transaction Agreement, nor in any communication with third parties (other than Potential Bidders who have first signed the Non-Reliance Terms), without our prior written approval (which shall be at our sole discretion, subject to the terms of this letter) and our approval of the form and context in which it will appear.

We hereby agree that, subject to our approval of the form and context in which the Valuation Report shall appear, on or immediately prior to the publication of the Announcement, the Scheme Document or Other Transaction Document, we will provide a letter addressed to the Addressees in the form set out in Appendix 4 confirming our

consent to the inclusion of all or any part of the Valuation Report in the Announcement or other Transaction Circular and to the Valuation Report (or parts thereof).

We acknowledge that this Valuation Report will, subject to our provision of the consent letter in the form set out in Appendix 4, be published on the Company's website in accordance with the Irish Takeover Rules together with the disclaimers previously agreed with the Client which shall appear at the front of the Valuation Report.

Prior to any publication of the Valuation Report the Company shall ensure the customary redaction of personal data.

If at any stage it is intended to include the Valuation Report, or any reference thereto, in any prospectus, circular to shareholders or similar public document other than the Announcement, the Scheme Document or Other Transaction Document, our specific consent will be required. It would only be given following clarification of any additional liability. We may also, if appropriate, require the Valuation Report to be revised to incorporate an adequate description of the terms of our engagement. Our approval is not required if disclosure is required by law.

Without prejudice to the above, the Company may share copies of the Valuation Report and any reports prepared by us in connection with the Valuation Report with (i) the Company's directors, officers, employees and professional advisers and (ii) to any Potential Bidder who have signed the Non-Reliance Terms, on a strictly non-reliance and confidential basis

We acknowledge that the Potential Transaction is confidential, and that information received by us may constitute non-public price sensitive information for the purpose of applicable Irish or other insider dealing or market abuse law, including "inside information" in relation to the Company within the meaning of Article 7 of the Market Abuse Regulations ("MAR") or the Criminal Justice Act ("CJA"); and/or confidential information for the purposes of the Takeover Rules, and accordingly, we hereby unconditionally and irrevocably undertake to keep the information confidential and we further confirm and undertake that we will not deal, or recommend, induce or encourage any other person to deal, whether for its own account or the account of a third party, in any securities in the Company in breach of the provisions of MAR, the CJA, the provisions of any other applicable insider dealing or market abuse rules (whether in Ireland or in any other jurisdiction) or the Takeover Rules. We further undertake, to the extent permitted by law, to notify the Company promptly after becoming aware of any material breach of the terms of this letter by it in order to enable the Company to comply with the notification obligations to which it is subject under Article 17(1) of MAR.

Yours sincerely

[Redacted Signature]
[Redacted Name]
[Redacted Title]

Value and Risk Advisory

For and on behalf of Jones Lang LaSalle Limited

Yours sincerely

[Redacted Signature]
[Redacted Name]

Value and Risk Advisory

For and on behalf of Jones Lang LaSalle Limited

Yours sincerely

[REDACTED]
[REDACTED]

Value and Risk Advisory

For and on behalf of Jones Lang LaSalle Limited

APPENDIX 1

General Terms and Conditions of Business

1. AGREEMENT

1.1 These Terms together with any Engagement set out the terms on which JLL will provide the Services to the Client. Each of the provisions provided in the Agreement are severable and distinct from the others.

1.2 The Engagement shall prevail to the extent of any conflict between the Terms, and the Engagement. The Agreement supersedes any previous arrangement concerning its subject matter. Unless the Parties agree otherwise, these Terms shall apply to any future instructions from the Client, although such instructions may be subject to a separate Engagement.

2. INTERPRETATION

The following definitions and rules of interpretation apply in these Terms:

2.1. Definitions

"Affiliates" includes in relation to either Party each and any subsidiary or holding company of that Party and each and any subsidiary of a holding company of that Party and any business entity from time to time controlling, controlled by, or under common control with, that Party, and **"holding company"** means a holding company as defined in section 7 of the Companies Act, 2014 and **"subsidiary"** means a subsidiary as defined in section 8 of the Companies Act, 2014;

"Agreement" means any Engagement and these Terms together.

"Client" means the Party who enters into the Agreement with JLL.

"Data Protection Legislation" shall mean GDPR and any national implementing laws, regulations, and secondary legislation in force in Ireland from time to time.

"Engagement" means the agreement, letter of engagement or engagement agreement or email and any schedules/appendices sent to the Client by JLL (or agreed in writing) which sets out details of the Services to be provided to the Client pursuant to the Agreement.

"GDPR" means the General Data Protection Regulation ((EU) 2016/679) and in this Agreement: "controller", "processor", "data subject", "personal data", "personal data breach", "supervisory authority", and "processing" shall have the meaning set out in the GDPR, and references to "personal data" shall in addition mean personal data related to the Agreement.

"Insolvent" means in relation to:

- (a) a company (including any body corporate), that it:
 - (i) is unable to pay its debts as they fall due or admits inability to pay its debts or is deemed unable to pay its debts within the meaning of section 570 of the Companies Act 2014;
 - (ii) an application is made to court, or an order is made, for the appointment of a receiver or examiner, or if a notice of intention to appoint a receiver or examiner is given or if a receiver or examiner is appointed over it or if a receiver takes possession of or sells the whole or part of its undertaking, assets, rights or revenue;
 - (iii) has a notice of intention to appoint an administrator filed at Court in respect of it, has an administrator appointed over, or has an administration order in relation to it, or has appointed a receiver or an administrative receiver over, or an encumbrancer takes possession of or sells the whole or part of its undertaking, assets, rights or revenue
 - (iv) passes a resolution for its winding up or a court of competent jurisdiction makes an order for it to be wound up or dissolved or it is otherwise dissolved (other than a voluntary winding up solely for the purpose of a solvent amalgamation or reconstruction); or
 - (v) enters into an arrangement, compromise or composition in satisfaction of its debts with its creditors or any class of them or takes steps to obtain a moratorium or making an application to a court of competent jurisdiction for protection of its creditors;
- (b) a partnership, that it is dissolved by reason of the bankruptcy of one or more of its partners;
- (c) an individual, that he is bankrupt; and
- (d) a Party based outside Ireland, that it is considered insolvent by the laws applicable to that Party;

“**JLL**” means Jones Lang LaSalle Limited of Styne House, Hatch Street Upper, Dublin D02 DY27, registered in Ireland with company number 285474 and/or any Affiliate of JLL that provides the Services to the Client;

“**Materials**” means all materials, equipment, documents and other property of JLL made available to the Client by JLL in carrying out the Services;

“**Party**” means either the Client or JLL (as the context requires) and “**Parties**” shall mean both of them;

“**Services**” means the Services set out in the Engagement or as otherwise agreed in writing between the Parties;

“**Terms**” means these terms and conditions.

2.2. Unless the context otherwise requires, words in the singular shall include the plural and, in the plural, shall include the singular.

2.3. A reference to a statute or statutory provision is a reference to it as it is in force as at the date of the Agreement and shall include all subordinate legislation made as at the date of the Agreement under that statute or statutory provision.

2.4. A reference to writing or written unless otherwise specified herein includes email.

2.5. Any words following the terms including, include, in particular or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

2.6. Headings are for convenience only and do not affect the interpretation of this Agreement.

3. SERVICES

3.1. JLL shall provide the Services using reasonable care and skill.

3.2. JLL has no obligation to provide any services other than the Services and has no obligation to provide nor any liability for:

- (a) an opinion on the price of a property (unless specifically agreed in writing);
- (b) any advice regarding the condition of a property (unless specifically agreed in writing);

(c) the security or management of a property unless specifically instructed to arrange it;

(d) the safety of any third party entering any premises; or

(e) the management or payment of any third party suppliers.

3.3. Where the Parties have agreed that JLL shall carry out estate agency business, JLL shall (i) report in writing all offers it receives regarding the relevant property; and (ii) comply with its obligations under the Property Services (Regulation) Act 2011 and regulations made under that Act together with any other similar laws and regulations.

3.4. Where agreed in writing JLL shall use reasonable endeavours to meet any performance dates. JLL shall not be responsible for any failure to meet performance dates due to causes outside its reasonable control and time shall not be of the essence for performance of the Services.

3.5. JLL shall have the right to make any changes to the Services which are necessary to comply with any applicable law, regulation, safety or public health requirement, or any applicable government guidance which do not materially affect the nature or quality of the Services and JLL shall notify the Client in any such event.

3.6. Without prejudice to clause 9.2(b), JLL will take all appropriate steps to identify, prevent or manage a conflict of interest that may arise in the course of business. In the event that an actual or potential conflict of interest is identified, JLL will recommend a course of action.

3.7. JLL may use artificial intelligence, including generative artificial intelligence, when providing the Services.

4. CLIENT OBLIGATIONS

4.1. The Client shall:

immediately notify JLL if any details or requirements set out in the Engagement are incomplete or inaccurate;

(a) co-operate with JLL in all matters relating to the Services;

(b) provide JLL, its employees, agents, consultants and subcontractors, with access to the relevant property as reasonably required by JLL to provide the Services; and

- (c) obtain and maintain all necessary licences, permissions and consents which may be required by the Client before the date on which the Services are to start.
- 4.2. The Client shall promptly provide JLL with such information and materials as it may reasonably require in order to supply the Services and warrants that:
 - (a) such information is complete and accurate and was obtained and prepared in accordance with all applicable laws;
 - (b) it shall ensure that where the information and material include representations or descriptions of a property, that such information and material contain no misrepresentation or false impression;
 - (c) where the Client will advertise a property under JLL's logo, that such advertisement (including its content and context in which it will appear) is approved in writing by JLL prior to its publication; and
 - (d) it shall immediately notify JLL on becoming aware of any changes or issues that may render inaccurate any information or material provided to JLL.
- 4.3. In the event of any act or omission by the Client in breach of the Agreement or failure by the Client to perform any relevant obligation (Client Default):
 - (a) JLL shall without limiting its other rights or remedies have the right to suspend performance of the Services until the Client remedies the Client Default, and to rely on the Client to relieve JLL from the performance of any of its obligations to the extent the Client Default prevents or delays JLL's performance of any of its obligations; and
 - (b) JLL shall not be liable for any costs or losses sustained or incurred by the Client arising directly or indirectly from the Client Default.
- 4.4. The Client is responsible for effecting and maintaining adequate property and public liability insurance in relation to its activities and any relevant properties owned or occupied by it and shall be responsible for the safety of any person entering the relevant properties.

- 4.5. Where the Client constitutes more than one legal person, the liability of such persons shall be joint and several.

5. PAYMENTS

- 5.1. Whenever possible, the fees and expenses (if known) for the Services shall be as set out in the Engagement. Where fees and expenses for the Services are not specified in writing, JLL shall be entitled to the fee specified by the Royal Institution of Chartered Surveyors (RICS) or if there is none specified, by any other applicable professional body chosen by JLL (acting in a reasonably commercial manner) or, if none is specified, a fair and reasonable fee by reference to time spent delivering the Services; and reimbursement of any expenses properly incurred by JLL on the Client's behalf.
- 5.2. All amounts payable by the Client under the Agreement are exclusive of value added tax (VAT) or similar taxes which the Client shall pay at the applicable rate.
- 5.3. In consideration of the provision of the Services, the Client shall pay each invoice submitted by JLL in accordance with the Agreement within 30 days from the date of invoice.
- 5.4. If the Client fails to settle any payment due to JLL under the Agreement by the due date for payment, then JLL reserves the right to charge late payment interest after the due date on the overdue amount at the rate of 4 per cent per annum above the Euribor base rate from time to time. Such interest shall accrue on a daily basis from the due date until actual payment of the overdue amount, whether before or after judgment. The Client shall pay the interest together with the overdue amount.
- 5.5. If the Agreement is terminated prior to the Services being completed, JLL shall, without limitation to its other rights and remedies under this Agreement or at law, be entitled to receive from the Client a reasonable fee proportionate to the part of the Services performed to the date of termination.

6. INTELLECTUAL PROPERTY RIGHTS

- 6.1. All intellectual property rights in or arising out of or in connection with the Services including the intellectual property rights in Materials shall be owned by JLL unless otherwise expressly agreed in writing. For this purpose "**intellectual property rights**" means patents, utility models, rights

to inventions, copyright and related rights, trademarks and service marks, trade names and domain names, trade secrets, rights in get-up, goodwill and the right to sue for passing off or unfair competition, rights in designs, rights in computer software, database rights, rights to preserve the confidentiality of information (including know-how and trade secrets) and any other intellectual property rights, including all applications for (and rights to apply for and be granted), renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist, now or in the future, in any part of the world.

6.2. The Client shall have an irrevocable, royalty-free, non-exclusive licence to use the Materials for the purposes for which they are prepared by JLL, subject to JLL having received full payment for the Services in accordance with the Agreement. Such licence shall be capable of sub-licence by the Client to its employees, agents and subcontractors and shall survive termination. No third party has any right to use any such Materials without JLL's specific consent. JLL shall not be liable for the use of any Material for any purpose other than that for which JLL provided it to the Client.

6.3. The Client shall retain intellectual property rights in the Client's Materials provided to JLL in the scope of the Services or in upload to any software or platform provided by JLL under the Agreement ("Client Data"). The Client shall grant to JLL a perpetual, irrevocable, worldwide, royalty-free, non-exclusive, sub-licensable licence to use, reproduce and make derivative works of the Client Data for the purpose of carrying out the Services. In addition, JLL may use Client Data to make derivative works as long as such data is aggregated and anonymised ("Aggregated Data") and JLL owns all rights, title and interest in the Aggregated Data.

7. CONFIDENTIALITY

7.1. A Party (receiving party) shall keep in strict confidence all technical or commercial know-how, processes or initiatives which are of a confidential nature and have been disclosed to the receiving party by the other Party (disclosing party), their Affiliates and their employees, agents or subcontractors, and any other confidential information concerning the disclosing party's business, its products and services which the receiving party may obtain. The receiving party shall ensure that such Affiliates, employees, agents and subcontractors comply with the obligations set out in this clause as though they

were a party to the Agreement. The receiving party may disclose such of the disclosing party's confidential information as is required to be disclosed by law, any governmental or regulatory authority or by a court of competent jurisdiction, or with the consent of the disclosing party. JLL may remove, or arrange for the removal of, names and any other identifiers from confidential information and then use such anonymised information, including Aggregated Data, for lawful purposes chosen at its discretion.

7.2. Where JLL delivers services to or is approached to deliver services to another party JLL shall not be required to use or disclose to the Client any information known to JLL, which is confidential to another party.

8. LIABILITY

8.1.

(a) JLL shall under no circumstances whatsoever be liable, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, for any loss of profit, loss of revenue or loss of anticipated savings, or for any indirect, special or consequential loss arising out of or in connection with the Agreement and/or the Services;

(b) JLL's total liability in respect of all losses arising out of or in connection with the Agreement and/or the Services, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, shall not exceed €7.5 million.

(c) nothing in the Agreement limits any liability which cannot legally be limited, including but not limited to, liability for: death or personal injury caused by negligence; or fraud or fraudulent misrepresentation

8.2. JLL shall have no liability for the consequences, including delay in or failure to provide the Services:

(a) due to any failure by the Client or any representative or agent of the Client to provide information or other material that JLL reasonably requires promptly, or where that information or material provided is inaccurate or incomplete;

(b) to the extent that the Client or someone on the Client's behalf for whom JLL is not responsible is responsible, and where JLL is one of the parties liable in conjunction with others, JLL's liability shall be limited to the share of loss reasonably attributable to JLL

on the assumption that all other parties pay the share of loss attributable to them (whether or not they do); or

- (c) due to any failure by the Client or any representative or agent of the Client to follow JLL's advice or recommendations.

8.3. JLL owes no duty of care and has no liability to anyone but the Client unless specifically agreed in writing by JLL.

9. TERMINATION

9.1. Without limiting its other rights or remedies, either Party may terminate the Agreement by giving the other Party 28 days' written notice.

9.2. Without limiting its other rights or remedies, either Party may terminate the Agreement with immediate effect by giving written notice to the other Party if:

- (a) the other Party commits a material breach of the Agreement and (if such a breach is remediable) fails to remedy that breach within 14 days of that Party being notified in writing to do so;
- (b) a conflict of interest arises which prevents JLL continuing to act for the Client; or
- (c) the other Party becomes Insolvent.

9.3. Without limiting its other rights or remedies, JLL may suspend provision of the Services under the Agreement or any other contract between the Client and JLL if the Client becomes Insolvent, or JLL reasonably believes that the Client is about to become Insolvent, or if the Client fails to pay any amount due under the Agreement on the due date for payment.

9.4. On termination of the Agreement for any reason:

- (a) the Client shall immediately pay to JLL all of JLL's outstanding unpaid invoices and interest and, in respect of Services supplied but for which no invoice has been submitted and associated expenses, JLL shall submit an invoice, which shall be payable by the Client immediately on receipt;
- (b) the Client shall return any Materials which have not been fully paid for;
- (c) JLL may, to comply with legal, regulatory or professional requirements, keep one copy of all Material which is what was supplied by or on behalf of the Client in relation to the Services;

- (d) the accrued rights, remedies, obligations and liabilities of the Parties as at expiry or termination shall be unaffected, including the right to claim damages in respect of any breach of the Agreement which existed at or before the date of termination or expiry; and

- (e) clauses which expressly or by implication survive termination in full force and effect.

9.5. JLL may destroy any hard copy and electronic files it has in its possession after six years from the earlier of completion of the Services or termination of the Agreement.

10. DATA PROTECTION

10.1. JLL (including third parties as described in our Privacy Statement available at www.jll.ie) may process in hard copy and/or in electronic form, personal data regarding the Client, its officers and any other individuals connected with the Client ('Client Contacts'). It may also verify the identity of Client Contacts including carrying out checks with third parties such as financial probity, anti-money laundering or sanctions-checking agencies. To facilitate compliance with money laundering regulations and avoid duplication of due diligence, the Client acknowledges that JLL may share Client contacts' personal data with such third party agencies and JLL Affiliates.

10.2. Unless the Agreement and factual arrangements dictate otherwise, as between the Parties for the purposes of the Agreement, the Client is deemed to be the controller and JLL is deemed to be the processor. The Client will ensure that any transfer of personal data to JLL (and any sub-processors under clause 10.11) complies with the Data Protection Legislation. In providing the Services, JLL in its role as processor shall comply with the Data Protection Legislation as it relates to data processors. Nothing within the Agreement relieves either Party of its own direct responsibilities and liabilities under the Data Protection Legislation.

10.3. JLL shall not process personal data other than in relation to the documented instructions of the Client, unless it is required to process the personal data by any law to which it is subject. In such a case JLL shall inform the Client of that legal requirement before complying with it, unless that law prohibits JLL from doing so.

10.4. JLL shall ensure that it and any third party with access to the personal data has appropriate technical and organisational security measures in place, to guard against the unauthorised or unlawful processing of personal data and against the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, the personal data. Upon a written request, JLL

shall provide to the Client a general description of the security measures it has adopted.

- 10.5. JLL shall take reasonable steps to ensure any person that has access to personal data is made aware of their responsibilities, and subject to enforceable duties of confidentiality.
- 10.6. JLL shall notify the Client without undue delay if it:
 - 10.6.1 receives a request for access from an individual, or a request relating to any of the other individuals' rights available under the Data Protection Legislation, in respect of personal data;
 - 10.6.2 receives any enquiry or complaint from a data subject, supervisory authority or third party regarding the processing of the personal data; and
 - 10.6.3 becomes aware of a personal data breach affecting personal data, unless the breach is unlikely to result in a risk to the rights and freedoms of data subjects.
- 10.7. JLL shall assist and provide all information reasonably requested in writing by the Client in relation to data protection impact assessments or 'prior consultation' with supervisory authorities or matters under clause 10.6.
- 10.8. JLL shall maintain all the records and information necessary to demonstrate its compliance with the requirements set out in this clause 10.
- 10.9. JLL shall allow the Client (or its appointed auditor) to audit JLL's compliance with this clause 10. The Client agrees to give reasonable notice of any audit, to undertake any audit during normal business hours, to take steps to minimise disruption to JLL's business, and not exercise this right of audit more than once every year unless instructed otherwise by a supervisory authority.
- 10.10. JLL shall, upon receipt of a written request, from the Client delete or return all personal data at the end of the provision of the Services. JLL may retain copies of the personal data in accordance with any legal or regulatory requirements, or any guidance that has been issued in relation to deletion or retention by a supervisory authority
- 10.11. JLL shall only engage a sub-processor where:
 - 10.11.1 the Client has agreed in writing to the engagement of the sub-processor; or
 - 10.11.2 the sub-processor is an Affiliate of JLL or a service provider engaged by JLL to support the infrastructure and administration of its business (with details maintained at

<https://www.jll.co.uk/en/sub-processors>).

- 10.12. JLL shall ensure that any arrangements between JLL and a sub-processor are governed by a written contract including terms which offer at least the same level of protection for personal data as those set out in this clause. Where JLL intends to engage a new sub-processor under 10.11.2 and the Client objects, then the Client may choose to terminate the Services in accordance with clause 9.
- 10.13. In accordance with clause 12.1, JLL shall remain liable for the acts and omissions of its sub-processors.
- 10.14. JLL shall only transfer personal data outside the European Economic Area where it has ensured the transfer complies with the Data Protection Legislation.

11. FORCE MAJEURE

- 11.1. Neither Party shall be liable to the other Party as a result of any delay or failure to perform its obligations under the Agreement as a result of any event beyond the reasonable control of either Party including strikes, lock-outs or other industrial disputes (whether involving the workforce of JLL or any other party), failure of a utility service or transport network, act of God, war, riot, civil commotion, malicious damage, an international, national or regional emergency has been declared, a period of quarantine recommended or imposed by any applicable government, epidemic, pandemic, public health emergency, compliance with any law or governmental order, rule, regulation or direction, accident, breakdown of plant or machinery, fire, flood, storm or default of suppliers or subcontractors.
- 11.2. If such an event prevents either Party from performing any of their obligations under the Agreement for a period of more than four weeks, the affected Party shall, without limiting their other rights or remedies, have the right to terminate the Agreement immediately by giving written notice to the Party.
- 11.3. This clause does not apply to the payment of fees or expenses due to JLL by the Client.

12. GENERAL

- 12.1. **Subcontracting.** JLL may subcontract or deal in any other manner with all or any of its rights or obligations under the Agreement to any third party or agent provided that:
 - (i) where JLL subcontracts or delegates its obligations at the specific request of the Client, JLL shall have no liability for the acts or omissions of the third party or agent; and

- (ii) otherwise, JLL shall remain liable for the acts or omissions of the third party or agent, unless the Client agrees to rely only on the third party or agent, such agreement not to be unreasonably withheld.

12.2. Notices.

- (a) Any notice or other communication, including the service of any proceedings or other documents in any legal action given to a Party under or in connection with the Agreement shall be in writing, addressed to that Party at its registered office (if it is a company) or its principal place of business (in any other case) or such other address as that Party may have specified to the other Party in writing in accordance with this clause, and shall be delivered personally or sent by registered post or commercial courier. Any notice or other communication sent to a Party located in a different country to the sending Party must be sent by commercial courier;
- (b) A notice or other communication shall be deemed to have been received: if delivered personally, when left at the address referred to in clause 12.2.a); if sent by registered post at 9.00 am on the second business day after posting; or if sent by commercial courier, on the date and at the time that the courier's delivery receipt is signed. For this purpose, a business day means a day (other than a Saturday or Sunday) on which banks are open for business in Ireland.

12.3. Severance.

- (a) If any provision or part-provision of the Agreement is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of the Agreement;
- (b) If any provision or part-provision of the Agreement is invalid, illegal or unenforceable, the Parties shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable, and, to the greatest extent possible, achieves the intended commercial result of the original provision.

12.4. Waiver. A waiver of any right under the Agreement or law is only effective if it is in writing and shall not

be deemed to be a waiver of any subsequent breach or default. No failure or delay by a Party in exercising any right or remedy provided under the Agreement or by law shall constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict its further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.

12.5. No Partnership or Agency. Nothing in the Agreement is intended to, or shall be deemed to, establish any partnership or joint venture between the Parties, nor constitute either Party the agent of the other for any purpose. Neither Party shall have authority to act as agent for, or to bind, the other Party in any way.

12.6. Third parties. A person who is not a Party to the Agreement shall not have any rights to enforce its Terms unless specifically agreed in writing.

12.7. Variation. Except as set out in these Terms, no variation of the Agreement, including the introduction of any additional terms and conditions, shall be effective unless it is agreed in writing and signed by both parties.

12.8. Protection of Employees. Save in respect of fraud or criminal conduct no employee of JLL or any Affiliate has any personal liability to the Client nor

to anyone representing the Client. Neither the Client nor anyone representing the Client may make a claim or bring proceedings against an employee or former employee personally.

12.9. Directors. Some employees of JLL have the title of "director". The Client acknowledges that this does not mean they hold the office of director for the purposes of the Companies Act, 2014. Rather, it means that they hold a senior role as an employee of JLL.

12.10. Complaints. JLL's complaints procedure is available on request.

12.11. Publicity. Neither Party may publicise or issue any specific information to the media about the Services or the Agreement's subject matter without the consent of the other.

12.12. Criminal Activity. To comply with the law and professional rules on suspected criminal activity JLL is required to verify the identity of its clients and understand their business. Upon request, the Client will promptly provide to JLL evidence of the Client's identity, management or ownership. Where JLL is required by law to obtain similar evidence for another party to a transaction, the Client will provide all reasonable assistance to obtain such evidence. JLL may also need to provide such evidence to

another party's agents and the Client consents to the release of such information. If a Party fails to provide such evidence the transaction and Services may not be able to proceed. JLL is required by law to report to the appropriate authorities any knowledge or suspicion of money laundering or terrorist financing. JLL may be unable to inform the Client of any disclosure and may have to stop the Services for a period of time without explanation

- 12.13. **Regulated Activity.** JLL is not permitted to carry out any activity regulated by the Central Bank of Ireland including the insurance of property, except through an authorised person and in accordance with a separate agreement. Unless JLL specifically agrees otherwise in writing, no communication by JLL is intended to be, or should be construed as, an invitation or inducement to any person to engage in investment activity for the purposes of the European Communities (Markets in Financial Instruments) Regulations 2000, or as the approval of any communication of any such invitation or inducement.
- 12.14. **Anti-bribery and corruption.** Both parties shall comply with all applicable laws, statutes, regulations, relating to anti-bribery and anti-corruption
- 12.15. **RICS.** JLL is regulated by RICS for the provision of valuation services. This means we agree to uphold the RICS Rules of Conduct for Firms and all other applicable mandatory professional practice requirements of RICS, which can be found at www.rics.org. As an RICS regulated firm JLL has committed to cooperate with RICS to ensure compliance with its standards. JLL's nominated RICS Responsible Principal is Pauline Daly, Head of Irish Valuation Advisory Services: emeacompliance@eu.jll.com.
- 12.16. **Governing Law.** The Agreement and any disputes arising from it (including non-contractual claims and disputes) are governed by Irish Law.
- 12.17. **Jurisdiction.** Each Party irrevocably agrees that the courts of Ireland shall have exclusive jurisdiction over any dispute or claim arising out of or in connection with this agreement or its subject matter or formation (including non-contractual disputes or claims).
- 12.18. **Language.** These Terms are provided in English and JLL will communicate with the Client in English.
- 12.19. **Survival.** Clauses 5 to 10 shall survive termination of the Agreement.

APPENDIX 2

General Principles: EMEA

Adopted in the preparation of Valuations and Reports

These General Principles should be read in conjunction with JLL's General Terms and Conditions of Business except insofar as this may conflict with other contractual arrangements.

Unless the Letter of Engagement states otherwise, we will follow:

1. COMPLIANCE WITH REGULATIONS AND VALUATION STANDARDS:

a) RICS Valuation - Global Standards

The current edition of the RICS Valuation – Global Standards published by the Royal Institution of Chartered Surveyors (RICS) and incorporating the International Valuation Standards (together the RICS Red Book). Valuations are undertaken by RICS Registered Valuers who have sufficient current knowledge of the particular market and sufficiently developed skills and understanding to undertake the valuation competently and are in a position to provide objective and unbiased valuation advice.

b) International Valuation Standards (IVS)

The standards of the International Valuation Standards Council (IVSC), which are aligned with the definition and interpretation of the Market Value as defined by the RICS and consistent with the concept of Fair Value as defined in the International Financial Reporting Standards.

c) Local Regulation / Standard

Local Regulations / standards, further details of which are set out in the Letter of Engagement under the heading Regulatory Compliance.

2. VALUATION BASIS:

Our engagement letters and reports state the purpose of the valuation and unless otherwise noted, the basis of valuation is defined by the relevant valuation standards. The definition of the basis which we adopt is set out in the Letter of Engagement and in our report.

3. ASSUMPTIONS AND SPECIAL ASSUMPTIONS:

Where we make an 'assumption' or 'special assumption' in arriving at our valuations, we adopt these terms as specified in the RICS Red Book as follows:

Assumption: A supposition taken to be true. It involves facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, do not need to be verified by the valuer as part of the valuation process.

Special Assumption: A special assumption is made by the valuer where an assumption either assumes facts that differ from those existing at the valuation date or that would not be made by a typical market participant in a transaction on that valuation date. Special assumptions may only be made if they can reasonably be regarded as realistic, relevant and valid for the particular circumstances of the valuation.

4. DISPOSAL COSTS TAXATION AND OTHER LIABILITIES:

No allowances are made for any expenses of realisation, or for taxation which might arise in the event of a disposal. All property is considered to be free and clear of all mortgages or other charges which may be secured thereon.

Purchaser's costs are recognised in accordance with local market conventions.

No allowances are made for any potential impact of pending legislation.

Valuations are prepared and expressed exclusive of VAT payments, unless otherwise stated.

5. SOURCES OF INFORMATION:

All information provided by you, your agents or other representatives is assumed to be accurate, complete, up to date, and reliable, and that no material information affecting our valuations has been withheld. We do not accept any liability for either the accuracy or the completeness of this information. We are neither obliged to confirm the completeness and correctness of the information provided nor to examine any original documentation for the same purpose.

In respect of valuations for loan security purposes, commissioned by a lending institution, we may also rely on information provided to us by the Borrower or its advisors. In such cases, we assume that all information is correct, complete, up-to-date and can be relied upon and that no pertinent information is withheld.

Where there are limitations on the information which is available, the valuation is provided on a restricted basis. Consequently, whilst we undertake our due diligence carefully and professionally, less certainty and a higher degree of caution should be attached to our valuation than would normally be the case.

6. DOCUMENTATION/ TITLE AND TENANCY INFORMATION:

We do not normally read leases or documents on title. We assume, unless informed to the contrary, that each property has a good and marketable title, that all documentation is satisfactorily drawn and that there are no encumbrances, restrictions, easements or other outgoing of an onerous nature, which would have a material effect on the value of the interest under consideration, nor material litigation pending. Where we are provided with documentation, reliance should not be placed on our interpretation without verification by your lawyers. We assume that all information provided by the client, or its agents, is correct, up to date and can be relied upon.

7. TENANTS:

Although we reflect our general understanding of a tenant's status in our valuations, enquiries as to the financial standing of actual or prospective tenants are not normally made unless specifically requested. It is assumed that, unless we are informed otherwise, where properties are valued with the benefit of lettings the tenants are capable of meeting their financial obligations under the lease and that there are no arrears of rent or undisclosed breaches of covenant.

8. MEASUREMENTS/FLOOR AREAS:

We will generally rely on floor areas provided to us, which we assume have been properly measured in accordance with either:

- a) the International Property Measurement Standards (IPMS), or
- b) the Code of Measuring Practice (6th Edition) issued by the Royal Institution of Chartered Surveyors, except where we specifically state that we have relied on another source, or
- c) local practice/standards

Where we measure floor areas, the areas adopted are purely for the purpose of assisting us in forming an opinion of capital value. They should not be relied upon for other purposes nor shared with or used by other parties without our written authorisation.

9. SITE AREAS:

Site areas are generally calculated using proprietary digital mapping software and are based on the site boundaries indicated to us either at the time of our inspection, or on plans supplied to us. No responsibility is accepted if the wrong boundaries are indicated to us.

10. MARKET RENTS:

Our assessment of rental values is formed purely for the purposes of assisting in the formation of an opinion of capital value and generally on the basis of Market Rent, as defined in the current International Valuation Standards. Where circumstances dictate that it is necessary to utilise a different rental value in our capital valuation, we will set out the reasons for this in our report. Market Rent does not necessarily represent the amount that might be agreed by negotiation, or determined by an Expert, Arbitrator or Court, at rent review or lease renewal or the figure that might be obtained if the property or unit were being let on the open market.

11. TOWN / LOCAL PLANNING, ACTS OF PARLIAMENT AND OTHER STATUTORY REGULATIONS:

Wherever possible, information on planning is obtained either verbally from local planning authority officers or publicly available electronic or other sources. Information obtained is purely to assist us in forming an opinion of capital value and should not be relied upon for other purposes. If reliance is required, we recommend that verification be obtained from lawyers that:

- I. the position is correctly stated in our report,
- II. the property is not adversely affected by any other decisions made, or conditions prescribed, by public authorities, and
- III. that there are no outstanding statutory notices.

Our valuations are prepared on the basis that the premises (and any works thereto) comply with all relevant statutory and European Commission regulations, including enactments relating to fire regulations and relevant jurisdictional information provided.

12. STRUCTURAL SURVEYS:

We do not carry out a structural survey, nor do we test the services and therefore, do not give any assurance that any property is free from defect. Otherwise, we assume that each building is structurally sound and that there are no structural, latent or other material defects. Unless stated otherwise in our reports we assume any tenants are fully responsible for the repair of their demise either directly or through a service charge.

If our valuation includes a property or a part of a property that has not been completed at the date of inspection, we assume that this property or part of a property has been or will be completed free from structural and technical deficiencies.

13. DELETERIOUS MATERIALS:

We do not normally carry out or commission investigations on site to ascertain whether any building was constructed or altered using deleterious materials or techniques (including, by way of example high alumina cement concrete, woodwool as permanent shuttering, calcium chloride or asbestos). Unless we are otherwise informed, our valuations are on the basis that no such materials or techniques have been used.

14. SITE CONDITIONS:

We do not normally carry out or commission investigations on site in order to determine the suitability of ground conditions and services for the purposes for which the ground is intended to be used. We do not undertake archaeological, ecological or environmental surveys. Unless we are otherwise informed, our valuations are reported on the basis that these aspects are satisfactory and that, where development is contemplated, no extraordinary expenses, delays or restrictions will be incurred during the construction period due to these matters.

15. ENVIRONMENTAL CONTAMINATION:

Unless expressly instructed, we do not carry out or commission site surveys or environmental assessments, or investigate historical records, to establish whether any land or premises are, or have been, contaminated. Therefore, unless advised to the contrary, our valuations are carried out on the basis that properties are not affected by environmental contamination. However, should our site inspection and further reasonable enquiries during the preparation of the valuation lead us to believe that the land is likely to be contaminated we will discuss our concerns with you.

16. INSURANCE:

Unless expressly advised to the contrary, we assume that appropriate cover for property, public liability, terrorism, damage by flood and rising water is, and will continue to be, available on commercially acceptable terms.

17. OUTSTANDING DEBTS:

In the case of property where construction works are in hand, or have recently been completed, we do not normally make allowance for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favour of contractors, subcontractors or any members of the professional or design team.

18. CONFIDENTIALITY AND THIRD-PARTY LIABILITY:

Our Valuations and Reports are confidential to the party to whom they are addressed and for the specific purpose to which they refer, and no responsibility whatsoever is accepted to any third parties. Neither the whole, nor any part, nor reference thereto, may be published in any document, statement or circular, or in any communication with third parties, without our prior written approval of the form and context in which it will appear.

19. STATEMENT OF VALUATION APPROACH:

We are required to make a statement of our valuation approach, and the specific approach(s) adopted is confirmed in the Letter of Engagement. The following provides a summary of our approaches:

Income Approaches:

The Discounted Cash Flow (DCF) valuation method involves projecting estimated cash flows over an assumed investment holding period, plus a terminal value at the end of that period, usually arrived at on a conventional All

Risks Yield (“ARY”) basis. The cash flow is then discounted back to the present day at an appropriate discount rate that reflects both market and property specific risks.

To arrive at the estimated net cash flow, we reflect the investment’s specific leasing pattern (or other sources of income generation, where for example there are no leases as such) including rent reviews, lease renewals or re-lettings on lease expiry, void costs while parts of the property are vacant, non-recoverable outgoings and anticipated capital outlays (for example on refurbishment or upgrade). We apply explicit growth assumptions to the income and costs in line with market derived forecasts.

For properties valued having regard to their trading potential, we have regard to the future revenues and costs associated with the operation of the property, in line with market practice.

The terminal value reflects our projection of future income at the assumed exit date taking account of such factors as implicit, anticipated rental growth, the unexpired term and the reversionary nature of any leases. The assumed exit date should reflect market practice, which will vary between sectors; and have regard to the economic life of the asset.

The traditional investment method involves the application of a capitalisation rate, as a multiplier, against the current and, if any, reversionary income streams. Following market practice, we construct our valuations adopting ‘hardcore’ methodology where the reversions are generated from regular short-term uplifts of market rent. We would normally apply a term and reversion approach where the next event is one which fundamentally changes the nature of the income or characteristics of the investment. Where there is an actual exposure to, or a risk of, irrecoverable costs, including those of achieving a letting, an allowance is reflected in the valuation.

Where land is vacant or held for development, we adopt the comparison method where possible and when there is relevant evidence. We may use the residual method, particularly on more complex and bespoke proposals. The **residual method** is a hybrid of the market approach, the income approach and the cost approach. This is based on the completed “gross development value”, the deduction of development costs along with the developer’s return to arrive at the residual value of the development property / land.

Market Approach:

Vacant buildings may be valued and analysed using any of the above methodologies and also by using the **comparison method** having regard to other capital value transactions where applicable.

Cost Approach:

Depreciated replacement cost (DRC) method assesses the current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimisation.

20. CAPITAL EXPENDITURE REQUIREMENT:

Where buildings are undergoing works, such as refurbishment or repairs, or where developments are in progress, we rely upon cost information supplied to us by the client or their appointed specialist advisors.

21. GOODWILL, FIXTURES AND FITTINGS:

Unless otherwise stated our valuations exclude any additional value attributable to goodwill, or to fixtures and fittings which are only of value, in situ, to the present occupier.

22. PLANT AND MACHINERY:

No allowance is made for any plant, machinery or equipment unless it forms an integral part of the building and would normally be included in a sale of the building.

23. SERVICES:

We do not normally carry out or commission investigations into the capacity or condition of services. Therefore, we assume that the services, and any associated controls or software, are in working order and free from defect. We also assume that the services are of sufficient capacity to meet current and future needs.

24. LAND AND BUILDING APPORTIONMENTS:

When instructed, we will provide apportionments between land and buildings for depreciation purposes only. Such apportionments are not valuations and should not be used for any other purpose unless specified in the report.

25. PORTFOLIO VALUATIONS:

In respect of valuations of portfolios of properties, our overall valuation is an aggregate of the individual values of each individual property. The valuation assumes, therefore, that each property would be marketed as an individual property and not as part of a portfolio. Consequently, no portfolio premium or discount is reflected and any consequence of marketing a range of individual properties together is not reflected in our valuations, unless specifically stated.

26. TAXABLE VALUE / RATING:

Any information regarding taxable value / rating is generally obtained from public websites and databases. We do not investigate whether any taxable value / rating assessment is a fair assessment or consider the likelihood of an appeal being successful.

27. PLANS AND MAPS:

All plans and maps included in our report are strictly for identification purposes only and, whilst believed to be correct, are not guaranteed and must not form part of any contract. All are published under licence and may include mapping data.

28. REPORTING DATES:

We assume that there are no material changes in circumstances between the date of inspection and the valuation date. Should the valuer be made aware of any material changes that occurs after inspecting the property these are taken into account in the valuation.

We assume that there are no material changes in circumstances between the valuation date and the reporting date. Should the valuer be made aware of any material changes before the final report has been issued this will be discussed with the client and commented on in the report where appropriate.

29. SUSTAINABILITY / ENVIRONMENTAL, SOCIAL AND GOVERNANCE FACTORS

We consider significant Environmental, Social and Governance (ESG) factors as part of the Instruction, which is assessed by a valuer and not a technical ESG expert. The valuation and/or report does not constitute an ESG risk assessment or ESG rating.

Should you require formal strategic advice on ESG factors, this would be subject to a separate instruction and we will refer you to JLL's Risk Advisory team.

30. HOTELS (if relevant):

Hotels and certain similar properties are usually sold as fully operational entities, including trade fixtures, fittings, furniture, furnishings and equipment. The new owner will normally engage the existing staff and sometimes the management and would expect to take over the benefit of future bookings, which are an important feature of the continuing operation.

Accordingly, our valuations assume that the hotel is open for business and trading up to the date of sale. Unless stated to the contrary, it is assumed that it has the benefit of all necessary licences, consents, registration certificates and permits, as appropriate (including fire certificates), and that they can be renewed. Consumable stocks are excluded from the valuation of the property.

Fixtures, fittings, furniture and stock are taken into account as apparent on inspection (or otherwise indicated to us) on the basis that the hotel is suitably equipped for the satisfactory continuation of the business and that all such furniture, fittings and equipment will be included in any sale.

Unless informed to the contrary, we assume that no particular value attaches to any item of furniture or work of art and also that all furniture, fittings and equipment is owned and not subject to any lease arrangement.

In arriving at our valuation, we consider trading accounts for previous years, where they are available and, where appropriate, we have regard to management accounts, forecasts and projections of future trading activity as indicators of future potential. Details of the hotel and its operation are often obtained from the hotel management. Such information is checked where appropriate but is normally accepted as accurate unless contrary indications are received. In the event of a future change in the trading potential or actual level of trade from that indicated by such information and assumptions, the value of the hotel could vary, and could fall as well as rise.

No allowance is made for any contingent tax liabilities or liability to staff (whether relating to redundancy payments, pensions or otherwise) unless expressly stated.

Unless otherwise instructed, we adopt the date of the inspection as the valuation date.

APPENDIX 3

4. Market Value

The definition of Market value is defined in IVS 102 Bases of Value: Appendix A10.01 as:

‘the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.’

- 4.1. Market value is a basis of value that is internationally recognised and has a long-established definition. It describes an exchange between parties that are unconnected and are operating freely in the marketplace and represents the figure that would appear in a hypothetical contract of sale, or equivalent legal document, at the valuation date, reflecting all those factors that would be taken into account in framing their bids by market participants at large and reflecting the highest and best use of the asset. The highest and best use of an asset is defined in IVS 102 Appendix as ‘the use, from a participant perspective, that would produce the highest value for an asset’. It is the use of an asset that maximises its productivity and that is possible, legally permissible and financially feasible – fuller treatment of this basis of value can be found at paragraph A10.04 and section A90 of IVS 102 Bases of Value: Appendix.
- 4.2. It ignores any price distortions caused by *special value* (an amount that reflects particular attributes of an asset that are only of value to a *special purchaser*) or *synergistic value* (*marriage value*). It represents the price that would most likely be achievable for an asset across a wide range of circumstances. Market rent (see section 5) applies similar criteria for estimating a recurring payment rather than a capital sum.
- 4.3. In applying *market value*, the *valuation* amount **must** reflect the actual market state and circumstances as of the effective *valuation date*. The full conceptual framework for market value can be found in section A10 of IVS 102 Bases of Value: Appendix.
- 4.4. Notwithstanding the disregard of *special value*, where the price offered by prospective buyers generally in the market would reflect an expectation of a change in the circumstances of the asset in the future, the impact of that expectation is reflected in *market value*. Examples of where the expectation of additional value being created or obtained in the future may have an impact on the market value include:
 - the prospect of development where there is no current permission for that development and
 - the prospect of synergistic value/marriage value arising from merger with another property or asset, or interests within the same property or asset, at a future date.
- 4.5. The impact on value arising by use of an *assumption* or *special assumption* should not be confused with the additional value that might be attributed to an asset by a *special purchaser*.
- 4.6. In some jurisdictions a *basis of value* described as ‘highest and best use’ is adopted, and this may either be defined by statute or established by common practice in individual countries or states.

A10. IVS Framework

A10.02 The definition of *market value* must be applied in accordance with the following conceptual framework:

- (a) “The estimated amount” refers to a price expressed in terms of money payable for the *asset* in an arm’s length market transaction. *Market value* is the most probable price reasonably obtainable in the market on the valuation date in keeping with the *market value* definition. It is the best price reasonably obtainable by the seller and the most advantageous price reasonably obtainable by the buyer. This estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, special considerations or concessions granted by anyone associated with the sale, or any element of *value* available only to a specific owner or purchaser.
- (b) “An *asset* or liability *should* exchange” refers to the fact that the value of an *asset* or liability is an estimated amount rather than a predetermined amount or actual sale price. It is the *price* in a transaction that meets all the elements of the *market value* definition at the valuation date.
- (c) “On the valuation date” requires that the *value* is time specific as of a given date. Because markets and market conditions may change, the estimated value may be incorrect or inappropriate at another time. The valuation amount will reflect the market state and circumstances as at the valuation date, not those at any other date.

- (d) “Between a willing buyer” refers to one who is motivated, but not compelled to buy. This buyer is neither over-eager nor determined to buy at *any price*. This buyer is also one who purchases in accordance with the realities of the current market and with current market expectations, rather than in relation to an imaginary or hypothetical market that cannot be demonstrated or anticipated to exist. The assumed buyer would not pay a higher *price* than the market requires. The present owner is included among those who constitute “*the market*”.
- (e) “And a willing seller” is neither an over-eager nor a forced seller prepared to sell at any *price*, nor one prepared to hold out for a price not considered reasonable in the current market. The willing seller is motivated to sell the *asset* at market terms for the best price attainable in the open market after proper marketing, whatever that price *may be*. The factual circumstances of the actual owner are not a part of this consideration because the willing seller is a hypothetical owner.
- (f) “In an arm’s length transaction” is one between parties who do not have a particular or special relationship, eg, parent and subsidiary companies or landlord and tenant, that *may* make the price level uncharacteristic of the market or inflated. The *market value* transaction is presumed to be between unrelated parties, each acting independently.
- (g) “After proper marketing” means that the *asset* has been exposed to the market in the most appropriate manner to affect its disposal at the best *price* reasonably obtainable in accordance with the *market value* definition. The method of sale is deemed to be that most appropriate to obtain the best *price* in the market to which the seller has access. The length of exposure time is not a fixed period but will vary according to the type of *asset* and market conditions. The only criterion is that there *must* have been sufficient time to allow the *asset* to be brought to the attention of an adequate number of market *participants*. The exposure period occurs prior to the *valuation date*.
- (h) “Where the parties had each acted knowledgeably, prudently” presumes that both the willing buyer and the willing seller are reasonably informed about the nature and characteristics of the *asset*, its actual and potential uses, and the state of the market as of the *valuation date*. Each is further presumed to use that knowledge prudently to seek the *price* that is most favourable for their respective positions in the transaction.

Prudence is assessed by referring to the state of the market at the *valuation date*, not with the benefit of hindsight at some later date. For example, it is not necessarily imprudent for a seller to sell *assets* in a market with falling prices at a *price* that is lower than previous market levels. In such cases, as is true for other exchanges in markets with changing prices, the prudent buyer or seller will act in accordance with the best market information available at the time.

- (i) “And without compulsion” establishes that each party is motivated to undertake the transaction, but neither is forced or unduly coerced to complete it.
- A10.03. The concept of *market value* presumes a *price* negotiated in an open and competitive market where the participants are acting freely. The market for an *asset* could be an international market or a local market. The market could consist of numerous buyers and sellers, or could be one characterised by a limited number of market *participants*. The market in which the *asset* is presumed exposed for sale is the one in which the *asset* notionally being exchanged is normally exchanged.
- A10.04 The *market value* of an *asset* will reflect its highest and best use (see IVS 102 *Bases of Value*, Appendix A90). The highest and best use is the use of an *asset* that maximises its potential and that is possible, legally permissible and financially feasible. The highest and best use *may* be for continuation of an *asset*’s existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the *asset* when formulating the *price* that it would be willing to bid.
- A10.05 The nature and source of the *valuation inputs must* be consistent with the *basis of value*, which in turn *must* have regard to the valuation *intended use*. For example, various *valuation approaches* and *valuation methods* may be used to arrive at an opinion of value provided they use *observable data*. The market approach will, by definition, use market-derived inputs. To indicate *market value*, the income approach *should* be applied, using *inputs* and assumptions that would be adopted by participants. To indicate *market value* using the cost approach, the *cost* of an *asset* of equal utility and the appropriate adjustments for physical, functional and economic obsolescence *should* be determined by analysis of market-based costs and depreciation.
- A10.06 The *data* available and the circumstances relating to the market for the *asset* being valued *must* determine which *valuation method* or *methods* are most relevant and appropriate. If based on appropriately analysed *observable data*, each *valuation approach* or *valuation method* used should provide an indication of *market value*.
- A10.07 *Market value* does not reflect attributes of an *asset* that are of *value* to a specific owner or purchaser that are not available to other buyers in the market. Such advantages *may* relate to the physical, geographic, economic or legal characteristics of an *asset*. *Market value* requires the disregard of any such element of *value* because, at any given date, it is only assumed that there is a willing buyer, not a particular willing buyer.

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