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V.A.T. Registration number 1108-0503

22nd November 2022

Valuation of Properties:

1. CF Business Centre, Triq Gort, Paceville, St Julians - **perpetual ground rent of two hundred and twenty-two Euro and eighty-four cents (€222.84)** revisable after 100 years from 5th April 1966 and every subsequent 50 years thereafter on the basis of the pound sterling in those future dates compared to its value in the year 1966.
2. Mistral Hotel, Triq Luigi Apap c/w, Trejqet San Gorg, San Giljan, Malta - **Freehold**
3. Scirocco Hotel, Triq Ross, San Giljan, Malta - **Freehold**
4. Levante Hotel, Triq Sant' Andrija, San Giljan, Malta - **Freehold**

1.0 Introduction

1.1 The undersigned, in the capacity of a warranted architect and civil engineer, has been commissioned by CF Estates Finance p.l.c, to carry out a valuation of the properties above mentioned. The detailed valuation report which includes the value of the properties, is submitted herewith. The effective date of the valuation is the 22nd November 2022.

1.2 The valuation is being made without a formal structural or technical assessment. The valuation covers the building as a whole in its current state. The property is being valued on a Market Value basis, as defined by the Royal Institute of Chartered Surveyors ('RICS') Standards, namely, the price at which land and buildings could be sold under private contract between a willing seller and an arm's length buyer on the date of valuation, it being assumed that the property is publicly exposed to the market, that market conditions permit orderly disposal and that a normal period, having regard to the nature of the property, is available for the negotiation of sale. These four properties are situated in St Julians.

1.3 The business centre has been completed whereas the hotels are in the process of being finished and are all covered by the necessary Planning Authority permits.

2.0 General Considerations

2.1 The purpose of the valuation is for inclusion with the Prospectus, to be published in connection with a proposed Public Bond Issue by CF Estates Finance p.l.c. in accordance with the Capital Market Rules published by the Malta Financial Services Authority.

2.2 The valuation has been prepared in accordance with Chapter 7 of the Capital Market Rules, and with the disclosure requirements related to property companies seeking listing on the Malta Stock Exchange.

2.3 This valuation has been prepared solely for the abovementioned purpose and is not suitable for any other use. In accordance with standard practice, neither the whole, nor any part of this valuation, nor any reference thereto, may be included in any document published without the prior written approval of the undersigned for the context in which it may appear.

2.4 The properties included in this Report are divided into two sections, namely;

2.4.1 Property in the course of development to be held for commercial purposes (hotel operations) and;

2.4.2 Property held for investment purposes (rental)

2.5 With reference to my valuation of the properties under the headings 'Property held for Investment' and 'Properties in the course of Development to be held for Operations', I have made the following assumptions in the preparation of my Report:

2.5.1 The buildings are in good state of repair;

2.5.2 All building services installed and associated controls or software are in working order and free from defect;

2.5.3 The property is not contaminated and no contaminative or potentially contaminative uses have ever been carried out on it;

2.5.4 There are no abnormal ground conditions, nor archaeological remains present which might adversely affect the present or future occupation, development or value of the property;

2.5.5 All buildings have been erected either prior to planning control or in accordance with planning permissions and have the benefit of permanent planning consents or existing use rights for their current use;

2.5.6 This valuation is based solely on visual observations made during my inspections and does not consider hidden defects in the structure, finishes and equipment and services in the premises;

2.5.7 The property complies with all applicable laws and regulations, including those relating to health and safety;

2.5.8 Only relatively minor costs will be incurred if any modification or alteration is necessary in order for the property to comply with the provisions of relevant disability and access laws;

2.5.9 In so far as the property is rented to third parties, there are no tenants' improvements that will materially affect my opinion of the rent that would be obtained on review or renewal;

2.5.10 In so far as the property is rented to third parties, the current trade-related use of the property will continue throughout the period of the lease;

2.5.11 The property is, in all respects, insured against all usual risks at normal, commercially acceptable premia;

2.5.12 The property constitutes a fully equipped operational entity which has in place, and will continue to have over the period of the lease (if applicable), all the necessary licenses and other enablers required to continue trading.

2.5.13 In so far as the properties are operated as hotels, the current trade-related use of the properties will continue for at least fifty (50) years;

2.5.14 The properties are, in all respects, insured against all usual risks at normal, commercially acceptable premia;

2.5.15 The properties have in place, and will continue to have in place, all the necessary permits, and, upon completion will procure all the necessary licenses and other enablers required to continue trading.

2.5.6 The valuation is based on the assumptions that the properties will only be encumbered by privileges and hypothecs necessary for their financing and operation. Any other mortgages, and / or other bank loans and facilities are not considered in this valuation. The details of effective mortgages and privilege are referred to in Annex 1 of this report.

2.5.7 The valuation does not reflect any liability to tax, stamp duty and any other transaction costs arising on the disposal or acquisition of the properties.

2.5.8 All measurements, areas and ages quoted in my report are approximate.

2.5.9 Scirocco Hotel and Levante Hotel are owned by Ratcon, whilst Mistral Hotel is owned by Mistral. Scirocco Hotel, Levante Hotel and Mistral Hotel are three-star hotels, and will operate 37 rooms, 19 rooms and 51 rooms respectively. All three hotels will be operated directly by Ratcon and Mistral and managed by Meliã once they commence operations, which is envisaged to be April 2023.

2.5.10 All the hotels are in walking distance from the Mercury Project and Hotel, and it is the Shareholders' intention that these hotels and the Mercury Hotel will be inter-linked. Consequently, the tourists staying at these hotels will be able to use the Mercury Hotel's facilities, particularly in the shoulder months when the Mercury Hotel's facilities would not be at full capacity. Given that the Mercury Hotel is owned by one of the shareholders of the CF Group, guests attending weddings or MICE events taking place at Mercury Hotel who would like to stay the night will have the choice of either staying at the Mercury Hotel or in one of these three-star hotels.

3.0 Decleration of Independence

3.1 The undersigned confirms his status as an external independent valuer, without any financial interest in CF Estates Finance p.l.c.

4.0 Basis of Valuation

4.1 An opinion of the best price at which the sale of an interest in property would have been completed unconditionally for cash consideration on the date of valuation assuming:

4.1.1 A willing seller;

4.1.2 That, prior to the date of valuation, there had been a reasonable period, (having regard to the nature of the property and the state of the market) for the proper marketing of the interest, for the agreement of price and terms and conditions of the sale;

4.1.3 That the state of the market, level of values and other circumstances were, on an earlier assumed date of exchange of contracts, the same as on the date of valuation;

4.1.4 That no account is taken of any additional bid by a purchaser with a special interest;

4.1.5 That both parties to the transaction had acted knowledgably, prudently and without compulsion.

4.1.6 The Guidance Notes refer to the fact that certain types of property designed or adapted for particular uses, invariably change hands in the open market at prices based directly on trading potential for a strictly limited use.

4.1.7 The valuer takes note of the COVID – 19 global pandemic and its potential impact on asset values in Malta. As a result of the pandemic there has been very limited impact on the Maltese property market. Selling prices have remained buoyant while sales volumes across Malta have registered monthly records.

5.0 *Property Description* - CF Business Centre

5.1 CF Business Centre is located along Triq Sant'Andrija c/w Triq Gort c/w Triq Gdida fi Trejqet San Gorg, Paceville, San Giljan Malta. This mainly consists of commercial offices and catering outlets.

5.2 This property is subject to the annual and perpetual ground rent of two hundred and twenty-two Euro and eighty-four cents (€222.84) revisable after 100 years accruing from the 5th April 1966 and every subsequent 50 years thereafter on the basis of the pound sterling in those future dates compared to its value in the year 1966. Furthermore, the owners and their successors in title shall pay every year a recognition fee (laudemium) equivalent to a year's ground rent to the Lands Authority. The amount is two thousand eight hundred and one Euros and thirty-four cents (€2801.34). The annual and perpetual ground rent for the territory which incorporates the property amounts to two hundred- and eighty-seven-pound sterling (£287), out of which sum, forty-one-pound sterling (£41) shall accrue from 2nd August 1961 and two hundred forty-six-pound sterling (£246) shall accrue from 5th April 1966.

5.3 The business center has an eight-storey reinforced concrete frame structure and boasts high-quality facilities and modern design, including a recreational roof-top area. It has a total of 3,241 sqm of commercial space available for rent. The Business Centre will be fully operational in January 2023.

5.4 The rental agreements between Haven Centre Ltd. and the several tenants set out that the tenants may terminate the lease at any moment in time after their respective di fermo lease periods have expired by granting six months advance notice in writing to Haven Centre Ltd. Refer to Annex 4 for basic terms of lease agreement. CF Developers Ltd, a company within the Group has rented out Level 1 and Level 8 of the CF Business Centre for use as its corporate office, at €270 and €340 per square meter per annum respectively. The terms of this lease agreement is for ten years.

6.0 *Property Description* – Mistral Hotel

6.1 This property is currently being developed and is located in Triq Luigi Apap c/w, Trejqet San Gorg, San Giljan, Malta.

6.2 This property shall consist of a 51-room hotel as per the approved PA permit which shall include 10 floors + 1 receded floor + a basement level.

6.3 This property shall be operated by Mistral Ltd under the name Mistral Hotel, Affiliated by Melia through the hotel and management services to be provided by Melia Hotels International S.A. and Prodigios Interactivos S.A. pursuant to a hotel management agreement with them which is being finalised and will be signed shortly. It is to be noted that an existing management agreement between CF Hotels Ltd (a member of CF Estates Group) and Melia has already been signed. The directors are in the process of transferring such agreement to the companies which will eventually operate the hotels, being Mistral Ltd for Mistral Hotel.

6.4 As at the date of this Report, this hotel has been constructed and is in the final stages of development. The hotel is expected to be completed and to commence operations in April 2023.

7.0 *Property Description* – Scirocco Hotel

7.1 This property is currently being developed and is located Triq Ross, San Giljan, Malta.

7.2 This property shall consist of a 37-room hotel as per the approved PA permit which shall include 10 floors + 1 receded floor + a basement level.

7.3 This property shall be operated by Ratcon Ltd under the name Scirocco Hotel, Affiliated by Melia through the hotel operation and management services to be provided by Melia Hotels International S.A. and Prodigios Interactivos S.A. pursuant to a hotel management agreement with them which is being finalised and will be

signed shortly. It is to be noted that an existing management agreement between CF Hotels Ltd (a member of CF Estates Group) and Melia has already been signed. The directors are in the process of transferring such agreement to the companies which will eventually operate the hotels, being Ratcon Ltd for Scirocco Hotel.

7.4 As at the date of this Report, this hotel has been constructed and is in the final stages of development. The hotel is expected to be completed and to commence operations in April 2023.

8.0 *Property Description* – Levante Hotel

8.1 This property is currently being developed and is located Triq Sant' Andrija, San Giljan, Malta

8.2 This property shall consist of a 19-room hotel as per the approved PA permit which shall include 10 floors + 1 receded floor + a basement level.

8.3 This property shall be operated by Ratcon Ltd under the name Levante Hotel, Affiliated by Melia through the hotel operation and management services to be provided by Melia Hotels International S.A. and Prodigios Interactivos S.A. pursuant to a hotel management agreement with them which is being finalised and will be signed shortly. It is to be noted that an existing management agreement between CF Hotels Ltd (a member of CF Estates Group) and Melia has already been signed. The directors are in the process of transferring such agreement to the companies which will eventually operate the hotels, being Ratcon Ltd for Levante Hotel.

8.4 As at the date of this Report, this hotel has been constructed and is in the final stages of development. The hotel is expected to be completed and to commence operations in April 2023.

9.0 *Planning History*

9.1 PA/04056/17 - Demolition of existing building and construction of a commercial development including a restaurant and games room (Class 4C and 3C) offices (Class 4A) a store and a gym (Class 3C). This permit has an approved decision publication date of 20/12/2017.

9.2 PA/05335/17 - Proposed total demolition of existing premises and construction of new hotel including a store and restaurant (Class 4D) at lower intermediate level, lobby area at ground floor, hotel accommodation from level 0 to 9 (Class 3B) and

pool deck area with restaurant (Class 4D) at roof level. This permit has an approved decision publication date of 24/01/2018.

9.3 PA/03756/18 - Proposed total demolition of existing premises and construction of new hotel including a store, laundry room, changing room, toilet and gym at level -1, lobby area, office, toilet, breakfast room (Class 4D) at ground floor, piano area at first floor, hotel accommodation from level 1 to 10 (Class 3B) and pool deck area with bar (Class 4D) at roof level. This permit has an approved decision publication date of 06/03/2019.

9.2 PA/05714/18 - Proposed total demolition of existing premises and construction of new hotel including kitchen at basement, restaurant (Class 4D) at ground floor, reception at first floor, hotel accommodation from first floor to tenth (Class 3B) and pool deck area at tenth floor. This permit has an approved decision publication date of 03/07/2019.

10.0 Sources of Information

10.1 I have relied on the following information provided to us by CF Estates Ltd or their advisors or which was otherwise in the public domain:

10.1.1 The deed of purchase with third parties entered into with respect to each of the properties;

10.1.2 The existing lease agreements in place, with respect to the business center except for vacant areas;

10.1.3 The existing management agreement with the Melia Hotels with respect to the three (3) hotels;

10.1.4 Planning Authority permits and permit drawings;

10.1.5 A written declaration by CF Estates Ltd that none of the Directors nor promoters have had an interest in the acquisitions of the hotels during the two (2) years preceding this valuation, as described in Article 7.4.8 of the Capital Market Rules;

10.1.6 A written declaration by CF Estates Ltd confirming that they have provided me with copies of all relevant agreements for the properties;

10.1.7 Other relevant details with respect to the properties.

11.0 *Valuation Methodology*

11.1 The valuation is based on the comparative and income valuation methodology, and in particular based on open market value for existing use. The gross rental income of the different areas with different uses within the properties has been calculated and capitalized.

11.2 The risk of the estimated value of the completed development project changing due to changed market conditions over the duration of the project will normally be reflected in the market capitalizations rate used to value the project. This market capitalization rate as adopted for investment property valuations as defined by RICS Valuation – Global Standards as effective from 31 January 2020 will generally be determined by market transactions of similar trade related property investments. Clearly, due to the differing characteristics of trade related property and the wide variety of lease terms, careful analysis of comparable transactions is essential. In our case this market capitalization rate is being calculated at 5.75% on retail and commercial areas, while the capitalization rate of the offices is taken at 5.25%.

12.0 *Valuation Conclusions*

12.1 This document contains certain statements, estimates and projections. The assumptions on which these estimates and projections have been based may or may not prove to be correct. Actual results are likely to be different from the projections since anticipated events frequently do not occur as expected and the variation may be material. No representation is made as to the accuracy of such statements, estimates and projections.

12.2 A significant degree of judgement is involved when selecting methods and basis for valuations and a significant number of items which may be subsequently considered when arriving at such valuations, including growth in future earnings and related free cash flows. It follows that valuations are not a prediction of price or a guarantee of value, as whilst the undersigned's valuation is one which is considered to be both reasonable and defensible, others may arrive at a different conclusion. The variation between projected and actual results may be material and such variation may materially affect the value of the Properties. The analysis set out in this document

takes into account information known and made available up to the time of its preparation and is therefore current as to the report date.

12.3 This report may not be quoted, or referred to, or distributed, in whole or in part, without the prior written consent of the undersigned. Such consent for part of or the whole Report to be copied or disclosed to any third party, or otherwise quoted or referred to in whole or in part, is on the basis that the undersigned does not owe such third parties any duty of care as a result of giving such consent.

After having considered the above factors, I consider the total freehold market values to be as follows:

CF Business Centre – current market value of **Euro 15,400,000** (Fifteen million and four hundred thousand Euro).

Mistral Hotel – current market value of **Euro 6,115,000** (Six million, one hundred and fifteen thousand Euro), market value once completed of **Euro 7,700,000** (Seven million and seven hundred thousand Euro) with **Euro 1,585,000** (One million, five hundred and eighty-five thousand Euro) to complete the project.

Scirocco Hotel – current market value of **Euro 4,280,000** (Four million, two hundred and eighty thousand Euro), market value once completed of **Euro 5,700,000** (Five million and seven hundred thousand Euro) with **Euro 1,420,000** (One million, four hundred and twenty thousand Euro) to complete the project.

Levante Hotel – current market value of **Euro 2,550,000** (Two million, five hundred and fifty thousand Euro), market value once completed of **Euro 3,500,000** (Three million and five hundred thousand Euro) with **Euro 950,000** (Nine hundred and fifty thousand Euro) to complete the project.

Regards,

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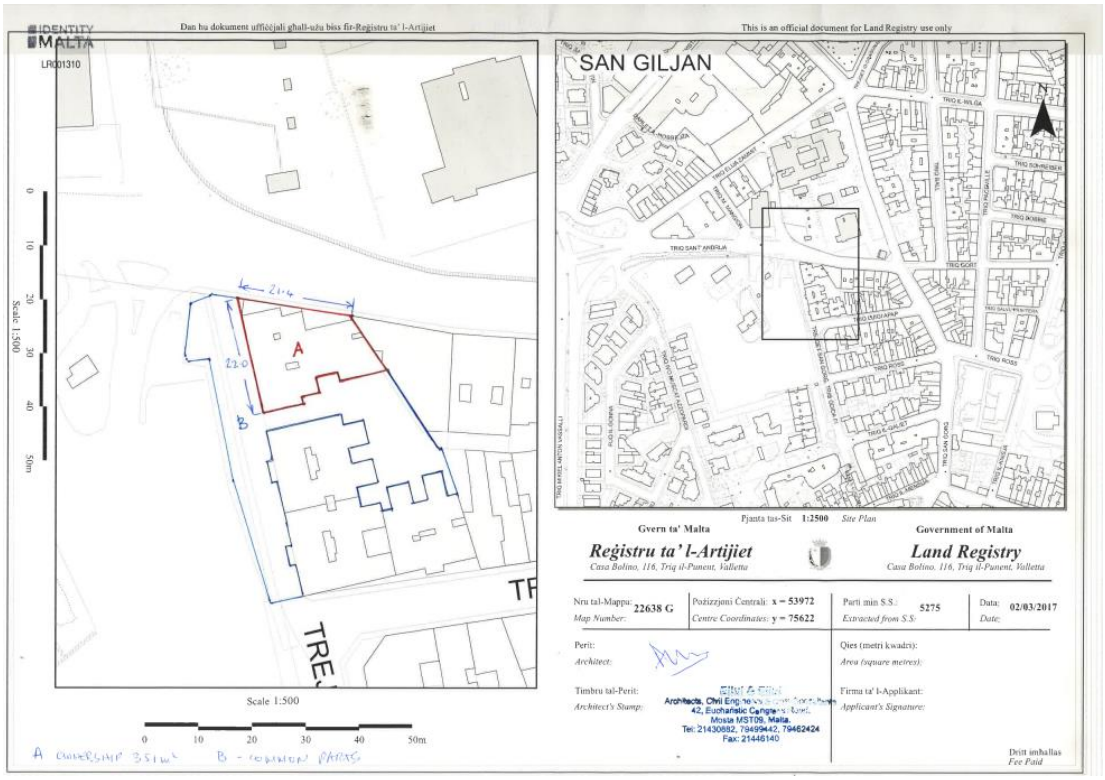
Dr Edwin Mintoff
B.E.&A.(Hons).,PhD.(Newcastle).,A.&.C.E.
Warrant no: 0163

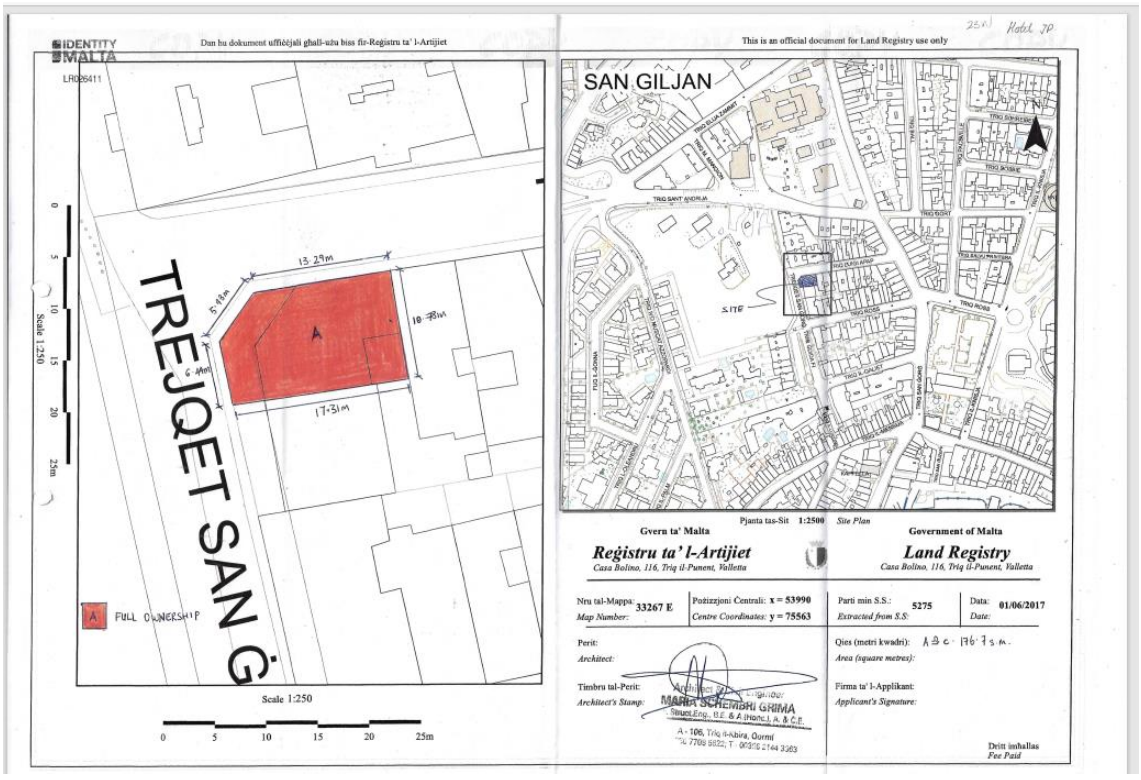
ANNEX 1 – Details of effective mortgages and privileges

Borrower Group company	Development/ Purpose of borrowing	Bank	Total Facility Amount
Ratcon Ltd.	Levante Hotel and Scirocco Hotel	BNF Bank plc	Total of €2,046,000 in relation to Scirocco Hotel; Total of €1,425,000 in relation to Levante Hotel
Mistral Hotel Ltd.	Mistral Hotel	MeDirect Bank (Malta) plc	Total of €2,825,000
Haven Centre Ltd.	CF Business Centre	MeDirect Bank (Malta) plc	Total of €8,300,000

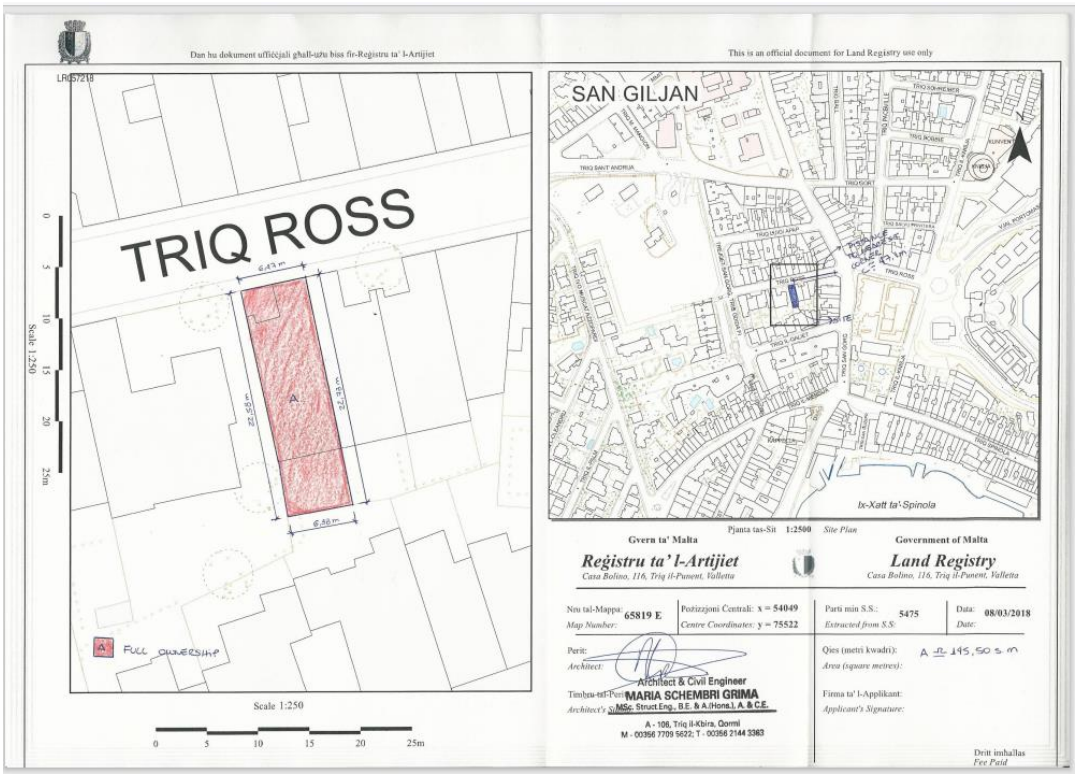
ANNEX 2 – Land Registry Plans and Other Information



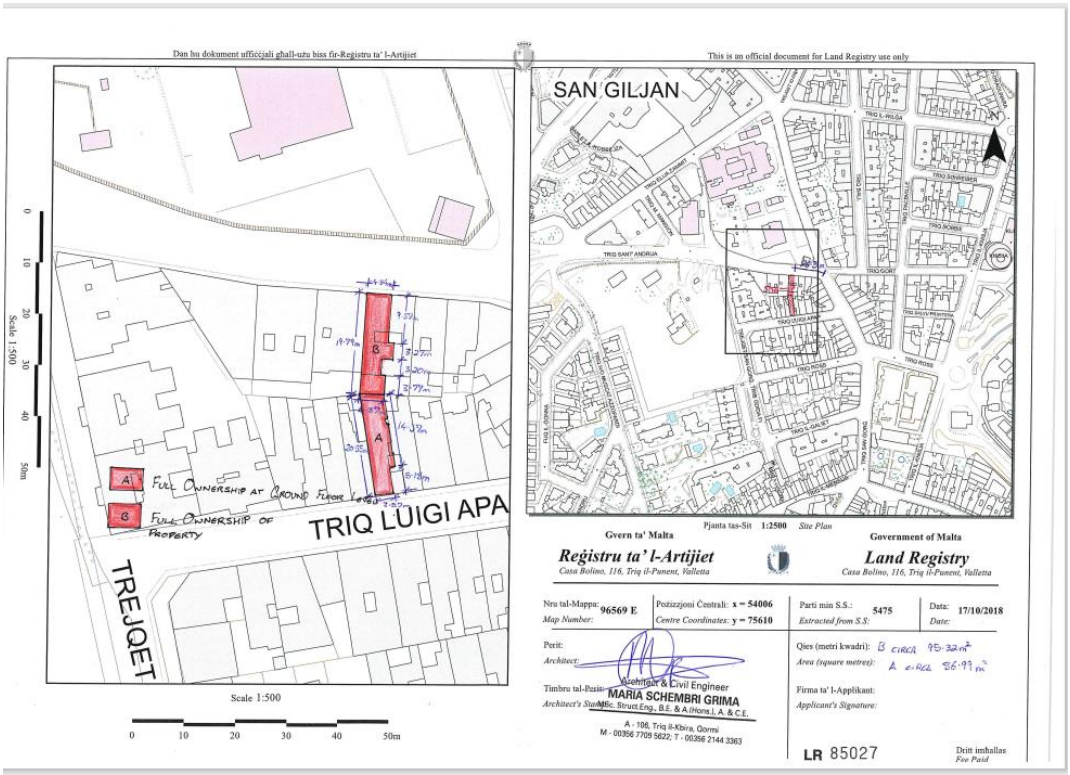
Land Registry Plan – CF Business Centre



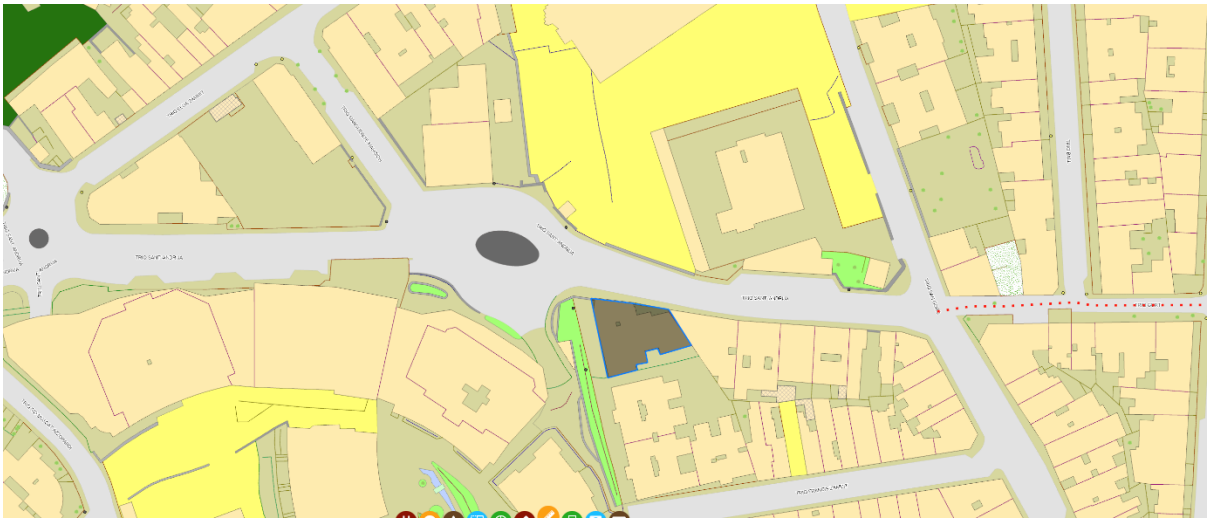
Land Registry Plan – Mistral Hotel



Land Registry Plan – Scirocco Hotel



Land Registry Plan –Levante Hotel



Planning Authority Map Server Snapshots – CF Business Centre

Planning Authority Map Server Snapshots – Mistral Hotel

Planning Authority Map Server Snapshots – Scirocco Hotel

Planning Authority Map Server Snapshots – Levante Hotel

Street View – CF Business Centre

Mistral Hotel

Mistral Hotel

cir

Levante Hotel


CLASS 4D
125 SQ.M
TO LET
7997 3010
ALLIANCE
SELECTED PROPERTIES
ALLIANCE EXCLUSIVE LISTINGS
ONLY FROM ALLIANCE
SUITES

ANNEX 3 – CF Business Centre

Rentable Area per floor

Level	Permitted use	Gross Area in sqm	Duration of Lease Contract	
			From	To
-1	Commercial Stores	129	01/03/22	01/03/27
0	Cafeteria and amenities	267	01/03/22	01/03/27
1	Office	312	30/03/2022	29/02/2032
2	Office	334	30/03/2022	29/02/2032
3	Office	334	30/03/2022	29/02/2032
4	Office	334	30/03/2022	29/02/2032
5	Office	334	30/03/2022	29/02/2032
6	Office	334	01/04/2022	01/03/2029
7	Office	334	30/04/2022	29/03/2032
8	Office	334	30/03/2022	29/02/2032
		3,127		

ANNEX 4 – CF Business Centre

Basic Terms of Lease Agreement

The following are the most basic and relevant terms of a typical lease agreement currently entered into by Haven Centre Ltd. ("Landlord") with a lessee ("Tenant") of any offices within the CF Business Centre ("Leases Premises").

Term

The term of the lease is specified in the agreement and is typically split into a first period 'di fermo' during which no party may terminate the lease and a second period 'di rispetto' during which the Tenant may terminate the lease by written notice (of a duration specified in the agreement) to the Landlord. Should the Tenant abandon the Leased Premises or terminate the lease before the expiration of the agreed di fermo period, the Landlord shall be entitled to claim and demand from Tenant the immediate payment of an amount equivalent to the rent due for the remaining di fermo period, even though the Landlord shall have re-assumed possession of the Leased Premises and even though the Landlord may have transferred title to the Leased Premises to a third party.

Rent and Security Deposit

The rent is specified in the contract and is typically subject to increase as specified / at a rate specified in the agreement.
The Tenant also paid a security deposit of 6 months' rent equivalent, which shall be refunded to Tenant at the termination of the lease, provided that the Leased Premises, after having been inspected by the Landlord, is found to be in the same condition as on the date of commencement of the lease (fair wear and tear excepted) and that the Tenant shall have paid all electricity, water, gas, internet, cable television and telephone bills up to the date of termination of the lease, or to be kept pending until settlement is made to Landlord's satisfaction. In case any part of the deposit is set-off against any payment due by the Tenant, the latter is obliged to replenish it immediately.

Works Prior to Commencement Date

The lease agreement for the various offices contains an undertaking by the Landlord to carry out, at its cost, certain agreed finishing and other works to the Leased Premises prior to commencement date of the lease, and to deliver the Leased Premises to the Tenant with such works duly completed, failing which the lease was due to terminate without any further effect and the initial deposit paid by the Tenant duly returned to it, saving always cases of force majeure which entitled the Landlord to a corresponding extension of time. As at the date of this report, these works in respect of all leased premises within the CF Business Centre have been completed and possession of these leased premises has been duly passed on to the respective tenant by the respective commencement date of the lease.

Conduct of Business by Tenant

The agreement contains various regulating conduct of Tenant with respect to the Premises, including:

- The obligation to use the Leased Premises as a commercial office;
- The obligation to comply with all relevant laws, rules and requirements;
- The obligation not to place any signage, awnings or canopies on any exterior wall, door, or window of the Leased Premises or the CF Business Centre without the continued consent of the Landlord;
- The agreement contains provisions regulating the use of the roof (which is excluded from the lease) by Tenant solely to install external outdoor air-conditioning equipment in an area indicated by the Landlord, with right of access to the roof solely for purposes of effecting repairs and with the right of the Landlord to request relocation thereof to another area of the roof at Tenant's cost;
- The agreement also contains provisions regulating the use of the shafts of the block (which are again excluded from the lease) by Tenant solely to install air-conditioning pipes, water conduits and/or any similar services as may be reasonably required to connect the plant, equipment and services installed on the roof with the Leased Premises, and/or as otherwise may be reasonably required for the operations of the Leased Premises;
- The obligation of the Tenant not to place any waste (except in designated areas) or personal effects in the common areas or exterior areas of the block or to cause any nuisance or other act, activity or thing which may disturb the quiet enjoyment of any other tenant or possessor of the block.

Right to Develop the Roof of the Block

Landlord has retained the unfettered right to develop the roof and airspace of the block by adding thereon further floors, and to extend all the common parts of the block to service any such new floors: provided that in such case it shall relocate the air-conditioning units on the roof on the resultant new roof and extend accordingly the air-conditioning pipes, water conduits and/or any similar services within the shafts, at its expenses; provided further that in such case the Landlord shall procure the relocation of the communal recreational area at roof level to the topmost level of the block as shall result from time to time, always subject to the attainment of the required planning authorizations.

Maintenance, Repairs and Alterations

All repairs and maintenance of ordinary nature shall be the responsibility of the Tenant, except for structural repairs or repairs of an extraordinary nature to the Leased Premises not occasioned by the action or inaction of the Tenant, that shall be at the responsibility of the Landlord.
Tenant is prohibited from undertaking any structural or other alterations in the Leased Premises without the prior written consent of the Landlord, and if such consent is given, any resultant alterations and improvements made by Tenant shall become the property of

Landlord and shall remain upon the Leased Premises at the termination of the lease, without any compensation being due to Tenant.
Tenant is prohibited from changing the design of the facade of the block.

Utilities

Whilst water and electricity services shall be registered in the name of the Landlord, the Tenant shall be exclusively responsible to punctually pay all meter rents and consumption charges in relation to all water, electricity, telephone or other services or utilities within the Leased Premises, and this within 10 days from presentation of consumption charges computed on actual readings by the Landlord to Tenant. Tenant shall pay to the Landlord, concurrently with every quarterly rent payment, the additional sum of €1,000 on account of water and electricity consumption in the Leased Premises, and in case of any shortfall, this shall be paid within 30 days from presentation of the bill by Landlord to Tenant. Landlord may at any moment in time demand that the said utility services be registered in the name of the Tenant, or that pre-paid utility facilities are installed in the Leased Premises.

Block Common Areas

The common areas of the block shall at all times be subject to the exclusive control and management of Landlord.
In addition to the rent, Tenant is obliged to pay to the Landlord, Tenant's “Share of Building Common Area and Building Maintenance Costs” as defined in the agreement, which share is typically set at the rate of forty Euro (€40) per sqm meter of the Leased Premises for the first year and from the second year onwards the rate is calculated from the audited accounts of the common area and will be divided accordingly depending of the Tenant’s Leased Premises’ space. The Landlord will provide a statement showing the actual costs at the end of every year. Tenant shall in addition pay to Landlord a sum equivalent to 10% of any such costs as an administration fee.

Insurance

The Tenant must throughout the duration of the lease keep in full force and effect, at itssole expense, a policy of public liability insurance in the name of the Tenant jointly with the Landlord or such other names as the Landlord may direct, which shall have limits of liability of at least €1,000,000 for injury or death to any one person, per occurrence, and €1,000,000 for damage to property, or such higher amounts as the Landlord may reasonably prescribe from time to time.
Assignment and Subletting
The Tenant shall not assign or transfer the agreement or sublet all or any portion of the Leased Premises to a third party, without the prior written consent of the Landlord: provided that the Landlord shall not withhold its consent to a proposed assignment or subletting in favour of a company that is the Tenant's parent or subsidiary company and/or any other related entity.

Default and Remedies

In case of a material default and breach of the Lease by Tenant, namely:
(a) the failure by Tenant to make a single payment of rent when due and its failure to rectify such default within 10 days of a request by the Landlord; or

(b) the failure by Tenant to observe or perform any of the covenants, conditions or provisions of the lease, if any such failure continues for a period of 10 days after notice of such failure is communicated to Tenant (provided, however, that if the nature of the failure is such that more than 10 days is reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commences such cure within the said 10 period and thereafter diligently persists in such cure to completion),
then Landlord may at any time thereafter take various remedies available to it at law or under the agreement, including:

(i) terminate the lease, in which case Tenant shall surrender possession of the Leased Premises to Landlord by not later than two (2) days from date of service of the registered or judicial letter, failing which it shall be subject to a penalty for mere delay of €1,000 until Tenant remains so in default; or

(ii) maintain Tenant's right to possession, in which case this lease shall continue in effect whether or not Tenant has abandoned the Leased Premises, in which case Landlord shall be entitled to enforce all of Landlord's rights and remedies under the lease, including the right to recover all rent and other charges as they become due.