

**OFFERING DOCUMENT**  
**REGARDING THE MANDATORY TENDER OFFER**  
**MADE BY «STERNER STENHUS GREECE AB»**  
**TO SHAREHOLDERS OF «PASAL REAL ESTATE DEVELOPMENT S.A.»**  
**TO ACQUIRE ALL THEIR COMMON REGISTERED SHARES**  
**WITH VOTING RIGHTS**  
**AGAINST THE PRICE OF 0.71 EURO PER SHARE IN CASH**



**OFFEROR'S ADVISOR**

**ALPHA BANK S.A.**



**ALPHA BANK**

**AUTHORISED CREDIT INSTITUTION**

**FOR THE SUBMISSION OF DECLARATIONS OF ACCEPTANCE**



**ALPHA BANK**

**ALPHA BANK S.A.**

## Athens, September 2020

The Hellenic Capital Market Commission approved the contents of this Offering Document by virtue of the Decision of its Board of Directors, dated 30 September 2020, in accordance with Article 11, Paragraph 4 of Law 3461/2006 (headed "Implementation of Directive 2004/25/EC on takeover bids into National Law"). This Tender Offer is not being made, and will not be made, directly or indirectly, in or into any country where, under its law, the making of this Tender Offer or the posting or distribution of this Offering Document or any other document or material relating to this Tender Offer is illegal or contravenes any applicable law, rule or regulation or requires special permission or entry of the Offering Document. Accordingly, copies of this Offering Document and any related document or material will not be mailed or otherwise forwarded, distributed or sent by anybody to, in, into or from any such country.

### **DEFINITIONS**

In the Offering Document the following terms shall have the meaning given below:

**Acceptance Period** means the period of time during which the Tender Offer may be accepted, as set forth in Chapter 3.1 hereof.

**Accepting Shareholders** are the Shareholders who accept the Tender Offer validly, lawfully and on time, according to the Offering Document, and offer their Shares to the Offeror.

**Adviser** means the credit institution ALPHA BANK S.A. which acts as adviser to the Offeror for the Tender Offer in accordance with Article 12 of the Law.

**ATHEX or A.S.E.** is the Athens Stock Exchange

**ATHEXCSD** means the Société Anonyme under the name "Hellenic Central Securities Depository Société Anonyme", a by 100% subsidiary HELEX, which is administrator of the DSS.

**Clearing Regulation** means the "Regulation of Clearing of Transactions in Securities in Book Entry Form", approved pursuant to decision No. 1/704/22.01.2015 of the HCMC's Board of Directors, as amended and in force.

**Closing** means the transfer of the Tendered Shares to the Offeror against delivery of the Offer Price to the Accepting Shareholders.

**Company or PASAL DEVELOPMENT** means the Greek société anonyme under the name «PASAL REAL ESTATE DEVELOPMENT S.A.», and the trade name «PASAL DEVELOPMENT S.A.» registered with the General Electronic Commercial Registry with registration number 861301000.

**Company to be acquired** means, alternatively, the Company.

**Competing Tender Offer** means a tender offer competitive to the Tender Offer, which will have been approved by the HCMC, in accordance with the Article 26 of the Law.

**Consolidation Agreement means the agreement dates** 29.03.2018 between the Company and its creditors (ALPHA BANK S.A. and National Bank of Greece S.A., as special successor of the under special liquidation credit institution "BANK PROBANK S.A.", according to the decision of the Bank of Greece Resolution Measures

Committee), as well as Mr. Sotirios Theodoridis, and the subsidiaries "METALLURGICAL COMPANY OF LAVRIO S.A.", "ARVEN CONSTRUCTION-TRADE-INDUSTRIAL REAL ESTATE COMPANY S.A" and "PASAL CYPRUS LTD", as third contracting parties, under Articles 99 et seq. the law 3588/2007, as amended and in force, which was ratified with the No. 712/29-8-2019 decision of the Athens Court of First Instance, according to the Article 106b of the Law 3588/2007, as amended and in force.

**Date of the Offering Document** means 30<sup>th</sup> September 2020, i.e. the date the Offering Document was approved by the Board of Directors of HCMC, under the Law.

**Date of Obligation for Tender Offer** means 15<sup>th</sup> July 2020, i.e. the date on which the Offeror acquired, as a result of the completion of the Increase, 14,758,360 shares, which exceeded the threshold of one third (1/3) of the total voting rights of the Company, and therefore became obliged to submit a mandatory Tender Offer.

**Date of the Tender Offer** means 31<sup>st</sup> July 2020, i.e. the date on which the Offeror launched the Tender Offer by informing HCMC and the Company's Board of Directors in writing and submitting a draft of the Offering Document, per Article 10, paragraph 1 of the Law, and the Valuation Report, per paragraph 7 of the Article 9 of the Law, as applicable.

**DSS Regulation** means the Codified Regulation of Operation of the Dematerialised Securities System, approved by the decision No. 3/304/10.6.2004 of the HCMC's Board of Directors, amended and in force today.

**Declaration of Acceptance** means the written declaration provided for in Article 18 of the Law and made by each Shareholder wishing to accept the Tender Offer.

**Declaration of Revocation** means the written declaration submitted by the Accepting Shareholders to the Tender Offer Agent to revoke their Declaration of Acceptance.

**DSS** means the Dematerialised Securities System of ATHEXCSD.

**Excluded Country** means any country within which, under its laws, the publication or the making of the Tender Offer or the mailing/distribution of the Offering Document is illegal or infringes any applicable legislation, rule or regulation or requires special license or registration of the Offering Document.

**Group** means the Company and the companies in which the Company participates directly or indirectly.

**HCMC** means the public law entity under the name "Hellenic Capital Market Commission" having its seat in Athens (1, Kolokotroni & Stadiou Str.), Greece.

**HELEX** means the Société Anonyme under the name "Hellenic Exchanges S.A.- Athens Stock Exchange Holding S.A."

**Increase** means the increase of the common share capital of the Company by €7,483,968 with cash payment and preemptive right in favour of old shareholders of the Company, with the issuance of 14,967,936 new common registered shares with voting rights, with nominal value of €0.50 each, at an issue price of €0.67 per share, which took place pursuant to the 02.12.2019 decision of Extraordinary General Meeting of Shareholders of the Company and the 25.05.2020 decision of the Board of Directors of the Company, through which funds amounting to € 10,028,517 were raised, as certified during the meeting of Company's Board of Directors on 09.07.2020.

**Information Prospectus** or IC means the information Prospectus prepared by the Company, in accordance with the Regulation (EU) 2017/1129, the delegated Regulations (EU) 2019/979 and (EU) 2019/980 and the Law 340/2005 to the extent applicable after the entry into force of Regulation (EU) 2017/1129, as they apply exclusively for the purpose of the Tender Offer of the shares issued in the context of the Increase and their listing for trading on the "Under Surveillance" category of ATHEX Regulated Market, approved by the Board of Director of the Hellenic Capital Market Commission on the aforementioned date. The period of validity of the Prospectus is 12 months from the date of approval of this, i.e. on 17.06.2020, in accordance with Article 12 of Regulation (EU) 2017/1129, as in force.

**Initial Operator** means, within the meaning of no. 3/304 /10.6.2004 decision of the Board of Directors of the HCMC, as amended and in force today, the initial Operator of the Shares of Accepted Shareholders.

**Investor's Account** has the meaning attributed to this term in the DSS Regulation;

**Law** means the law 3461/2006 (Government Gazette Issue No.106/2006) "Incorporation into the Greek Law of Directive 2004/25/EC relating to Tender Offers", as currently in force.

**Nequiter** means the Swedish company under the name «Nequiter Invest AB» with seat in Stockholm of Sweden, which on the date of the Offering Document owes 4,427,508 Shares, representing 26.29% of the total voting rights of the Company, which is controlled by Mr. Jan Gosta Lennart Lindeberg.

**Nequiter Agreement** means the shareholders agreement between the Offeror and Nequiter, basic terms of which are set out in the section 2.20 hereof.

**Offer Price** means the amount of €0.71 per Share, that the Offeror shall pay in cash for each Transferred Share.

**Offering Document** means this document, which contains the information regarding the Tender Offer required in accordance with Article 11 of the Law.

**Offeror or STERNER STENHUS GREECE AB** means the Swedish company under the name «STERNER STENHUS GREECE AB» and the trade name «STERNER STENHUS GREECE AB», which has been established and operates according to the Swedish law, having its seat in Stockholm of Sweden, at 11 Årstaängsvägen Str., 117 43, legally represented by Mr. Elias Georgiadis, son of Nikolaos.

**Operator** means the securities account operator of the Accepting Shareholders, in accordance with the DSS Regulation.

**Persons Acting in Concert with the Offeror or Concerted Persons** are Mr. Elias Georgiadis, as the ultimate controlling person of the Offeror within the meaning of Article 3§1(c) of law 3556/2007, including its subsidiaries besides the Company, (i) the persons controlled within the meaning of the Article 3§1(c) of law 3556/2007 by Mr. Elias Georgiadis and directly or indirectly hold Shares of the Company, i.e. the company under the name "Sterner Stenhus Holding AB", parent company of the Offeror, (ii) the persons controlled within the meaning of the Article 3§1(c) of law 3556/2007 by Mr. Elias Georgiadis and do not directly or indirectly hold Shares of the Company as listed in the section 2.3.5 hereof and (iii) the company under the name "Nequiter Invest AB", which is controlled by Mr. Jan Gosta Lennart Lindeberg and has entered into an agreement with the Offeror to act in concert ("Nequiter Agreement" as defined below). Apart from the above, there are no other natural or legal persons acting in concert with the Offeror, within the meaning of Article 2 (e) of the Law.

**Recipients** are all the persons who, according to the applicable laws, are capable of lawfully accepting the Tender Offer in accordance with the Offering Document.

**Removal Certificate** means the document delivered by the Initial Operator to the Accepting Shareholder stating the serial number of the Removal, the date thereof and the number of the Offered Shares which have been removed.

**Right of Squeeze-out** means the right of the Offeror to require the transfer to it of all remaining Shares of all Shareholders who didn't accept the Tender Offer, in a price per Share equal to the Offer Price, in accordance with the Article 27 of the Law.

**Right to Sell-out** is the the Offeror's obligation to acquire all remaining Shares that are offered to it within a period of three (3) months from the publication of the results of the Tender Offer, in cash, in a price per Share equal to the Offer Price according to the Article 28 of the Law.

**Securities Market** means the organised securities market managed by HELEX (as defined below), which operates according to the HELEX Regulation.

**Securities Removal** means the process for removing Shares from the operation of the Initial Operator of the Accepting Shareholders to subsequently initiate the process for placing them under the operation of another Operator.

**Securities Account** has the meaning attributed to this term in the DSS Regulation.

**Security Release Procedure** means the DSS procedure that allows a Shareholder to remove his Tendered Shares from the operation of the Initial Operator and place them under the operation of the Tender Offer Agent, in accordance with the DSS Regulation.

**Shareholder** means any natural or legal entity, who/which is the full, unrestricted, exclusive and indisputable possessor and holder of Shares, capable of legally accepting the Tender Offer in accordance with the Offering Document and applicable Greek laws.

**Shareholder Outside Greece** means the Shareholder who resides in, or is national or citizen of a country outside Greece.

**Shares** means the 16,838,928 common, registered, with voting rights, shares of the Company, with nominal value of €0.50 each, together with all existing or future rights, claims or demands, which, according to the Articles of the Association of the Company and the law, are incorporated, included, connected or arise from the said shares.

**Shares Account** means the shares account in the DSS, as defined in the DSS Regulation;

**Tendered Shares** are the Shares of the Accepting Shareholders mentioned in their Declaration of Acceptance.

**Tender Offer** means the present mandatory tender offer which is being made by the Offeror to all Shareholders to acquire the total of the Tender Offer Shares, in accordance with the Law.

**Tender Offer Agent** means ALPHA BANK S.A., which has been authorised by the Offeror to receive the Declarations of Acceptance and manage the Tender Offer, in accordance with Article 18, paragraph 1 of the Law.

**Tender Offer Documents** means the Offering Document, the Declaration of Acceptance, the Declaration of Revocation and any announcement relating to the Tender Offer, including any other announcement published in accordance with the Law.

**Tender Offer Shares** means all the Shares, which the Offeror and the Persons Acting in Concert (as defined below), as at the Date of Obligation for Tender Offer, i.e. 2,080,568 Shares corresponding to approximately 12.36% of the total paid up share capital and voting rights of the Company.

**Transferred Shares** means the Tendered Shares, which will be transferred to the Offeror, as a result of the acceptance of the Tender Offer.

**Valuation Report** means the report dated 17 July 2020, which has been prepared by Grant Thornton for the valuation of the securities subject to the Tender Offer, in accordance with the Article 9, paragraph 6 and 7 of the Law and subsequently made public in accordance with in connection with the Valuation, issued by the Valuator, submitted to HCMC and published in accordance with Article 16, paragraph 1 of the Law , and which was submitted to the HCMC and the Board of Directors of the Company in accordance with paragraph 1 of Article 10 of the Law and subsequently made public in accordance with the provisions of paragraph 1 of Article 16 of the Law.

**Valuator or Grant Thornton** means the auditing firm under the name "GRANT THORNTON S.A. CHARTERED ACCOUNTANTS & MANAGEMENT CONSULTANTS", acting as valuator on behalf of the Offeror for the Tender Offer, according to the Article 9§7 of the Law. Grant Thornton is established in Greece with seat at 56, Zefirou Str., 17564 Palaio Faliro, Greece, and is registered with the General Electronic Commercial Registry (G.E.MI.) with registration number 121548701000.

**VWAP** means the Volume Weighted Average Price for the Share, as defined in Article 2 (i) and in Article 9 paragraph 4 of the Law.

## IMPORTANT NOTICES

The Tender Offer is being made according to the procedure provided in Law 3461/2006 "Transposition of the Directive 2004/25/EC on takeover bids to the National Legislation", as in force and addresses to all Shareholders of the Greek société anonyme under the name "PASAL REAL ESTATE DEVELOPMENT" and trade name "PASAL DEVELOPMENT S.A.", the Shares of which are listed and traded on the "Under Surveillance" category of the Regulated Market of the ATHEX, and is addressed only to those persons who are entitled to lawfully accept it in accordance with the terms of this Offering Document.

In particular, the Tender Offer and the Offering Document do not constitute an offer to purchase shares and are not addressed in any way or any form (document or otherwise), directly or indirectly, to legal or natural persons in any other jurisdiction outside Greece where the implementation of this Tender Offer or the posting or distribution of this Offering Document is illegal or contravenes any applicable law, rule or regulation (the "Excluded Countries"). For this reason, the transmission, distribution, posting or forwarding in any other way of copies or duplicates of this Offering Document or any other document relating to the Tender Offer by any person, legal or natural, to or from the Excluded Countries is prohibited.

Therefore, the persons who may receive the present Offering Document or any other document relating to it and/or to the Tender Offer must be duly informed and take into account the above limitations. The Offeror, the Adviser and the Tender Offer Agent are not in any way liable for any breach of the above prohibitions by any person.

Declarations of Acceptance of the Tender Offer should not be received or requested in the Excluded Countries or by any person having citizenship, permanent residence or registered office in any of the Excluded Countries, and the Offer Price may not be credited to an account or sent to an address at any Excluded Country.

**Persons that are citizens or residents of any country other than Greece, as well as their representatives, custodians or trustees, must read paragraph "3.6 Shareholders outside Greece" of the Offering Document.**

Any Shareholder who has not duly completed the Declaration of Acceptance, in accordance with the terms and conditions set out in this Offering Document, shall be considered as not having formally accepted the present Tender Offer.

The present Offering Document includes forward-looking statements regarding the Company's business activity as well as certain plans and objectives of the Offeror regarding the Company. Although the Offeror believes that these estimates, plans and objectives are based on reasonable assumptions, they do have a theoretical nature and involve risk and uncertainty due to their relation to uncertain facts and dependence on commercial, operating, economic and financial factors that may change in the future. Therefore, the actual results and developments may potentially substantially differ from the results and facts explicitly stated or taken into account in these future estimates.

The information which is included in the Offering Document about the Company has been extracted or derived from (a) the Company's published annual financial reports prepared according to the International Financial Reporting Standards (IFRS) for the financial year ended on 31 December 2019, and the relevant annual financial report drawn up following Article 4 of the Law 3556/2007 (ii) the condensed interim financial statements of the Company for the period 01.01.-30.6.2020, which were drawn up in accordance with the International Accounting Standard (IAS 34) (iii) the Information Prospectus (iv) other publicly available sources

that have been published on the website of the Company or/and on the website of ATHEX. Neither the Offeror nor the Adviser has independently confirmed the accuracy and completeness of the information regarding the Company and they are not liable in any way about this information.

In any event, it is recommended that all persons lawfully receiving this Tender Offer and this Information Memorandum should consult their own financial, banking, legal and/or tax adviser, accountant and/or any other independent relevant adviser of their own choice.

In any event, it is recommended that all persons lawfully receiving this Tender Offer and this Offering Document should consult their own financial, banking, legal and/or tax adviser, accountant and/or any other independent relevant adviser of their own choice about the Tender Offer.



**CERTIFICATE BY THE PERSON RESPONSIBLE**

**FOR PREPARING THE INFORMATION MEMORANDUM**

In accordance with Article 11 paragraph 1(e) of the Law, Mr. Elias Georgiadis, in his capacity as the specifically authorised legal representative, member of the Board of Directors of the Offeror, and as the person responsible for preparing the present Offering Document, certifies that this Offering Document is complete and accurate and the information included is correct without any omissions which could change its content and the substance of the Tender Offer.

For and on behalf of **STERNER STENHUS GREECE AB**

**Signature:** \_\_\_\_\_

ELIAS GEORGIADIS\*

Specifically Authorised Legal Representative and Member of the Board of Directors of the Offeror

*\*This original text with the original signatures was submitted to HCMC.*



**CERTIFICATE BY THE ADVISER**

In accordance with Article 12 of the Law, ALPHA BANK S.A., a credit institution that is entitled, inter alia, to provide in Greece the services mentioned under Annex I, Section A, items 6 and 7 of Law 4514/2018 (as in force), countersigns this Offering Document and certifies, following appropriate due diligence, that the content of this Offering Document is accurate.

For and on behalf of **ALPHA BANK S.A.**

**Signature:** \_\_\_\_\_

K. I. FOULIDES\*

Head of Corporate Finance

**Signature:** \_\_\_\_\_

D.A.KOYLOYRIOTI\*

Director

*\*This original text with the original signatures was submitted to HCMC.*

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# 1 SUMMARY OF THE OFFERING DOCUMENT

## 1.1 Introduction

This summary captures sections of the Offering Document and must only be read in conjunction with the full text of the Offering Document. Therefore, any decision on either the acceptance or not of the Tender Offer should be based on reading and studying all of the data and information presented in the Offering Document and not just in this summary, which is provided solely for the convenience of the Shareholders that this Tender Offer is addressed to, who may lawfully accept it.

## 1.2 Tender Offer – Shares of the Tender Offer

On 2<sup>nd</sup> December 2019 the Extraordinary General Assembly of the Company decided the increase of the share capital of the Company with cash payment and preemptive right in favour of old shareholders, by the amount of €7,483,968 with the issuance of 14,967,936 new common registered shares with voting rights, with nominal value of €0.50 each, at an issue price of €0.67 for each new share (determined by the Board of Directors of the Company at its meeting of 25<sup>th</sup> 5 2020).

By covering unallocated shares of the Increase, the Offeror acquired 14,758,360 out of the total 14,967,936 new Shares and therefore, at the commencement date of the trading of the new Shares resulting from the Increase, i.e. on 15<sup>th</sup> July 2020, holds shares that represent approximately 87.64% of the total paid-up share capital and voting rights of the Company.

As a result of the above, on 15<sup>th</sup> July 2020, i.e. on the Date of Obligation for Tender Offer, the Offeror became obliged to launch the Tender Offer, in accordance with Article 7§1 of the Law, as it directly acquired 87.64% of the total voting rights of the Company and therefore exceeded the threshold of one third (1/3) of the total voting rights of the Company.

Following the over-the-counter transactions on 20<sup>th</sup> July 2020 between the Offeror and companies Nequiter Invest AB (which has entered into an agreement with the Offeror to act in concert) and Via Futura AB and on 17<sup>th</sup> September 2020 between the Offeror and the company Via Futura AB (see section 2.9 Information on recent transactions in the Company's Shares by the Offeror and the Persons Acting in Concert), the Offeror together with the Persons Acting in Concert, hold a total of 14,758,360 Shares, which represent approximately 87.64% of the total paid-in share capital and voting rights of the Company.

The Offeror addresses the Tender Offer to acquire all the Shares, which it did not hold directly or indirectly, itself or/and the Persons Acting in Concert on the Date of Obligation for Tender Offer and on the Date of the Tender Offer, i.e. 2,080,568 Shares (the **"Shares of the Tender Offer"**), which represent 12.36% of the total paid-in share capital and voting rights of the Company.

The Tender Offer is carried out in accordance with the Law, as in force, and the provisions of the Offering Document.

The Tender Offer is mandatory and will remain effective, regardless of the number of Shares, lawfully and validly tendered until the end of the Acceptance Period. The Tender Offer is not subject to any condition precedent.

The Offeror is bound to acquire all the Shares of the Tender Offer, which will be lawfully and validly tendered to it together with all present and future rights deriving from them, only provided that the Shares are free

from any legal and factual burden and in general any right in rem or contractual encumbrance or commitment in favour of any third party, attachment or right of any third party.

More information regarding the Tender Offer is included in chapter 2.1.

### **1.3 Offer Price**

The Offeror will pay in cash the Offer Price, i.e. €0.71 for each Tender Offer Share, for which the Tender Offer is legally and officially accepted.

The Offer Price meets the conditions for “fair and equitable” consideration set out under Article 9, paragraph 4, of the Law.

More specifically, the Offer Price:

- exceeds by 1.43% the VWAP of the Share during the last six (6) months preceding the Date of Obligation for Tender Offer, which amounts to €0.70.
- exceeds by 5.97% the maximum price at which the Offeror or/and any Person Acting in Concert has acquired Shares during the period of twelve (12) months prior to the Date of Obligation for Tender Offer, which amounts to €0.67.
- exceeds by 1.43% the price determined by the Valuator following a Valuation taking into account the internationally accepted criteria and methods and is included in the Valuation Report, which amounts to €0.70 per Share.

It is noted that the following amounts will be deducted from the Offer Price to be paid to the Accepting Shareholders:

(a) the specified in the Rulebook for Clearing Transactions rights for the clearance of over the counter transfer of Transferred Shares in favour of ATHEXCSD, which amounts to 0.08% on the transfer value (calculated as the number of Transferred Shares multiplied (x) by the highest one of the following prices: (i) the Offer Price and (ii) the closing price of the Share on ATHEX on the business day prior to the submission of the required documents of the Article 46 to the ATHEXCSD of the Codified Operating Rules of the Dematerialised Securities System, approved with the No. 3/304/10.6.2004 decision of the Board of Directors of the HCMC, as amended and in force (“Operating Rules of the Dematerialised Securities System”) in ATHEXCSD and with a minimum cost equal to the lowest between €20 and 20% of the value of the transaction for each Accepting Shareholder, according to the Article 7 of the codified decision No. 1 (meeting 233/28.01/2014) of the ATHEXCSD Board of Directors, as in force, and

(b) the amount corresponding to the tax on the OTC transfer, today amounting at 0.2% of the value of the transaction for the transfer of the Transferred Shares to the Offeror.

More information regarding the Offer Price is included in the section 2.16

### **1.4 Offeror’s Intension regarding additional acquisition of Shares**

From the date of the publication of the Tender Offer until the end of the Acceptance Period the Offeror and the Persons Acting in Concert do not intend to acquire additional Shares, through the ATHEX or OTC, apart from those tendered to it in the context of the Tender Offer.

### **1.5 Right of Squeeze Out- Right to Sell Out – Delisting of Shares from ATHEX**



Since the Offeror and the Persons Acting in Concert with the Offeror own Shares representing more than 90% of the total paid-in Share Capital and voting rights of the Company (see below section 2.15), after the conclusion of the Tender Offer, the Offeror:

(a) will not exercise the squeeze-out right, following Article 27 of Law 3461/2006, as in force, and

(b) will buy-out all the Shares offered within the three-months (3) period starting from the publication of the results of the Tender Offer through the stock market, following Article 28 of Law 3461/2006 as in force.

Finally, the Offeror has stated that delisting of the Company's Shares from the ATHEX will not be pursued.

## **1.6 The Company**

The Company "PASAL REAL ESTATE DEVELOPMENT S.A" with the trade name "PASAL DEVELOPMENT S.A." was founded in 1991 in Greece (with the previous trade name "THEODORIDIS GROUP OF COMPANIES – Commercial-Industrial-Technical Business Consultants S.A.") under the Greek law. Its Legal Entity Identifier is 213800MU91F1752AVM79. It is registered with the Sociétés Anonymes Registry with registration number the 25148/06/B/91/29 and with the General Electronic Commercial Registry with registration number 861301000. By its Articles of Association, the duration of the Company is 95 years (date of registration of the decision for its establishment in the General Electronic Commercial Registry).

The Company's registered seat is in the Municipality of Athens in Attica and its headquarters are at 10-12 Dorileou Str, PC 11521 (tel. 210 6967600).

On 4<sup>th</sup> January 2008 the trading of the total of 14,967,940 common registered shares of the Company, with a nominal value of €0.50 each, commenced in the ATHEX Securities Market in the sector "Real Estate / Participations & Real Estate Development", while from 5<sup>th</sup> April 2013 they are traded in the "Under Surveillance" category, in accordance with the decision of 4<sup>th</sup> April 2013 of the ATHEX BoD by Article 3.1.2.4 of the ATHEX regulation.

The Company's website is (<http://www.pasal.gr>). It is noted that the information contained on the website is not part of this Offering Document, unless incorporated into the Offering Document by reference.

The legal form of the Company is societe anonyme, governed by Law 4548/2018. As a listed company, its operation is also governed by the Hellenic Capital Market Commission's and the rest supervisory authorities' applicable laws and regulations, and the commercial and securities legislation in general.

Operation of its subsidiaries based in Cyprus is governed by the respective institutional framework and the country's commercial legislation.

Further information on the Company is included in section 2.2. hereof.

## **1.7 The Offeror**

The Offeror is the private company under the name "STERNER STENHAUS GREECE AB", founded on 8<sup>th</sup> December 2017 with a registered seat in Sweden (Årstaängsvägen 11, 117 43, Stockholm) and registration number 559138-3608, which exists legally under the law of Sweden.

The Offeror's scope of activity is the acquisition and management of real estate property, directly or indirectly (through companies in which it participates), as well as related business activities.

## **1.8 The Offeror's business strategy regarding the Company and itself**

The Offeror's investment in the Company forms part of Mr. Elias Georgiadis', the Offeror's ultimate controlling shareholder, broader strategy to further develop and expand the existing real estate portfolio held by himself or the companies he controls in the Greek market. His business strategy mainly focuses on Logistics properties and public buildings, such as schools, hospitals or other buildings housing public entities, but may include other properties from which a stable income is expected. The Offeror's current investments and those of the companies he controls in Greece consist of properties in the fields of Logistics and school buildings through PPP programmes.

Therefore, the acquisition of the Company's shares by the Offeror will contribute to the development of the Company's activities in the real estate market of Greece, by expanding its portfolio, along the above business strategy. Already, on 7<sup>th</sup> August 2020, the Company concluded a preliminary agreement for the acquisition of three Logistics properties (warehouses) in Aspropyrgos, with a total area of 62.5 thousand sq.m. and an estimated value of €38 million, leased to various tenants (see section 2.2.2 of this Offering Document).

In the context of the implementation of his business strategy, apart from searching for new investment properties, contributing to the Company part and / or all of the Offeror's real estate investments in Greece shall also be examined.

In addition, the Offeror intends to implement the Consolidation Agreement of the Company, as it has been further specified with the private agreement dated 16<sup>th</sup> October 2019 between Alpha Bank S.A., the Offeror, the Company, Messrs. Georgios Theodoridis and Sotirios Theodoridis and the subsidiary company under the name "METALLURGICAL COMPANY OF LAVRIO S.A.", as amended and in force, i.e. to conclude the transfer from the Company's subsidiary, PASAL CYPRUS LTD, of the 70,000 common registered shares worth €1 each issued by DORECO, to National Bank of Greece S.A. or to a legal entity that the latter will indicate and to continue to pay installments for the repayment of Company's debts to TRASTOR REIC and Eurobank S.A.

For the implementation of its strategy and its business plans, the Offeror intends to support any effort by the Company to seek additional funds (through bank lending or/and a new share capital increase) or/and through financing by companies controlled by the Offeror's Group. The intention to increase the share capital and receive bank lending for -among others- the financing of the recent agreement for the three new logistics properties has already been disclosed. In particular, on 18.09.2020 the Company's Board of Directors announced its decision to proceed with preparatory actions to increase the share capital by contributing the following assets to the Company: (a) 20% of the above three logistics properties (warehouses) located in Aspropyrgos, Attica, worth €38 million, while the remaining 80% will be acquired with purchase from the Company in cash, and (b) the total share capital of the company "JPA S.A." which has undertaken the execution of the project "Study, Financing, Construction and Technical Management of ten School Units in the Attica Region with PPP". It is noted that the acquisition of the above properties is still subject to certain conditions, and the transfer of the above shares is under approval by the competent bodies.

The Offeror intends to continue the activities of itself, the Company and its affiliated companies and does not plan to change the place of the Company's and its affiliated companies' activities or transfer the seat or their activities outside of Greece, with the exception of the Company's participations which already have their seat and are active outside of Greece.

It is noted it will not change policies regarding human resources management or the terms of employment for the Company's or its affiliated companies' personnel and will preserve the personnel's and executives' existing jobs. The duties and responsibilities of senior managers and the rest of the employees in the

Company and its affiliated companies may be adapted and/or modified over time and in any case without adversely changing the terms of employment.

The Offeror's acquisition of the Company's control through the Increase brought changes in the composition of the Board of Directors (see section 2.2.3 "Board of Directors"). Following the decision of the Ordinary General Meeting of Shareholders on 27<sup>th</sup> July 2020, the Offeror and the Persons Acting in Concert with the Offeror, elected a new board of directors of the Company, therefore, no further changes in the Company's Board of Directors composition are anticipated, except for changes to be made following the new corporate governance legal framework.

Finally, it is noted that, after the Tender Offer's completion, the Offeror will not exercise the Squeeze Out Right according to Article 27 of Law 3461/2006, as in force, and will not seek the delisting of Shares from ATHEX.

More information regarding the Offeror's business strategy is included in the section 2.14.

### **1.9 Procedure of the Tender Offer**

According to Article 7, paragraph 1 and 10 of the Law, on 31.07.2020, the Offeror initiated the procedure of the Tender Offer by informing in writing and submitting to the HCMC a draft of the present Offering Document. In parallel, the Offeror informed and submitted to the Company's Board of Directors a copy of the above draft. Subsequently, on 31.07.2020, the Tender Offer and the Valuation Report were published in the manner and means provided for in the Article 16, paragraph 1 of the Law.

Article 9, paragraph 6(b) of the Law was realised in this Tender Offer, as during the six months preceding the Date of Obligation for the Tender Offer, the transactions made did not exceed 10% of the total Shares of the Company but amounted to 0.80% of the total.

Therefore, following Article 9, paragraph 7 of the Law, the Offeror appointed the company "Grant Thornton S.A. Chartered Accountants & Management Consultants", as valuator for the valuation of the securities subject to the Tender Offer and the preparation of a Valuation Report, as mentioned in the section 2.17 hereof.

The HCMC approved this Offering Document on 30<sup>th</sup> September 2020, per Article 11, paragraph 4 of the Law.

The Acceptance Period under Article 18, paragraph 2 of the Law, during which the Shareholders may declare that they accept the Tender Offer, will commence with the publication of the Offering Document and last four weeks, starting on 5<sup>th</sup> October 2020 and ending on 2<sup>nd</sup> November 2020. The Offeror appoints Alpha Bank S.A. as Tender Offer Agent for receiving the Declarations of Acceptance and managing the Tender Offer, as provided for in Article 18 of the Law. Shareholders wishing to accept the Offer should follow the procedure described in chapter 3.2 of this Offering Document.

According to Article 23 of the Law, the results of the Tender Offer will be published within two working days after the expiry of the Acceptance Period, as defined in Article 16, paragraph 1 of the Law and will be communicated to employees' representatives or, if no representatives, to the employees directly.

The transfer of the Tendered Shares, which have been lawfully and validly tendered by the Accepting Shareholders, will take place through OTC transaction, following Article 46 of the DSS Regulation, on the following business day from the date of submission of the necessary documents to ATHEXCSD by the Tender

Offer Agent, in return for payment of the Offer Price, which (payment) will be held as provided for in Section 3.5 of this Offering Document.

Hard copies of the present Information Memorandum and the Declarations of Acceptance will be available free of charge at all of the Tender Offer Agent's branches in Greece and during all working days and hours while the Tender Offer remains open. Hard copies of the present Information Memorandum will also be available at the registered seat of the Adviser. Electronic copies of this Offering Document will also be available free of charge on the Adviser's website.

(<https://www.alpha.gr/el/idiotes/ependuseis/xrimatistiriakes-upiresies/enimerotika-deltia>), on the website of HELEX (<http://www.helex.gr/el/web/guest/companies-information-memorandum-informative-material>) and on the website of HCMC ([http://www.hcmc.gr/el\\_GR/web/portal/publicproposals](http://www.hcmc.gr/el_GR/web/portal/publicproposals)).

### **1.10 The Binding Nature of the Tender Offer**

As stated in this Offering Document and subject to the provisions of the Law, this Tender Offer is binding on the Offeror, and each Declaration of Acceptance that has been lawfully and validly submitted is irrevocable and binding on the Accepting Shareholder who submitted it, with the exception of the case of a Competing Tender Offer, whereby the provisions of paragraph 3.3. herein shall apply.

### **1.11 The Offeror's Adviser and Tender Offer Agent**

ALPHA BANK S.A. is acting as the Offeror's Adviser for the Tender Offer, pursuant to Article 12 of the Law. ALPHA BANK S.A. has been established in Greece, has its registered seat in the Municipality of Athens, 40 Stadiou Str., 10252, and its General Commercial Registry Number is 000223001000. The Adviser is a credit institution entitled, inter alia, to provide in Greece the investment services defined in the annex I, of the section A, of the items 6 and 7 of Law 4514/2018, as in force. The Adviser does not provide any guarantee about the fulfillment of the obligations undertaken by the Offeror.

ALPHA BANK S.A. acts as Tender Offer Agent of the Offeror, i.e. as a responsible bank to receive the Declarations of Acceptance and to take all necessary actions under Article 18 of the Law.

### **1.12 The Valuator**

«Grant Thornton S.A. Chartered Accountants & Management Consultants» acts as valuator of the Shares on behalf of the Offeror in the context of the Tender Offer, under Article 9, paragraphs 6 & 7 of the Law. Grant Thornton has been established in Greece, has its registered seat in Paleo Faliro, Attica, 56 Zefirou Str., 17564 and its General Commercial Registry Number is 121874801000.

It is noted that, according to the Valuator's and the Offeror's statement, the Valuator meets the criteria laid down in paragraphs 6 & 7 of Article 9 of the Law and more specifically it (i) is of recognised repute, and (ii) has the necessary organisation, staff and experience in valuations of businesses. In addition, as declared by the Valuator, Offeror and Company, the Valuator is independent of the Offeror and the Company, and in particular it does not have and did not have during the last five years any professional relationship or cooperation with the Offeror or the Persons Acting in Concert with the Offeror or/and with the Company and its related parties.

## 2. MANDATORY TENDER OFFER FOR THE ACQUISITION OF THE COMPANY'S SHARES

### 2.1 Introduction

On 2<sup>nd</sup> December 2019, the Extraordinary General Meeting of the Company's Shareholders decided the increase of the share capital of the Company with cash payment and preemptive right in favour of old shareholders, by the amount of €7,483,968 with the issuance of 14,967,936 new common registered shares with voting rights, with a nominal value of €0.50 each, at an issue price of €0.67 for each new share (determined by the Board of Directors of the Company at its meeting of 25<sup>th</sup> May 2020).

By covering unallocated shares of the Increase, the Offeror acquired 14,758,360 out of the total 14,967,936 new Shares and therefore, at the commencement date of the trading of the new Shares resulting from the Increase, i.e. on 15<sup>th</sup> July 2020, holds shares that represent approximately 87.64% of the total paid-up voting rights of the Company.

As a result of the above, on 15<sup>th</sup> July 2020, i.e. on the Date of Obligation for Tender Offer, the Offeror became obliged to launch the Tender Offer, under Article 7, paragraph 1 of the Law, as it directly acquired 87.64% of the total voting rights of the Company and therefore exceeded the threshold of one third (1/3) of the total voting rights of the Company.

Following the over-the-counter transactions on 20<sup>th</sup> July 2020 between the Offeror and companies Nequiter Invest AB (which has entered into an agreement with the Offeror to act in concert) and Via Futura AB, and on 17<sup>th</sup> September 2020 between the Offeror and the company Via Futura AB (see section 2.9 Information on recent transactions in the Company's Shares by the Offeror and the Persons Acting in Concert), the Offeror together with the Persons Acting in Concert, hold a total of 14,758,360 Shares, which represent approximately 87.64% of the total paid-in share capital and voting rights of the Company.

Through the Tender Offer, the Offeror intends to acquire all the Shares, which it did not hold directly or indirectly, itself or/and the Persons Acting in Concert on the Date of Obligation for Tender Offer and on the Date of the Tender Offer, i.e. 2,080,568 Shares (including its own Shares) which represent 12.36% of the total paid-in share capital and voting rights of the Company.

The Tender Offer is realised following the Law, as in force, and per the terms of this Offering Document.

The Tender Offer is mandatory and will be valid, regardless of the number of Shares, which will be legally and validly offered until the end of Acceptance Period. The Tender Offer is not subject to any condition.

On the Date of the Tender Offer, the Offeror launched the procedure of the Tender Offer by informing in writing the HCMC and Company's Boards of Directors about its submission and submitting a draft of the Offering Document to them, under Article 10, paragraph 1 of the Law, together with the Valuation Report, as provided in Article 9, paragraph 6 of the Law.

The announcement of the Tender Offer and the Valuation Report were published in accordance with Articles 10, paragraph 2, 9, paragraph 7 and 16, paragraph 1, of the Law.

The Valuation Report is available on the websites of ATHEX:

([https://www.athexgroup.gr/documents/10180/5922707/1171\\_6489\\_2020\\_Greek\\_1.pdf/f2b84ea5-65b4-4944-99b0-408faf05dd0e](https://www.athexgroup.gr/documents/10180/5922707/1171_6489_2020_Greek_1.pdf/f2b84ea5-65b4-4944-99b0-408faf05dd0e)) and the Company:

([http://www.pasal.gr/images/Pasal/ANAKOINOSEIS/EKΘΕΣΗ\\_ΑΠΟΤΙΜΗΣΗΣ.pdf](http://www.pasal.gr/images/Pasal/ANAKOINOSEIS/EKΘΕΣΗ_ΑΠΟΤΙΜΗΣΗΣ.pdf)).

The Offering Document has been approved by the Board of Directors of HCMC on the Date of the Offering Document, in accordance with Article 11, paragraph 4 of the Law.

The Offeror is bound to acquire all Shares of the Tender Offer, which will be lawfully and officially offered, together with all present and future rights deriving from them, under the only condition that they are free and clear of any real or obligatory burden or right, restriction, claim, usufruct, charge or right of any third party over them.

Furthermore, during the publication of the Tender Offer, the Offeror announced that neither itself nor any of the Persons Acting in Concert intend to acquire additional Shares through the ATHEX or OTC, during the period from the Date of the Tender Offer until the Acceptance Period, with the exception of those offered in the context of the Tender Offer.

The Offer Price set by the Offeror exceeds the price set under Article 9, paragraph 4 of the Law, amounting to €0.70 per Share and the price set by the Valuator, amounting to €0.70 per Share, therefore, meets the conditions for "fair and equitable" consideration set out under Article 9, paragraphs 4 and 6 of the Law (as specifically mentioned in section 2.15 hereof).

Article 9, paragraph 6(b) of the Law was enforced in this Tender Offer, since during the six months preceding the Date of Obligation for Tender Offer, transactions made did not exceed 10% of the total Shares of the Company but amounted to 0.80% of the total.

Therefore, the Offeror appointed "Grant Thornton S.A. Chartered Accountants & Management Consultants" as Valuator, as specifically mentioned in section 2.17, to conduct a valuation of the securities subject to the Tender Offer and issue a Valuation Report.

It is noted that, provided the Offeror and the Persons Acting in Concert with the Offeror hold Shares representing more than 90% of the total paid-in Share Capital and voting rights of the Company, after the conclusion of the Tender Offer, the Offeror:

(a) will not exercise the Squeeze-Out Right, per Article 27 of the Law 3461/2006, as in force, and

(b) will buy-out via the stock market all Shares offered within the three-months period starting from the publication of the results of the Tender Offer, in a price per Share equal to the Offer Price (Right to Sell-out), under Article 28 of the Law.

In addition, the Offeror has stated that delisting of the Company's Shares from the ATHEX will not be pursued.

## **2.2 The Company**

### **2.2.1 General Information**

The Company "PASAL REAL ESTATE DEVELOPMENT S.A." with the trade name "PASAL DEVELOPMENT S.A." was established in 1991 in Greece (with previous trade name "THEODORIDIS GROUP OF COMPANIES – Commercial-Industrial-Technical Business Consultants S.A.") under the Greek law. The Legal Entity Identifier of the Company is 213800MU91F1752AVM79. The Company is registered with the General Electronic Commercial Registry with registration number 861301000. According to its Articles of Association, its duration is 95 years from the date of registration of the decision for its establishment in the General Electronic Commercial Registry. Its registered seat is in the Municipality of Athens in Attica and its headquarters are at 10-12 Dorileou Str, PC 11521 (tel. 210 6967600).

On 4<sup>th</sup> January 2008, trading of the total of 14,967,940 common registered shares of the Company, with a nominal value of €0.50 each, commenced in the ATHEX Securities Market in the sector "Real Estate / Participations & Real Estate Development", while from 5<sup>th</sup> April 2013 they are traded in the "Under Surveillance" category, following the decision of 4<sup>th</sup> April 2013 of the ATHEX Board of Directors, under Article 3.1.2.4 of the ATHEX regulation.

The paid-up share capital of the Company, on the date of the present Offering Document, amounts to € 8,419,464 and is divided into 16,838,928 common, registered, dematerialised shares, with a nominal value of € 0.50 each.

The Company's website is (<http://www.pasal.gr>).

The Company's legal form is a public limited company, governed by the provisions of Law 4548/2018. As a listed company, its operation is also governed by the relevant applicable laws and the regulations of the Hellenic Capital Market Commission and the rest supervisory authorities and the commercial and securities legislation in general.

Regarding the subsidiaries of the Company based in Cyprus, their operation is governed by the respective institutional framework and the commercial legislation of Cyprus.

On 30<sup>th</sup> June 2020 the Company and the Group employed five employees.

The Company operates in Greece and it primarily focuses on purchasing and developing properties and offering project management services for real estate development, without having a construction or design division. The consolidation agreement was signed on 30<sup>th</sup> March 2018, under Article 99 of Law 3588/2007, which was ratified and entered into force with the decision 712/29.08.2019 of the Athens Court of First Instance, following Article 106b of Law 3588/2007 as amended with Law 4446/2016.

### **2.2.2 Scope of Activities**

In the context of their operations, the Company and the Group buy, construct/renovate real estate properties, which they then lease and sell at the appropriate time. Properties are developed either by the Company or Group, or through fitting joint ventures with companies of similar scope, with the aim of exploiting economies of scale as a result of synergies. The Group's main objective is forming long-term partnerships with specialised houses of real estate development in Greece and entering into strategic partnerships for the acquisition of expertise and for jointly participating in other companies in large scale real estate development projects in the private and public sectors.

The Group's growth is based on the creation of a property portfolio, which will bring in long-term value and will minimise the investment risk by diversifying investments in different properties or areas, based on geographical criteria, type of use, property age, etc. and the active management in which the return on real estate of the portfolio is assessed. In addition, the possibilities of alternative utilisation or sale of properties will be examined on the base of the long-term benefits for the Company and its shareholders.

On 30<sup>th</sup> June 2020, the Group's portfolio of investment properties consisted of five (5) investment properties with a total value of €31,770 thousand, as follows:

#### **1. On the 27 km of Old National Road Athens-Corinth, in Elefsina (Logistics Warehouse)**

The property is a building block of warehouses and a distribution centre with office space. It is located on the 27<sup>th</sup> km of the Old National Road Athens-Corinth, in the Municipality of Elefsina. It houses activities related to packaging-repackaging, warehousing and distribution of products. It is located off the City Plan but inside the General Urban Development Plan of the Municipality of Elefsina, and inside the Industrial Area, where the construction terms and restrictions are under the provisions of Government Gazette 627D/13-6-05.

The property is leased to the "Greek Supermarkets-Sklavenitis" company under the lease agreement with a start date of 1<sup>st</sup> November 2014 and end date of 31<sup>st</sup> October 2026. Rental income amounted to €1,462.5 thousand in 2018 and €1,487.4 thousand in 2019.

#### **2. 19, Thermaikou Str., Thessaloniki (Commercial/Industrial Property)**

A plot of a total surface of 39,609 sq.m., with a 150 m. front facing the side street of Egnatia Odos. It hosts a building complex consisting of a multi-storey building and two basements with a total covered area of 29,661 sq.m. The property is empty from the date of its acquisition, i.e. 28<sup>th</sup> March 2008.

### **3. 166, Orfeos Str., Eleonas (Commercial Property)**

A plot of a total surface 10,799 sq.m. hosting buildings of a total surface of 10,857 sq. m., inside the City Plan. Plans for its development include its initial lease as warehouse, and a subsequent re-evaluation following planned developments of the Municipality of Athens and the sports facilities in the area. The property is empty since the date of its acquisition, i.e. 25<sup>th</sup> July 2007.

### **4. Palea Sfagia, Lavrio (Residential Property - Plot)**

A plot property of the subsidiary EMEL S.A., of total surface 33,124 sq.m. on the new ring road that connects Kerateas-Lavriou Avenue with the port of Lavrio. Part of this plot lies within the city plan (19,191 sq.m.) with the rest outside. The property was acquired on 17<sup>th</sup> June 1999.

### **5. Nea Lampsakos, Halkida (Commercial Property- Plot)**

A plot of total surface 81,292 sq.m. owned by subsidiary ARVEN S.A., located in Nea Lampsakos of the Municipality of Halkida in the Prefecture of Evoia, within the City Plan, that can be built under legislation regarding the "out of the city plan" constructions (P.D. 24/1985/Government Gazette D'270/31.5.1985). The plot was acquired on 27<sup>th</sup> November 2008.

It is noted that, in addition to the above properties and after the acquiring of the control of the Company by the Offeror, on 7<sup>th</sup> August 2020 the Company announced that it entered into a preliminary agreement with the payment of deposit amounting to €1.5 million for the purchase of three logistics properties and warehouses located in Aspropyrgos, Attica. The properties are fully leased to various tenants and have a Gross Leasable Area of 62,500 sq.m. The value of the purchase amounts to approximately €38 million. The transaction is expected to be completed by the end of 2020 in combination with an increase in the Company's share capital, (see section 2.14 The business strategy of the offeror regarding the Company) and will be financed with own funds and bank lending (for which an approval is already granted).

## **2.2.3 Board of Directors**

On the Date of the Tender Offer the Company was managed by a six-member Board of Directors, elected at the Ordinary General Shareholders Meeting of 27<sup>th</sup> July 2020 and held its constituent meeting on 28<sup>th</sup> July 2020.

The composition of the Board of Directors is the following:

<b>Full Name</b>	<b>Position at the Board of Directors</b>	<b>Member Capacity</b>
Elias Georgiadis, son of Nikolaos	Chairman	Executive Member
Sotirios Theodoridis, son of Konstantinos	Vice-Chairman	Non-Executive Member
Konstantinos Markazos, son of Alexios	CEO	Executive Member
Kalliopi Kalogera, daughter of Stamatis	Member	Executive Member



Frank Roseen, son of Anastasios	Member	Independent Non-Executive Member
Panagiotis Vroustouris, son of Konstantinos	Member	Independent Non-Executive Member

The term of the Board of Directors is set at six years, ending on 27<sup>th</sup> July 2026, and is automatically extended until the expiration of the time limit within which the next Ordinary General Meeting of Shareholders must convene and until the relevant decision is taken.

## 2.2.4 Shareholder Structure of the Company

As of the date hereof, the Company's paid-up share capital amounts to €8,419,464 and is divided into 16,838,928 common registered Shares, with a nominal value of €0.50 each.

According to the most recent information kept on ATHEX website, following Law 3556/2007, the persons who directly or indirectly hold Shares representing at least 5% of the total voting rights of the Company are the following:

Shareholder	Number of Direct Shares & Voting Rights	Percentage % of Voting Rights	Total Number & Voting Rights	Percentage % of Voting Rights
Sterner Stenhus Greece AB (1)	10,330,852	61.35%	14,758,360	87.64%
Nequiter Invest AB (2)	4,427,508	26.29 %	14,758,360	87.64%

Notes:

1. Mr. Elias Georgiadis controls Sterner Stenhus Holding AB, which controls the Offeror, which directly holds 10,330,852 Shares representing 61.35% of the total Company's voting rights.

2. In addition, Nequiter, controlled by Mr. Jan Gösta Lennart Lindeberg, directly holds 4,427,508 Shares representing 26.29% of the total Company's voting rights.

Furthermore, the Offeror and Nequiter signed the Nequiter Agreement (see section 2.20 Special Agreements relating to the Tender Offer) by which it was agreed, inter alia, that the latter will exercise the voting rights it holds at the Company in favour of the election of the persons nominated by the Offeror to the Board of Directors of the Company, as well as that it will in general exercise its voting rights in a manner consistent with the Offeror's proposals.

Consequently, due to the above agreement, the Offeror in combination with Nequiter (which is controlled by Mr. Jan Gösta Lennart Lindeberg and who, by extension, controls the voting rights of the latter) following Article 10, item (a) of the Law 3556/2007 hold or control 14,758,360 voting rights, representing 87.64% of the total Shares and voting rights in the Company.

Lastly, the number of voting rights held Mr. Elias Georgiadis indirectly holds through the companies he controls, i.e. Sterner Stenhus Holding AB and the Offeror in the Company, still amounts to 87.64% of the total Company's voting rights.

## 2.2.5 Selected Financial Information

## Condensed Financial Figures of fiscal years 2019 and 2018

The following tables present condensed financial figures for the Company and the Group for fiscal years 2019 and 2018, based on disclosed annual corporate and consolidated financial statements of 2019, compiled per International Financial Reporting Standards (I.F.R.S.) and audited by a Chartered Auditor Accountant:

STATEMENT OF TOTAL COMPREHENSIVE INCOME	Group		Company	
	1.1-31.12.2019	1.1-31.12.2018	1.1-31.12.2019	1.1-31.12.2018
<b>(Amounts in thousands of €)</b>				
Operating Profit	(6,021.93)	(1,153.77)	(3,047.00)	703.49
Profit on Ordinary Activities	(7,442.23)	(3,323.47)	(4,467.29)	(1,465.57)
Profit before tax	39,495.04	(3,323.47)	42,140.44	(5,620.57)
Profit/(Loss) from continuing operations	41,709.62	(2,872.54)	43,429.95	(5,858.53)
Profit/(Loss) from discontinued operations	4,402.96	(3,748.46)	0.00	0.00
Financial Year Profit	46,112.59	(6,621.00)	43,429.95	(5,858.53)
Basic earnings per share attributed to the owners of the parent company from continuing operations (in euro)	22.35	(1.47)	23.21	(3.13)
Basic earnings per share attributed to the owners of the parent company from discontinued operations (in euro)	2.35	(2.00)	0.00	0.00

Source: Annual corporate and consolidated financial statements of 2019, according to the International Financial Reporting Standards, which are audited by a Chartered Auditor Accountant. The figures of financial year 2018 arise from the comparative data of the financial period of 2019.

Note: Any deviations in the totals are due to rounding differences.

STATEMENT OF FINANCIAL POSITION	Group		Company	
	1.1-31.12.2019	1.1-31.12.2018	1.1-31.12.2019	1.1-31.12.2018
<b>(Amounts in thousands of €)</b>				
Non-Current Assets	31,394.21	77,647.95	26,743.00	37,566.59
Current Assets	2,461.45	2,604.28	4,377.00	3,525.18

Assets held for sale	30,059.54	0.00	974.63	0.00
Total Assets	63,915.20	80,252.22	32,094.64	41,091.77
Total Equity	(19,275.62)	(65,210.12)	3,649.36	(39,602.50)
Long-term liabilities	2,975.17	23,670.91	2,875.17	21,157.67
Short-term liabilities	24,489.42	121,791.44	24,479.96	59,536.60
Liabilities related to assets held for sale	55,726.24	0.00	1,090.15	0.00
Total Equity and Liabilities	63,915.20	80,252.22	32,094.64	41,091.77

Source: Annual corporate and consolidated financial statements of 2019, according to the International Financial Reporting Standards, which are audited by a Chartered Auditor Accountant. The figures of financial year 2018 arise from the comparative data of the financial period of 2019.

Note: Any deviations in the totals are due to rounding differences.

### Condensed Financial Figures of the period 01.01.2020-30.06.2020

The following tables present certain financial information for the period 1<sup>st</sup> January 2020-30<sup>th</sup> June 2020 of the Company and the Group, based on the disclosed condensed interim consolidated and corporate financial statements of the said period, compiled per International Financial Reporting Standard (IFRS) and audited by a chartered auditor accountant. Also, the following tables comprise comparative information on income for the period 1<sup>st</sup> January 2019-30<sup>th</sup> June 2019 and on financial position for the preceding period ending 31<sup>st</sup> December 2019.

STATEMENT OF TOTAL COMPREHENSIVE INCOME (Amounts in thousands of €)	Group		Company	
	1.1-30.06.2020	1.1-30.06.2019	1.1-30.06.2020	1.1-30.06.2019
Operating Profit	1,146.92	799.20	515.81	808.76
Profit on Ordinary Operations	928.51	70.59	297.41	80.16
Profit before tax	1,078.68	103.22	447.94	112.79
Financial period Profit/(Loss) from continuing operations	2,166.86	(125.20)	1,689.24	(114.22)
Financial period Profit/(Loss) from discontinued operations	25,869.76	0.00	0.00	0.00
Financial period Profits	27,718.41	8,545.43	1,689.24	(114.22)

## STATEMENT OF TOTAL COMPREHENSIVE INCOME

(Amounts in thousands of €)

	1.1-30.06.2020	1.1-30.06.2019	1.1-30.06.2020	1.1-30.06.2019
Basic earnings per share attributed to the owners of the parent company from continuing operations (in euro)	0.99	(0.07)	0.90	(0.06)
Basic earnings per share attributed to the owners of the parent company from discontinued operations (in euro)	13.83	4.63	0.00	0.00

Source: Corporate and consolidated interim financial statements for the period 01.01-30.06.2020, according to the IFRS34, which are audited by a Chartered Auditor Accountant.

Note: Any deviations in the totals are due to rounding differences.

INTERIM FINANCIAL POSITION STATEMENT	Group		Company	
	30.06.2020	31.12.2019	30.06.2020	31.12.2019
Non-Current Assets	33,401.71	31,394.21	28,268.84	26,743.01
Current Assets	2,198.99	2,461.45	4,114.95	4,377.00
Assets held for sale	0.00	30,059.54	0.00	974.63
Total Assets	35,600.69	63,915.20	32,383.79	32,094.64
Total Equity	8,416.12	(19,275.62)	5,311.93	3,649.36
Long-term Liabilities	2,092.01	2,975.17	1,992.01	2,875.17
Short-term Liabilities	25,092.56	24,489.42	25,079.84	24,479.96
Liabilities related to assets held for sale	0.00	55,726.24	0.00	1,090.15
Total Assets and Liabilities	35,600.69	63,915.20	32,383.79	32,094.64

Source: Corporate and consolidated interim financial statements for the period 01.01-30.06.2020, according to the IFRS34, which are audited by a Chartered Auditor Accountant.

Note: Any deviations in the totals are due to rounding differences.

## 2.2.6 Participations

The Company's direct or indirect participations in other companies and the respecting percentage of participation in each, as presented in the last published interim financial statements of 30.06.2020, are the following:

Company	Registered Office	Activity	Participation	Percentage of Participation % 30.06.2020	Method of consolidation
E.M.E.L. S.A.	Greece	Real Estate	Indirect	88,79%	Fully consolidated
PASAL CYPRUS LTD	Cyprus	Real Estate	Indirect	100%	Fully consolidated
ARVEN S.A. <sup>(1)</sup>	Greece	Real Estate	Indirect	100%	Fully consolidated

Company	Registered Office	Activity	Participation	Percentage of Participation % 30.06.2020	Method of consolidation
MFGVR LTD	Cyprus	Real Estate	Indirect	100%	Integrated consolidation
DORECO <sup>(2)</sup>	Greece	Real Estate	Indirect	100%	Fair Value
SIBO S.A. <sup>(2)</sup>	Greece	Real Estate	Indirect	100%	Fair Value

*Disclosed Financial Statements of 30<sup>th</sup> June 2020, prepared according to IFRS and audited by a Chartered Auditor- Accountant.*

*(1) According to the Information Prospectus, 90,000 shares of the subsidiary company Arven (100% of the share capital) have been pledged in favour of Eurobank as collateral for long-term borrowing of the Company.*

*(2) Under the Consolidation Agreement, PASAL DEVELOPMENT Group, in particular its subsidiary PASAL CYPRUS LTD, will transfer all the shares of its 100% subsidiary DORECO, which have been collateralised to National Bank of Greece, to the latter, or to a legal person the National Bank of Greece will indicate at a zero price. The agreement with the National Bank of Greece was implemented on 16<sup>th</sup> March 2020, the date control over the companies DORECO S.A. and 100% subsidiary SIBO S.A. was relinquished. On that date those participations were valued at fair value, namely zero, and resulted in a €25,869,761.30 profit for the consolidated financial statements. Since 31<sup>st</sup> December 2019, the activities of the companies DORECO and its 100% subsidiary SIBO were listed on the Group's financial statements for fiscal year 2019 as discontinued activities, in application of IFRS 5.*

It is noted that the percentage of voting rights the Company holds in the subsidiaries mentioned in the table above is equal to the percentage of participation in the share capital.

## 2.3 The Offeror

### 2.3.1 General Information

The Offeror is the private company under the name "STERNER STENHUS GREECE AB", established on 8<sup>th</sup> December 2017 with a registered seat in Sweden (11 Årstaängsvägen Str., 117 43, Stockholm) and registration number 559138-3608, which exists legally under the law of Sweden.

Its scope of activity is the acquisition and management of real estate property, directly or indirectly (through companies in which it participates), as well as related business activities.

The Offeror does not employ employee personnel and is managed by Mr. Elias Georgiadis, in his capacity as member of its Board of Directors and Mr. Thomas Georgiadis, as deputy member of its Board of Directors, the two of them being the sole board members.

On the date of the Offering Document, the Offeror had the following participations, in addition to the Company (and its subsidiaries) mentioned in section 2.2.6:

<b>Company</b>	<b>Registered Seat</b>	<b>Activity</b>	<b>Participation</b>	<b>Participation %</b>
JPA S.P.S.A.	Athens	PPP	Direct	100%
STENHUS ASPROPYRGOS RIKIA SINGLE MEMBER S.A.	Athens	Holding, management and exploitation of movable and immovable assets	Direct	100%
STENHUS ASPROPYRGOS DYO PEFKA SINGLE MEMBER S.A.	Athens	Holding, management and exploitation of movable and immovable assets	Direct	90%

<b>Company</b>	<b>Registered Seat</b>	<b>Activity</b>	<b>Participation</b>	<b>Participation %</b>
STERNER STENHUS GREECE MANAGEMENT  SINGLE MEMBER S.A.	Athens	Holding, management and exploitation of movable and immovable assets	Direct	100%
QUESNEL HOLDINGS LTD	Cyprus	Holding, management and exploitation of movable and immovable assets	Indirect	100%

### 2.3.2 Share Capital and Shareholder Structure

On the Date of the Offering Document, the Offeror's total paid-in share capital amounts to SEK 50,000 divided into 1,000 common registered shares, with a nominal value of SEK 50 each, while four preferred shares have been issued<sup>1</sup>. The Offeror's main shareholder is Swedish Sterner Stenus Holding AB, which holds 99.6% of the total shares and 99.96% of the voting rights of Sterner Stenus Greece AB.

<sup>1</sup> The preference consists in the right to receive a percentage of the Offeror's profits.

The following table presents the Offeror's shareholder structure:

Shareholder	Number of Shares and voting rights	% of voting rights
Sterner Stenhus Holding AB	1, 000 Common Shares and 10,000 voting rights	99,96%
Nequiter Invest AB	4 Preferred Shares and 4 voting rights	0,04%

Source: The Offeror

### 2.3.3 Offeror's Board of Directors

The Offeror's BoD composition on the Date of the Offering Document is the following:

Full name	Position on the Board of Directors
Elias Georgiadis	Member of the Board of Directors
Thomas Georgiadis	Deputy Member of the Board of Directors

The term of the Board of Directors started on 27.11.2017 and is of indefinite duration.

### 2.3.4 Condensed Financial Figures

The following tables present the Offeror's condensed financial figures for the fiscal year ended 31<sup>st</sup> December 2019 and 2018 when the Offeror was founded, in particular for the period 08.12.2017-31.12.2018, based on the Offeror's disclosed consolidated financial statements in the Swedish Business Register, which are compiled per the International Financial Reporting Standards and audited by a Chartered Auditor Accountant. The Offeror's Board of Director approved the consolidated financial statements on 16.6.2020:

Condensed Financial Statement of Group's Total Comprehensive Income	31.12.2019	08.12.2017-31.12.2018
(amounts in thousands of SEK*)		
Sales	21,643	-
Operating Result	13,609	-
Pretax Profit/(Loss)	80,612	(45)
Profit/(Loss)	71,945	(50)

Source: The Offeror

Condensed Financial Position of Group (amounts in thousands of SEK*)	31.12.2019	31.12.2018
Total Fixed Assets	579,819	63,331
Total Assets	705,903	68,917

Long-term Liabilities	441,760	-
Total Liabilities	487,816	69,683
Total Equity	218,087	(766)

### 2.3.5 Other persons controlled by Mr. Elias Georgiadis

The persons controlled as defined in Article 3, paragraph 1 (c) of Law 3556/2007 by Mr. Elias Georgiadis, except for the Company and the Offeror and their subsidiaries, are Sterner Stenhus Holding AB and Via Futura Holding AB and their subsidiaries:

#### ***Persons controlled by Sterner Stenhus Holding AB:***

<b>Company Name</b>	<b>% of Participation</b>	<b>Participation</b>	<b>Registered Seat</b>
<b>Sterner Global Invest AB</b>	<b>100%</b>	<b>Direct</b>	<b>Stockholm</b>
Marbel Songs AB	50%	Indirect	Stockholm
Pallas Athena Group AB	100%	Indirect	Stockholm
AP Records AB	50%	Indirect	Stockholm
<b>Rotnivå AB</b>	<b>60%</b>	<b>Direct</b>	<b>Stockholm</b>
Ride Entreprenad AB	35%	Indirect	Stockholm
Konsultnivå AB	50%	Indirect	Stockholm
<b>Sterner Stenhus Förvaltning AB</b>	<b>100%</b>	<b>Direct</b>	<b>Stockholm</b>
Sterner Stenhus Vårberg Förvaltning AB	100%	Indirect	Stockholm
Sterner Trygg Bostad	100%	Indirect	Stockholm
Stenhus Kungens Kurva Cirkeln AB	100%	Indirect	Stockholm
Stenhus Södertälje Företagägaren 1 AB	100%	Indirect	Stockholm
Substantia Förvaltning AB	85%	Indirect	Stockholm
Stenhus FSH Sågen 14 AB	51%	Indirect	Stockholm



Samstern Bromma Beckomberga 1:1 AB	50%	Indirect	Stockholm
Stenhus Botkyrka Kumlakneken 2 AB	100%	Indirect	Stockholm
<b>Sterner Stenhus Fastigheter AB</b>	<b>100%</b>	<b>Indirect</b>	<b>Stockholm</b>
Stenhus Förvaltning Stockholm AB	<b>100%</b>	<b>Indirect</b>	<b>Stockholm</b>
Stenhus Botkyrka Kyrkbyn AB	100%	Indirect	Stockholm
Stenhus Kungens Kurva Diagonalen 1 AB	100%	Indirect	Stockholm
Stenhus Botkyrka Kornet 6 & 15 AB	100%	Indirect	Stockholm
Stenhus Tumba Samariten 1AB	100%	Indirect	Stockholm
Stenhus Tumba Läkarhuset AB	100%	Indirect	Stockholm
Rexchabo AB	100%	Indirect	Stockholm
Stenhus Köping Förvaltning AB	<b>100%</b>	Indirect	Stockholm
Stenhus Köping Midgård 14 AB	100%	Indirect	Stockholm
Stenhus Köping Njörd AB	100%	Indirect	Stockholm
Köping Midgård AB	100%	Indirect	Stockholm
Stenhus Köping Montören AB	100%	Indirect	Stockholm
<b>Strukturen AB</b>	<b>100%</b>	<b>Direct</b>	<b>Stockholm</b>
<b>Bygg &amp; Städtjänst i Stockholm AB</b>	<b>100%</b>	<b>Direct</b>	<b>Stockholm</b>
<b>Sterner Stenhus Services AB</b>	<b>100%</b>	<b>Direct</b>	<b>Stockholm</b>

<b>Apollo Services Sverige AB</b>	<b>100%</b>	<b>Direct</b>	<b>Stockholm</b>
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Source: The Offeror

**Persons controlled by Via Futura Holding AB:**

<b>Company Name</b>	<b>% of Participation</b>	<b>Participation</b>	<b>Registered Seat</b>
Via Futura AB	<b>100%</b>	<b>Direct</b>	<b>Stockholm</b>
Via Futura Grec MON. IKE	58,60%	Direct	Athens
Via Marina MON A.E.	100%	Direct	Athens
Stenhus Utveckling Tumba samariten 1 AB	100%	Direct	Stockholm

**2.4 The Offeror's Adviser**

ALPHA BANK S.A. is acting as the Offeror's Adviser for the purposes of the Tender Offer under Article 12 of the Law.

ALPHA BANK S.A. is established in Greece, its registered seat is in the Municipality of Athens (40, Stadiou Str., 10252) and its General Commercial Registry Number is 223701000. The Adviser is a credit institution entitled to provide the investment services defined in annex I, section A, items 6 and 7 of Law 4514/2018, as in force. The Adviser does not offer any guarantee for the fulfillment of the obligations undertaken by the Offeror. The Advisor has countersigned this Offering Document and certifies, following appropriate due diligence, that the contents of Offering Document are accurate.

**2.5 Authorised Credit Institution for the submission of Acceptance Declarations ("The Tender Offer Agent")**

Under Article 18, paragraph 1 of the Law, the Offeror has appointed and authorised ALPHA BANK S.A., a Greek Societe Anonyme bank, with General Commercial Registry Number 223701000 and a registered seat in the Municipality of Athens, 40 Stadiou Str., P.C. 102 52, to receive the Declaration of Acceptance and the accompanying documents as the Tender Offer Agent.

The Tender Offer Agent is responsible to receive all the above documents, supervise and realise the transfer of the formally offered Shares to the Offeror, and for the payment of the Offer Price for the Transferred Shares to the Accepting Shareholders, per the terms of the Offering Document and the Declaration of Acceptance.

Shareholders wishing to receive additional information about the procedure for the submission of Declarations of Acceptance can contact the Tender Offer Agent during all working days and hours:

- a) At the telephone number +30 210 3436704, Mrs. Paraskevi Apistola (λείπει από το Ελληνικό και το Α.Α. δεν υπάρχει, ας αφαιρέσετε και την αρίθμηση α)

Hard copies of the Offering Document and copies of the Declarations of Acceptance will be available free of charge at all of the Tender Offer Agent's branches in Greece, during working days and hours while the Tender Offer remains open. Hard copies of this Offering Document will be available free of charge at the registered seat of the Offeror's Adviser. Electronic copies of this Offering Document will be also available free of charge on the Adviser's website: <https://www.alpha.gr/el/idiotes/ependuseis/xrimatistiriakes-upiresies/enimerotika-deltia>, on the website

of HELEX: <http://www.helex.gr/el/web/guest/companies-information-memorandum-informative-material> as well as on the website of HCMC: [http://www.hcmc.gr/el\\_GR/web/portal/publicproposals](http://www.hcmc.gr/el_GR/web/portal/publicproposals).

## **2.6 Persons responsible for preparing the Offering Document**

Under Article 11, paragraph 1 (e) of the Law, Mr. Elias Georgiadis, as the Offeror's specifically authorised legal representative and responsible for preparing this Offering Document, certifies that this Offering Document is complete and accurate and the information included is true without any omissions which could change content and essence of this Tender Offer.

## **2.7 Certificate issued by Banking Institution for the payment of the offer price**

Following Article 9, paragraph 3 of the Law, ALPHA BANK S.A. has signed the following attestation:

"We refer to the mandatory tender offer which 'STERNER STENHUS GREECE AB', with Registry Number 559138-3608 and a registered seat at 12 Ellipsvagen Str., 141 75, Kungens Kurva, County of Stockholm, Sweden (the 'Offeror') will address to the shareholders of the Greek société anonyme 'PASAL REAL ESTATE DEVELOPMENT S.A.' with the trade name 'PASAL DEVELOPMENT S.A.' with General Commercial Registry Number 861301000 (the 'Company'), for the acquisition by payment in cash of maximum 2,080,568 common registered, dematerialised shares with voting rights of the Company, by Greek law 3461/2006 (Official Government Gazette A106/30.5.2006) on 'Incorporation into the Law of Greece of Directive 2004/25/EC relating to tender offers' (Law 3461/2006), as in force (the "Tender Offer").

ALPHA BANK S.A. (the 'Bank'), lawfully established and operating in Greece, legally represented, hereby certifies under Article 9, paragraph 3 of Law 3461/2006, that the Offeror has the necessary means to pay in full:

- (a) the sum of €1,477,203.28, which is equal to the product of the number of shares related to the Tender Offer, multiplied by the Offer Price amounting to €0.71 per share and
- (b) the amount of clearing duties levied on the Offeror in favour of the "Hellenic Central Securities Depository S.A." (HCSD), in connection with the registration of the Over-the-Counter transfer of the shares of the Company to be tendered to the Offeror by the shareholders of the Company.

The Bank does not provide guarantees, within the meaning of Articles 847 et seq. of the Greek Civil Code for fulfillment of financial or any other obligation the Offeror has undertaken regarding the Tender Offer.

## **2.8 Shares held by the Offeror and the Persons Acting in Concert**

On the Date of Obligation for Tender Offer and the Date of the Tender Offer, the Offeror and the Persons Acting in Concert held in total 14,758,360 Shares and voting rights representing 87.64% of the paid-in share capital and the voting rights of the Company. It is noted that neither the Offeror, nor any other Person Acting in Concert directly or indirectly held other Shares or voting rights of the Company.

## **2.9 Information on recent transactions in the Company's Shares by the Offeror and the Persons Acting in Concert**

The Offeror and the Persons Acting in Concert have not realised any transaction in the Company's Shares, directly or indirectly, through the stock exchange market or OTC, during the twelve (12) months preceding the publication of the Tender Offer, except for the following:

Name	Date	Type of Transaction	Transaction's Volume	Price (€ per Share)
Offeror	15.07.2020	Participation in the Increase	14.758,360	0.67
Nequirer*	20.07.2020	Purchase of Shares held by the Offeror (OTC)	4,427,508	0.67
Via Futura AB*	20.07.2020	Purchase of Shares held by the Offeror (OTC)	2,213,754	0.67

**\* According to the announcement of the Company on ATHEX website, dated 24.07.2020, based on the Law 3556/2007**

According to the Company's announcement of 24<sup>th</sup> September 2020 per Law 3556/2007 on the ATHEX website, on 17<sup>th</sup> September 2020 the Swedish company Via Futura AB, Person Acting in Concert with the Offeror, transferred to the Offeror the total shares it held in the Company, i.e. 2,213,754 Shares, representing 13.15% of the total voting rights of the Company, at € 0.67 each.

## **2.10 Shares subject to the Tender Offer**

Through the Tender Offer, the Offeror is bound to acquire all Company's Shares, which are not held by it or/and the Persons Acting in Concert, at the Date of Obligation for the Tender Offer and the Date of the Tender Offer, i.e. the maximum amount of 2,080,568 Shares, representing 12.36% of the paid-in share capital and the voting rights of the Company. The Company's Shares are listed in the A.S.E. since 2008 and are traded on the "Under Surveillance" category of the Regulated Market of ATHEX.

According to the Information Prospectus, at the date of the Information Prospectus the Company held 715 own shares, resulting from the reverse split on 31<sup>st</sup> March 2020, which took place following the decision of the General Shareholders Meeting on 2<sup>nd</sup> December 2019. The listing was also approved by the ATHEX Corporate Actions Committee in its meeting of 23<sup>rd</sup> March 2020. According to the Company's disclosed annual consolidated financial statements for 2019, no Company's subsidiaries hold shares of the Company.

The Offeror intends to acquire all Shares of the Tender Offer, lawfully and officially offered, together with all existing and future rights deriving from them, under the only condition that they are free and clear of any real or obligatory burden or right, restriction, claim, usufruct, charge or right of any third party over them.

In addition, the Offeror and the Persons Acting in Concert do not intend to acquire through ATHEX or OTC any additional Shares during the period from the Date of the Tender Offer until the end of Acceptance Period, except for those offered to them in the context of the Tender Offer.

## **2.11 Maximum number of Shares to be acquired by the Offeror**

In accordance with the Law and this Offering Document, the Offeror is bound and undertakes to acquire all the Shares of the Tender Offer, i.e. a maximum of 2,080,568 Shares, representing approximately 12.36% of the total paid-in share capital and voting rights of the Company.

## **2.12 Minimum number of Shares to be acquired by the Offeror**

Since the Tender Offer is mandatory, there is no minimum number of Shares that must be tendered to the Offeror for the Tender Offer to take effect.

### **2.13 The binding nature of the Tender Offer**

According to this Offering Document and without prejudice to the provisions of the Law, this Tender Offer is binding on the Offeror, and each Declaration of Acceptance that has been legally and duly submitted cannot be revoked and is binding on the Accepting Shareholder, with the exception of the case of submission of Competing Tender Offer, whereby the provisions of chapter 3.3 herein shall apply.

### **2.14 The Offeror's business strategy for the Company**

The Offeror acquired Company shares with equivalent voting rights in the context of the Increase, thus exceeding the limit of one third (1/3) of Company's total voting rights. Under Article 7, paragraph 1 of the Law it therefore became obliged to submit a Tender Offer.

The Offeror's investment in the Company is part of the broader strategy of Mr. E. Georgiadis, the Offeror's ultimate controlling shareholder, for the current portfolio's further development and expansion in the Greek market, held by him and the companies he controls.

Mr. E. Georgiadis' business strategy mainly targets Logistics properties and public buildings, such as schools, hospitals or other buildings housing public entities, but may include other properties from which a stable income is expected. Current investments of the Offeror and the companies it controls in Greece comprise Logistics properties and school buildings constructed through PPPs.

Therefore, the Offeror's acquisition of the Company's shares will contribute to the development of the latter's activities in the Greek real estate market, through the expansion of its portfolio along the above business strategy. Already, on 07<sup>th</sup> August 2020, the Company concluded a preliminary agreement for the acquisition of three Logistics properties (warehouses) in Aspropyrgos, with a total area of 62.5 thousand sq.m. and an estimated value of €38 million, leased to various tenants (see section 2.2.2 of this Offering Document).

In addition to looking for new investment properties, the possibility of contributing to the Company part or all of the Offeror's real estate investments in Greece will also be examined in implementing the business strategy. Furthermore, the Offeror intends to realise the Company's Consolidation Agreement, as it has been further specified with the private agreement dated 16<sup>th</sup> October 2019 between Alpha Bank S.A., the Offeror, the Company, Messrs. Theodoridis Georgios and Theodoridis Sotirios and the subsidiary company "METALLURGICAL COMPANY OF LAVRIO S.A.", as amended and in force, i.e. to conclude the transfer from the Company's subsidiary, PASAL CYPRUS LTD, of the 70,000 common registered shares worth €1 each issued by DORECO, to the National Bank of Greece S.A. or a legal entity that the latter will indicate and to continue the payment of installments for the repayment of Company's debts to TRASTOR REIC and Eurobank S.A.

For the implementation of its strategy and business plans, the Offeror intends to support any effort by the Company to seek additional funds (through bank lending or/and a new share capital increase) or/and through financing by companies controlled by the Offeror's Group. An intention to increase the share capital and receive bank lending for financing, among others, the recent agreement for the three new logistics properties has already been announced. In particular, on 18<sup>th</sup> September 2020, the Company's Board of Directors announced its decision to proceed with preparatory actions to increase the share capital by contributing the following assets to the Company: (a) 20% of the above three logistics properties (warehouses) located in Aspropyrgos, Attica, worth €38 million, while the remaining 80% will be acquired with purchase from the Company in cash, and (b) the total share capital of the company "JPA S.A." which has undertaken the execution of the project "Design, Financing, Construction and Facility (Technical) Management of ten School Units in the Attica Region with PPP". It is noted that, the acquisition of the above properties is still subject to certain conditions and transfer of the above shares is subject to approval by the competent bodies. If all the conditions are satisfied and approvals received, the total value of the assets that will be contributed to the share capital increase is estimated to be approximately €20 million. For the exact valuation, under provisions of the law, the Company has assigned

the valuation of the assets (a) and (b) mentioned above to the companies Real Estate Advisory – Real Estate Advisory – REA L.P. and DELOITTE CERTIFIED PUBLIC ACCOUNTANTS S.A., respectively. After completing the valuations and other preparatory actions, an announcement - invitation for an Extraordinary General Meeting of the Company's Shareholders will follow and the relevant valuations and BoD report will be published under the law.

The Offeror intends to continue the activities of itself, the Company and its affiliated companies and does not plan to change the area the Company or its affiliated companies operate or transfer the seat or their operation outside Greece, with the exception of the Company's participations already having their seat and being active outside Greece.

It is noted the Offeror will not change policies regarding human resources management or the terms of employment for the Company's or its affiliated companies' personnel and will preserve the personnel's and executives' existing jobs. The duties and responsibilities of senior managers and the rest of the employees in the Company and its affiliated companies may be adapted and/or modified over time and in any case without adversely changing the terms of employment.

The Offeror's acquisition of the Company's control through the Increase brought changes in the composition of the Board of Directors (see section 2.2.3 "Board of Directors"). Following the decision of the Ordinary General Meeting of Shareholders on 27<sup>th</sup> July 2020, the Offeror and the Persons Acting in Concert with the Offeror, elected a new board of directors of the Company, therefore, no further changes in the Company's Board of Directors composition are anticipated, except for changes to be made following the new corporate governance legal framework.

Lastly, it is noted that, after the Tender Offer's completion, the Offeror will not exercise the Squeeze Out Right according to Article 27 of Law 3461/2006, as in force, and will not seek the delisting of Shares from ATHEX.

## **2.15 Detailed Information about the Delisting of Shares, the Right to Squeeze Out and the Right to Sell Out**

### **The Right to Squeeze Out and the Right to Sell Out**

Since the Offeror and the Persons Acting in Concert with the Offeror own Shares representing more than 90% of the total paid-in Share Capital and voting rights of the Company (see below section 2.15), after the conclusion of the Tender Offer, the Offeror:

- (a) will not exercise the squeeze-out right, in accordance with Article 27 of Law 3461/2006, as in force, and
- (b) will buy-out all Shares offered within the three-month period starting from the disclosure of the Tender Offer results, through the stock market in a price per Share equal to the Offer Price (Right to Sell Out), following Article 28 of the Law.

### **Delisting of Shares from ATHEX**

Finally, the Offeror has stated that delisting of the Company's Shares from the ATHEX will not be pursued.

## **2.16 Offer Price**

The Offeror will pay the Offer Price, i.e. €0.71, for each Tender Offer Share legally and officially accepted, in cash.

Regarding the Offer Price, the following are noted:

(a) the Share's VWAP in the last six months preceding the day of Activation of the mandatory Tender Offer amounts to €0.70.

(b) the highest price in which the Offeror or/and any Person Acting in Concert acquired Shares during the last twelve months preceding the Date of Activation of the mandatory Tender Offer amounts to €0.67 per Share and

(c) the price per Share determined by Valuator's Valuation Report amounts to €0.70 per Share.

Given that in this Tender Offer, Article 9, paragraph 6(b) of the Law was realised, the Offeror appointed Grant Thornton S.A. Chartered Accountants & Management Consultants" as Valuator, as mentioned in the section 2.17, for the valuation of the securities subject to the Tender Offer and the preparation of a Valuation Report, , as during the six months preceding 15<sup>th</sup> July 2020, namely the Date of Obligation for the Tender Offer, the transactions made did not exceed 10% of the total Shares of the Company but amounted to 0.80% of the total.

as during the 6 months preceding the date 15.07.2020, i.e. the date at which the Offeror became obliged to submit

Employing the following valuation methods: (i) Net Asset Value, (ii) Comparable Companies Multiples, (iii) Comparable Transactions, (iv) Market Capitalisation, and applying a weighting factor to the results of each method the Valuator determined the weighted final price of €0.70 per Share.

Therefore, the Offer Price meets the conditions for "fair and equitable" consideration, as described in Article 9, paragraphs 4 and 6.

More specifically, the Offered Price:

- exceeds by 1.43% the VWAP of the Shares during the six months prior to the Date of Obligation for th Tender Offer, amounting to €0.70.
- exceeds by 5.97% the highest price at which the Offeror or/and the Persons Acting in Concert acquired Shares during the last twelve months prior to the Date of Obligation for Tender Offer, which amounted to €0.67.
- exceeds by 1.43% the price the Valuator determined according to internationally acceptable criteria and methods, is included in the Valuation Report and amounts to €0.70 per Share.

It is noted that the following amounts will be deducted from the Offer Price to be paid to the Accepting Shareholders:

(a) the specified in the Rulebook for Clearing Transactions rights for the clearance of over the counter transfer of Transferred Shares in favour of ATHEXCSD, which amounts to 0.08% on the transfer value (calculated as the number of Transferred Shares multiplied (x) by the highest one of the following prices: (i) the Offer Price and (ii) the closing price of the Share on ATHEX on the business day prior to the submission of the required documents of the Article 46 to the ATHEXCSD of the Codified Operating Rules of the Dematerialised Securities System, approved with the No. 3/304/10.6.2004 decision of the Board of Directors of the HCMC, as amended and in force ("Operating Rules of the Dematerialised Securities System") in ATHEXCSD and with a minimum cost equal to the lowest between €20 and 20% of the value of the transaction for each Accepting Shareholder, according to the Article 7 of the codified decision No. 1 (meeting 233/28.01/2014) of the ATHEXCSD Board of Directors, as in force, and

(b) the amount corresponding to the tax on the OTC transfer, today amounting at 0.2% of the value of the transaction for the transfer of the Transferred Shares to the Offeror.

## **2.17 The Valuator**

The auditing company under the name «Grant Thornton S.A. Chartered Accountants & Management Consultants», acts as valuator of the Shares on behalf of the Offeror in the context of the Tender Offer, under Article 9, paragraphs 6 & 7 of the Law. Grant Thornton was founded in Greece, its registered seat is in Paleo Faliro, Attica, 56, Zefirou Str., 17564 and its General Commercial Registry Number is 121874801000.

It is noted that, according to the Valuator's and Offeror's statements, the Valuator meets the criteria set in paragraphs 6 & 7 of Article 9 of the Law and more specifically it (i) is of recognised repute, (ii) has the necessary organisation, staff and experience in valuations of businesses. In addition, according to the Valuator's, the Offeror's and the Company's statement, the Valuator is independent of the Offeror and the Company, and in particular it does not have and did not have for the last five years any professional relationship or cooperation with the Offeror or the Persons Acting in Concert with the Offeror or/and with the Company and its related parties.

## **2.18 Information about financing of the Tender Offer**

The Offeror will finance the payment of the Offer Price through lending that has already been granted by companies controlled by Mr. Elias Georgiadis.

## **2.19 Conditions Precedent**

The Tender Offer is not subject to any Condition Precedent.

## **2.20 Special Agreements relating to the Tender Offer**

### **Nequiter Agreement**

On 20<sup>th</sup> July 2020 the Offeror and Nequiter signed a preliminary agreement (Termsheet) and, subsequently, on 27<sup>th</sup> July the final agreement, the basic terms of which are:

- Nequiter is obliged to exercise its voting rights in the Company to elect the persons nominated by the Offeror to the Board of Directors of the Company, and generally in a manner consistent with the Offeror's proposals.
- Nequiter is prohibited from transferring Shares it holds in the Company to any third party during the Acceptance Period.
- If the Offeror or Nequiter wishes to transfer Shares to a third party after the end of Acceptance Period, a right of first refusal is granted to the other party of the Nequiter Agreement for the acquisition of the Shares under terms similar to those offered to the third party.
- If the Offeror or Nequiter wishes to transfer Shares to a third party after the end of Acceptance Period and the other party in the Nequiter Agreement does not exercise the right of first refusal, as described above, it has the right to tag along its Shares to the third party with terms identical to those agreed between the Offeror Shareholder and the third party.
- The Nequiter Agreement will cease in the event of a dissolution and liquidation of the Company or in the event of a reduction of Nequiter's participation in the share capital of the Company to a percentage below 5%.

Apart from Nequiter Agreement, there are no other special agreements related to the Tender Offer or the exercise of the rights deriving from the Shares of the Company, that are held directly or indirectly by the Offeror or other persons, who are acting on behalf of or in concert with it, pertaining to Article 11, paragraph 1, item (q) of the Law.

## **3 ACCEPTANCE PROCEDURE, RECIPIENTS'S CONDITIONS & APPLICABLE LAW**

### **3.1 Acceptance Period**



Per Article 18, paragraph (2) of the Law, the Acceptance Period will last four weeks, commencing on 5<sup>th</sup> October 2020 at 08:00 (Greek time) and ending on 2<sup>nd</sup> November 2020 with the end of opening hours of banks operating in Greece.

### **3.2 Declarations of Acceptance – Receipt procedures of the Declaration of Acceptance – Irrevocability of Declarations of Acceptance**

Accepting Shareholders must complete and submit a Declaration of Acceptance to any of the Tender Offer Agent's branches in Greece. Forms of this Declaration may be obtained from the Tender Offer Agent's branches in Greece throughout the Acceptance Period during working days and hours.

More specifically, the acceptance procedure of the Tender Offer is as follows:

(a) Accepting Shareholders must first contact the Initial Operator of the Tendered Shares and instruct the transfer of the Shares they wish to tender to accept the Tender Offer by using the Security Release Procedure. The Initial Operator will deliver to the Accepting Shareholder the Removal Certificate indicating the Security Release Procedure transaction number, the date of the transaction and the number of Shares that have been released. The Accepting Shareholder will also receive from the Initial Operator a DSS printout showing the Investor and Securities Account (as defined in the DSS Regulation) that the Accepting Shareholder maintains with the DSS.

(b) Subsequently, Accepting Shareholders will have to visit any Tender Offer Agent's branch in Greece at business days and hours, with their ID or passport. Should the Accepting Shareholder be a legal entity, it is required to submit a full set of documents to the Tender Offer Agent, certifying that the person/s signing the Declaration of Acceptance legally represent the entity, the Removal Certificate and the DSS printout showing the Investor and Securities Account. At the same branch, the Accepting Shareholders will fill-in and submit the Declaration of Acceptance, with which the Tender Offer Agent will be authorised to handle the Offer Shares. The Securities Receipt process is then realised for the number of Offer Shares the Security Release Procedure has been followed by their Initial Operator. Lastly, Accepting Shareholders will receive an official computerised certificate of registration of the Declaration of Acceptance from the same branch.

From and under the due, valid, timely and lawful completion of the procedure mentioned above, the Accepting Shareholder is considered to have accepted the Tender Offer. To the extent that the Declaration of Acceptance has not been fully completed according to the terms and conditions of the Declaration of Acceptance and the present Offering Document, a Shareholder could be deemed not to have validly accepted the Tender Offer.

An Accepted Shareholder may complete, sign, submit or transmit the Declaration of Acceptance either in person or by proxy. If any of the above are by proxy, the power of attorney the representative will hold must include specific mandate and authorisation and the full details of both the Accepting Shareholder and the proxy and authenticity of the Accepting Shareholder's signature must be officially certified at a police station or any other administrative authority (e.g. a Citizen Service Centre).

Alternatively, Accepting Shareholders may authorise their Operator to complete, sign, submit or transmit the Declaration of Acceptance and in general proceed with any necessary action for the acceptance of the Tender Offer on their behalf.

In case that the Tendered Shares are registered in a Special Account (as defined in DSS Regulation), the Accepting Shareholder (instead of the above request to the Initial Operator) shall submit to ATHEXCSD a request for the transfer of the Tendered Shares to his, her or its Operator and then follow the process described above. Upon completion, submission or transmission of the Declaration of Acceptance, the Accepting Shareholder will be deemed having declared and certified that its Offered Shares are free from any legal and factual burden and in general any right in rem or contractual encumbrance or commitment in favour of any third party, attachment or right of any third party.

### **3.3 Revocation of Declarations of Acceptance**

The Declaration of Acceptance includes an irrevocable mandate and authorisation by the Accepting Shareholder to the Tender Offer Agent to proceed with all actions required to complete the sale and transfer the Tendered Shares or to return them to the originating Operator, should any of the circumstances described in chapter 3.5 (C) above become relevant. The originating Operator is the one the Accepting Shareholder will select in the Declaration of Acceptance.

The Declarations of Acceptance submitted in the manner described above cannot be revoked unless the Accepting Shareholder wishes to accept a Competing Tender Offer. In such a case, Accepting Shareholders that have submitted Declarations of Acceptance may revoke them to accept a Competing Tender Offer by submitting a relevant written Declaration of Revocation to the Tender Offer Agent.

### **3.4 Disclosure of the Tender Offer results**

The Offeror will disclose the Tender Offer results on ATHEX's Daily Statistical Bulletin and website within two business days following the expiry of the Acceptance Period by Article 23 of the Law, and notify the employees following the Law.

### **3.5 Payment procedure of the Offer Price - Transfer Procedure of the Tender Offer Shares - Return of the Shares that are not transferred**

**A.** Following the announcement of the results of the Tender Offer, as described above, and provided that no Declaration of Revocation has been submitted by an Accepting Shareholder according to chapter 3.3. above, an agreement for the off-exchange transfer of the Tendered Shares is automatically entered into between each Accepting Shareholder, as seller, and the Offeror, as purchaser, per the Tender Offer terms.

**B.** The over-the-counter (OTC) transfer of the Offered Shares by Accepting Shareholders to the Offeror and the payment of the Offer Price by the Offeror to the Accepting Shareholders, will be realised as follows:

(a) No later than the first business day following the announcement of the results of the Tender Offer, the Tender Offer Agent, acting in the name and on behalf of the Accepting Shareholders, and the Offeror will enter into a written agreement for the OTC transfer of the Tendered Shares, following Article 46 of the DSS Operating Rules. The Tender Offer Agent, acting in the above capacity, will proceed with the necessary actions for submitting to ATHEXCSD all necessary documents for the registration of the transfer of the Transferred Shares with the DSS.

(b) The OTC transfer of the Transferred Shares is expected to be registered with the DSS the next working day following the submission of the entire documentation required for such transfer to ATHEXCSD, per Article 46 of the DSS Operating Rules.

(c) On the same day as the registration referred to in (b) above is completed, the Tender Offer Agent will pay the Offer Price to every Accepting Shareholder, in the manner selected by every Accepting Shareholder in its Declaration of Acceptance, namely either through a deposit to the Shareholder's bank account held with the Tender Offer Agent, or by means of a credit through the Operator, where an Accepting Shareholder has opted to authorise the Operator to proceed to the actions required on its/her/his behalf, or by means of a credit of a deposit account held by an Accepting Shareholder with another Bank in Greece, or by issuing a bank cheque in favour of the Accepting Shareholder, if the payment of the Offer Price through any of the aforementioned means is not possible, at the branch of the Tender Offer Agent that received the Declaration of Acceptance, which the Accepting Shareholder will visit and present a valid copy of the Declaration of Acceptance and its identification card or passport. The payment of the Offer Price is subject to the provisions on restrictions on capital transfers, as in force at the time of payment.

In the event that, upon the launch of a valid Competing Tender Offer, an Accepting Shareholder submits a Declaration of Revocation, the Tender Offer Agent will return the Tendered Shares to the Operator who made the transfer not later than one business day following the submission of a Declaration of Revocation by the Accepting Shareholder.

### **3.6 Shareholders outside Greece**

The Tender Offer is addressed only to Shareholders and persons to whom it may lawfully be made. Submitting the Tender Offer to nationals, citizens or residents in jurisdictions outside Greece or Shareholders' representatives, custodians, administrators or trustees outside Greece is deemed to be made only where this would be in accordance with the laws of those countries.

No Tender Offer documents may be distributed in any country outside Greece and no person receiving a copy of any Tender Offer Document in any country outside Greece may consider that document a proposal, offer, or invitation and may in no event use any Tender Offer document unless distribution, proposal or offer can be legally made or such a document can be legally used without violating any legal condition in that country (including, inter alia, the Excluded Countries. In such an instance any Tender Offer Document is sent for information purposes only.

It is the sole responsibility of every Shareholder outside Greece wishing to accept the Tender Offer to be informed and ensure full compliance with the laws of his country regarding the Tender Offer. In case of any doubt about the governing legal status, the Shareholder outside Greece should consult his professional advisor in the relevant foreign country.

In particular, this Tender Offer is not made in any way or in any form (hard-copy or other), directly or indirectly, in or to Excluded Countries. For this reason, the transmission, distribution, posting or forwarding of copies or duplicates of any Tender Offer Document by any person to or from the Excluded Territories is prohibited.

If any person promotes any document relating to the Tender Offer within, to or from any of the Exempted Countries or uses the postal service or any other means whatsoever of an Exempted Country, then such person is obliged to draw the attention of the recipient to this section.

### **3.7 Applicable law and jurisdiction**

The Tender Offer and all related documents as well as all acts, statements, transactions or announcements relating to the Tender Offer, as well as all legal relationships arising between the Offeror and the Accepting Shareholders will be governed and interpreted under the actual provisions of the Greek law.

By submitting a Declaration of Acceptance, each Shareholder accepts that the Tender Offer, the Declaration of Acceptance, the transfer of the Tender Offer Shares to the Offeror and any transaction or agreement which will be completed in the context of this Tender Offer will be governed by Greek law.

Any dispute in connection with the implementation or interpretation of the Tender Offer and all the relevant transactions and agreements are subject to the jurisdiction of the Courts of Athens.

## **4. REPORT OF THE OFFEROR'S ADVISOR**

This Tender Offer is an all cash tender offer. Credibility of the Tender Offer, therefore, depends on the Offeror's ability to pay the Offer Price to the Accepting Shareholders who validly accept the offer and the measures taken by the Offeror for the settlement of the Tender Offer.

The Offeror intends to finance the payment of the Offer Price in cash through borrowing from companies controlled by Mr. Elias Georgiadis. ALPHA BANK S.A. has provided a certification of the availability of the funds needed for the payment of the Offer Price to Accepting Shareholders including the charge for the respective clearing rights at ATHEXCSD.

In addition, the Offeror has entered into an agreement with ALPHA BANK S.A., under which it has appointed the latter as authorised credit institution for the submission of Declarations of Acceptance, to ensure completion of the Tender Offer and payment of the Offer Price will be made properly.

We therefore consider that the Tender Offer is reliable, the Offeror has taken all necessary measures for the completion of the Tender Offer by agreeing with ALPHA BANK S.A. and has adequate funds to pay the Offer Price, unless incidents of force majeure occur leading to the Offeror's inability to meet payment obligations. In such an event, relevant Articles of the Greek Civil Code referring to the no-fault inability to pay shall be enforced. In no event shall Shares of the Accepting Shareholders be transferred to the Offeror without concurrent payment of the Offer Price.

However, the Advisor provides no guarantee, within the meaning of Article 847 of the Greek Civil Code, for the fulfillment of the financial or other obligations the Offeror has undertaken in the context of the Tender Offer.

Lastly, the Advisor jointly signs the Offering Document and following appropriate due diligence certifies that the content of the Offering Document is accurate.

For **ALPHA BANK SOCIETE ANONYME**

**Signed**

K. I. FOULIDES\*

Head of Corporate Finance

**Signed**

D. A. KOULOURIOTI\*

Director

For **STERNER STENHUS GREECE AB**

**Signed**

ELIAS GEORGIADIS\*

Offeror's specially Authorised Legal Representative and Board Member

\* *The original text bearing original signatures was submitted to HCMC.*