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Attention of Mr Konstantinos Markazos

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Friday, 10th May 2024

Dear Sirs,

**Opinion of Value for a warehousing asset in "Kyrillos" area, Municipality of Aspropyrgos, Region of Attica**

Please find below our opinion of value services regarding the commercial property – warehousing facilities in "Kyrillos" area, Municipality of Aspropyrgos, Regional Unit of Western Attica, Region of Attica, Greece based on the provided data. This valuation is prepared for internal decision-making purposes in the context of the Company's strategy.

**Valuation Date**

The valuation date is 01-05-24. The importance of the date of valuation must be stressed as property values may change over a relatively short period.

**Definition of Basis of Valuation**

We are to provide you with our opinion of value under the base of Investment value (worth which is defined in IVS 104 paragraph 60.1 as:

*The value of an asset to a particular owner or prospective owner for individual investment or operational objectives.*

**Valuer details**

The property was inspected on 23-04-24 by Stefanos Giannoulakis MRICS (6550102), MEng Surveying Engineer, MSc in Real Estate Investment & Finance, MSc in Spatial Analysis, TCG member (118931), Registered Valuer of the Greek Ministry of Finance (710) and Georgios Vellis, MSc in Real Estate Investment Finance, RICS APC Candidate (6949366). We were able to inspect the property both externally and internally. Our inspection was limited to those areas that were easily accessible or visible.

**Valuation Standards and Rules of Conduct**

In terms of the subject instruction as per your request we have departed from VPS 3 “Valuation Reports” (with regards to the deliverables), of the Global Standards (the “RICS Red Book”) based on PS1 Section 6 “Departures”, which are effective as of 31st January 2022 and which incorporate the International Valuation Standards (IVS), except for PS 1 and PS 2, where no departure is permitted.

In the end, we note that the subject valuation is provided to you (the client) purely for internal purposes and without liability. We commit ourselves to comply with Global Professional and Ethical Standards and Rules of Conduct imposed by the Royal Institution of Chartered Surveyors (RICS), as well as the Ethics Code that was established with Ministerial Decision 19928/292 of the Minister of Finance, as published in Government Gazette 1147B/2013.

### SHORT DESCRIPTION, STATUTORY AND LEGAL ASPECTS OF THE ASSET

The subject property is situated in the municipality of Aspropyrgos, in the western sector of Attica. The municipality of Aspropyrgos is located approximately 20-25 km from the historical city centre of Athens, and it borders on the north with the Municipality of Dervenochoria, on the south with the Municipality of Chaidari, on the east with the Municipalities of Fili and Ano Liossia and on the west with the Municipalities of Magoula, Elefsina and the Gulf of Elefsina. According to the 2021 census, the Municipality of Aspropyrgos has a population of 31,381 inhabitants and covers an area of c. 101.9 km<sup>2</sup>. Aspropyrgos has a mixed planning policy in the uses of land. Except from the residential part that is part of the section between the Athens-Corinth National Road and the ‘Attiki Odos’ Highway, in Aspropyrgos other uses of land exist, such as industrial. The latter are located in the section of Aspropyrgos that surrounds NATO Avenue and the Athens-Corinth National Road. A significant number of warehouses have been developed with significant intensity during the last 15 years in various parts of Aspropyrgos, mainly in close proximity to ‘Attiki Odos’ (north and south of it). Although Aspropyrgos is considered one of the most degraded areas of Attica for residential use, as it mainly attracts to industrial uses such as distribution centres, logistics etc. In fact, the area is one of the most attractive areas for such uses, mainly due to the easy accessibility to and from the network of national highways (via ‘Attiki Odos’) and the port of Piraeus via the new railway line that connects the port with the Thriasio field.

More specifically, the subject property is situated at “Lofos Kyrillou” north of ‘Attiki Odos’ and at a relatively close distance from it (approximately 500m). The nearest junction of ‘Attiki Odos’ is number 4 and is located 1.8 km from the property. Land use in the immediate vicinity is by a large majority commercial warehouses, ranging from small to very large scale.

### Subject of valuation

The subject property is an industrial warehouse facility including warehousing and office areas, which is developed according to 772/2003 built permit, on a land plot with a total surface of 12,222.75 m<sup>2</sup> according to the provided data.

The land plot has a polygonal irregular shape. It has a face on a public road at its eastern boundary, where the entrance point to the property is located. The ground is steep, and the altitude increases along the south-north axis. The slope is so steep that much of the construction has been done in large trenches and is located below the surface of the formed ground.

The total areas of the subject property are exhibited below:

s/n	Level	Use	Surface(m <sup>2</sup> )
1	Ground floor	Warehouse	4,067.39
2	Ground floor	Offices	109.51
3	1st Mezzanine	Offices	241.40
			4,418.30

According to the provided data, the property consists of individual horizontal ownerships, which are distinguished as follows:

Horizontal ownership	Level	Use	Surface(m <sup>2</sup> )	(%)
horizontal ownership 1	Ground floor	Warehouse	2,055.36	48.00%
	Ground floor	Offices	33.09	
	Mezzanine 1	Offices	123.87	
horizontal ownership 2	Ground floor	Warehouse	2,012.03	48.00%
	Ground floor	Offices	76.42	
	Mezzanine 1	Offices	117.53	
horizontal ownership 3	future dev. right			2.00%
horizontal ownership 4	future dev. right			2.00%
			4,418.30	100.00%

The building consists of ground floor storage areas, comprising on the south façade office space which is arranged on two levels. The levels are connected vertically by two staircases and a lift. The building is made of metal frame with reinforced concrete foundations and metal frame floors. The side walls and the roof are made of galvanized corrugated panel sheets with insulation of polyurethane. The warehouse has 2 loading bays located at its southern side.

The warehouse consists of two fire compartments designed with fireproof panels, it has industrial flooring and an internal height of 8.75 m.

The office areas have configurations that include painted masonry from dry construction (double plasterboard with stone wool intermediate), floors covered with laminate or ceramic tiles, pressed wooden interior frames and suspended ceiling from mineral fiber boards in aluminum grid. The rooms contain air conditioning units (split).

The building has active and passive fire protection with safety lighting, smoke detectors, fire nests and sprinklers that are powered by a fire department. There is a PPC substation, electrical panels and generator (E/Z) that ensure smooth operation. In terms of security, there is a perimeter wall with a metal railing, external lighting of the roof and buildings around the perimeter, closed circuit television (CCTV) and motion detectors.

We note that on the roof of the building photovoltaic panels exist for electricity generation, but after a written order from our client they are not included in this report.

The open area of the land plot is landscaped and finished with concrete floor to allow the movement of trucks, while the perimeter of the property is protected with wire fencing, while the main entrance is also protected by remotely operated door.

### Statutory requirements & Compliance

The subject property was developed with the building permit 772/2003 of the Planning Department of West Attica and its revision number 105/2010. The property has been subject to the provisions of L.4495/17. With this specific inclusion, various issues were settled which are analysed in detail in the Technical Report that accompanies the application for inclusion.

We understand that the land plot is developable and is situated outside the approved town plan. The terms and conditions of the plot are exhibited below:

- Minimum Size: 4,000 m<sup>2</sup>
- Building Coefficient: 0.6 for metal construction
- Coverage Ratio: 40%

- Max. Height: 14.00 m
- Distance from plot boundaries: 10.00 m

We understand that metal structures - mezzanines have been constructed inside the building to facilitate the tenant's business operations. Since, such structures could be unauthorized, for valuation purposes we assume that these either are going to be settled under the provisions of Law 4495/2017 (or any amendment) in terms of the legalisation of unauthorised structures or will be removed upon the lease expiry date and therefore the property will be able to receive a legality certificate.

For the purposes of this valuation in our calculations we have attributed value only to the surfaces of the main building compartments and not to the additional mezzanine storage areas of the building.

We understand that there is a remaining development potential in the property, which equates to 1,185.85 m<sup>2</sup> of land. Furthermore, by taking into account the relevant business risk in terms of both the feasibility of the component (due to planning, legal, environmental or other constraints or limitations of any nature) and its technical feasibility, we understand that the remaining development potential cannot be exploited.

### Occupational Leases

On the date of valuation, the property was fully let. The table below contains the basic terms of the current lease agreements:

	Tenant / area	Lease start	Indexation date	Lease expiry	Indexation over CPI	Passing rent (€/month)
1	IRON MOUNTAIN HELLAS S.A.	16.05.06	01.06	31.05.30	fixed	18,846.00
						18,846.00

In addition, the following specific terms of the EMA lease were provided to us:

From 01-06-2024, base rent equal to € 19,882.53 with next indexation to take place on 1st June 2025.

From 01-06-2025, indexation pattern will be equal to CPI+1,00%.

- Minimum Annual Rent Adjustment: 1,00%
- Maximum Annual Rent Adjustment: 5,00%

### SHORT MARKET COMMENTARY

#### The Industrial / Logistics sector

The Greek logistics market was not an investment priority and therefore did not quite follow the European trend in the previous years, something which was overwhelmed by large-scale developments in the sector in countries such as the UK, Romania and Poland, Belgium etc. These markets witnessed a surge of investments a trend that continues due to the strong growth in e-commerce. Enhanced online retail sales combined with the fact that consumer footfall remains markedly down on pre-Covid-19 levels are expected to increase the pent-up investor demand for prime logistics facilities.

The global pandemic has created new opportunities and a shift in demand towards the logistics sector as investors are looking for both warehousing space and distribution centres in prime out-of-town industrial areas of Athens and Thessaloniki but also in inner city locations for the development of "last mile" units.

In 2022, the logistics/ndustrial market had strong performance in respect of the total investment volume that was recorded reaching c. €280 mln. of stock being transacted. Until now (November 2023) logistics transactions have reached investment

volumes of c.€ 210.8 mln. moving at slightly lower levels, a decrease which is considered as normal due to economic uncertainty that exists all over Europe.

It is estimated that in the next couple of years approximately 380,000 m<sup>2</sup> of new modern warehousing space will be offered in the market as a result of the Greek REIC's and international private equity funds investment frenzy. Such a serious supply of modern logistics space is in line with the increasing levels of demand for certified storage space that currently exists in the domestic market.

By and large, investors will continue seeking to acquire land plots and/or older industrial assets to satisfy the positive momentum which comes as a result of the country's economic growth and its increased strategic importance as a transport hub and gateway of products from Asia and other parts of the world to Europe. This trend has led to a rapid compression of yields and increase in the level of rents per m<sup>2</sup>, with prime rental rates for Grade-A warehouses (14-meter height) to be set for the current year (2024) at 5.25 – 5.50 €/m<sup>2</sup>/month. Although the headwinds in the global economy persist, the trajectory of the Greek Industrial/Logistics market will remain at positive grounds and is expected to continue showing resilience during 2024 offering investors solid grounds for competitive yields and sustainable rental levels.

The area of Aspropyrgos is considered one of the most appealing areas of Attica for many industrial, light industrial and warehousing units. The main drivers for its gradual transformation, from a highly deprived residential area to a prominent logistics and warehouse location, are: its improved accessibility via the National Motorway network ("Attiki Odos"), the region's immediate vicinity from the Elefsina port as well as the new railway line connecting the Piraeus port with the logistics area of Thriassio Valley. The aforementioned parameters along with the appropriate zoning have led to the creation of a trade/warehousing zone close to Athens and the Port of Piraeus. The rental levels observed in the area are in the range of € 4.5 – 5/m<sup>2</sup>/month. Yields observed in the area ranging from 7.50% to 8.50% reflecting the risks attached and growth prospects.

## **NON-RED BOOK VALUATION ADVICE AND SUPPORTIVE CALCULATIONS**

### **Special Assumption**

Our valuation has been carried out under the special assumptions that on the valuation date:

**“The metal structures-mezzanines that could be unauthorized, will be either settled/legalized, if so required by Law, under the provisions of Law 4495/2017 (or any amendment thereof) or any other applicable legal/planning means, or such structures will be removed upon lease expiry and therefore the property will be able to receive a legality certificate”.**

In case the status of these structures is clarified in the future, we retain the right to revisit our opinion of value.

### **Approach to Valuation**

For the calculation of the Investment Value of the property we have used the Income Approach (Investment method) and more specifically the Discounted Cash Flows method with 10-year analysis model. According to this contemporary method of valuation the current and the future cash flows generated by the property in the form of income are discounted to the present to reflect the time value of money by using as discount rate the Target Rate of Return (TRR) of an average market investor. At the end of the analysis period (10 years) the exit value of the property is calculated by capitalizing the 11th

year's gross cash flow with the use of the Exit Yield which is equivalent to the All-Risks Yield (ARY). The ARY is determined by comparing Gross Initial Yields of similar investments and taking into consideration the particular characteristic of the property both structural and locational, the dynamics of the local property market and the general climate of the economy. The Exit Value is discounted to the present by using the TRR. The TRR is selected carefully to reflect the property characteristics, the investment prospects, the local property dynamics and the general climate of the economy. The sum of the discounted cash flows is the Net Present Value of the property.

In order to calculate the Estimated Rental Value (ERV) of the property we have taken into consideration the rental levels that properties of this size and use usually achieve in the area. We have surveyed the local market in order to identify comparable evidence that refer to lettings in the surrounding area of Thriassio. Our findings, as well as the relevant adjustments are shown in the following table:

**Lettings**

s/n	Description	Surface (m <sup>2</sup> )	Rent (€/month)	Rent (€/m <sup>2</sup> /month)	Asking	Location	Size	State of Repair	Other	Adjusted rent (€/m <sup>2</sup> /month)
	Subject property									
1	Aspropyrgos, dry storage warehouse, 9,400 m <sup>2</sup> , in good condition.	9,400.0	35,000	3.7	0%	0%	+5%	+5%	0%	4.1
2	Aspropyrgos, dry storage warehouse, 13,000 m <sup>2</sup> , in good condition.	13,000.0	53,700	4.1	0%	0%	+10%	0%	0%	4.5
3	Aspropyrgos, dry storage warehouse, 7,300 m <sup>2</sup> , in good condition.	7,300.0	33,600	4.6	0%	0%	+5%	0%	0%	4.8
4	Elefsina, dry storage warehouse, 10,150 m <sup>2</sup> , in good condition.	10,150.0	48,300	4.8	0%	0%	+5%	0%	0%	5.0
5	Aspropyrgos, industrial warehouse of 15,000m <sup>2</sup> , in excellent condition	15,000.0	78,000	5.2	0%	0%	+10%	0%	0%	5.7

From the comparable evidence we understand that the rents for warehouses in the area range between €4.1/m<sup>2</sup>/month and €5.7/m<sup>2</sup>/month approximately and they refer to warehousing units with similar characteristics (i.e. location, accessibility, age, construction technology, height etc.). For the purposes of this valuation, we believe that an appropriate rent price should be in the order of €4.75/m<sup>2</sup>/month, which we adopt in all leased areas (both industrial and offices).

By taking into consideration the characteristics of the subject property we apply the following rates per use:

**Investment method**

Use	Rental Value
Storage	4.75 €/m <sup>2</sup> /month
Office	4.75 €/m <sup>2</sup> /month

Based on the above figures, the ERV of the property is calculated at:

	Tenant / area	Passing rent (€/month)	ERV (€/month)
1	IRON MOUNTAIN HELLAS S.A.	18,846	20,987
		18,846	20,987

In our calculations we have not taken into consideration the income produced by solar panels.

### All Risks Yield and Discount Rate

Based on the current state of the market as well as also the prospects it and after taking into account the characteristics of the local market, as well as the specific characteristics of the property, we have applied an exit yield of 7.75% and the discount rate (TRR) of 9.25%.

### Valuation Assumptions

For the needs of our valuation, we have adopted a variable Consumer Price Index (CPI) as the average of the projections made by the IMF and Oxford Economics for each respective year:

Greece	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033+
Oxford Economics	+3.700%	+2.650%	+0.950%	+1.640%	+1.970%	+1.990%	+2.000%	+2.000%	+2.000%	+2.000%	+2.000%
IMF	+4.118%	+2.834%	+2.209%	+2.001%	+1.900%	+1.894%	+1.894%	+1.894%	+1.894%	+1.894%	+1.894%
Applied average	+3.909%	+2.742%	+1.579%	+1.820%	+1.935%	+1.942%	+1.947%	+1.947%	+1.947%	+1.947%	+1.947%

For valuation purposes, we have applied the below assumptions:

- Market Growth: 1.50% per annum
- Property management cost equal to 2.00% of the total rental revenue.
- Vendor's costs: 2% of the Exit value.

### Valuation Calculations

According to the above data we have the following calculation:

#### Cash Flow As Of

Kyriillos Warehouse, Aspropyrgos (Amounts in EUR)  
May, 2024 through Apr, 2035

	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
For the Years Ending	Apr-2025	Apr-2026	Apr-2027	Apr-2028	Apr-2029	Apr-2030	Apr-2031	Apr-2032	Apr-2033	Apr-2034	Apr-2035
<b>Rental Revenue</b>											
Potential Base Rent	237,554	245,715	252,413	259,613	267,226	275,092	275,407	279,162	283,350	287,600	291,914
Scheduled Base Rent	237,554	245,715	252,413	259,613	267,226	275,092	275,407	279,162	283,350	287,600	291,914
Total Rental Revenue	237,554	245,715	252,413	259,613	267,226	275,092	275,407	279,162	283,350	287,600	291,914
Total Tenant Revenue	237,554	245,715	252,413	259,613	267,226	275,092	275,407	279,162	283,350	287,600	291,914
Potential Gross Revenue	237,554	245,715	252,413	259,613	267,226	275,092	275,407	279,162	283,350	287,600	291,914
Effective Gross Revenue	237,554	245,715	252,413	259,613	267,226	275,092	275,407	279,162	283,350	287,600	291,914
<b>Operating Expenses</b>											
Management costs	4,751	4,914	5,048	5,192	5,345	5,502	5,508	5,583	5,667	5,752	5,838
Total Operating Expenses	4,751	4,914	5,048	5,192	5,345	5,502	5,508	5,583	5,667	5,752	5,838
Net Operating Income	232,803	240,800	247,365	254,421	261,881	269,590	269,899	273,579	277,683	281,848	286,076
Cash Flow Before Debt Service	232,803	240,800	247,365	254,421	261,881	269,590	269,899	273,579	277,683	281,848	286,076
Cash Flow Available for Distribution	232,803	240,800	247,365	254,421	261,881	269,590	269,899	273,579	277,683	281,848	286,076
Property resale @ 7.75%											3,691,300
PV of cash flow @ 9.25%	223,584	211,699	199,061	187,404	176,566	166,374	152,477	141,463	131,428	122,104	1,523,929
<b>Total Unleveraged Present Value</b>	<b>3,236,090</b>										

According to the above valuation assumptions, the Investment Value resulting from the application of the investment method calculations amounts to € 3,236,090.

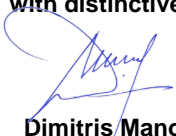
### **Valuation**

Having carefully considered the property, as described in this report, we are of the opinion that as at 01-05-24 the Investment Value of the freehold interest, subject to and with the benefit of the current lease agreements is € 3,236,090, which is rounded to **€ 3,240,000 (Three Million Two Hundred Forty Thousand Euros)**.

We believe the above to be sufficient for your side, however, we remain at your disposal for any clarifications you may need.

Yours faithfully,

For and on behalf of **Kentriki Property Valuers & Consultants Private Company**  
with distinctive title **Savills Hellas Private Company**

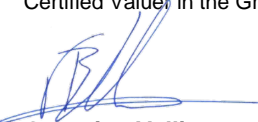


**Dimitris Manoussakis MRICS**

Head of Office & Legal Representative

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