APPROVAL AND PUBLICATION OF THE PROSPECTUS AND COMMENCEMENT OF THE ACCEPTANCE PERIOD OF THE MANDATORY TENDER OFFER OF THE COMPANY "STERNER STENHUS GREECE AB" FOR THE ACQUISITION OF THE TOTAL OF THE COMMON REGISTERED SHARES OF THE COMPANY «PASAL REAL ESTATE DEVELOPMENT S.A.» AGAINST A PRICE OF €0.71 PER SHARE PAID IN CASH

(in accordance with Law 3461/2006)

1st October 2020

It is hereby announced that on 30th September 2020 (**"Prospectus Date"**) the Board of Directors of the Hellenic Capital Markets Commission, pursuant to article 11§4 of law 3461/2006 (the **"Law"**), as amended and in force, approved the prospectus (the **"Prospectus"**) of the Mandatory Tender Offer (the **"Tender Offer"**) that the company **"STERNER STENHUS GREECE AB"** (**the "Offeror"**) has addressed to the shareholders of the company (the **"Shareholders"**) **"PASAL REAL ESTATE DEVELOPMENT S.A."** (the **"Company"**), for the acquisition of the total common registered, dematerialised shares with voting rights (the "Shares") of a nominal value of €0.50 each, which were not held directly or indirectly by the Offeror or/and any Person acting in Concert with the Offeror (as defined below) on the date that the Offeror became obliged to submit the Tender Offer pursuant to article 7§1 of the Law 3641/2006, i.e. on 15.07.2020 (Date of Obligation for Tender Offer).

On 31st July 2020 (**"Date of the Tender Offer"**) the Offeror launched the procedure of the Tender Offer, by informing in writing the Hellenic Capital Markets Commission (**"HCMC"**) and Company's Board of Directors, and submitting a draft of the Prospectus and the valuation report (as defined below) to the persons mentioned above, according to the articles 10 and 9 of the Law, respectively. Following the above, the Tender Offer and the Valuation Report were announced in the form and through the means set out in article 16§1 of the Law.

1. DISTRIBUTION OF THE PROSPECTUS

Copies of the Prospectus, as approved by the HCMC, as well as the Acceptance Letters (as defined below), will be available for free during working days and hours in all branches of Alpha Bank S.A. (the **"Tender Agent"**), throughout Greece from 5th October 2020 and during the Acceptance Period of the Tender Offer (as defined below). Moreover, from 5th October 2020 and throughout the Acceptance Period of the Tender Offer the shareholders will be able to receive copies of the Prospectus from the registered seat of the Offeror's Advisor, namely Alpha Bank S.A. (Corporate Finance Department) (the **"Advisor"**), 45 Panepistimiou Str., 102 52 Athens.

Furthermore, as of 05.10.2020 the Prospectus will be available electronically on the websites of the Advisor, https://www.alpha.gr/el/idiotes/ependuseis/xrimatistiriakes-upiresies/enimerotika-deltia, of Hellenic Exchanges Holding, Clearing, Settlement and Registration S.A. (the **"HELEX"**), http://www.helex.gr/el/web/guest/companies-information-memorandum-informativematerial, and of HCMC http://www.hcmc.gr/el_GR/web/portal/publicproposals.

2. OBJECT OF THE TENDER OFFER

As of the date hereof, the paid-up share capital of the Company amounts to €8,419,464 and is divided into 16,838,928 common registered shares in dematerialised form, with a nominal value of €0.50 each, which are traded on the "Under Surveillance" category of the regulated market of Athens Stock Exchange (the A.S.E.).

On 2nd 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 25.05.2020).

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 15.07.2020, 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 15th July 2020, i.e. on the Date of the Mandatory 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.

It is noted that in the context of the Tender Offer, the persons acting in concert with the Offeror, in accordance with Article 2 (e) of the Law (**"Persons Acting in Concert"**) are: Mr. Elias Georgiadis as the ultimate controlling shareholder 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 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. 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.

Following the over-the-counter transactions on 20th July 2020 between the Offeror and companies Nequiter Invest AB and Via Futura AB, and on 17th September 2020 between the Offeror and the company Via Futura AB, 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 the Mandatory 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.

Furthermore, on the date of the announcement of the Tender Offer, the Offeror announced that neither itself nor any of the Persons Acting in Concert intend to acquire Shares through ATHEX or over-the-counter for the period ranging from the Date of the Tender Offer until the end of the Acceptance Period, with the exception of those offered in the context of the Tender Offer.

3. OFFER PRICE

Pursuant to article 9 of the Law, the Offeror offers the amount of €0.71 (the **"Offer Price"**) in cash per Share, for each share of the Public Offer, which will be legally and validly offered during the Acceptance Period.

The Offer Price meets the conditions for "fair and equitable" consideration, in accordance with article 9§4 and 6 of the Law, i.e. the following:

(a) the weighted average market price of the Share (the **"WAMP"**) during the last six (6) months preceding the date of 15.07.2020, which amounts to €0.70,

(b) the highest 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 15.07.2020, which amounts to €0.67 per share, and

(c) the price per Share determined in the Valuation Report (as defined below), which amounts to €0.70 per share.

Given the case of the paragraph 6(b), subparagraph b of the article 9, of the Law, the Offeror appointed "Grant Thornton Tax and Business Advisory Solutions S.A." (the "Valuator") as an independent valuator to conduct a valuation of the securities subject to the Tender Offer and to file a valuation report (the "Valuation Report"), since during the 6 months prior to 15.07.2020, i.e. the Date of Mandatory Tender Offer, transactions carried out did not exceed 10% of the total Shares of the Company, but in particular amounted to 0.80% of the total.

Employing the following valuation methods: (i) Net Asset Value, (ii) Comparable Companies Multiples, (iii) Comparable Transactions, (iv) Market Capitalisation, the Valuator determined the weighted final price of €0.70 per Share.

More specifically, the Offer Price:

- exceeds by 1.43% the WAMP of the Shares during the six (6) months prior to the Date of Mandatory 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 (12) months prior to the Date of Mandatory 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 shareholders who validly and legally accept the Tender Offer (the **"Accepting Shareholders"**):

(a) the rights for the clearance of over the counter transfer of Shares (specified in the Rulebook for Clearing Transactions in Book-Entry Securities, which has been approved pursuant to the decision No. 1/704/22.01.2015 of the Board of Directors of the HCMC as amended and in force), which have been legally and validly tendered to the Offeror by the Accepting Shareholders (the **"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.

4. ACCEPTANCE PERIOD – PROCEDURE FOR THE ACCEPTANCE OF THE TENDER OFFER

The acceptance period (**"Acceptance Period"**), during which Shareholders may declare their acceptance of the Tender Offer by submitting a relevant written letter of acceptance (**"Acceptance Letter"**) to any branch of the Tender Agent in Greece, will begin on 05.10.2020 at 8:00 a.m. (Greek time) and end on 02.11.2020 at the end of Greek bank hours.

Alternatively, Accepting Shareholders may at their discretion authorise the operator (**"Operator"**) of their securities account held in the Dematerialized Securities System (the **"DSS"**) on which their shares are registered to proceed with all actions necessary for the acceptance of the Tender Offer in their name and on their behalf.

The acceptance procedure of the Tender Offer is described in detail in paragraph 3.2 of the Prospectus.

5. COMPLETION OF THE TENDER OFFER – PAYMENT OF THE OFFER PRICE

Results of the Tender Offer will be published **within two (2) business days** from the expiry of the Acceptance Period, i.e. until 04.11.2020 on the ATHEX website and in the Daily Statistics Bulletin and will be communicated to all Company employees, in accordance with article 23 of the Law 3461/2006.

The transfer of the Shares that have been legally and validly offered by the Accepting Shareholders (the **"Offered Shares"**), will be realised through an over-the-counter transaction according to article 46 of the DSS Regulation, the next working day after the submission of the necessary documents to ATHEXCSD, against payment of the Offering Price conducted according to the paragraph 3.5 of the Prospectus.

6. SQUEEZE OUT RIGHT – SELL OUT RIGHT - DELISTING

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, after the conclusion of the Tender Offer, the Offeror:

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

(b) in accordance with article 28 of the Law will buy-out through the stock market all the Shares offered within the three-months (3) period starting from the publication of the results of the Tender Offer, at a price equal to the Offer Price (the "Sell-Out Right"). Upon the publication of the results of the Tender Offer, the Offeror will notify the public with regard to the Sell-Out Right of the Shareholders.

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