

JUSTIFIED OPINION OF THE BOARD OF DIRECTORS OF THE COMPANY “PRODEA REAL ESTATE INVESTMENT COMPANY SOCIÉTÉ ANONYME” (“PRODEA REIC”) ON THE MANDATORY TENDER OFFER SUBMITTED BY THE COMPANY “INVEL REAL ESTATE (NETHERLANDS) II BV”

The Board of Directors of the société anonyme with the corporate name “PRODEA REAL ESTATE INVESTMENT COMPANY SOCIÉTÉ ANONYME” (“PRODEA REIC”) and the distinctive title “PRODEA INVESTMENTS”, with registered seat at 9, Chrisospilotissis, p.c. 105 60 and General Commercial Registry (G.E.MI.): 003546201000 (the **Company**), by its resolution dated 28.11.2023, by taking into account the content of (a) the information memorandum of the mandatory tender offer (the **Tender Offer**) of the company “INVEL REAL ESTATE (NETHERLANDS) II BV” (the **Offeror**) for the acquisition of all shares of the Company and (b) the detailed report of the financial advisor with the corporate name “ALPHA BANK SOCIÉTÉ ANONYME” (the **Financial Advisor**), provided its justified opinion with respect to the Tender Offer (the **Justified Opinion**), as provided in article 15 of Law 3461/2006 (the **Law**).

The Board of Directors of the Company was informed in writing by the Offeror on the submission of the Tender Offer on Wednesday, 11.10.2023 (the **Tender Offer Date**). The information memorandum in relation to the Tender Offer (the **Information Memorandum**) was approved by the Board of Directors of the Hellenic Capital Market Commission (the **HCMC**) on 20.11.2023 and was made available to the public on 21.11.2023.

The Tender Offer relates to the acquisition of all ordinary, registered voting dematerialized shares issued by the Company, of nominal value EUR 2.71 each (the **Shares**), which were not owned, directly or indirectly, by the Offeror and the Persons Acting in Concert with the Offeror on 5.10.2023, namely the date on which the obligation of the Offeror to submit a tender offer in accordance with article 7, par. 1, of the Law was triggered. As from such date and until the date of announcement of the Offeror for the approval of the Information Memorandum on 20.11.2023, the Offeror and the Persons Acting in Concert with the Offeror did not acquire, directly or indirectly, additional Shares or voting rights in the Company. As a result, the Tender Offer relates to the acquisition of 33,205,755 Shares that represent a percentage of 13% of the total paid-up share capital and voting rights of the Company (the **Tender Offer Shares**).

According to the Information Memorandum, the Persons Acting in Concert with the Offeror pursuant to article 2 (e) of the Law are: (a) the company Invel RE Holdings (Cyprus) Limited, as legal person with the ultimate control of the Offeror pursuant to article 3, par. 1(c) (aa) of Law 3556/2007, (b) Mr. Christophoros Papachristophorou, as natural person controlling the company Invel RE Holdings (Cyprus) Limited pursuant to article 3, par. 1(c) (dd) of Law 3556/2007, and as a result, the ultimate control of the Offeror, and (c) persons controlled pursuant to article 3, par. 1 (c) of Law 3556/2007 by Invel RE Holdings (Cyprus) Limited and Mr. Christophoros Papachristophorou (together, the **Persons Acting in Concert with the Offeror**).

It is noted that up until today the employees of the Company have not submitted a separate opinion on the effects of the Tender Offer on employment to the Board of Directors, pursuant to article 15 par. 4 of the Law.

The approval of the Justified Opinion was granted on 28.11.2023 through the drawing up and signing of the relevant minutes of meeting by all members of the Board of Directors being entitled to vote, without a physical meeting of the Board of Directors of the Company being held. It is noted that in accordance with article 97, par. 3, of Law 4548/2018, Mr. Christophoros Papachristophorou abstained from voting on the relevant item of the agenda.

Following the above, the Board of Directors, by its decision dated 28.11.2023, formed the following Justified Opinion in relation to the Tender Offer, as follows:

A. Number of shares of the Company held or controlled directly or indirectly by members of the Board of Directors and Managers of the Company (article 15 par. 2 a' of the Law).

As at 28.11.2023, the members of the Board of Directors, the Managers and the Legal Counsel of the Company holding directly or indirectly Shares and voting rights in the Company are the following:

FULL NAME	CAPACITY	NUMBER OF SHARES		VOTING RIGHTS	
		Directly	Indirectly	Directly	Indirectly
Christophoros Papachristophorou	Chairman of the Board of Directors, Executive Member	-	222,288,779	-	222,288,779
Spyridon Makridakis	Vice-Chairman A', Independent, Non-Executive Member	-	-	-	-
Aristotelis Karytinis	Vice-Chairman B', Chief Executive Officer, Executive Member	556	-	556	-
Thiresia Messari	Executive Member	555	-	555	-
Athanasios Karayiannis	Executive Member	-	-	-	-

Nikolaos Iatrou	Non-Executive Member	-	-	-	-
Georgios Kountouris	Non-Executive Member	-	-	-	-
Prodromos Vlamis	Independent, Non-Executive Member	-	-	-	-
Garyfallia Spyriouni	Independent, Non-Executive Member	-	-	-	-
Ilias Volonasis	Legal Counsel	40,804	-	40,804	-

B. Actions that the Board of Directors of the Company has taken or intends to take in relation to the Tender Offer (article 15 par. 2 b' of the Law).

The Board of Directors of the Company was informed in writing on the submission of the Tender Offer by the Offeror on 11.10.2023 and received a copy of the draft of the Information Memorandum, pursuant to article 10, par. 1, of the Law. Thereafter, Chief Financial Officer and Chief Operations Officer, Mrs. Thiresia Messari, in her capacity as Secretary and member of the Board of Directors of the Company, informed in writing the employees of the Company via email on 11.10.2023 on the submission of the Tender Offer, pursuant to article 10, par. 3, of the Law.

Thereafter, the Company in the context of article 15 of the Law appointed the company with the corporate name "ALPHA BANK SOCIÉTÉ ANONYME" as financial advisor, in order to prepare a detailed report that will accompany the Justified Opinion pursuant to article 15, par. 2, of the Law (the **Report**).

Chief Financial Officer and Chief Operations Officer, Mrs. Thiresia Messari, in her capacity as Secretary and member of the Board of Directors of the Company, transmitted via email on 21.11.2023 to the employees the Information Memorandum approved by HCMC that was published and submitted to the Board of Directors of the Company pursuant to article 11, par. 9, of the Law.

Pursuant to article 15 of the Law, the Board of Directors of the Company will submit to HCMC and the Offeror and will in parallel notify the employees of the Company on the Justified Opinion, that will be published pursuant to article 16, par. 1, of the Law.

Further to the above, the Board of Directors did not proceed to any particular action in relation to the Tender Offer and did not contact and does not intend to contact any person for the submission of competitive offers. Furthermore, the Board of Directors will not undertake any

action and does not intend to undertake any action that does not form part of the normal course of business of the Company and may lead to the cancellation of the Tender Offer.

C. Agreements between the Board of Directors or members of the Board of Directors of the Company and the Offeror (article 15 par. 2 c' of the Law).

There are no specific agreements between the Board of Directors of the Company or the members of the Board of Directors of the Company and the Offeror.

It is noted that the Executive Chairman of the Board of Directors of the Company, Mr. Christophoros Papachristophorou, is a Person Acting in Concert with the Offeror, as the natural person controlling the company Invel RE Holdings (Cyprus) Limited pursuant to article 3, par. 1(c)(dd) of Law 3556/2007, and as a result having the ultimate control of the Offeror.

D. Justified Opinion of the Board of Directors of the Company in relation to the Tender Offer (article 15 par. 2 d' of the Law).

The following were taken into consideration for the preparation of the Justified Opinion:

D1. The Information Memorandum

The content of the Information Memorandum of the Tender Offer, which was addressed by the Offeror to all Shareholders of the Company for the acquisition of all Shares of the Company, as it was approved by the Board of Directors of HCMC on 20.11.2023.

D2. The Report of the Financial Advisor

The Financial Advisor by its Report dated 24.11.2023 estimated a value range of the shares of the Company (the **Value Range per share**) in relation to the Tender Offer at a range between €5.35 and €6.35 per Share and a central value of €5.82 per Share.

In particular, for the estimation of the Value Range per Share in the context of the Tender Offer, the Financial Advisor applied the following internationally recognized methods:

- 1) Dividend Discount Model Method
- 2) Trading Multiples of Comparable Companies Method
- 3) Precedent Transactions Method
- 4) Market Capitalization

The value for the shareholders resulted from application of the above methods and their weighting according to the appropriateness of each method.

In addition, the Financial Advisor supportively examined the evolution of the market value of the shares of the Company in relation to Athex Composite Share Price index and the allocation of the trading volume (excluding block trades) on the Company at various price levels for the period under consideration of the last twelve months prior to the date on which the Offeror submitted the Tender Offer.

The following table summarizes the Value Range per Share of the Company, in accordance with the methods used in the Report of the Financial Advisor:

Methodology	Value Range (€ per share)
Dividend Discount Model Method	€5.18 - €6.30
Trading Multiples of Comparable Companies Method	€3.56 - €4.35
Precedent Transactions Method	€5.67 - €6.93
Market Capitalization	€7.48

D3. The Offer Consideration of the Tender Offer

The Offeror offered to pay in cash the Offer Consideration of €7.50 for each lawfully and validly offered and transferred Tender Offer Share.

According to the Information Memorandum, the Offer Consideration meets the conditions of “fair and reasonable” consideration set out in article 9, par. 4 and 6, of the Law.

In particular, in relation to the Offer Consideration, the Information Memorandum provides the following:

- i. The volume weighted average price of the Shares during the last six (6) months prior to the Tender Offer Triggering Date, namely prior to 05.10.2023, amounts to €7.4844 per Share.
- ii. Neither the Offeror nor any Person Acting in Concert with the Offeror acquired Shares during the twelve (12) months prior to the Tender Offer Triggering Date.
- iii. The conditions of article 9, par. 6, subparagraph (b) of the Law have been met in the present Tender Offer, since during the six (6) months prior to the date on which the obligation for the Tender Offer was triggered, the transactions completed on the Shares did not exceed 10% of the total Shares and, in particular, amounted to 0.01% of the total Shares. In addition, during the same 6-month period transactions on the Shares have been carried out on less than three-fifths (3/5) of the operating days of the Athens Exchange. As a result, pursuant to article 9, par. 7, of the Law, the Offeror appointed TMS, as independent expert for the carrying out of a valuation and the preparation of a Valuation Report for the securities that are subject to the Tender Offer, as specifically provided in section 2.16 of the Information Memorandum. The price per Share resulting from the Valuation amounts to €5.71 per Share.

D4. Expenses

In accordance with the Information Memorandum, the Offeror will not undertake to proceed to the payment of the duties payable to ATHEXCSD as provided in the Annex to codified decision nr. 18 (meeting 311/22.02.2021) of the Board of Directors of the ATHEXCSD on behalf of Accepting Shareholders for the registration of the off-exchange transfer of the Shares, currently amounting to 0.08% of the transfer price with a minimum charge of an amount equal to €20.00 or 20% of the value of the transfer for each Accepting Shareholder, per Securities Account, whichever is less. The transfer value is obtained by multiplying the number of the Transferred Shares by the Offer Consideration.

In addition, the Offeror does not undertake the payment of the amount corresponding to the amount of tax due pursuant to article 9 of Law 2579/1998, currently amounting to 0.2% of the transaction value, which will be borne by the Accepting Shareholders.

As a result, the Accepting Shareholders will receive the total amount of the Offer Consideration reduced by i) the amount of the clearing fees in favour of ATHEXCSD that are payable by the Accepting Shareholders and ii) the amount of the aforementioned tax.

D.5 The Offeror's intention with regard to the business

In accordance with paragraph 2.12 of the Information Memorandum of the Offeror:

"2.12 Business objectives – Strategic Plans for the Company

The Offeror's intention is to maintain its (the Offeror's) activities and the activities of the Company and does not plan to introduce changes to the place where the activities of the Company and its subsidiaries are carried out, and does not intend to transfer the registered seat of the Company.

The Offeror will not exercise the Squeeze-out Right and will not pursue the delisting of the Shares from ATHEX. To the contrary, depending on market conditions, in the coming period, the Offeror aims to strengthen and expand the shareholding base of the Company and the dispersion of its Shares, by attracting, among others, Greek and/ or foreign institutional investors.

In the context of strengthening and expanding the shareholding base of the Company and the dispersion of the Shares, Invel Real Estate B.V., a related party to the Offeror which is a Person Acting in Concert with the Offeror, during the period prior to the Tender Offer has already proceeded to the disposal of 21,202,961 Shares representing approximately 8.30% of the total Shares of the Company to third parties, while the Offeror and/or the Persons Acting in Concert with the Offeror already explore the disposal of additional Shares that they hold to third parties. It is noted that any disposal by the Offeror and/or the Persons Acting in Concert with the Offeror

of such additional Shares will result, among others, in the payment of the investment return to the holders of non-voting rights investor rights (Series B Shares) of the company Invel Real Estate Partners Greece SAS, as described in section 1.1 of the Information Memorandum, including the investment funds managed by the company CASTLELAKE L.P., which result in the possible gradual reduction of their indirect financial interest in the Company in the future.

The Offeror's intention is to support the efforts of the management of the Company for further expansion of its activities in the real estate market in Greece and Cyprus, with the expansion of its portfolio and the enhancement of its diversification.

In particular, the investment strategy of the Company includes the investment, directly or indirectly, through its subsidiaries or the joint ventures, in which it participates, to real estate comprising mainly of bioclimate/ green offices, storage and distribution centres (logistics) that are located mainly in Greece and Cyprus, as well as to hotels in Greece, Cyprus and the wider Mediterranean region. In addition, the Company has already proceeded to selective investments in the residential real estate sector with the aim of creating quality residential properties for sale and rent. Furthermore, the Offeror already actively explores the prospects of further expansion of the activities of the Company in the rapidly developing tourism sector, through investment in luxury hotels and other tourist properties in Greece, Cyprus and the wider Mediterranean region either through direct acquisition of such properties and/or acquisition of participations thereto and/or their contribution in the context of the Company's share capital increase. The latter case will in parallel achieve further expansion of the shareholding base of the Company. It is noted that in case of a share capital increase in kind, as per above, the existing shareholders may incur dilution of their participation in the share capital of the Company.

In any event, the Offeror will continue to act with a view to optimize the return of the investments of the Company and the Group through active portfolio management and generation of added value.

The Offeror will continue the operation of the Company without changes and will maintain employment of the staff and the manages, since it will not take measures that will adversely affect the existing employment relationships within the Company, to the extent that no material changes to the existing market conditions occur. The duties and responsibilities of senior management and other employees of the Company may be adjusted and/ or amended over time, without in any event adversely changing their terms of employment.

The acquisition of Shares of the Company by the Offeror will not result in any changes to the composition of the Board of Directors of the Company.»

D6. Repercussions on employment

In accordance with paragraph 2.12 of the Information Memorandum of the Offeror:

“2.12 Business objectives – Strategic Plans for the Company

(...)

The Offeror will continue the operation of the Company without changes and will maintain employment of the staff and the manages, since it will not take measures that will adversely affect the existing employment relationships within the Company, to the extent that no material changes to the existing market conditions occur. The duties and responsibilities of senior management and other employees of the Company may be adjusted and/ or amended over time, without in any event adversely changing their terms of employment.”

It is noted that up until today no employee of the Company has expressed a negative view on the Tender Offer.

D7. The Offeror’s intention with regard to the trading of the Shares of the Company

In accordance with paragraph 2.12 of the Information Memorandum of the Offeror:

“The Offeror will not exercise the Squeeze-out Right and will not pursue the delisting of the Shares from ATHEX. To the contrary, depending on market conditions, in the coming period, the Offeror aims to strengthen and expand the shareholding base of the Company and the dispersion of its Shares, by attracting, among others, Greek and/ or foreign institutional investors.

In the context of strengthening and expanding the shareholding base of the Company and the dispersion of the Shares, Invel Real Estate B.V., a related party to the Offeror which is a Person Acting in Concert with the Offeror, during the period prior to the Tender Offer has already proceeded to the disposal of 21,202,961 Shares representing approximately 8.30% of the total Shares of the Company to third parties, while the Offeror and/or the Persons Acting in Concert with the Offeror already explore the disposal of additional Shares that they hold to third parties. It is noted that any disposal by the Offeror and/or the Persons Acting in Concert with the Offeror of such additional Shares will result, among others, in the payment of the investment return to the holders of non-voting rights investor rights (Series B Shares) of the company Invel Real Estate Partners Greece SAS, as described in section 1.1 of the Information Memorandum, including the investment funds managed by the company CASTLELAKE L.P., which result in the possible gradual reduction of their indirect financial interest in the Company in the future.”

Furthermore, In accordance with paragraph 2.13 of the Information Memorandum of the Offeror:

“2.13 Squeeze-out Right – Sell-out Right

The Offeror will not exercise the squeeze-out right provided for by article 27 of the Law (squeeze out).

Provided that after completion of the Tender Offer, the Offeror together with Persons Acting in Concert with the Offeror hold or control, directly or indirectly, Shares of the Company representing in total at least 90% of the total voting rights in the Company, the Offeror is obliged to acquire through ATHEX all Shares offered by the Shareholders that did not accept the Tender Offer and wish to exercise the Sell-out Right, in accordance with article 28 of the Law, within a three(3)-month period from the date of publication of the results of the Tender Offer at a price per Share equal to the Offer Consideration. Upon occurrence of such event, in parallel with the publication of the results of the Tender Offer, the Offeror will publish the Sell-out Right of the Shareholders.”

The Board of Directors of the Company, by taking into account the above forms its opinion as follows:

- A. The business strategy of the Offeror is based on the existing business planning of the Company.
- B. The Tender Offer is not expected to have negative effects on the employment or the number of the employees of the Company, to the extent that no significant changes to existing market conditions occur.
- C. The Offer Consideration of EUR 7.50 per Share meets the conditions set out in article 9, par. 4 and 6, of the Law, and exceeds the upper range of the Value Range per Share referred to in the Report of the Financial Advisor.
- D. The Tender Offer provides the Shareholders of the Company with the ability to divest their investment at a price that meets the conditions set out in article 9, par. 4 and 6, of the Law.

The present Justified Opinion of the Board of Directors of the Company constitutes a general evaluation of the terms of the mandatory Tender Offer, its effects on the business operation of the Company on the basis of documents and information included in section D. herein and should not be considered as an invitation or recommendation or advice to the Shareholders to accept or decline the Tender Offer or generally to enter into any kind of transactions over transferable securities issued by the Company or any other transaction.

The present Justified Opinion of the Board of Directors of the Company is drawn up in accordance with article 15, par. 1 and 2., of the Law, is submitted together with the Report of the Financial Advisor dated 24.11.2023 to the Hellenic Capital Market Commission and the Offeror in accordance with article 15, par. 3, of the Law, is notified to the employees of the Company in accordance with article 15, par. 4, of the Law and is published, together with the Report, in accordance with article 16, par. 1, of the Law.

The present Justified Opinion of the Board of Directors of the Company will be publicly available on the website of the Company <https://www.prodea.gr> and the website of the Athens Exchange <https://www.helex.gr> throughout the duration of the Acceptance Period of the Tender Offer.

Athens, 28.11.2023

Board of Directors