

## **Board of Directors Report**

**Regarding the Share Capital Increase of "Trastor Real Estate Investments Company" by cash consideration, pre-emptive rights in favor of the existing shareholders and issuance of new common registered shares in accordance with article 9 par. 1 of the Law 3016/2002 and paragraph 4.1.3.13.2 of the Athens Stock Exchange Regulation.**

**To the attention of the Extraordinary General Meeting of Shareholders of 09/05/2019, or any iterative, postponed or interrupted meeting thereof**

Messrs. Shareholders,

### **1. Share Capital Increase - Terms**

Pursuant to its resolution of 18/04/2019, the Board of Directors of TRASTOR SA (the "Company"), proposes to the General Meeting of Shareholders to increase the Company's share capital with the purpose to raise funds up to the amount of €41,769,279.20 (hereinafter the "SCI") in cash through the issue of up to 52,211,599 new common registered shares with a par value of € 0.50 (the "New Shares") and a proposed issue price of € 0.80 (the "Issue Price") per new share. The existing shareholders will be granted pre-emption rights at a ratio of 11 new shares for every 17 existing shares. The resulting difference between the issue price and the par value of the New Shares, i.e. a total of up to €15,663,479.70, will be credited to the Company's equity "Share Premium" account.

Regarding the offering of New Shares, the Board of Directors proposes the following:

Pre-emption rights will be granted to:

- (i) all shareholders of existing common shares of the Company at the pertinent record date, as will be determined and announced by the Board of Directors in accordance with the provisions of the Athens Stock Exchange Regulation; and
- (ii) those who acquire pre-emption rights during the trading period on the Athens Stock Exchange.

Furthermore, in case the New Shares (the "Unsubscribed Shares") remain unallocated after the exercise of the pre-emption rights, the following are proposed:

- (i) shareholders who full exercise their pre-emption rights (the "Beneficiaries"), will be granted a pre-subscription right to acquire at the Issue Price one Unsubscribed Share for each New Share subscribed.
- (ii) If the number of Unsubscribed Shares is insufficient to fully satisfy the Beneficiaries' demand, then they shall be satisfied proportionally to the number of Unsubscribed Shares they have requested and until the demand is fully exhausted.
- (iii) If, after the above, there are still Unsubscribed Shares, the Board of Directors shall be entitled to allocate such shares at its discretion.
- (iv) in any case, if the share capital is not fully covered, the share capital of the Company will be increased up to the amount finally covered, according to Article 28 of Law 4548/2018.

### **2. Report data according to paragraph 4.1.3.13.2 of the Athens Stock Exchange Regulation**

#### **2A. Report on the use of funds raised from the Company's previous share capital increase**

During the Company's previous share capital increase, through payment in cash pursuant to the Extraordinary General Meeting dated 01.07.2016 and the decision of the Board of Directors dated 12.01.2017, a total of €20,125,882.14 was raised. The issue costs amounted to €313,372.83 and were

fully covered by the funds raised by the above increase. Therefore, the total amount recovered after deducting the issue costs amounted to €19,812,509.31. The certification of the share capital increase by the Company's Board of Directors took place on 12.01.2017. On 19.01.2017 the Athens Stock Exchange approved the admission to trading on ATHEX of the 25,802,413 new shares. The trading of the new shares in the ATHEX started on 23.01.2017.

Until 30.06.2018 the funds raised were allocated according to the provisions of paragraph 3.6.8 of the Prospectus, as follows:

<b>REPORT ON THE APPLICATION OF FUNDS RAISED DURING THE PREVIOUS SHARE CAPITAL INCREASE</b>					
<b>AMOUNT €</b>	<b>FUNDS RAISED</b>	<b>FUNDS INVESTED</b>		<b>TOTAL FUNDS INVESTED UNTIL 30.06.2018</b>	<b>REMAINING FUNDS</b>
		<b>2017</b>	<b>H1 2018</b>		
Investments in assets	19,812,509.31	18,881,248.05	931,261.26	19,812,509.31	0.00
<b>Total</b>	<b>19,812,509.31</b>	<b>18,881,248.05</b>	<b>931,261.26</b>	<b>19,812,509.31</b>	<b>0.00</b>

## **2B. Investment Plan - Timeframe implementation - Intended use of funds to be drawn**

The Company intends to invest, in accordance with the provisions of Law 2778/1999 as in force and in accordance with its investment policy and strategy, the total net capital to be drawn from the proposed SCI, minus € 1 million to retain available as working capital and as funding for costs related to the new investments.

The Company's fundamental investment objective with regard to the SCI and in general, is to create long-term value for its shareholders through its core business, namely investing primarily in commercial real estate such as office buildings, retail stores, warehouses and industrial sites, tourist properties etc. in geographical areas of high commerciality and visibility.

In any case, the Company, in the context of its investment policy and strategy, intends, inter alia, to acquire four properties owned by Piraeus Bank Group companies, for which the Board of Directors will propose to the General Meeting of Shareholders to grant the special permission required in accordance with the provisions of Article 28 (4) (b) of Law 2778/1999. These properties (each of which consists of more than one horizontal property, as detailed in the relevant deeds) are the following:

- Three (3) independent horizontal properties - ground floor shops (with KAEK 05 041 24 55 006/0/9, 05 041 24 55 006/0/10 and 05 041 24 55 006/0/11) and three independent horizontal properties - underground warehouses (with KAEK 050412455006/0/1, 05 0412455006/0/2 and 050412455006/0/3), in a building at the intersection of Aggelou Metaxa Street no. 18 and Grigoriou Lambraki no. 19 in Glyfada for a total consideration of € 5,630,000
- Four (4) independent horizontal properties - ground floor shops (with KAEK 05 041 22 03 001/0/54, 05 041 22 03 001/0/24, 05 041 22 03 001/0/25 and 05 041 22 03 001 / 0/26) in a building at the

crossroads of Grigoriou Lambraki Street no. 16 and Ioannis Metaxas in Glyfada, for a total consideration of € 1,905,000

- Three (3) independent horizontal properties - ground floor shops (with KAEK 051165722008/0/8, 051165722008/0/9 and 051165722008/0/17) and six separate horizontal underground warehouses (with KAEK 051165722008/0/6, 051165722008/0/11, 051165722008/0/12, 051165722008/0/13, 051165722008/0/14 and 051165722008/0/15), in a building at the intersection of Kountouriotou Street, Sotiros Zeus no. 29 and Praxitelous in Piraeus, for a total consideration of € 1,465,000

- One (1) independent horizontal property-office on the first floor (with KAEK 050142413001/0/13) and ten (10) horizontal properties - parking spaces of the second basement (with KAEK 050142413001/0/74, 050142413001/0/75, 050142413001/0/76, 050142413001/0/77, 050142413001/0/78, 050142413001/0/79, 050142413001/0/80, 050142413001/0/81, 050142413001/0/82 and 050142413001/0/179), to building complex at Kifissias Avenue no. 49 in Marousi for a total consideration of € 2.300.000

Further to the aforesaid, specific investments have not yet been fully identified and therefore cannot be included in detail in this report. In any case, the Company intends to invest as soon as possible the funds to be raised from this SCI and, however, within eighteen months following the completion of the SCI.

The Company undertakes to provide the information required at the time of the above investments in accordance with paragraph 4.1.3.13.2 (2) of the Athens Stock Exchange Regulation, as well as to comply with all its regulatory obligations pursuant to the applicable legislation.

## **2C. Statements of Key Shareholders who participate in the Board of Directors or in the Company's management.**

The Company's key shareholders, WERT RED SARL and Piraeus Bank, pending the necessary internal approvals, reserved the right to state their intentions regarding the proposed SCI of the Company at the latest at the Extraordinary General Meeting of the Shareholders.

## **2D. Issue Price**

The Company's Board of Directors proposes the issue price of the new shares to be set at €0.80 per New Share (the "Issue Price"). The Company's Board of Directors proposes to the General Meeting that the Issue Price may be higher than the market price at the time of detachment of the pre-emptive right or other critical time according to the provisions in force.

THE BOARD OF DIRECTORS

ATHENS, 18/04/2019