



REASONED OPINION
OF THE BOARD OF DIRECTORS OF THE COMPANY "KLEEMANN HELLAS" ON THE
MANDATORY TENDER OFFER SUBMITTED BY THE COMPANY
"MCA ORBITAL GLOBAL HOLDINGS LTD"

On 30th November 2016, the Board of Directors of the société anonyme under the trade name "KLEEMANN HELLAS MECHANICAL CONSTRUCTIONS SOCIETE ANONYME INDUSTRIAL TRADING COMPANY S.A." and the distinctive title "KLEEMANN HELLAS" (hereinafter the "**Company**") was assembled in order to consider the following and express a reasoned opinion according to article 15 of Law number 3461/2006 (hereinafter the "**Law**") with reference to the tender offer:

- a) The content of the mandatory tender offer (hereinafter the "**Tender Offer**") submitted by "MCA ORBITAL GLOBAL HOLDINGS LTD" (hereinafter the "**Offeror**"), according to Law 3461/2006, for the acquisition of all Company's ordinary, registered, dematerialized, voting shares, which the Offeror and the persons acting in concert did not hold on 21st September 2016 (the date on which the Offeror submitted the Tender Offer), namely 7,752,118 Company's shares representing 32.78% of the Company's paid up share capital and voting rights,
- b) The content of the Information Memorandum for the mandatory tender offer addressed to the Company's shareholders pursuant to Law (hereinafter the "**Information Memorandum**"), which was approved by the Hellenic Capital Market Commission (hereinafter the "**HCMC**") by resolution of its Board of Directors dated 22.11.2016, for the acquisition of all Company's ordinary, registered, dematerialized, voting shares which the Offeror and the persons acting in concert did not hold on 21st September 2016 (the date on which the Offeror submitted the Tender Offer), namely 7,752,118 Company's shares representing 32.78% of the Company's paid up share capital and voting rights and
- c) The requisite detailed financial report, pursuant to article 15 par. 2 of Law, prepared by Piraeus Bank (hereinafter the "**Financial Advisor**" or "**Piraeus Bank**") on 28.11.2016.

The following members of the Board of Directors were present in person at the meeting:

- Stergios N. Georgalis, Independent, Non Executive Member
- Maria D. Karadedoglou, Non Executive Member
- Vassilios T. Ziogas, Independent, Non Executive Member,

as well as, Petridis N. Christos, corporate secretary

Mr Konstantinos N. Koukountzos, CEO & Executive Member, is represented by Mrs Maria Karadedoglou Non Executive Member of the Board of Directors of the Company, pursuant to the authorization dated 29.11.2016, who was authorized, pursuant to Article 9 par. 4 of the Company's Articles of Association, to represent him and vote on his behalf at the sole discretion of option on all of the agenda items of this meeting.

The following persons abstained from the meeting: Mr Nikolaos K. Koukountzos, Chairman and Executive Member, Mr Menelaos K. Koukountzos, Vice Chairman & Executive Member, Mr Nikolaos N. Koukountzos, Deputy CEO, General Manager and Executive Member, because as the Offeror's shareholders are "persons acting in concert" with the Offeror within the meaning of Article 2 par. (e) of the Law.

According to the above, and since the required quorum was established under Law 2190/1920 and the Company's Articles of Association, the Company's Board of Directors, deliver its reasoned opinion as follows:

I. Number of shares held directly or indirectly by the members of the Board of Directors and the management of the Company (article 15 paragraph 2 case a' of the Law).

On the day of the Board of Directors meeting, i.e. 30.11.2016, none of the members of the Company's Board of Directors holds directly any Company shares.

The following table presents the number of Company's shares held indirectly, through the Offeror, by some members of the Company's Board of Directors and by the Company's executives:

NAME	POSITION	NUMBER OF SHARES	
		Directly	Indirectly*
Nikolaos K. Koukountzos	Chairman of BoD	0	18,247,665
Menelaos K. Koukountzos	Vice-Chairman of BoD	0	18,247,665
Konstantinos N. Koukountzos	CEO	0	18,247,665
Nikolaos N. Koukountzos	Deputy CEO and General Manager	0	18,247,665
Chrysostomos T. Nanas	Executive (Head of Shipments Division)	50	0
Demetrios S. Margaritopoulos	Executive (Head of Quality Control Division)	34	0

* Indirectly through the Offeror (MCA ORBITAL GLOBAL HOLDINGS LTD)

II. Actions already taken or intended to be taken by the Board of Directors of the Company with reference to the Tender Offer (article 15 paragraph 2 case b' of the Law).

On the submission date of the Tender Offer, i.e. on the 21st September 2016, the Board of Directors of the Company was notified in writing about the submission of the Tender Offer by the Offeror and received a copy of the draft Information Memorandum, as provided for in article 10 paragraph 1 of the Law and a draft of the announcement of the Tender Offer, as provided for in article 10 paragraph 2 of the Law.

Subsequently, pursuant to article 10 paragraph 3 of the Law, the Board of Directors notified the employees of the Company via electronic correspondence on 22.09.2016 for the submission of the Tender Offer.

The employees of the Company have not submitted to the Board of Directors as of the date of this resolution a separate opinion regarding the impact of the Tender Offer on their employment conditions.

The Information Memorandum was approved by the Board of Directors of Hellenic Capital Markets Committee on 22.11.2016; it was made public on 25.11.2016 and was delivered to the Company's employees according to article 11 paragraph 9 of the Law.

On 10.10.2016, pursuant to article 15 paragraph 2 of the Law, the Board of Directors chose and

appointed Piraeus Bank S.A. as financial advisor with which it cooperated and provided the necessary information and data for the drafting of its detailed report.

In addition, according to the provisions of article 15 paragraph 4 of the Law, the Board of Directors will furnish to the employees this Reasoned Opinion together with the report of the Financial Advisor dated 28.11.2016. Moreover, pursuant to article 15 paragraph 3 of the Law, the Board of Directors of the Company will make this Reasoned Opinion publicly available and submit it duly, together with report of the Financial Advisor dated 28.11.2016, to the Hellenic Capital Markets Committee and the Offeror.

Furthermore, the Board of Directors did not take any further action with reference to the Tender Offer and did not make any contacts for the submission of competitive offers. Moreover, the Board of Directors did not take any further action that is outside the normal course of business of the Company that may lead to the cancellation of the Tender Offer.

III. Agreements between the Company's Board of Directors and/or its members with the Offeror in connection with the Tender Offer (article 15 paragraph 2 case c' of the Law).

On 19th September 2016, the natural persons Mr. Nikolaos Koukountzos son of Konstantinos, Mr. Konstantinos Koukountzos son of Nikolaos, Mr Nikolaos Koukountzos son of Nikolaos, Mrs. Aikaterini Koukountzou daughter of Nikolaos, Mr. Menelaos Koukountzos son of Konstantinos, Mrs. Aikaterini Koukountzou daughter of Menelaos and Mr. Konstantinos Koukountzos son of Menelaos orally agreed to act in concert, within the meaning of article 2 (e) of the Law, in order to jointly acquire the control of the Company and to seek the deletion of the shares of the Company from ATHEX.

Simultaneously with the Coordination Agreement described above, on 19th September 2016, and in its context, natural persons Mr. Nikolaos Koukountzos, son of Konstantinos, Konstantinos Koukountzos son of Nikolaos, Nikolaos Koukountzos, son of Nikolaos, Aikaterini Koukountzou, daughter of Nikolaos and Konstantinos Koukountzos, son of Menelaos and the Offeror signed a Share Exchange Agreement. For the implementation of this Agreement, the aforementioned natural persons exchanged Company's shares that they possessed, with Offeror's shares.

For the implementation of the terms of the Share Exchange Agreement, the following actions took place:

- a) On 19.09.2016 the Offeror proceeded with the share capital increase, by virtue of the resolution of the General Assembly of the Offeror, dated 19.09.2016, which provided for the share capital increase of the Offeror by the amount of € 25,275,567. The share capital of the Offeror amounted to € 25,276,567 in total.
- b) On 19.09.2016, the Offeror and the aforementioned natural persons signed the subscription agreement, dated 19.09.2016., by virtue of which the Offeror agreed to issue and distribute the new shares, which will be issued due to the aforementioned under (A) capital increase, to Mr. Nikolaos Koukountzos son of Konstantinos, Mr. Konstantinos Koukountzos son of Nikolaos, Mr Nikolaos Koukountzos son of Nikolaos, Mrs. Aikaterini Koukountzou daughter of Nikolaos, Mr. Menelaos Koukountzos son of Konstantinos, Mrs. Aikaterini Koukountzou daughter of Menelaos and Mr. Konstantinos Koukountzos son of Menelaos and the aforementioned natural persons agreed to subscribe for the said shares.
- c) On 19.09.2016, the Offeror proceeded with the issuance and the delivery of the new shares to the aforementioned natural persons, by virtue of the unanimous decision of the Directors of the Offeror, dated 19.09.2016.
- d) On 19.09.2016 the Secretary of the Offeror proceeded with the issuance of the relevant certificates that embody the new shares, which were issued due to the aforementioned under (A) share capital increase, and with the delivery of those certificates to their holders.
- e) On 19.09.2016, the Secretary of the Offeror proceeded with the registration of the aforementioned natural persons, under their capacity as new shareholders/members, in the registrer of the members of the Offeror.
- f) On 19.09.2016 the acquiring of the aforementioned shares by the Offeror was registered in the records of DSS.

Moreover, Mr Konstantinos Koukountzos son of Nikolaos, CEO and Executive Member of the Company's Board of Directors, is a Director of the Offeror as well. Mr Konstantinos N. Koukountzos does not have any employment contract with the Offeror.

Furthermore, among the Offeror's shareholders, Mr. Nikolaos Koukountzos son of Konstantinos, Mr Nikolaos Koukountzos son of Nikolaos, Mr Menelaos Koukountzos son of Konstantinos, and the above mentioned Mr Konstantinos Koukountzos son of Nikolaos are Executive members of the Offeror's Board of Directors.

Apart from the abovementioned, 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.

Moreover, it is confirmed that there are no other special agreements between the Company's Board of Directors and/or any of its members with the Offeror.

IV. Reasoned Opinion of the Board of Directors regarding the Tender Offer (article 15 paragraph 2 case d of the Law)

For the drafting of its reasoned opinion, the Board of Directors considered the following:

1. The Financial Advisor's Report

According to its report, dated 28.11.2016, the Financial Advisor yielded a value range (hereinafter the "**Value Range**") for the Tender Offer, which is between € 1.53 and € 2.16 per share. This Value Range, according to Piraeus Bank, is substantiated by the information made available to it.

In order to determine the Value Range, into which the value of the Company and its share price lie, the Financial Advisor has reviewed certain business and financial information about the Company, from sources publicly available. It has also reviewed financial and other information related to the Company's business and prospects, including the business plan and financial projections of the Company and its affiliates, prepared by the Company's management (hereinafter the "**Management**"), and provided through electronic correspondence, and conducted discussions with senior executives regarding the present and future prospects of the Company. During these discussions, the Management's estimations-projections for the evolution of the financial figures, the future economic results, the cash flows and the

assumptions that support these projections were further elaborated. It should be noted that these estimates were made under the current conditions, without taking into account possible developments that could have direct and significant effect on the Company's products demand or their prices. However, these assumptions may not be fulfilled in the future. The Company was also compared with foreign listed companies, with similar business. Moreover, the financial terms, to the extent they were publicly available, of certain recent precedent transactions in the Company's sector have been taken into consideration. Other information, financial and research reports, analyses as well as financial, economic and market criteria that were publicly available or that were provided by the Company has also been reviewed.

In conducting its analysis, the Financial Advisor has utilised and evaluated the following internationally recognized methodologies:

- i) The Discounted Cash Flow Method, which results to a price range: €1.50 - €2.14 per share,
- ii) The Comparative Analysis of Listed Companies through Trading Multiples Method, which results to a price range: €1.47 - €2.37 per share and
- iii) The Comparative Analysis through precedent Transactions of Comparable Companies Method, which results to a price range: €1.74 - €2.07 per share.

Moreover, the Financial Advisor has indicatively examined, without taking into account for the determination of Value Range for the reasons stated in the Financial Advisor's report, the evolution of the Company's share market price, its performance compared to the Athens Exchange Composite Share Price Index and the trading volume distribution at various price levels ("entry price analysis") over the twelve (12) month period preceding the date on which the Offeror became obliged to submit the Tender Offer as well as the premia that have been offered in selective precedent tender offer transactions (both mandatory and voluntary) in the Greek capital market.

2. The Offer Price and the Rights to HelEx SA

As stated in paragraph 2.15 of the Information Memorandum, “in accordance with article 9 of the Law, the Offeror intends to pay € 2.02 in cash for each Tender Offer Share validly tendered” (hereinafter the “**Offer Price**”).

The Offer Price fulfills the requirements of being “fair and reasonable”, as it is described in article 9 par. 4 of the Law and is higher than:

- a) the volume weighted average price (VWAP) of the Company’s shares over the six (6) month period preceding the date on which the Offeror became obliged to submit the Tender Offer, that is before 19th September 2016
- b) the highest price the Offeror or any other individual acting on his behalf or in unison with him acquired Company’s shares over the twelve (12) month period preceding the date on which the Offeror became obliged to submit the Tender Offer, that is before 19th September 2016

According to the Information Memorandum, the Offeror will assume the payment of the clearance duties for the filing of the transfer over the counter of the offered shares levied in favor of Hellenic Exchanges SA Holding, Clearing, Settlement and Registration (hereinafter the “**HelEx**”), amounting to 0.08% to the value of the transaction which is equal to the product of the number of the total shares transferred multiplied with the highest of the following values: the Offer Price and the closing price of Company’s share the working day before the submission of the necessary documents to HelEx, with a minimum charge equal to the lowest between € 20 and 20% of the transaction value for each Accepting Shareholder.

The Offeror shall not assume the payment of the tax pertaining to transactions taking place outside the context of the stock exchange, which is equal to 0.2% of the value of each transaction and which will burden the shareholders who will accept the Tender Offer. Therefore, the Accepting Shareholders will receive the total amount of the Offer Price without any charge for the clearance duties, but reduced by the amount of the tax mentioned above.

3. The Company's Share Price

In relation to the Company's stock price, the Offer Price is:

- 33.8% higher than the closing share price of 16th September 2016 (last trading day before the Offeror became obliged to submit the Tender Offer) which was € 1.51 per share
- 28.7% higher than the volume weighted average price of the Company's shares over the three (3) month period preceding the date on which the Offeror became obliged to submit the Tender Offer (17.06.2016-16.09.2016) which was € 1.57 per share
- 27.0% higher than the volume weighted average price of the Company's shares over the six (6) month period preceding the date on which the Offeror became obliged to submit the Tender Offer (17.03.2016-16.09.2016) which was € 1.59 per share

The current share price on 30.11.2016 is € 2.02 and is equal to the Offer Price.

4. The Business Strategy of the Offeror regarding the Company and itself.

According to paragraph 2.14 of the Information Memorandum, "The Offeror, acting in cooperation with the Concerted Parties, intends to acquire the sum of the shares that it does not own, at the Date of the Tender Offer, in order to request the delisting of the shares of the Company from the ATHEX, pursuant to article 17, paragraph 5 of the Law 3371/2005

Through the deletion of the Shares of the Company from ATHEX, the Offeror and the Concerted Parties pursue to save costs related to the trading of the Shares on the ATHEX as well as to become more flexible regarding the fulfillment of the business plans of the Company.

The business strategy of KLEEMANN Group is principally oriented towards international expansion and further penetration in markets that show development potentials. In this context, the business plan includes promotion actions, such as the establishment of new offices of representation abroad, as well as the development of new products.

The acquisition of shares of the Company by the Offeror will not bring any significant changes in the business strategy and business purposes of the Company, because the Offeror, which is controlled by the Concerted Parties (four of who participate in the Board of Directors of the Company) holds at the Date of the Tender Offer, shares equal to 67.22% of the share capital and voting rights in KLEEMANN.

At the Date of the Information Memorandum, the Offeror does not pursue any activity, except those that are related with the submission of the Tender Offer. The Offeror intends to continue its operation, having as sole activity its participation in the Company. Further, the Offeror does not plan to proceed with a reduction or an alteration in the management policy or in the conditions of employment of the personnel. However, the Offeror has not ruled out the possibility to increase its personnel or the number of its Directors.

The Offeror and the Concerted Parties will support and assist the management of the Company, in its effort for further development of its activities, which aim to the strengthening of its international presence, by facilitating its business relations with suppliers and customers and by assuring an easier access of the Company to economically advantageous and sufficient sources of funding”.

5. The possible impact of the Tender Offer on the Company’s employees

In accordance with paragraph 2.14 of the Information Memorandum, “In the context of the implemented business strategy, the transfer of the seat of the Company outside of Greece is not scheduled and the main productive base of the Company in Greece will remain unchanged and will be reinforced.

In addition, the Offeror will not change a) the management policy of human resources b) the terms of employment of the personnel and the executives c) the number of the employees of the Company and its subsidiaries. The fact that the Concerted Parties remain indirect shareholders of the Company ensures continuity of the policies followed consistently by the Company and its subsidiaries, until today, regarding the development of human resources and the continuous activities of professional education and training of the personnel. Finally, the Offeror and the Concerted Parties intend to maintain the existing Board of Directors of the Company and its subsidiaries and all of its existing managers, expressing their trust to these persons”.

It is noted that none of the Company’s employees has expressed any negative opinion regarding the Tender Offer.

6. The intention of the Offeror regarding the listing of the Company shares.

According to paragraph 2.14 of the Information Memorandum, “If the conditions of the article 27 of the Law are met, after the completion of the procedure of the Squeeze-Out Right, the Offeror will convene the General Assembly of the shareholders of the Company, in order to decide on the delisting of the Company from ATHEX, pursuant to article 17 paragraph 5 of the Law 3371/2005 and will vote in favor of this decision. After the adoption of this decision by the General Assembly of the shareholders of the Company, the Offeror will submit a request to HCMC for the delisting of the Company from ATHEX.

If the conditions of article 27 of the Law are not met and consequently the Offeror is not entitled to exercise his Squeeze-Out Right, the Offeror will seek the delisting of the Shares from ATHEX, by virtue of a relevant decision of the General Assembly of the shareholders of the Company, pursuant to article 17 paragraph 5 of the Law 3371/2005”.

Conclusion

Having considered all of the above, the Board of Directors of the Company, expresses [by unanimous decision] the following reasoned opinion:

1. The Offer Price of € 2.02 per share:
 - i. falls within the price range defined by the Advisor’s Report,
 - ii. satisfies the Law’s requirements and
 - iii. is higher than the volume weighted average price of the Company’s shares over the three (3) and six (6) month periods preceding the date on which the Offeror became obliged to submit the Tender Offer
2. The strategic plans of the Offeror, as these are mentioned in the Information Memorandum, are not likely to cause major changes in the employment terms of the employees and or the total number of the employees.
3. The Offeror’s strategic plans and its business objectives for the Company are consistent with Company management’s plans and objectives, among which and above all are the empowerment and enhancement of the Company, for which the current Management has made considerable efforts in recent years

It is noted that the Offeror's plans and estimates for the expected benefits for the Company are based on certain assumptions relating to the present conditions and may be affected by possible future changes.

Furthermore, the present Reasoned Opinion of the Board of Directors of the Company does not constitute and may not be regarded as being a recommendation, prevention, advice or inducement made to the Shareholders to accept or reject the Tender Offer or to enter into any transaction in relation to any securities issued by the Company and/or the Offeror. The Board of Directors cannot project the outcome of the Tender Offer, nor the future closing prices and the marketability of the Company's shares.

This Reasoned Opinion of the Board of Directors of the Company is drafted in accordance with the provisions of article 15, paragraphs 1 & 2 of the Law, is submitted along with the Financial Advisor's Report of 28.11.2016 to the Hellenic Capital Market Commission and the Offeror, according to article 15, paragraph 3 of the Law, is notified to the employees according to article 15, paragraph 4 of the Law and is published along with the Advisor's Report following the provisions of article 16 paragraph 1 of the Law.

The Reasoned Opinion of the Board of Directors shall be publicly available electronically through Company's webpage <http://www.kleemann.gr/> and Athens Exchange's webpage www.helex.gr.

Kilkis, 30.11.2016

THE BOARD OF DIRECTORS