

15/12/2022

ANNOUNCEMENT

Following a letter of the Capital Market Commission dated 14/12/2022, MARFIN INVESTMENT GROUP HOLDINGS S.A. ("MIG") hereby informs the investors of the following:

- (1) Effects from the exchange of the entirety of the Company's bond loans for its participation in "ATTICA HOLDINGS S.A." (79.38%) and complete repayment of the Company's borrowings amounting to € 443.8 m in financial position and results of the Group and the Company.**

The following table presents the effects of the above proposed transaction by listing the basic figures of Group's financial position as of 30/09/2022 on a consolidated basis. Compared to the proforma figures excluding ATTICA's group figures and Company's borrowings.

Key figures of financial position			
GROUP	30/09/2022 (publication)	30/09/2022 (proforma)	Transaction's impact
<i>(consolidated in € m)</i>			
Total assets	1,287.1	228.3	-1,058.8
Long-term borrowings	967.3	90.7	-876.6
Short-term borrowings	39.1	0.8	-38.3
Other liabilities	157.5	8.5	-148.9
Equity attributable to owners of the Parent	39.6	128.3	88.7
Non-controlling interests	83.6	0.0	-83.6
Total Equity	123.2	128.3	5.1

At the same time, for the period 01/01/2022 to 30/09/2022, Group's turnover amounted to € 426.9 m of which € 421.6 m refers to ATTICA's group turnover and Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) amounted to € 52.3 m of which € 52.7 m concern the ATTICA group. The results after taxes attributable to the shareholders of the parent company amounted to gains € 11.6 m of which gains € 23.6 m concern the ATTICA group. In addition, in the above mentioned results of the Group is included an amount of € 14.6 m which is related to financial expenses of Company's borrowings.

With respect to the financial position of the Company on 30/09/2022, the transaction would have resulted in the reduction of assets by approximately € 345 m and would have amounted to € 133 m, while Company's borrowings would have been eliminated to zero.

Based on the financial figures as of 30/09/2022, the impact from the transaction in Company's and Group's results would have been amounted to € 85 m and € 88.7 m respectively, with an equal positive effect on the separate and consolidated equity attributable to the owners of the parent company.

However, the final impact on the financial position and results of the Group and the Company will be determined upon the finalization of the transaction (including Group's and Company's results to the date of completion) which is expected to take place within 2023.

(2) Perspectives for the Group and the Company taking into account the size of the activities to be transferred, referring to relevant actions that the Management intends to proceed to.

Following the consummation of the envisaged transaction, MIG will eliminate its borrowing liabilities which, based on the current interest rate curve, would burden it in 2023 with financial expenses amounting to approximately €23 m. In parallel, further to the consummation of the transaction a positive impact is expected on the Company's and Group's results (as above mentioned). The Company will continue implementing its investment strategy by investing in listed and non-listed companies, while it will carry on with active cash management. The Management will constantly assess the domestic and international macroeconomic environment and will examine ways for further enhancement of the Company's equity in order to make new investments, when regarded as beneficial to the shareholders.

At Group level priority will be given to the investment in real estate company RKB managing 28 department stores all around Serbia with total rentable areas of 149,000 m², constituting one of the largest real estate management companies in the country. In 2022 RKB completed its bank borrowing restructuring resulting to the extension of the repayment period of its borrowing liabilities, the decrease in the borrowing financial cost and write-off of part of the accrued interest of previous years. Furthermore MIG completed the acquisition of the minority shareholding amounting to 16.89% in exchange for 3 department stores. The above mentioned transactions improved the operating profitability of the company and the efficiency of decision making.

The value of the real estate assets owned by the Company amounts to €208 m. based on the valuation report of American Appraisal dated 31/12/2021 (with the exemption of the real estate disposed during 2022). Strategy for 2023 and management's actions are focused on the achievement of the following goals: i) Increase of rentable areas and improvement of the real estate yield, ii) Tight containment of operational expenses, iii) Significant improvement of EBITDA and Earnings Before Tax, iv) Strengthening liquidity and v) Sale of certain department stores having no significant financial results in order to decrease the Company's bank borrowings, on the one hand, and to invest in and exploit other real estates/plots with potential positive performance over a medium-term horizon, on the other hand. Key financial figures referring to RKB as of 30/09/2022 can be found below:

Key figures of financial position	
RKB	30/09/2022
(in € m)	
Investment in properties	207.7
Cash	4.9
Other assets	2.7
Bank borrowings	91.5
Other liabilities	3.5

Summary of key financials	
RKB	01.01-30.09.2022
(in € m)	
Sales	5.2
Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)	2.1
Gains after taxes	5.3

(3) Estimated timetable for the main steps for the consummation of the transaction and repayment of the Company's borrowings

According to the terms of the transaction already announced, the Company has been informed by Strix Holdings L.P. that the notification of the transaction is expected to be submitted to the Competition Committee within the forthcoming days. At the same time it is expected that the legal and financial due diligence in MIG Shipping will start within the next days and it will be completed within 2022. The Company has already contacted candidate financial advisors who will examine the fairness of the transaction terms and whose opinion will be brought to the consideration of the Company's shareholders. The General Meeting of the Company's Shareholders is expected to take place by end of January 2023 and in case that quorum required by law is not achieved, a reiterative meeting will take place within the 10 first days of February 2023. Following fulfillment of the relevant terms and receipt of necessary approvals the consummation of the transaction is estimated to take place within the first quarter of 2023.