

Independent Auditor's Report for the evaluation of granting guarantee to the bank "NATIONAL BANK OF GREECE" in favour of the subsidiary company «SINGULARLOGIC S.A.» based on the provisions of art. 101 L. 4548/2018.

To
The Board of Directors of
SPACE HELLAS S.A.

Athens, June 2nd, 2021

I. Introduction

Based on the invitation given by the Board of Directors of SPACE HELLAS S.A. General Commercial Registry (Γ.Ε.ΜΗ.) Nr. 000375501000 ("the Company") and the engagement letter dated 12/5/2021 we hereby provide you with our Evaluation Report ("the Report") according to the provisions of art. 101 Law 4548/2018 in order to evaluate whether the following transactions with SINGULARLOGIC S.A., to which the company is holding 49,967% of its shares and voting rights, are fair for the Company and the shareholders that are not related parties including any non-controlling interest Company shareholders. The transactions under examination are as following:

- a) Undersigning as guarantor in the new loan agreement of the subsidiary company SINGULARLOGIC S.A. with which the subsidiary is granted a new regular payment bank loan of € 800.000,00 from "NATIONAL BANK OF GREECE" through the EUROPEAN INVESTMENT BANK (EIB) program. The loan will be used to cover the needs of the subsidiary for working capital.
- b) The Company will undersign as a guarantor in a new overdraft bank loan contract up to the limit of € 3.500.000,00 in favor of the related entity.
- c) Undersigning as guarantor in the new loan agreement of the subsidiary company SINGULARLOGIC S.A. with which the subsidiary is granted a new regular payment bank loan of € 1.000.000,00 from "NATIONAL BANK OF GREECE" through the HELLENIC DEVELOPMENT BANK (HDB) program. The loan will be used to cover the needs of the subsidiary for working capital.

The aforementioned transactions constitute transactions with related parties according to the provisions of art. 99 Law 4548/2018 for which special permission is required in order for the Board of Directors to approve them, which is granted under the conditions of articles 99, 100 and 101 Law 4548/2018.

Based on information received from the Company Management we understand that granting of guarantee from the Company to the related entity is compulsive and necessary and it will help substantially its liquidity given current economy conditions and its financial position.

According to the Business Plan prepared the related entity requires liquidity from the banks in order to finance its sales growth and to cover its poor working capital for the first 12 months of the forecasted period. Furthermore, the available liquidity will be used not only for the company growth but also to cover overdue liabilities which will result to re-establishment of its credibility in the market. The borrowing rate is evaluated as favorable and more competitive in comparison to current market average rates since the new borrowing agreements are connected to the interest rate subsidy programs of the European Investment Bank (EIB) and the Hellenic Development Bank (HDB).

II. Management's responsibility

Management is responsible for complying with its obligations arising from the provisions of Law 4548/2018 and more specifically the transactions with related parties as well as the assuring of Company's interests.

III. Auditor's Responsibility

Our responsibility is limited to the issue of this Report which is based on the work conducted to evaluate whether the transactions are fair for the Company and the shareholders that are not related parties including any non-controlling interest Company shareholders as provided in par. 1 art. 101 Law 4548/2018.

IV. Scope of work

Based on the engagement letter received by Management, we conducted procedures to evaluate whether the transactions are fair for the Company and the shareholders that are not related parties including any non-controlling interest Company shareholders as provided in par. 1 art. 101 Law 4548/2018.

V. Procedures conducted

The procedures we conducted including methods and estimations used are summarized as following:

- Documents and information were provided regarding the general strategic planning of the Company which includes the related entity as well as the Articles of Association and the related articles for granting guarantees in favor of third parties and related parties.
- We reviewed the Draft Loan Agreements between the lending bank and the related entity, the guarantee conditions, we understood the nature of the transactions and examined for possible conditions that may be indicators for not sufficient protection of the interests of the parties referred to in par. 1 art. 101 Law 4548/2018.
- More specifically, the conditions of the loan agreements were examined and the benefit for the related entity was evaluated from the interest and payment conditions and in general the benefit created for the shareholder and co-guarantor.

- We reviewed the draft contract for providing guarantee for the new overdraft account between the lending bank and the Company, we understood the nature of the transaction and examined for possible conditions that may be indicators for not sufficient protection of the interests of the parties referred to in par. 1 art. 101 Law 4548/2018.
- More specifically, we examined the conditions of the new overdraft agreement and we evaluated the benefit that is created for the related entity and consequently for the Shareholder and co-guarantor.

VI. Conclusion

Based on the work conducted and taking under consideration the purpose of the transactions for the Company as described in this Report we evaluate that the transactions are fair for the Company and the shareholders that are not related parties including any non-controlling interest Company shareholders as provided in par. 1 art. 101 Law 4548/2018.

VII. Restrictions and clarifications

- Our work conducted is not an Audit or Review of Financial Statements and is limited to the procedures conducted as described before.
- Our work was based to the terms of transactions defined in the draft loan agreements for the two new bank loans and the draft agreement for the new overdraft account as provided by the Company to us for the purposes of this Report.
- This Report was prepared exclusively in the content of the obligation of the Company according to the provisions of par. 1 art. 101 Law 4548/2018 and therefore, this Report can't be used for any other purpose.

The Certified & Registered Auditor



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