

SHORT REPORT

FAIR VALUE ASSESMENT AS OF 31.12.2021

OF RESIDENCES IN MYKONOS, GREECE

Prot. No.: PEF-973

To:

**DIMAND S.A. & TERRA ATTIVA S.A.
DIMAND REAL ESTATES CYPRUS LTD
PERDIM S.A.**

Mr. Manolis Lemonakis
115 Neratziotissis str.
Maroussi, 15124

8th of April 2022



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We assume, for the purposes of this valuation report, that all information provided, are accurate and complete and thus we have not proceeded to any verification. Supplementary information may affect the derived values.

The resulting values are applicable for the critical date of the valuation report according to the agreed Basis of Valuation.

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This report does not comprise a business valuation.

This valuation report is based on the current economic and market conditions at the date of valuation and does not express or form an opinion on the duration of the conditions or, to the impact that any changes in the economic and market conditions may have on the opinions expressed in the report. The opinions expressed in this valuation report, are subject to certain reservations in terms of uncertainties derived from changes to major factors such as future adjustments or amendments of the legal status, changes in the financial and economic circumstances, political risk, country risk etc.

Considering the current economic conditions in Greece, the valuation report follows VPGA 10 of the Red Book «RICS Valuation - Global Standards 2020» regarding Valuation Certainty.

The assumptions made in this valuation report in order to express our opinion of the Value of the subject properties, are considered appropriate in light of the circumstances and by no means is it possible to validate the accuracy and completeness of the assumptions, judgments and estimates undertaken thereof.

This report bears a specific critical date. There is no responsibility to validate and update the report prepared by PEPPER HELLAS ASSET MANAGEMENT S.A. without the proper instruction to do so from the Client.



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Executive Summary

Instructor:

Dimand S.A. & Terra Attiva S.A.
Dimand Real Estates Cyprus LTD
Perdim S.A.

Valuer:

Pepper Hellas Asset Management SA

Subject of Valuation:

The properties under valuation are three (3) adjacent land plots with five maisonettes, in the district "Choulakia", in Mykonos as shown in the table below:

DIMAND - Choulakia, Municipality of Mykonos, South Aegean						
Land Plot	Area of Land Plot (m²)	Owner	Property	Level	Area (m²)	
B	4.283,20	Dimand 50% - Terra Attiva 50%	Maisonette A, with swimming pool 30sqm	Sqm not included legally in the total area	18,79	
				Stairwell	9,79	
				Ground Floor	51,98	
				1st floor	50,12	
			Total A		130,68	
			Maisonette B	Sqm not included legally in the total area	18,79	
				Stairwell	9,79	
				Ground Floor	51,98	
				1st floor	51,20	
			Total B		131,76	
			Total Buildable Area of Land plot B			
C	6.229,91	Dimand Cyprus	Maisonette A, with swimming pool 30sqm	Stairwell - Sqm not included legally in the total area	12,00	
				Ground Floor	80,64	
				1st floor	64,74	
			Total A		157,38	
			Maisonette B, with swimming pool 30sqm	Sqm not included legally in the total area	31,67	
				Stairwell	6,41	
				Ground Floor	67,45	
				1st floor	31,69	
			Total B		137,22	
Total Buildable Area of Land plot C					294,60	
D	4.514,49	Perdim	Maisonette A	Sqm not included legally in the total area	31,95	
				Stairwell	10,97	
				Ground Floor	88,77	
				1st floor	120,92	
Total Buildable Area of Land plot D					252,61	
				Grand Total	809,65	

General photo of properties:

Land Plot B



Land Plot C



Land Plot D

Purpose of Valuation:

The Valuation will be prepared for IFRS purposes.

Basis of Valuation:

The basis of valuation is the Fair Value according the European Valuation Standard (EVS 2) and the Valuation Practice Statement (VPS 4) par. 7 of the RICS Valuation – Global Standards 2020.

The definitions of the bases of our valuation according to the current standards are stated in [Appendix 1](#) of this report.

Premise of Value:

Highest & Best use

Currency:

EUR (€)

Critical Date of Valuation:

31/12/2021

Date of Report:

8/4/2022

Summary Table:

No	Company	Type of Asset	Location	Municipality	Building Area m ²	Land plot Area m ²	Fair Value 31.12.2021 (as is)	Fair Value of Land	Fair Value of Buildings	Gross Development Value 31.12.2021 (fully developed) *
1	Dimand S.A. 50% - Terra Attiva S.A. 50%	Land - Development	Choulakia	Mykonos	262,44	4.283,20	1.465.000,00 €	1.071.000,00	394.000,00	1.790.000,00 €
2	Dimand Cyprus S.A.	Maisonettes A & B	Choulakia	Mykonos	294,60	6.229,90	2.074.000,00 €	1.632.000,00	442.000,00	
		Maisonette A	Choulakia	Mykonos	157,38		1.152.000,00 €	916.000,00	236.000,00	
		Maisonette B	Choulakia	Mykonos	137,22		922.000,00 €	716.000,00	206.000,00	
3	Perdim S.A.	Land - Development	Choulakia	Mykonos	252,61	4.514,49	1.740.000,00 €	1.361.000,00	379.000,00	
Return for Risk and Profit % of Gross Development Value or Target IRR (%)							10.00%			

* "The aggregate market value of the proposed development, assessed on the special assumption that the development is complete on the date of valuation in the market conditions prevailing on that date. Where an income capitalization approach is used to estimate the GDV, normal assumptions should be made within the market sector concerning the treatment of purchaser's costs. The GDV should represent the expected contract price." (Valuation of development property, 1st edition, October 2019, RICS professional standards and guidance, global, p.4)

1. Instruction

Further to your instruction with Prot. No. SAO-1422 dated the 12/11/2021 we have proceeded to the determination of the Fair Value of three land plots under development, located in the district of Choulakia, in the island of Mykonos, Municipality of Mykonos, Region of South Aegean.

This report is held under the standards imposed by the Royal Institution of Chartered Surveyors (The Royal Institution of Chartered Surveyors – *RICS Valuation – Global Standards 2020*), the European Valuation Standards of TEGoVA (The European Group of Valuers' Associations – *EVS 2020, 9th Edition*) and the IVSC (International Valuation Standards Council, 2020). The above-mentioned valuation standards are also adopted for the application of the International Financial Reporting Standards (IFRS).

The report is carried out by the strict supervision of qualified professional valuers of adequate expertise and experience according to PS 1 and PS 2 of RICS Valuation – Global Standards 2020. The certifications of our valuers are either from The Royal Institution of Chartered Surveyors (MRICS, FRICS) (www.rics.org), or from The European Group of Valuers' Associations (REV scheme) (www.tegova.org) certification body in Greece PEOPLECERT (www.peoplecert.org).

Pepper Hellas Asset Management SA fulfills all legal requirements for offering valuation services and it is a company listed at the Certified Valuers Registry of the Greek Ministry of Finance, according to the provisions of paragraph C of Law 4152/2013 (ΦΕΚ/Α'107).

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a "Global Pandemic" on the 11th March 2020, has and continues to impact many aspects of daily life and the global economy –with some real estate markets having experienced lower levels of transactional activity and liquidity. Travel, movement and operational restrictions have been implemented by many countries. In some cases, "lockdowns" have been applied to varying degrees and to reflect further "waves" of COVID-19; although these may imply a new stage of the crisis, they are not unprecedented in the same way as the initial impact. The pandemic and the measures taken to tackle COVID-19 continue to affect economies and real estate markets globally.

According to the RICS Valuation Practice Alert–Coronavirus dated the 6th of November 2020, our valuation is therefore reported as being subject to 'material valuation uncertainty' as set out in VPS 3 and VPGA 10 of the RICS Valuation –Global Standards. Consequently, in respect of these valuations less certainty –and a higher degree of caution –should be attached to our valuation than would normally be the case. For the avoidance of doubt this explanatory note has been included to ensure transparency and to provide further insight as to the market context under which the valuation opinion was prepared. In recognition of the potential for market conditions to move rapidly in response to changes in the control or future spread of COVID-19, we highlight the importance of the valuation date.

The bases of our valuation and the general assumptions are stated in **Appendix 1** of this report.

2. Introduction

The purpose of this report is the determination of the Fair Value of three land plots under development, located in the area of Choulakia in the island of Mykonos, Municipality of Mykonos, Region of south Aegean.

Date of Inspection:

7/2/2020

Due to the global pandemic of Covid-19, the properties were not re-inspected. We were provided by the Client all necessary data and photos in order to proceed to our valuation.

Data provided:

- Building Permit No 34/2010 & its Revision (2014), issued by the Planning Authority of Cyclades.
- Building Permit No 46/2010 & its Revision (2018), issued by the Planning Authority of Cyclades.
- Building Permit No 334/2009 & its Revision (2010), issued by the Planning Authority of Cyclades.
- Topographic Plans for each property.
- Coverage Diagram by the Architect Mr. Bakirtzis Brianias Stilianos Karolos, dated in February, and scaled at 1:200
- Section and Views plans by the Architect Mr. Bakirtzis Brianias Stilianos Karolos, dated in February, and scaled at 1:50
- Floor plans for each property by the Architect Mr. Bakirtzis Brianias Stilianos Karolos, dated in July 2013, and scaled at 1:50
- Previous Valuation Report prepared by Cushman & Wakefield – Proprius, with critical date 31.12.2018
- Updated Construction budget for each land plot.
- Updated photos of the ongoing developments.
- Photos of the current developments.
- Table with the total areas of each level of the subject properties.

3. Location

Address:

The properties in question are located in the area of “Choulakia”, in the Municipality of Mykonos, Regional Unit of Mykonos, Region of South Aegean.

GIS Coordinates:

Latitude: 37.478757,
Longitude: 25.319785 (*according to Google maps*)

Properties in a very good location

Limited accessibility to local road network

Excellent view

Close proximity to the centre of the town

Location:

Municipality of Mykonos:

Mykonos is an island of the Aegean Sea and belongs to the Cyclades islands group. The capital of the island is “Chora”, located in the west side of the island. Mykonos has a population of 10,134 inhabitants (2011 census). The area of the island is 86,125km² and has a coastline of 89km. The Municipality of Mykonos includes the island of Mykonos, the islands of Rhenia and Delos as well as smaller islets around Mykonos. It consists of two municipal districts (Mykonos and Ano Mera).

Mykonos is considered to be one of the most well-known islands and the most popular touristic destinations not only for Greece but for international travelers as well. The island is world-known for its cosmopolitan character, award-winning restaurants, luxurious villas and 5-star hotels.

Subject area:

The surrounding area of the property, “Choulakia”, is situated in the western part of the island, north of the island’s port, 6km away from the island’s town. The wider area is characterized by residential luxurious buildings, mostly detached or semi-detached villas, overlooking the Aegean Sea. The building stock in the area is around 15 years old, although there are several newly built developments. The area offers open sea views.

Accessibility:

By car:

Access to the subject property is via the local road network.

By air:

Mykonos, during the summer period, is connected daily by air with Athens and weekly with other European destinations whereas during the off-season period there are less frequent flights. Mykonos National Airport is located in the Municipal District of Mykonos about 3km away from “Chora” and serves the whole island.

By sea:

Mykonos is connected by ship to the port of Piraeus and port of Rafina, as well as to the surrounding islands via its new harbor located approximately 2.50km north of “Chora”.

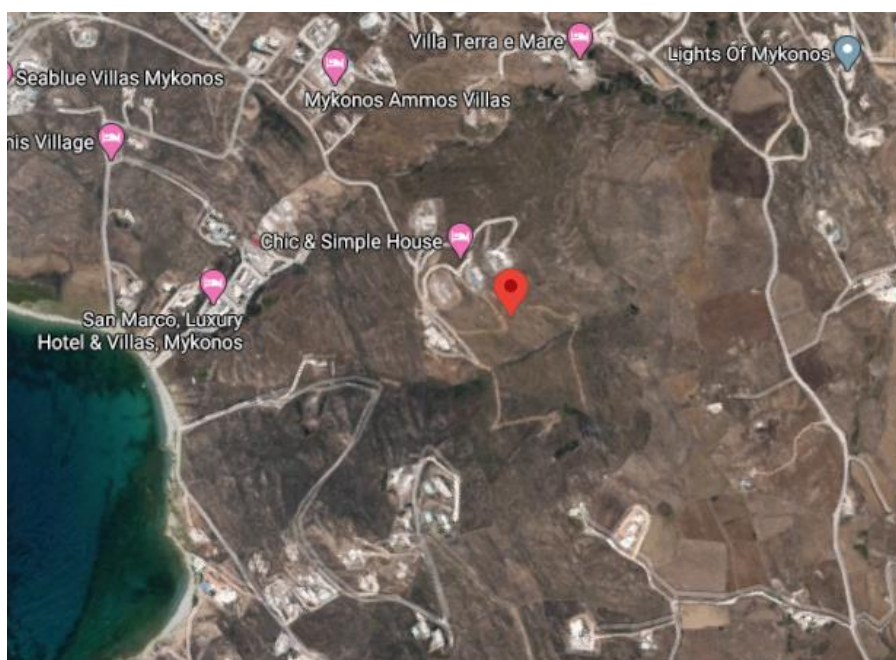
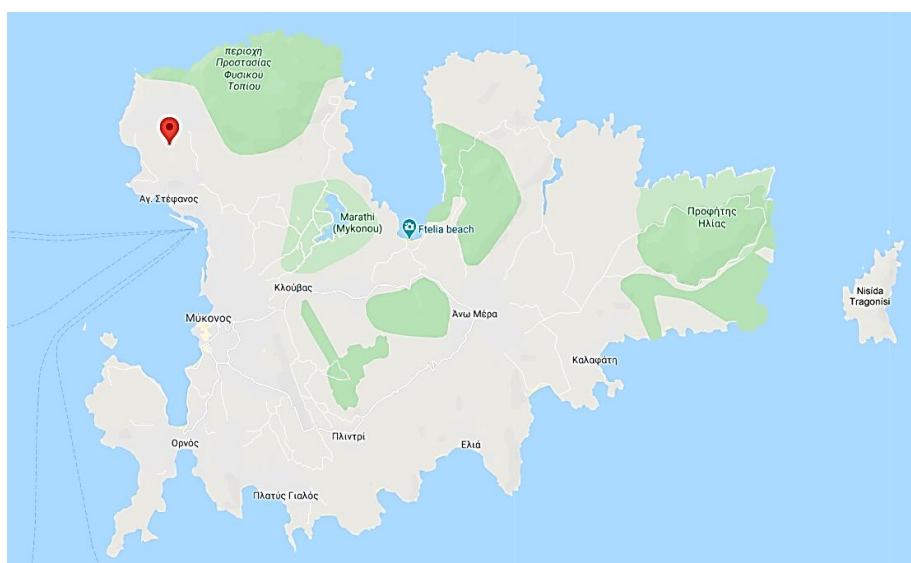
Surrounding area:

The property in question is located in a small distance of “Chora”, characterized by the development of detached or semi-detached villas of good quality. It is situated approximately 6.00km north of the town of Mykonos and circa 4.00km north of the island’s new port, on an inclined part of land, overlooking the Aegean Sea.

Indicative occupiers in the area:

- Hotels (e.g. Chic & Simple House, Mykonos Ammos Villas, Mykonian Spirit Villas, San Marco etc.)

Indicative maps of the subject area:



4. Properties Description

1) Land Description

Area (m²) of land plots:

- **Land Plot B: 4.283,20m²** according to the Topographic plan .
- **Land Plot C: 6.229,91m²** according to the Topographic plan .
- **Land Plot D: 4.514,49m²** according to the Topographic plan .

Land plots of fair size
Irregular shapes
Excellent views
Moderate commerciality – location

Shape & Dimensions:

- Irregular shapes

Orientation:

Western towards the sea.

Gradient & Soil type:

- Incline from east to west.
- Semi rocky soil type.

Fencing:

No fencing, part of the subject properties has stone walls.

2) Planning Status

According to the data provided, the land plot lies within the Zone of Residential Control (ZOE) of the Municipality of Mykonos and is subject to the below building regulations:

Land plots intact & buildable
Outside the town plan of the town of Mykonos
Inside Zone of Residential Control (2.3α.9).

Presidential Decree

P.D. 13.08.1976 (Government Gazette 336D/1976)

P.D. 24.05.1985 (Government Gazette 270D/1985)

P.D. 07.03.2005 (G.G. 243D/2005)

G.G. 416D/2005

Zone of Residential Control (ZOE) (2.3α.9)

Land plot requirements – Buildability – Constructability

General Rule: Min Size of Plot = 4,000m²

Building Coefficient:

For the first 4,000m²: 200m²

From 4,000m² to 8,000m²: +2%

From 8,000m² to 20,000m²: +1%

Coverage Ratio:	Same as buildable area.
Max Height:	7.5m for two levels, 4,50m for ground floor buildings
Max Floor number:	2
Basement:	For residential uses only water tanks are permitted.
Permitted Uses:	Residential, touristic residencies, retail, education, health buildings, gas station, agricultural warehouses, water tanks, pumping plants, farm buildings of low density, public assembly buildings.

Indicative photos of the property are attached in [Appendix 2](#).

5. Legal & Ownership Status

For the purposes of the valuation report, the subject properties are owned as presented in the following table and we assume that they are clear and free of any encumbrances or charges that may affect their value.

Property	Area (m ²)	Owner
Land plot B	4.283,20	Dimand SA 50% - Attiva SA 50%
Land plot C	6.229,90	Dimand Real Estates Cyprus Ltd
Land plot D	4.514,49	Perdim SA

6. Development Scheme

According to the data provided, the owners are developing five luxurious residences in total. Specifically, two (2) maisonettes are under construction in land plot B, two maisonettes are constructed in land plot C and a detached villa on land plot D. The areas, levels and uses are presented for each land plot in the following table:

DIMAND - Choulakia, Municipality of Mykonos, South Aegean							
Land Plot	Area of Land Plot (m²)	Owner	Building Permit	Property	Level	Area (m²)	
B	4.283,20	Dimand 50% - Terra Attiva 50%	34/2010	Maisonette A, with swimming pool 30sqm	Sqm not included legally in the total area	18,79	
					Stairwell	9,79	
					Ground Floor	51,98	
					1st floor	50,12	
				Total A		130,68	
				Maisonette B	Sqm not included legally in the total area	18,79	
					Stairwell	9,79	
					Ground Floor	51,98	
					1st floor	51,20	
				Total B		131,76	
Total Buildable Area of Land plot A						262,44	

DIMAND - Choulakia, Municipality of Mykonos, South Aegean						
Land Plot	Area of Land Plot (m²)	Owner	Building Permit	Property	Level	Area (m²)
C	6.229,91	Dimand Cyprus	46/2010	Maisonette A, with swimming pool 30sqm	Stairwell - Sqm not included legally in the total area	12,00
					Ground Floor	80,64
					1st floor	64,74
				Total A		157,38
				Maisonette B, with swimming pool 30sqm	Sqm not included legally in the total area	31,67
					Stairwell	6,41
					Ground Floor	67,45
					1st floor	31,69
			Total B		137,22	
Total Buildable Area of Land plot B						294,60
D	4.514,49	Perdim	334/2009	Maisonette A	Sqm not included legally in the total area	31,95
					Stairwell	10,97
					Ground Floor	88,77
					1st floor	120,92
Total Buildable Area of Land plot C						252,61
					Grand Total	809,65

Each land plot has already an issued building permit. Construction works are completed on land plots C and D, and the maisonettes are delivered. Land plot A is at the stage of the completion of the frame.

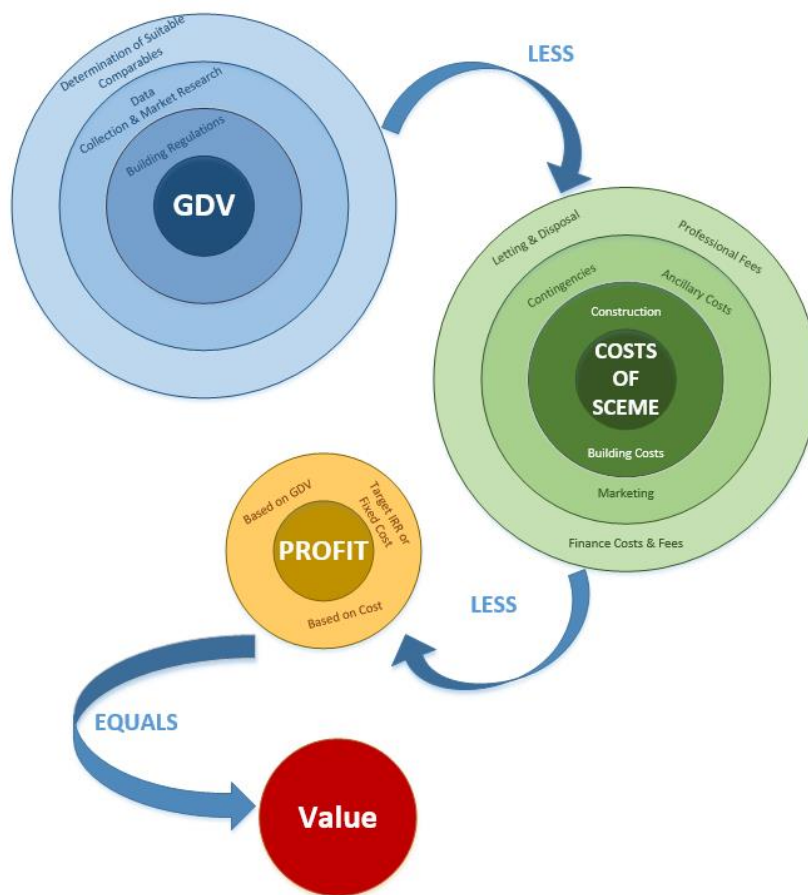
The subject maisonettes are of luxurious finishes, modern Cycladic design incorporating natural stone. Externally each plot is landscaped, planted and provides a swimming pool for the respective residences.

7. Valuation Methodology

In order to determine the Fair Value of the three properties, we apply the Residual Method, for Land Plot B, and the Comparative Method for the completed maisonettes at Land Plots C and D.

The Residual Method is a hybrid of the market approach, the income approach and the cost approach. It is based on the completed “gross development value” and the deduction of development costs and the developer’s return to arrive at the residual value of the development property. (IVS 2020, p.106, par.40). The Residual Method is applied by using ARGUS Developer ® software.

In detail, the Residual Method is used to arrive at a value for a vacant site or a site or a building for redevelopment or refurbishment. It entails estimating the Gross Development Value based on the best-case scenario for development or redevelopment. From the Gross Development Value all construction and finance costs, as well as the developer’s profit, are deducted in order to arrive to the present value of the property under question (EVS 2016, EVIP 5, par 6.5). The process of this methodology is presented to the following diagram:



Reasons for choosing Residual Method:

- The subject property is under development; therefore, the Residual Method is suitable to be applied.
- We were able to identify asking prices and rents for the potential uses according to the best-case scenario.

The Comparable Method estimates a value by analyzing prices obtained from sales or lettings of properties similar to the subject property and adjusting the unit values to take account of differences between the comparables and the property in question (EVS 2020, EVIP 5). The process of this methodology is presented to the following diagram:



Reasons for choosing Comparative Method:

- The Comparative Method uses and analyses similar comparables to the subject property.
- The greater area of the property in question provides comparable evidence of similar uses, areas and general characteristics.
- We were able to identify asking sales and rents for similar properties.

General Assumptions:

- For the purposes of this report, the Fair Value calculated for land plot B, which is owned by two landlords (50% co-ownership), refers to the total 100% freehold right, since the owners are companies under the same group.

For the theoretical apportionment of the Fair Value of the property between land and buildings, for accounting purposes and only, we use the Cost Approach based on the Depreciated Replacement Cost Method in order to determine the Replacement Cost of the buildings (EVS 2020, EVIP 3). According to the Depreciated Replacement Cost method, the valuer is required to provide a considered opinion of the Market Value of the land in its existing use, plus the hypothetical cost of constructing similar buildings to the existing ones and relevant site works. In more detail, the process of the DRC methodology entails:

1. The definition of the Replacement Cost of the Buildings (as new) according to current construction evidence.
2. The application of a depreciation factor that reflects the age, the condition, and the economic and functional obsolescence of the property in question. The depreciation factor is calculated according to the following function:

$$\text{Depreciation Factor} = \frac{1}{(1 + i)^n}$$

where:

i = represents the condition, the economic and functional obsolescence of the property in question

n = represents the age of the property

8. SWOT Analysis

Strengths:

- Unobstructed view to the Aegean Sea.
- Intact adjacent land plots, suitable for development.
- Prime location for residential development
- In close proximity to the sea.
- Luxurious designs and technical specifications

Weaknesses:

- Steep slope and rocky soil type.

Opportunities:

- Increasing investment interest in the real estate sector in Greece.
- The continuous touristic growth and established brand of Mykonos island as one of the most cosmopolitan destinations internationally.

Threats:

- High taxation of real estate assets and uncertain taxation regime.
- The impact of the current global pandemic of COVID-19 is still unknown to the real estate market.
- Increasing CPI due to the current war in Ukraine.

9. Market Analysis

1) Comparable Evidence

From our market research into the local property market, we identified the following comparable evidence:

Comparable Data - Maisonettes for Sale									Source
Comparable Data									
No.	Area (m²)	Levels	Municipality	Area	Year of Construction	Additional Information	Asking Price €	Asking Price per €/m²	
1	225,00	2	Mykonos	Faros Armenistis	2021	Land plot 4.000sqm, 4 bedrooms, 3 bathrooms, 1 WC, swimming pool, view to the sea, fireplace, stage of construction - windows	1.600.000,00 €	7.111,11 €	MYKONOS PROPERTY, Tel. 22890 22033
2	155,00	2	Mykonos	Choulakia, Agios Stefanos	2000	4 bedrooms, 3 bathrooms, refurbishment in 2015, swimming pool, view to the sea	1.200.000,00 €	7.741,94 €	Golden Home, tel: 2111041100
3	151,00	2	Mykonos	Choulakia	2017	4 bedrooms, 4 bathrooms, swimming pool, furnished, fireplace, safety door, wooden frames with double glazed windows, 450m from the sea	1.200.000,00 €	7.947,02 €	REAL ESTATE IN MYKONOS tel: 2289027317
4	260,00	2	Mykonos	Choulakia	2014	Land plot 4.000sqm, amphitheater location, two levels comprising living room, dining room, kitchen, 3 bedrooms master, 1 WC, 2 studios for guests, infinity pool	1.950.000,00 €	7.500,00 €	Mykonos Feeling Properties, tel. 2103235185
5	160,00	2	Mykonos	Choulakia, Agios Stefanos	2015	Land plot 1.150sqm, 4 bedrooms, 4 bathrooms, swimming pool	1.200.000,00 €	7.500,00 €	Wire Consulting Greece tel: 00390412750993
6	270,00	3	Mykonos	Choulakia	1999	Land plot 2.000sqm, 6 bedrooms, 5 bathrooms, swimming pool, 550m from the sea, view	2.000.000,00 €	7.407,41 €	MYKONOS PROPERTY, Tel. 22890 22033

Based on the above comparative market data, we summarize our finding as follows:

- Luxurious maisonettes, in the Municipality of Mykonos, in the general area of the subject properties, are available for sale between **€5,500.00/m²** and **€10,000.00/m²**, depending on the location, the size, the age, the visibility, the view, the shape, commerciality, accessibility, technical condition, the distance from major thoroughfares and other key features.
- It is important to mention that the Instructor has an offer to sell Maisonette B of land plot C, of total area 137.22sqm, at €1.050.000,00. The sale is expected within the following months.
- In some cases, and according to the special features of the property, the asking prices may be higher or lower than the indicative range.

According to local developers and investors, the residential market in Mykonos is witnessing high increase since summer 2021. The impact of the global pandemic to luxury vacation homes market is characterized by high asking prices and low yields, which is noticeable not only at sales but also at rents. According to Bluekey, a premium advertising platform for unique properties throughout Greece, the Greek market provides top real estate investment opportunities. In specific, eight out of ten locations with the highest returns in luxury homes in Europe are located in Greece, with Mykonos to gain one of the top places. According to Algean Property, a property services company focusing on the Hellenic market and the EMEA region, the asking prices and rents for a luxury residence of total area 250sqm at the most attractive locations of the Mediterranean are the following:

Residence of cc. 250sqm – Mediterranean area			
Location	Sales – asking price €/sqm	Annual Rent	Yield (%)
Mykonos	7,750	144,000	7,4
Paros	4,75	84,000	7,1
Santorini	6,500	102,000	6,3
Skiathos	4,000	60,000	6,0
Tunisia	1,000	15,000	6,0
Porto Heli	4,500	60,000	5,3
Dalmatian coasts	4,750	60,000	5,1
Chalkidiki	4,500	54,000	4,8
Kefallonia	3,750	45,000	4,8
Chania	4,240	51,000	4,8
Elouda	5,500	63,000	4,6
Zante	5,000	57,000	4,6
Rhodes	3,750	42,000	4,5
Mavrovounio	3,500	39,000	4,5
Corfu	5,250	57,000	4,3
French Riviera	10,500	114,000	4,3

Source: bluekey.gr

2) Real Estate Market

Description of the Local Market

Commercial & residential development:	At the immediate area of the subject properties there are properties under development, mainly touristic accommodation and high-end villas. There is intense commercial and touristic development across the island and mainly in Chora
Commerciality:	The commercial uses are concentrated in Chora and more specifically in the area "Matogiannia", the prime commercial district of the island along the narrow stone-paved alleys.
Average age of building stock:	Most buildings in the area are over 15 years old. There are also many new constructions that were delivered over the last 2-3 years or are going to be delivered in the following years.
Construction activity:	Development and redevelopment activity is noticeable in the area focusing on touristic premises and luxury residences.
Development rate:	Increasing
Landmark:	New port
Supply:	Increasing supply of all types of properties for sale and lease in the wider region.
Demand:	Demand for luxury homes has increased over the last year, with investors to search for good quality constructions and open sea views.

10. Fair Value

According to the above calculations, the Fair Value of the subject properties located in area of "Choulakia", in the Municipality of Mykonos, Region of South Aegean as of 30-06-2021, is shown in the following table.

No	Company	Type of Asset	Location	Municipality	Building Area m ²	Land plot Area m ²	Fair Value 31.12.2021 (as is)	Gross Development Value 31.12.2021 (fully developed) *
1	Dimand S.A. 50% - Terra Attiva S.A. 50%	Land - Development	Choulakia	Mykonos	262,44	4.283,20	1.465.000,00 €	1.790.000,00 €
2	Dimand Cyprus S.A.	Maisonettes A & B	Choulakia	Mykonos	294,60	6.229,90	2.074.000,00 €	
		Maisonette A	Choulakia	Mykonos	157,38		1.152.000,00 €	
		Maisonette B	Choulakia	Mykonos	137,22		922.000,00 €	
3	Perdim S.A.	Land - Development	Choulakia	Mykonos	252,61	4.514,49	1.740.000,00 €	

1) Apportionment of Fair Value

For the theoretical apportionment of the Fair Value of the property between land and buildings, for accounting purposes and only, we use the Cost Approach based on the Depreciated Replacement Cost Method in order to determine the Replacement Cost of the buildings. The following calculations are applied:

DIMAND - Choulakia, Municipality of Mykonos, South Aegean										
Depreciated Replacement Cost Method as of 31.12.2021										
Land Plot	Use	Area	Estimated Replacement Cost €/m ² (For new Constructions)	Year of construction	Age (yrs)	Estimated Useful Life of Building	Depreciation Rate	Age Coefficient	Depreciated Replacement Cost (€)	Rounded (€)
A	Maisonette A	130,68	1.500,00 €	2021	0	70	1,50%	1,00	196.020,00 €	196.000,00 €
	Maisonette B	131,76	1.500,00 €	2021	0	70	1,50%	1,00	197.640,00 €	198.000,00 €
B	Maisonette A	157,38	1.500,00 €	2021	0	70	1,50%	1,00	236.070,00 €	236.000,00 €
	Maisonette B	137,22	1.500,00 €	2021	0	70	1,50%	1,00	205.830,00 €	206.000,00 €
C	Residence	252,61	1.500,00 €	2021	0	70	1,50%	1,00	378.915,00 €	379.000,00 €
Total		809,65								1.215.000,00 €

According to the above calculations, the apportionment of the Fair Value is presented to the following tables:

Dimand 50% - Terra Attiva 50%_Choulakia, Municipality of Mykonos, South Aegean	
Account	Fair Value €
Land (Account 10)	1.071.000,00 €
Buildings (Account 11)	394.000,00 €
Total	1.465.000,00 €

Dimand Cyprus_Maisonette A_Choulakia, Municipality of Mykonos, South Aegean	
Account	Fair Value €
Land (Account 10)	916.000,00 €
Buildings (Account 11)	236.000,00 €
Total	1.152.000,00 €

Dimand Cyprus Maisonette B Choulakia, Municipality of Mykonos, South Aegean	
Account	Fair Value €
Land (<i>Account 10</i>)	716.000,00 €
Buildings (<i>Account 11</i>)	206.000,00 €
Total	922.000,00 €

Perdim SA_Choulakia, Municipality of Mykonos, South Aegean	
Account	Fair Value €
Land (<i>Account 10</i>)	1.361.000,00 €
Buildings (<i>Account 11</i>)	379.000,00 €
Total	1.740.000,00 €

The subject report is a short version of the Full Report with prot. no. PEF-973/4-2022.

Publication

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Appendix 1

Bases of Valuation

General Terms of Valuation Reports

Pepper Hellas Asset Management S.A., in order to provide valuation/ consultancy services, is governed by the following assumptions, limitative requirements and specifications:

Our report has been prepared in accordance with the standards of the Royal Institution of Chartered Surveyors (*RICS Valuation – Global Standards, 2020*), the European Valuation Standards of TEGoVA (*The European Group of Valuers' Associations - EVS 2020, 9th edition*) and the International Valuation Standards of the IVSC (*International Valuation Standards Council – IVS 2020*). These standards also comply with the International Financial and Reporting Standards (IFRS).

Valuation Bases

Market Value is “the estimated amount for which the property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without being under compulsion” (EVS 1, European Valuation Standards 2020, 9th Edition, p. 15).

Market Value is to be the estimated value of a property and so excludes the additional costs that may be associated with sale or purchase as well as any taxation on the transaction (EVS 1, European Valuation Standards 2020, 9th Edition, p. 34).

Market Rent is “the estimated amount of rent at which the property should be leased on the date of valuation between a willing lessor and a willing lessee on the terms of the actual or assumed tenancy agreement in an arm’s length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without being under compulsion” (EVS 1, European Valuation Standards 2020, 9th Edition, p.15).

Fair Value according to EVS and Equitable Value according to IVS (General Definition) is defined as “the price that would be received to sell a property or paid to transfer a liability in an orderly transaction between identified willing market participants possessing full knowledge of all relevant facts, making their decision in accordance with their respective objectives” (EVS 2, European Valuation Standards 2020, 9th Edition, p. 39)

Equitable Value requires the assessment of the price that is fair between two specific, identified parties considering the respective advantages or disadvantages that each will gain from the transaction. In contrast, Market Value requires any advantages or disadvantages that would not be available to, or incurred by, market participants generally to be disregarded (IVS 2020, p. 21).

Fair Value (for Accounting Purposes) is “the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date” (International Accounting Standards Board (IASB), International Financial Reporting Standards (IFRS) 13, Par.1).

Investment Value or Worth is “the value of an asset to the owner or a prospective owner for individual investment or operational objectives (May also be known as worth)” (*RICS Valuation – Global Standards 2020, p.57*).

Special Value is defined as *“an opinion of value that incorporates consideration of characteristics that have a particular value to a Special Purchaser”* (EVS 2, European Valuation Standards 2020, 9th Edition, p.41).

A **Special Purchaser** is a *“purchaser who can optimize the usefulness of a property compared to other market participants and whose opinion of price equates to a Special Value”* (EVS 2, European Valuation Standards 2020, 9th Edition, p.41).

Synergistic Value or Marriage Value is defined as *“the result of a combination of two or more assets or interests where the combined value is more than the sum of the separate values”* (IVS 2020, p. 22).

Liquidation Value is *“the amount that would be realised when an asset or group of assets are sold on a piecemeal basis”* (IVS 2020, p. 22).

Liquidation Value should take into account the costs of getting the assets into saleable condition as well as those of the disposal activity. Liquidation Value can be determined under two different premises of value:

- (a) an orderly transaction with a typical marketing period, or
- (b) a forced transaction with a shortened marketing period

Mortgage Lending Value is *“the value of immovable property as determined by a prudent assessment of the future marketability of the property taking into account long-term sustainable aspects of the property, the normal and local market conditions, the current use and alternative appropriate uses of the property”* (EVS 2, European Valuation Standards 2020, 9th Edition, p.42).

Mortgage Lending Value should not take into account any speculative elements (EVS 2, European Valuation Standards 2020, 9th Edition, p.43).

Insurable Value means *“the sum stated in the insurance contract applying to that property as the liability of the insurer should damage and financial loss be caused to the insured by a risk specified in the insurance contract occurring to that property”*. When instructed to provide an insurable value, the valuer is to determine the figure that will provide appropriate insurance cover for the property (EVS 2, European Valuation Standards 2020, 9th Edition, p.43).

Where reinstatement is the basis of the assessment, the principle is to replace what might be damaged or destroyed as it was before the event. **Replacement cost** is defined as the cost to replace the damaged property with materials of like kind and quality, without any deduction for depreciation. If the valuer is instructed to use **Depreciated Replacement Cost** or if it is appropriate to do so, then the valuer should assess the new replacement cost and then deduct an allowance for ageing and wear and tear of the structure. This cover equates to the replacement of the building as it is, not to its replacement with a new building (EVGN 4, European Valuation Standards 2020, 9th Edition, p. 117).

Plant and Equipment connected to a building

According to IVS 300 Plant & Equipment, plant and equipment connected with the supply or provision of services to a building are often integrated within the building and, once installed, are not separable from it (IVS 2020, p. 92).

Assumptions and Special Assumptions

In addition to stating the basis of value, it is often necessary to make an assumption or multiple assumptions to clarify either the state of the asset in the hypothetical exchange or the circumstances under which the asset is assumed to be exchanged. Such assumptions can have a significant impact on value (IVS 2020, p. 27).

An **assumption** is made where it is reasonable for the valuer to accept that something is true without the need for specific investigation or verification. Any such assumption must be reasonable and relevant having regard to the purpose for which the valuation is required (RICS Valuation – Global Standards 2020, p.58).

A **special assumption** is made by the valuer where an assumption either assumes facts that differ from those existing at the valuation date or that would not be made by a typical market participant in a transaction on that valuation date.

Where special assumptions are necessary in order to provide the client with the valuation required, these must be expressly agreed and confirmed in writing to the client before the report is issued.

Special assumptions may only be made if they can reasonably be regarded as realistic, relevant and valid for the particular circumstances of the valuation (RICS Valuation – Global Standards 2020, p.58-59).

Premise of Value/ Assumed Use

A **Premise of Value** or **Assumed Use** describes the circumstances of how an asset or liability is used. Different bases of value may require a particular Premise of Value or allow the consideration of multiple Premises of Value (IVS 2020, p. 24).

Some common Premises of Value are:

- (a) highest and best use,
- (b) current use/existing use,
- (c) orderly liquidation, and
- (d) forced sale.

Highest and best use is the use, from a participant perspective, that would produce the highest value for an asset.

The highest and best use must be physically possible (where applicable), financially feasible, legally allowed and result in the highest value.

The highest and best use for an asset may be its current or existing use when it is being used optimally. However, highest and best use may differ from current use or even be an orderly liquidation (IVS 2020, p. 24).

Current use/ existing use is the current way an asset, liability, or group of assets and/or liabilities is used. The current use may be, but is not necessarily, also the highest and best use (IVS 2020, p. 25).

An **orderly liquidation** describes the value of a group of assets that could be realised in a liquidation sale, given a reasonable period of time to find a purchaser (or purchasers), with the seller being compelled to sell on an as-is, where-is basis (IVS 2020, p. 25).

The term “**forced sale**” is often used in circumstances where a seller is under compulsion to sell and that, as a consequence, a proper marketing period is not possible, and buyers may not be able to undertake adequate due diligence. The price that could be obtained in these circumstances will depend upon the nature of the pressure on the seller and the reasons why proper marketing cannot be

undertaken. It may also reflect the consequences for the seller of failing to sell within the period available.

The price that a seller will accept in a forced sale will reflect its particular circumstances, rather than those of the hypothetical willing seller in the Market Value definition. A “forced sale” is a description of the situation under which the exchange takes place, not a distinct basis of value (IVS 2020, p. 25).

References

- TEGoVA (2020), *European Valuation Standards – EVS 2020, 9th Edition*, available at: www.tegova.org
- RICS (2020), *RICS Valuation – Global Standards 2020*, available at: www.rics.org/standards
- IVSC (2020), *International Valuation Standards – IVS 2020*, available at: www.ivsc.org

Properties' Condition

It is noted that during the inspection we did not notice any indication that the subject property or the nearby properties are affected or have been affected by any causes, such as pollution, natural or chemical (such as asbestos, insulating formaldehyde foam, other chemical or toxic wastes, or any other known or unknown dangerous materials) which could affect its/their value. In addition, and regarding green fields, we did not notice any landfill with unknown materials that may positively or negatively affect their value.

If it is concluded, ex post facto, that there is some kind of pollution on the subject property or on any nearby land, or that the buildings have been used or are used with means that could cause pollution problems, we reserve the right to change the values accordingly.

It is also noted that we did not inspect the hidden, covered, invisible or inaccessible areas of the subject property. Therefore, we are unable to give an opinion regarding their condition and, for the purposes of the valuation report, it is considered that they are in good condition and that no repairs need to be made. This report must not be construed as confirmation of the integrity of the architectural and static construction or the building's legality, taking into account the building's compliance to government regulations, fire regulations, safety and anti-seismic protection regulations, environmental protection or energy efficiency regulations etc., unless otherwise stated in the report.

It is also recommended that the client consults a respective specialist engineer and/or environmentalist, for the assessment of potential construction or environmental problems regarding the property, the existence of which could substantially affect the subject property's value.

Furthermore, it is mentioned that we were not asked and we neither carried out any ground analysis or geological report, nor investigated the subsoil for possible existence of water, oil, gas, precious metal, or any other mineral as well as rights of extraction or usage, the existence of which could affect the property's value.

Data Used

In order to carry out the valuation report, the data mentioned in the relevant paragraph was taken into account. Pepper Hellas Asset Management S.A. did not apply audit procedures on any of the information provided, due to the fact that this would be out of its range of work and therefore, in order for the report to be compiled (unless otherwise specified), we consider the submitted data to be precise and correct.

Regarding the legal status of the properties, we did not check the title deeds. It is assumed that the owners' declarations are accurate, the rights on the fixed assets are strong and tradable, and that there are no legal difficulties of any nature that cannot be overcome by means of normal legal procedures within a fair period of time, unless otherwise stated in the report.

The properties' measurement data (surface, dimensions, etc.) that are quoted in the report have not been verified, unless otherwise stated, and for this reason, they should not be considered as precise property measurements.

For the purposes of the report, it is assumed that the fixed assets under consideration comply with the applicable town planning regulations, as well as the use of land, and that there is no issue of encroachment unless specifically mentioned in the report.



Appendix 2

Photos

Land Plot B - Maisaonettes, area of “Choulakia”, Municipality of Mykonos,
Regional Unit of Mykonos, Region of South Aegean



Land Plot C - Maisonettes, area of "Choulakia", Municipality of Mykonos,
Regional Unit of Mykonos, Region of South Aegean



Land Plot D – Residence, area of “Choulakia”, Municipality of Mykonos,
Regional Unit of Mykonos, Region of South Aegean

