

**ANNOUNCEMENT FOR THE MANDATORY PUBLIC TAKEOVER BID BY «NISSOS HOLDINGS (CY) LTD» FOR THE ACQUISITION OF THE COMMON REGISTERED SHARES OF “KORRES SOCIETE ANONYME – NATURAL PRODUCTS”**

7 February 2018

1. Pursuant to articles 7 and 10 of law 3461/2006, as amended by virtue of Law 4514/2018 (Government Gazette A14/30.01.2018) and in force (hereinafter referred to as the “Law”), the Limited Liability Company under the trade name «NISSOS HOLDINGS (CY) LTD», incorporated on 27.03.2017 and lawfully existing in accordance with the Company Law of Cyprus , with Registration Number HE 367611 in the Companies Registry, having its registered seat in Nicosia (Cyprus), 3 Themistoklis Dervis Str., Julia House, 1066, (hereinafter referred to as the “Offeror”), hereby announces the launch of a Mandatory Public Takeover Bid (hereinafter referred to as the “Takeover Bid”) addressed to all holders (hereinafter referred to as the “Shareholders”) of common, registered, dematerialized shares with voting rights, of a par value of €0,39 each (the “Shares”), with the exception of the Shares already held, directly or indirectly, by the Offeror or/and any Person acting in Concert with the Offeror (as defined below), for the shares of the greek Société Anonyme under the trade name “KORRES SOCIETE ANONYME – NATURAL PRODUCTS” and distinctive title “KORRES S.A.”, registered with the General Commercial Registry (G.E.M.H.) of the Ministry of Economy and Development with number 85349902000 and having its registered seat in the Municipality of Metamorfosis in Attica, 3 Drossini and Tatoiou Str., 144 52, Greece (hereinafter referred to as the “Company” or “KORRES”).
2. On the date of the present announcement, the paid-in capital of the Company amounts at €5.298.735 divided into 13.586.500 shares, listed on the Main Market of the Athens Exchange (hereinafter referred to as “ATHEX”).
3. Within the framework and in implementation of the Investment Agreement of 24.12.2017, which was announced by the Company on 27.12.2017, entered into among Messrs. George and Apostolos Korres, Eleni Philippou, NHPEA Maiden Holding B.V. («NHPEA») and Profex Inc. («Profex») (hereinafter referred to as the “Shareholders of the Offeror”), the Offeror acquired on 31.01.2018, (the Closing Date of the Investment Agreement) from Arnetia Ltd (which is controlled by Mrs. Alexia David), Mr. Pericles Stamatiades (directly and indirectly through Aggina Investment), Mr. George Korres and Damma Holdings SA (which is controlled by Mr. Dimitris Daskalopoulos), shares representing 13,25%, 12,73%, 6,61% and 5,12% of KORRES’s share capital respectively, as well as an additional 19,42% from other shareholders of the Company pursuant to shares purchase agreements the Offeror had entered into, i.e. in total 57,13% of the paid-in capital and voting rights of the Company for a price equal to €5,08 per share.
4. In parallel, on the Closing Date of the Investment Agreement, Mr. Apostolos Korres and Ms. Eleni Filippou, contributed to the Offeror 187.520 and 648.250 shares corresponding to 1,38% and 4,77%, respectively of the Company’s shares with a nominal value of EURO 0,39 each and received 187.670 and 648.769 shares of the Offeror respectively, so that both of them maintain the same participation percentage, i.e. 1,38% and 4,77%, respectively. The contributed shares were valued at the Offered Price i.e. € 5,08 per share.
5. As a result of the above and given that the Offeror already held directly 3.240.082 Shares, which represent 23,85% of the Shares and voting rights in the Company, and on 31.01.2018 acquired a further amount of 8.597.982 Shares, representing approximately 63,28% of the Shares and voting rights in the Company, the Offeror currently holds in total 11.838.064 Shares, which represent 87,13% of the Shares and voting rights of the Company. Following the above, the Offeror became obliged to launch a Mandatory Takeover Bid, in accordance with article 7§1 of the Law.
6. It is noted that in the context of the Takeover Bid, the following persons act in concert with the Offeror in the meaning of article 2 (e) of the Law: (i) Mr. George Korres, (ii) Morgan Stanley as the ultimate controlling entity of the Offeror, (iii) MS Holdings

Incorporated, Morgan Stanley Private Equity Asia IV Inc., Morgan Stanley Private Equity Asia IV L.L.C., North Haven Private Equity Asia IV Limited Partnership, North Haven Private Equity Asia IV Holdings Limited, NHPEA IV Holdings Coöperatief U.A. and NHPEA Maiden Holding BV, which are controlled by Morgan Stanley and through which the latter exercises control on the Offeror as well as (iv) the other persons which are controlled (in the meaning of article 3§1 (c) of law 3556/2007) by Mr. George Korres and Morgan Stanley (together the «Persons Acting in Concert with the Offeror»).

7. The Offeror declares that the prerequisites of article 9§ 6(b) περίπτωση β of the Law are applicable hereto, since during the last 6 months preceding 31.01.2018 the trades on the Shares of the Company do not exceed the 10% of the total Shares of the Company, namely they amount only to 6,41% of the total Shares of the Company. Therefore, the Offeror instructed EUROXX ΑΕΠΕΥ, to act as independent valuator («Valuator»), conduct a valuation and issue a valuation report (the «Valuation Report»), which is published in accordance with article 16§1 of the Law for the purposes of determining the fair and equitable consideration. The price that derived from the above valuation is €4,46 per Share.
8. The Offeror launched the procedure for the Mandatory Public Takeover Bid on 07.02.2018 (the «Date of the Takeover Bid») by notifying the Hellenic Capital Market Commission (the «HCMC») and the Company's Board of Directors and by delivering the draft Prospectus and the Valuation Report to the aforementioned persons in accordance with articles 9 and 10 of the Law («Prospectus»).
9. On 31.1.2018 and on the Date for the Takeover Bid the Offeror held 11.838.064 Shares representing 87,13% of the paid-in capital and voting rights in the Company.  
It is noted that, neither the Offeror nor any Person acting in concert with the Offeror holds, directly or indirectly, other Shares or voting rights in the Company.
10. Through the Takeover Bid, the Offeror is bound to acquire the total number the Shares of the Company, which are not already, directly or indirectly, held on the Date for the Takeover Bid. As a result, the shares that are the object of the Takeover Bid amount to 1.748.436 Shares, which represent approximately 12,87% of the paid-in capital and voting rights of the Company (the «Shares of the Takeover Bid»).
11. Pursuant to article 9 of the Law, the Offeror offers a consideration of 5,08 € (the «Offered Price») in cash, for each Share of the Takeover Bid lawfully and validly offered to it. The Offered Price is in conformity with the minimum limits of «fair and equitable» consideration, as set out in article 9§4 of the Law and are as follows:

(a) the weighted average market price of the Share during the last six (6) months prior to the date on which the Offeror became obliged to launch the Mandatory Takeover Bid, i.e. the 31<sup>st</sup> January 2018, and

(b) the highest price at which the Offeror or/and any Person acting in Concert with the Offeror or on his behalf has acquired Shares of the Company during the period of twelve (12) months prior to the date at which the Offeror became obliged to launch the Mandatory Takeover Bid, i.e. the 31<sup>st</sup> January 2018, and

(c) the price determined in the Valuation Report.

In the present Takeover Bid the Offered Price of 5,08€:

(a) exceeds for 13,40% the weighted average market price of the Share, during the last six (6) months prior to the 31<sup>st</sup> January 2018, as it derives from the official data of ATHEX, which amounted to €4,4798.

(b) is equal to the highest price at which the Offeror has acquired Shares of the Company during the period of twelve (12) months prior to the date at which the Offeror became obliged to launch the Mandatory Takeover Bid. More specifically, the Offeror acquired a total number of 11.836.064 Shares, out of which 8.597.982 shares were

acquired at the maximum price of €5,08, representing 72,63% of the total number of Shares acquired.

(c) exceeds for 13,90% the price of €4,46 per Share, determined by the Valuator in the Valuation Report by applying internationally acceptable standards and methods.

In view of the above, the Offered Price meets the prerequisites of article 9§4 of the Law.

In addition, it is noted that the following amounts will be deducted from the Offered Price payable to the Shareholders who validly and lawfully accept the Takeover Bid (the "Accepting Shareholders"):

(i) the amount corresponding to the tax on the OTC transfer of shares, today amounting at 0,20% calculated on the value of the OTC transaction for the transfer of the Shares which are lawfully and validly offered to the Offeror (the "Transferred Shares"),

and

(ii) the amount corresponding to the clearing fees of the Central Securities Depository S.A. (the "ATHEXCSD") for the OTC transfer of the Transferred Shares, which today amount at 0,08% on the transfer value, which is calculated as the number of Transferred Shares multiplied (X) by the highest out of the following prices: the Offered Price or the closing price of the Share on ATHEX on the business day prior to the submission of the required documents to the ATHEXCSD and with a minimum cost equal to the lowest between 20 Euro or 20% of the value of the transaction for each Accepting Shareholder. As a result, the Accepting Shareholders will receive the total amount of the Offered Price deducted with the amounts of the aforementioned tax and clearing rights.

12. The Offeror intends to acquire Shares on ATHEX or OTC, anytime starting from the date the Valuation Report is published and at least until the end of the Acceptance Period, at a price equal to the Offered Price. All acquisitions of Shares will be disclosed and published in accordance with article 24§2 of the Law, as well as in accordance with the provisions of law 3556/2007 and the EU Regulation 596/2014 (MAR), where applicable.
13. The Takeover Bid is mandatory and unconditional.
14. The Acceptance Period, in accordance with article 18(2) of the Law, during which the Accepting Shareholders can declare acceptance of the Takeover Bid (the "Acceptance Period"), will commence and be announced exactly after the publication of the Prospectus, as it will have been approved by the HCMC.
15. In accordance with article 9§3 of the Law, Eurobank Cyprus Limited has certified that the Offeror possesses the necessary funds for the payment of the Offered Price and the clearing fees regarding the OTC transaction of the Transferred Shares to ATHEXCSD. Nevertheless, Eurobank Cyprus Limited does not in any way guarantee, in the meaning of articles 847 etc. of the Greek Civil Code, the proper execution of the monetary and other obligations assumed by the Offeror with regard to the Takeover Bid.
16. In case, following the end of the Acceptance Period and the transfer of the Transferred Shares to the Offeror, the Offeror holds Shares which represent at least 90% of the total voting rights of the Company, the Offeror:
  - (a) will exercise the squeeze out right in accordance with article 27 of the Law i.e. will request the transfer to it of all remaining Shares at a price per Share equal to the Offered Price ("Squeeze-Out Right"),

and

(b) is obliged to acquire on exchange through ATHEX all Shares offered to the Offeror within a period of three (3) months following publication of the results of the Takeover Bid against payment of the Offered Price in cash, in accordance with article 28 of the Law.

17. Moreover, following completion of the Squeeze-Out procedure, the Offeror will convene an Extraordinary General Assembly of the Shareholders of the Company, in order to decide on the delisting of the Shares from the Athens Exchange, in accordance with article 17§5 of law 3371/2005, in which Extraordinary Assembly the Offeror will vote in favor of said decision.
18. "Alpha Bank S.A." acts as Financial Advisor to the Offeror with regard to the Takeover Bid, in accordance with article 12 of the Law. "Alpha Bank S.A." is established in Greece, has its registered seat in the Municipality of Athens, 40 Stadiou Str., 102 52 and is registered with the General Commercial Registry with no.223701000. The Financial Advisor is a credit institution licensed to provide in Greece the investment services of schedule I, section A, para 6 & 7 of Law 4514/2018 as in force.
19. EUROXX Investment Firm, acts as valuator for the Offeror in relation to the Takeover Bid pursuant to 9 para 7 of the Law. EUROXX has been incorporated in Greece, has its registered seat in the Municipality of Chalandri, 7 Paleologou street, 152 32 and is registered with Business Registry under number 2043501000. The Valuator is an investment firm licensed to provide in Greece the investment services of schedule I, section A, para 6 & 7 of Law 4514/2018, as in force. It is noted that according to statements by the Valuator, the Offeror and the Company, the Valuator meets all criteria set out by article 9§7 of the Law.

### **Important Notes**

1. The Takeover Bid is addressed to the Shareholders and only to persons to which it is permitted to be addressed to in accordance with applicable law. The addressing of the Takeover Bid to specific persons which reside outside the Hellenic Republic, or are not nationals or citizens of the Hellenic Republic or to an agent, custodian or trustee of such persons ("Foreign Shareholders") may be performed pursuant to the laws of the respective country, with the exception of the countries, in which, pursuant to the applicable laws, rules or regulations, the launch, process or presentation of the Takeover Bid or the mailing/distribution of this announcement, the Prospectus, the Acceptance Declaration and of any other related document or form (jointly referred to as the "Documents of the Takeover Bid") is prohibited or constitutes a violation of any applicable laws, rules or regulations (jointly referred to as the "Excluded Countries").
2. More specifically, the Takeover Bid is not addressed, directly or indirectly, by post or other means, to the Excepted Countries. As a result, copies of any Document of the Takeover Bid shall not and must not be, directly or indirectly, mailed, forwarded, or in any way sent, from anyone to any person in or from the Excepted Countries.
3. Any person receiving a copy of any Document of the Takeover Bid in the territory of any country outside the Hellenic Republic cannot consider any such document as an invitation or offer to said person and may not, in any way, use any document of the Takeover Bid if, in the respective country, such an invitation or offer may not be lawfully addressed to said person or such a document of the Takeover Bid may not be lawfully used. In such occasions, any document of the Takeover Bid will be sent for information purposes only.
4. It is a duty of the Foreign Shareholders, who wish to accept the Takeover Bid, to be informed and to ensure full compliance with the laws applicable in the territories of their

respective countries with regard to the Takeover Bid. The Foreign Shareholder must seek professional advice in its respective foreign country in case it is not certain on its legal status.

*«The original Announcement which was published on 07/02/2018, as amended on 08.02.2018 has been drawn up in the Greek language. The present constitutes a translation thereof. In case of discrepancies between the Greek text version of the Announcement and the present translation thereof, the Greek version shall prevail.»*