

**Detailed Report on the Draft Demerger Deed
(article 61 of L.4601/2019)**

of the Board of Directors of the societe anonyme styled “AVE SA” (“AVE SA” or “Company” or “Demerged Entity”), with GCR no. 353601000, having its registered office in Maroussi, Attica.

**TO
the General Meeting of shareholders**

Esteemed Shareholders,

The Board of Directors’ decision about initiation of the process of demerger by spin-off of the following sector of the Company (the “Sector”) and absorption of same by an existing company is part of the plan (a) of divestment of the Group from operations which were either not relevant to its strategic orientation or are loss-generating, and (b) of focusing its capital and other resources to further developing what is now its main commercial pillar, i.e. the distribution of high technology products.

1. Preamble-Background

In the context of the Group's divestment, the Board of Directors of the Company decided, at its meeting of 04.02.2021, to initiate the preparatory process of spin-off of the Company's amusement parks sector and, in specific, of amusement parks “ALLOUFUNPARK” and “KIDOM”, operating in Agios Ioannis Rentis in Attica (the “Spin-off”).

The Sector described above will be absorbed by an existing societe anonyme styled “FUNTASTICLAND SINGLE MEMBER SA”, with GCR no. 157890607000 (the “Beneficiary”), which is not a company of the Group, its sole shareholder being Vassileios Georgopoulos.

Upon consummation of the Spin-off, the Company will obtain a shareholding participation in the Beneficiary in consideration of the transfer of the Sector.

This report aims at explaining and justifying, from a legal and financial point of view, the Draft Demerger Deed that was jointly drafted by the Demerged Entity's and Beneficiary's authorised officers, in accordance with the provisions of article 61, L. 4601/2019.

2. Rationale & benefits of the Demerger from a financial and legal point of view

The purpose of the Spin-off is the following:

- a) to implement a more streamlined and efficient administrative set-up,
- b) to have a positive effect on the Group's financial figures,
- c) to achieve greater benefit for the Company's shareholders.

Legal Framework

The Spin-off will be implemented in accordance with the applicable provisions of Law 4601/2019 on corporate transformation, supplemented by the provisions of Law 4548/2018 re: sociétés anonymes, and the provisions of Law 4172/2013.

The Spin-Off will be completed after all conditions are satisfied and upon expiry of the time-limits required under applicable legislation. As of the consummation of the Spin-off, the Beneficiary will become global successor of the transferred assets of the Company, substituting the Company in all its legal relations with third parties relating to the Sector.

3. Exchange Ratio

3.1. Summarised below is the net position of the Sector in euro, as reflected in the Auditors' Reports.

Amusement parks sector €20,990

The Beneficiary's current share capital is as follows:

The Beneficiary's share capital currently amounts to 50,000 euro divided into 5,000 common registered shares of a nominal value of 10 euro each. The sole shareholder of the Beneficiary is Vassileios Georgopoulos.

3.2. According to the Accounting Statement of the Sector and the Auditors' Reports, and taking into consideration the aforementioned current share capital of the Beneficiary, following consummation of the Spin-off its share capital will be as follows:

The additional share capital that will result on the basis of the values of the net assets concerning the Sector, as same were estimated in the Auditors' Report, will be equal to 20,990 euro, corresponding to 2,099 shares of a nominal value of 10 euro each. In this light, upon consummation of the Spin-off, the Beneficiary's share capital will amount to 70,990 euro (i.e. the existing share capital of 50,000 euro, plus 20,990 euro representing the Sector's value), divided into 7,099 common registered shares (i.e. 5,000 existing shares plus 2,099 shares for the Sector), of a nominal value of 10 euro each.

3.3. The method selected for the exchange ratio between the Demerged Entity's shares and the shares to be received from the Beneficiary in consideration of the transfer of the Sector, is the net position approach.

In this context, the Demerged Entity will receive from the Beneficiary 2,099 shares of a nominal value of 10 euro each, in consideration of the contribution of the Sector.

The exchange ratio of the contribution of the net position of the Demerged Entity's Sector to the shares to be received from the Beneficiary is considered fair and reasonable.

Following the above, the shareholding structure of the Beneficiary is formulated as follows;

Vassileios Georgopoulos: 70.43%

AVE SA: 29.57%.

Moreover, it is noted that there were no particular challenges in the valuation of the Sector's assets and liabilities, and that there has been no significant change in these assets and liabilities from the date of the relevant Auditors' Report to this day.

Finally, no additional information is required about the legal and financial position of affiliates of the Company's Group, given that their legal and financial standing is not necessary for explaining and justifying the Draft Demerger Deed.

4. Conclusion

This Report will be filed with the General Commercial Registry and published on its website, will be posted at the Company's website so as to be brought to the shareholders' attention at least one (1) month prior to the General Meeting of shareholders, and will be submitted to the General Meetings of the Company and the Beneficiary's sole shareholder as provided by L.4601/2019.

Maroussi, 15/02/2021

For "AVE SA"