



## Shareholders Agreement - SHA

### Main Points

The Shareholders' Agreement (**SHA**) to be entered into between PPC and MSCIF Dynami BidCo (**Investor**) will govern issues related to their participation in HEDNO (**Company**) and the exercise of their rights. The SHA will be in agreed form at the time of signing of the Share Purchase Agreement and will be executed at the completion of the transaction as defined in the Share Purchase Agreement.

### Board of Directors and Committees

The Board of Directors of HEDNO will comprise of 11 members, 6 of which will be nominated by PPC, 4 will be appointed by the Investor and 1 by the employees. The Board of Directors will nominate the Chairman. The Board of Directors will also have committees in which one member will be nominated by the Investor. At the same time, the shareholders undertake to establish at the Company within 9 months a committee for Health, Safety and Environmental Issues as well as a regulatory committee. It is clarified that the remit of the committees will be to act as intermediaries between the Board and the respective sectors of the Company, without however substituting them in their competencies. Further, the shareholders will agree on an incentive mechanism for officers of the Company, which will be linked to specific targets.

### Management of the Company

PPC will appoint the CEO and the COO while the Investor will appoint the CFO as follows: Following the expiry of the term of the incumbent CEO, CFO and COO, for the appointment of each executive officer, the Board will appoint an international recruiting firm which will draw up a shortlist of five (5) candidates (for each of the above positions). For the CEO and the COO, the Investor will have the right to remove one candidate from the shortlist, apart from the from time-to-time incumbent, and from the remaining candidates, PPC will have the right to nominate the individual to be appointed as CEO or COO. With respect to the CFO, PPC will have the right to remove one candidate from the shortlist, apart from the time-to-time incumbent CFO, and from the remaining candidates, the Investor will have the right to nominate the individual to be appointed as CFO. The appointment of executives will be made by the Board acting with simple majority on the basis of the shareholders' nominations. Moreover, with respect to the removal of executives, the Board will be able to remove with simple majority any executive for cause (including administrative errors due to willful misconduct or gross negligence and low achievement rates on targets set in the business plan). For the removal of any executive without case, the consent of both shareholders will be required.



### **Veto Rights - Deadlock**

The Investor will have veto rights on decisions not significantly affecting the operation of the Company nor they prevent PPC from controlling the Company. In this respect, the typical veto rights for minority shareholders are granted including any amendments to the articles of association, any change of the Company's name, any application for an IPO, any change to the Company's tax residence, any changes to the Company's dividend policy, any settlement of significant litigations, any significant investment or disposal of significant assets of the Company, any incurrence of significant debt, any creation of encumbrances over Company's assets, any related party transaction etc. Moreover, the Investor will have a veto right on the adoption of significant corporate policies of the Company, any amendment of the remuneration policy of certain executives as well as on any change to the scope of responsibilities of executives. In case it is not possible to make a decision on a matter requiring the consent of the Investor, there will be in place a dispute resolution mechanism, whereby that matter will be escalated to senior executives of the shareholders who will seek to resolve the deadlock. In case no resolution is made, then that matter shall not proceed.

### **Dividend Policy**

The SHA provides for a specific dividend and gearing policy according to which as annual dividend, subject to conditions, the Company will distribute the greater of €85,000,000.00 or 95% of the previous year's net income. Dividends will be distributed on a semi-annual basis.

### **Exit Clause**

The Investor may exit from the Company under specific conditions and in any case the acquiror of the Investor's stake will have to meet specific conditions. PPC will not be under an obligation to sell its shares in HEDNO or lose the control of the Company.

### **Budget and Business Plan**

With respect to the business plan of the Company, it is clarified that the initial business plan for the period 2021-2028 has already been approved by the Board and upon the execution of the SHA, the shareholders will acknowledge and accept it. It is further clarified that the business plan and the budget will be approved by the Board with simple majority unless there is a significant deviation with respect to certain financial metrics compared to the previously approved business plan, as further specified.



### **Share Capital Increase**

There is a specific procedure regarding any share capital increases of the Company as well as any issuance of titles convertible into shares. For any share capital increase, the consent of both shareholders will be required, and the price of the newly issued shares will be determined in line with their fair market value, while both shareholders will have pre-emptive rights over the newly issued share capital. As an exception, if there is an emergency event requiring the immediate financing of the Company at the Board's reasonable opinion, the Board may, following the authorization of the General Meeting, proceed with a share capital increase with the exclusion of pre-emptive rights in favor of PPC.

### **Transfer of Shares and other Restrictions**

No transfer of shares by the shareholders is permitted prior to the 3rd anniversary of the date of the SHA unless the acquiror belongs to the same group as the shareholder and provided that specific conditions are met. In any case, partial transfers are not permitted until the 7th anniversary of the date of the SHA, when partial transfers will be permitted on the condition that each shareholder retains at least 25% of its shares in the Company and provided that amendments to the SHA will be made including the amendment of the clause concerning veto rights to introduce that the new acquiror having at least 20% of the shares will also gain veto rights on certain matters. In any case, restrictions in relation to the acquiror of the shares also apply. Following the lapse of the (3) years, the Investor may transfer its shares in the Company on specific conditions and PPC shall have a right of first offer. Based on this right of first offer, the Investor when it wishes to transfer its shares to any third party, it will have to offer them first to PPC making either the Investor or PPC a relevant offer. The Investor, only if PPC does not accept the offer or makes no offer, may sell its shares to a third party on terms that are not worse than the ones offered from or to PPC. However, the Investor may not follow the foregoing process if the Investor has agreed with PPC the right of the later to acquire its shares at the price and under the terms to be offered to the Investor from a third party (right of first refusal).

A tag-along is provided in favor of the Investor, which is activated in case PPC decides to transfer its shares in the Company.

After at least the 8th anniversary of the date of the SHA, and within six (6) months, provided that the sale of the Investor's shares to a third-party, despite the efforts of the Investor, has not taken place and on the condition that the Investor has requested the listing of its shares in a regulated market but no such listing has been made, the Investor shall have the right to sell its shares to PPC at their fair market value.

The Investor has the right to establish a pledge (or other encumbrance) over its shares in the Company. In case of enforcement against the Investor (or equivalent



process), PPC shall have the right to acquire the shares at a price determined either by means of the agreement or by the court, as the case may be.

### **IPO**

The Investor has the right, after the 5th anniversary of the date of the SHA, to request from the Company's Board, to explore the admission to trading of its shares on a regulated market. The Board will have to assess whether such an admission is in the best interests of the Company. Under no circumstances PPC will be obligated to offer its shares in the Company within a process of admission to trading on a regulated market.

### **Transfer of Shares in case of Default**

Certain events of default are provided, the occurrence of which, creates certain rights for the shareholders. Events of default comprise among others the violation of the SHA with respect to the shares transfer restrictions, bankruptcy of a shareholder, change of control of the Investor, etc.. If an event of default occurs in relation to the Investor (other than bankruptcy) PPC shall have the right to acquire the shares of the Investor at a fair market value, whilst in case any of the events occurs in relation to PPC (other than bankruptcy), the Investor shall have the right to request from PPC to acquire the Investor's shares in the Company at their fair market value. In case bankruptcy occurs in relation to any shareholder, the other shareholder, after (12) months, shall be entitled to acquire the shares of the shareholder in bankruptcy at a price determined by the court by means of the provisions of Law 4548/2018. In case any shareholder attempts to transfer the shares in violation of the SHA, the other shareholder shall be entitled to acquire the shares at their fair market value.

### **Fair Value determination**

The SHA provides for detailed process for the determination of the fair market value of the shares.

### **Term of the SHA**

The SHA shall terminate if the shareholders decide in writing to terminate or if only one shareholder remains holding shares, subject to any terms remaining in force after termination.



### **Governing Law**

The SHA shall be governed by and construed in accordance with Greek law. Any dispute arising out of or in connection with the SHA, shall be referred to and finally resolved by arbitration under the LCIA Rules.