

EXPLANATORY NOTES ON ITEM 1 ON THE AGENDA OF THE EXTRAORDINARY GENERAL MEETING OF DECEMBER 14th, 2023 OF THE BOARD OF DIRECTORS

Dear Shareholders,

Regarding the 1st item of the Agenda of the Extraordinary General Meeting of 14.12.2023, entitled “Approval to buyback warrants issued on the company’s shares” we inform you the following:

1. Pursuant to the European Commission’s approval, on 23.12.2020, under Article 107(2)(b) of the Treaty on the operation of the European Union and article 30 of Law 4772/2021, a state aid in the form of a direct grant in favor of Aegean Airlines (the “Company”) of EUR 120 mil. by the Hellenic Republic was approved aiming at compensating part of the Company’s losses directly caused by COVID-19 pandemic in 2020.

2. The grant was disbursed on 02.07.2021, following the fulfilment of the prerequisites set in the aforementioned article, in conjunction with the provisions of the Joint Decision No 3126/18.05.2021 of the Ministers of Finance and Infrastructure and Transport (Government Gazette B’ 2231/28.05.2021).

3. Pursuant to the agreement between the Company and the Hellenic Republic dated 22.11.2021, the Company issued and granted without consideration Warrants to the Hellenic Republic, which were issued in accordance with article 56 of Law 4548/2018 and par. 3 of article 30 of Law 4772/2021, pursuant to the decision of the Board of Directors of the Company dated 14.06.2021 and are incorporated in the order number 1 and issue date 22.11.2021 (the “Warrants”).

4. Each warrant provides the right to purchase 1 new common registered share of nominal value of €0.50 each, at an exercise price of €3.20 per share (the “Exercise Price”).

5. Pursuant to the provisions of Article 30, par. 3 of Law 4472/2021 and the terms of the Warrants, on 03.07.2023 the exercise period within which the Hellenic Republic as a holder of the Warrants may notify the Company of its intention to exercise the Warrants commenced (the “Declaration of Intention Notice”). On 03.11.2023, the Hellenic Republic notified the Company of its Intention to exercise its right granted by all the Warrants held on the Company’s shares, i.e. to acquire a total of 10.369.217 shares with a nominal value of €0,50 each at the Exercise Price.

6. Within sixty (60) calendar days from the date of receipt of the notice to exercise the Warrants i.e. by 02.01.2023, the Company has the right to respond on whether it is willing to exercise its right to buy back the Warrants from the Hellenic Republic by paying their value, as defined pursuant to condition 5 of the warrants (the “Market Value”). The value of the Warrants is determined by the positive difference of the volume weighted average share price of the Company sixty trading days preceding the notification calculated by an independent financial advisor (a financial institution or investment services firm), and the exercise price.

7. Pursuant to the Company’s assignment, “National bank of Greece S.A.”, acting as an independent financial advisor, prepared the report dated 09.11.2023, and specified that the Market Value is equal to €8,23, for the total of 10.369.217 Warrants.

8. According to the report of the auditing company “KPMG Audit S.A” dated 15.11.2023, the above Market Value is deemed reasonable, taking into account all the terms and conditions of the warrants, as well as the prohibition of their exercise by the Company.

Based on the above, the Board of Directors submits to the Company’s shareholders the report dated 9.11.2023 of the financial Institution “National Bank of Greece S.A.”, acting as an independent financial advisor for the calculation of the Market Value and the report dated 15.11.2023 of the auditing company “KPMG Audit S.A.” and invites the Extraordinary General Shareholders Meeting to resolve (or not) on the Company’s option to buyback the Warrants at their Market Value with the purpose to release the Company from all its respective obligations and liabilities related to the Warrants, following their cancellation.

If the Warrants are purchased and cancelled, existing shareholders will not be diluted by the issuance of 10.369.217 new ordinary shares at the Exercise Price resulting from the exercise of the Warrants.

It is noted that the acquisition of the Warrants at the Market Value will not reduce Company’s equity to an amount lower than that specified in par. 1 of art. 159 of Law 4548/2018.

Finally, it is noted that the Board of Directors of the Company received letters from shareholders representing over 60% of the share capital, according to which they intend to vote in favor of the buyback at the forthcoming Extraordinary General Meeting of Shareholders, as according to their opinion this is for the benefit of the shareholders and the Company.

Spata, 21 November 2023