



## SPECIAL REPORT

(In accordance with the provisions of Article 27 par. 1 of Law 4548/2018)

of the Board of Directors of "PUBLIC POWER CORPORATION S.A." (the  
"Company"),

as approved by the Board of Directors of the Company on 23<sup>rd</sup> of April 2026

To the Extraordinary General Meeting of Shareholders, including any  
repetition, postponement or adjournment of this Meeting,

On the FIRST Item of the Agenda of the Extraordinary General Meeting, dated  
May 14<sup>th</sup> 2026, which has as follows:

Increase in the share capital of the Company, in accordance with article 6 of its  
Articles of Incorporation and article 24, par. 1, item b' of Law 4548/2018. Abolition  
of preemptive rights of existing Shareholders, in accordance with article 27, par.  
1 of Law 4548/2018. Authorization of the Board of Directors to increase the share  
capital of the Company, to determine the terms of the share capital increase,  
as well as the manner and other terms for offering the shares to be issued.

Dear Shareholders,

The Board of Directors of the Company, having taken into account all the  
requirements of the applicable legislation, in relation to the Extraordinary  
General Meeting of Shareholders to be held on May 14<sup>th</sup>, 2026 (and any repeat,  
postponement or adjournment thereof) (the "**EGM**"), has prepared and submits  
to the EGM the following report:

The Board of Directors of the Company proposes to the EGM that the  
Board of Directors of the Company be authorised (the "**Authorisation**"),  
pursuant to Article 24(1)(b) of Law 4548/2018, in order for the Board of Directors  
to have the power to carry out a share capital increase, by payment in cash, in  
one or more transactions, through the issuance of new ordinary, registered,  
voting, dematerialised shares of the Company, under the terms to be  
determined by the Company's Board of Directors. In particular, it is proposed  
that the Company's Board of Directors be authorised to decide to increase the  
Company's share capital by cash payment, by an amount not exceeding the

equivalent of the Company's nominal share capital paid up on the date of authorisation to the Board of Directors, i.e. up to the amount of Euro 915,789,600, by issuing up to 369,270,000 new ordinary, registered, voting, dematerialised shares (the "**Proposed Share Capital Increase**"). It is also proposed that the Authorisation be valid until 31<sup>st</sup> December 2026.

Within the framework of the Authorisation, the Company's Board of Directors proposes to the EGM, already and prior to the use of the Authorisation by the Company's Board of Directors, to abolish the pre-emption rights of the Company's existing shareholders, in accordance with Article 27(1) of Law 4548/2018, for the reasons set out below:

### **1. Aspects of the Proposed Structure of the Proposed Share Capital Increase**

The new shares to be issued within the framework of the Proposed Share Capital Increase are proposed to be:

- offered in Greece to retail investors and qualified investors in a public offering (the "**Public Offering**") within the meaning of Article 2(d) of Regulation (EU) 2017/1129 of the European Parliament and of the Council on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (the "**Prospectus Regulation**"), in accordance with the Prospectus Regulation, the applicable provisions of Law 4706/2020 and the relevant executive decisions of the Board of Directors of the Hellenic Capital Market Commission, and
- placed outside Greece, to institutional and other eligible investors, through a private placement using the international book-building process, pursuant to one or more exemptions from the obligation to publish a prospectus provided for in the Prospectus Regulation and/or other provisions of national law of the relevant legal systems, including the United States of America pursuant to Rule 144A under the Securities Act of 1933 (the "**Private Placement**", collectively referred to with the Public Offering as the "**Combined Offering**").
- It is proposed that a mechanism be implemented to allocate the new shares on a priority basis to existing shareholders who participate in the Combined Offering, as follows: The preferential allocation in the Public Offer is proposed to not exceed the percentage of existing shareholders' participation in the Company's share capital (based on the electronic records of EURONEXT SECURITIES ATHENS S.A. [former ATHEXCSD]), on the record date to be determined by the Board of Directors, so that these shareholders retain at least the same percentage of participation after the

Proposed Share Capital Increase ("**Priority Allocation**"). It is also proposed that the Company be able to apply a preferential allocation mechanism similar to the Priority Allocation to the new shares to be offered in the Private Placement, taking into account, among other allocation criteria, investment behaviour, the investment horizon, trading activity, early indication of interest in the Share Capital Increase and loyalty to the Company of the relevant investors.

- It is proposed that the Public Offering and the Private Placement be conducted in parallel. The same offering price is proposed to apply to all investors participating in the Combined Offering.

## **2. Purpose of the Proposed Share Capital Increase**

The Proposed Share Capital Increase will contribute to the financing of the Company's capital investment program aiming to:

- (i) accelerate investments in its main geographic markets;
- (ii) grow its international presence;
- (iii) invest in other sectors that the Company considers strategic or complimentary to its main activities and
- (iv) retain flexibility for further growth opportunities in the energy and technology sectors.

Finally, the Proposed Share Capital Increase will increase the Company's strategic and operational flexibility through a more efficient and sustainable capital structure.

## **3. Justification for the abolition of pre-emption rights**

The proposed abolition of the pre-emption rights of the Company's existing shareholders is considered, under the current market conditions, to be justified and clearly beneficial to the Company, thanks to the following significant advantages:

- The transaction time plan and the completion of the relevant procedures are substantially accelerated, by at least one month, thus enabling the Company to raise funds as swiftly as possible, take advantage of the highly favourable investment climate and minimise the risk of market conditions deteriorating (including the actual and investment risks associated with the evolution of adverse geopolitical or macroeconomic changes), with obvious benefits for the reception of the transaction by the investing public in Greece

and abroad and the maximisation of the value of the Company's capital.

- The abolition of pre-emption rights, which is to be voted on, is the only alternative (and practicable) structure for the transaction that ensures the transparent, fair and fully competitive pricing of the offer and sale of the new shares through the book-building process. The existence of pre-emption rights, in international markets, may discourage strong investment interest from new investors who do not enjoy such pre-emption rights, as most investors, especially the strongest and most serious ones, tend to refrain from similar transactions where the sale of shares to the general investing public remains subject to the participation of existing shareholders, and [is] therefore highly uncertain and hypothetical, until literally the last moment. For this reason, in international practice and in recent examples from the Greek market, there is a well-founded concern that such pre-emption rights have a deterrent effect on the creation of a positive climate among the general investing public, slow down the expression of investment interest and, with few exceptions, deter large investment fund managers seeking greater certainty as regards the timing and execution of transactions, as well as the transparency and certainty provided by the book-building process. It goes without saying that as investor participation and demand for shares increase, the competition in the book and, consequently, the value of the Company's capital essentially increase, resulting in the maximisation of the value of the shares offered.
- The abolition of pre-emption rights, which is to be voted on, enables the Company to broaden further its shareholder base and improve the dispersion and marketability of its shares, with related and derivative benefits for the liquidity of the secondary market and the Company's access to new investors with the capital base, knowledge and experience to support the Company in its strategic choices in the medium and long term.

In any case, taking into account the above advantages, provision is made for the preferential participation of existing shareholders through the proposed preferential allocation of new shares to existing shareholders, but in a manner and on terms that do not diminish but preserve the above benefits resulting from the abolition of pre-emption rights.

#### **4. Offer price**

It is proposed that the offer price of the new shares be determined by the Board of Directors, within the framework of the Authorisation and based on the results of the international book-building process to be conducted in the context of the



Private Placement. In any case, the offer price may not be lower than the nominal value of €2.48 per share. The choice of the nominal value as the minimum offer price is made for the obvious reason of avoiding, even implicitly, the impression among investors that the Company may accept a specific price as commercially acceptable. On the contrary, it goes without saying that the Company seeks, through the open and competitive book-building process, to increase, to the extent possible, investor participation and demand for shares, so as to effectively increase competition in the book and, consequently, the value of the Company's capital and maximise the value of the shares offered.