

Report of the Board of Directors of the company “AEGEAN AIRLINES Société Anonyme” in accordance with the provisions of paragraph 4.1.3.13.2 of the Regulation of the Athens Stock Exchange and with the provisions of Article 9 of law 3016/2002.

A. Introduction

The Extraordinary General Meeting of the Shareholders of the Company “AEGEAN AIRLINES SOCIETE ANONYME” (hereinafter “the Company”) pursuant to the resolution of March 12th, 2021, among others granted the authority to the Board of Directors of the Company to decide for the share capital increase of the Company, according to the provisions of article 24 par. 1 (b) of Law 4548/2018, by declaring that in the context of this power, the Board of the Directors will be entitled to decide for the share capital increase for the purposes of article 30 of Law 4772/2021 to raise funds of €60,000,000, in order for the state aid of an amount up to €120,000,000 to be disbursed (hereinafter “the State Aid”).

For the purposes of the State Aid grant to the Company, pursuant to the power granted with the above-mentioned Shareholders General Meeting, the Board of Directors of the Company at its meeting held on May 14th, 2021 plans to decide, among others:

(i) The Share Capital Increase of the Company, for the amount of EUR 12.187.500 (hereinafter the “Increase”) with the issuance of up to 18.750.000 new common, voting, registered shares with a nominal value of EUR 0,65 each (hereinafter the “New Shares”), by payment in cash and with a pre-emptive right in favor of the existing shareholders. Those who have the right of preference in the Increase will be entitled to acquire New Shares with a ratio of 0,262542164271582 New Shares for one (1) old share. If the Share Capital Increase is not fully subscribed, the Increase will not be partially subscribed according to article 28 of Law 4548/2018 and thus it will be cancelled.

(ii) To set the offering price of the New Shares to EUR 3,20 per New Share (hereinafter the “Offering Price”). The Offering Price of newly issued shares may exceed the official quotation on ex-rights date. The difference between the nominal share capital and the proceeds from the Issuance, amounting to EUR 47.812.500 will be credited to the “Reserve from the issuance of shares above par” account.

(iii) In the case of unsubscribed New Shares following the timely exercise or extinguishment of the Pre-emptive Rights (the “Unsubscribed Shares”), the right of pre-subscription will be offered to persons who have exercised their Pre-emptive rights (the “Pre-subscription Right”) for the acquisition of Unsubscribed Shares which cannot exceed 100% of the number of the New Shares resulting from the exercise of their Pre-emptive rights, at the Offering Price.

(iv) In the case there are any Unsubscribed shares post the exercise or extinction of the preemptive rights and pre-subscription rights, the Board of Directors of the Company at its absolute discretion may allocate the Unsubscribed Shares to (i) the Shareholders of the Company that have a direct or indirect holding of more than 5% of Company’s Share Capital and have declared and disclosed their intention to cover Unsubscribed Shares (excluding any pre-subscriptions) and (ii) in the case that there are still unsubscribed shares following the aforementioned (i) allocation to main shareholders, to dispose them through private placement to qualified investors as defined under article 2(e) of the EU Regulation 2017/1129 or/and to other non-qualified investors with a minimum amount of unsubscribed

shares (for the non-qualified investors) of at least €100.000 per investor, who will express their irrevocable interest to the Board of Directors of the Company.

Proceeds from the Increase will amount to €60.000.000 and therefore the state aid of an amount up to €120,000,000 will be disbursed to the Company, pursuant to article 30 of Law 4772/2021.

B. Report on the Use of Funds raised by the previous share capital increase

The previous share capital increase through payment in cash and disapplication of pre-emption rights and offering the new shares through an initial public offering, took place in accordance with the resolutions of the Extraordinary General Meeting dated on 08.03.2007 and the 2/430/06.06.2007 decision of the Board of Directors of Athens Exchange for the Prospectus approval. The funds that were raised with the increase amounted to €135.237.415,68 minus expenses of €8.545.617,67, i.e. a net total of €126.691.798,01. The period of the Public Offering was from 27.06.2007 till 29.06.2007.

From the share capital increase 17.854.280 new common shares were issued, which were listed on the Main Market, Large Cap Category of the Athens Stock Exchange on 11.07.2007. The payment of the share capital increase was certified by the Company's Board of Directors on 06.07.2007.

The said funds were disposed in accordance with the approved Prospectus as well as with the pursuant amendment of the use and of the time of disposal of the funds raised till 30.06.2010, as follows:

Use of Proceeds	Funds allocation as provided in the Prospectus				Allocation of funds in accordance with the Information Document as it was amended by the BoD Decision of 10/06/2008 and the GM decision of 12/06/2008	Funds allocation during the period				Balance
	Total Amount	Funds Allocation				Jul.– Dec. 2007	Jan.– Dec. 2008	Jan.– Dec. 2009	Jan.– Jun. 2010	
	(in mil. €)	2007	2008	2009						
Aircraft	71	9,8	38,8	22,4	71	9,8	29,7	9,6	21,9	0
New routes' development	20	5	10	5	20	5	10	5	0	0
Construction of hangar at AIA	8		8		8	0	4,8	3,2	0	0
General business needs and working capital	27,6	7,5	14,6	5,5	27,6	7,5	14,6	5,5	0	0
IPO related expenses	8,6	8,6	-	-	8,6	8,6	0	0	0	0
Total	135,2	30,9	71,4	32,9	135,2	30,9	59,1	23,3	21,9	0

C. Investment plan of the Company, Funds allocation during the period and use of proceeds

Proceeds from the Increase will amount to €60.000.000 and will cover working capital needs.

Specifically, the use of proceeds covers working capital needs expected to occur within two (2) years from the completion of the Increase, as follows:

Use of Proceeds			
(amounts in € thous.)	2021	2022	Total
Working Capital	30.000	30.000	60.000
Total	30.000	30.000	60.000

D. Announcement of main shareholders of the Company and Members of the Board of Directors.

The below main shareholders of the Company notified the Board of Directors with the below mentioned declarations, in view of the Increase:

“Mr. Eftichios Vassilakis in his capacity as main shareholder of the Company, controlling directly 885.255 shares and indirectly through a) the company Evertrans S.A. 17.343.498 shares and b) the company “AUTOHELLAS S.A.” 8.453.030 shares, i.e. 1,24% directly και 36,12% indirectly of the share capital of the Company, notifies its intention:

(a) To exercise in their entirety the Pre-emptive rights that correspond to him directly and indirectly.

(b) To maintain its ownership as a percentage, for a period of six (6) months following the initiation of the trading of the New Shares.

(c) To cover a maximum of 1.875.000 shares that may remain unsubscribed either through pre-subscription or through the process of coverage of Unsubscribed shares.”

“Mr. Achilleas Constantakopoulos, in his capacity as main shareholder of the Company, controlling directly 3.703.508 shares and indirectly through the company Ateria Ventures Ltd 238.000, i.e. 5,186% directly and 0,333% indirectly of the share capital increase of the Company, notifies its intention:

(a) To exercise in their entirety the Pre-emptive rights that correspond to him directly and indirectly.

(b) To maintain its ownership as a percentage, for a period of six (6) months following the initiation of the trading of the New Shares.

(c) To cover a maximum of 445.000 shares that may remain unsubscribed either through pre-subscription or through the process of coverage of Unsubscribed shares.”

“The company “ALENSCO ENTERPRISES COMPANY LIMITED” in its capacity as main shareholder of the Company, controlling directly 6.115.508 shares, i.e. 8,563% of the share capital of the Company, notifies its intention:

(a) To exercise in their entirety the Pre-emptive rights that correspond to him directly and indirectly.

(b) To maintain its ownership as a percentage, for a period of six (6) months following the initiation of the trading of the New Shares.

(c) To cover a maximum of 715.000 shares that may remain unsubscribed either through pre-subscription or through the process of coverage of Unsubscribed shares.”

“The company “SIANA ENTERPRISES COMPANY LIMITED” in its capacity as main shareholder of the Company, controlling directly 6.115.508 shares, i.e. 8,563% of the share capital of the Company, notifies its intention:

(a) To exercise in their entirety the Pre-emptive rights that correspond to him directly and indirectly.

(b) To maintain its ownership as a percentage, for a period of six (6) months following the initiation of the trading of the New Shares.

(c) To cover a maximum of 715.000 shares that may remain unsubscribed either through pre-subscription or through the process of coverage of Unsubscribed shares.”

Apart from the above-mentioned main shareholders the following members of the Board of Directors and shareholders of the Company, notify the Board of Directors of their intention in view of the Increase:

“Mr. Christos Ioannou, in his capacity as a member of the Board of Directors, owning 948.000 shares, i.e. 1,33% of the share capital of the Company declares that in the forthcoming share capital increase he intends to exercise in its entirety the Pre-emptive rights corresponding to him.”

“Mr. Anastasios David, in his capacity as a member of the Board of Directors, owning 674.084 shares, i.e. 0,94% of the share capital of the Company declares that in the forthcoming share capital increase he intends to exercise in its entirety the Pre-emptive rights corresponding to him.”

E. Amount of Share Capital Increase – Subscription Price

The Share Capital of the Company will increase by EUR 12.187.500 with the issuance of 18.750.000 new common, voting, registered shares with a nominal value of EUR 0,65 each (hereinafter the “New Shares”), by payment in cash and with a Pre-emptive right in favor of the existing shareholders. Those who have the right of preference in the Increase will be entitled to acquire New Shares with a ratio of 0,262542164271582 New Share for one (1) old share. The Exercise price will be set at 3,20 per New Share.

Kifissia, 14.05.2021

For Aegean Airlines Société Anonyme