

DRAFT DEMERGER DEED

OF THE SOCIETE ANONYME UNDER THE TRADE NAME “Public Power Corporation S.A.” BY WAY OF SPIN-OFF OF BUSINESS SECTOR AND ESTABLISHMENT OF A NEW COMPANY

Pursuant to the provisions of Articles 4, 54 par. 3, 57 par. 3, 59-74 and 83-87 of Law 4601/2019, the provisions of Law 4548/2018 and the provisions of the Decree Law 1297/1972, as in force.

a) the societe anonyme under the trade name “**Public Power Corporation S.A.**” and the distinctive title “**PPC S.A.**”, having its registered seat at 30 Chalkokondyli st., in the municipality of Athens, Attica, GR-104 32 (hereinafter referred to as the “**Demerged Entity**”), intends to spin off the independent Testing, Inspection & Certification Business Sector (hereinafter referred to as the “**Business Sector**” or “**TIC**”) and contribute it to a new societe anonyme to be established as a wholly-owned subsidiary of the Demerged Entity, by way of spin-off of the Business Sector (hereinafter referred to as the “**Beneficiary**”), pursuant to the provisions of Articles 4, 54 par. 3, 57 par. 3, 59-74 and 83-87 of Law 4601/2019, the provisions of Law 4548/2018 and the provisions of the Decree Law 1297/1972, as in force (hereinafter referred to as the “**Demerger**”).

To this end, today, 17/9/2024, in Athens, at the offices of the registered seat of the Demerged Entity, the present Draft Demerger Deed shall be drawn up and signed by the authorized representative of the Demerged Entity, Mr. Georgios Stassis President & CEO, by virtue of the special mandate and authorisation granted to him by the Board of Directors at its meeting dated 17/9/2024, at which the said Draft Demerger Deed by way of spin-off of the Business Sector was approved, in accordance with Articles 4, 54 par. 3, 57 par. 3, 59-74 and 83-87 of Law 4601/2019, the provisions of Law 4548/2018 and the provisions of the Decree Law 1297/1972, as in force.

1. Preamble - Reasons for the Demerger

The scope of services offered by the Business Sector includes laboratory testing (e.g., mechanical and metallurgical testing, chemical analysis, electrical testing and measurements, quality control of civil engineering projects, IIOT experimental infrastructure), geotechnical investigations and designs, certifications, field inspections, monitoring and evaluation of factory acceptance tests, as well as electrical calibration. In fact, this Business Sector provides services not only to PPC Group units but has expanded its activities and provides high level scientific services to the broader public sector, as well as to a several Greek industries. During the last years there has been a significant and rapid growth in the activity of the Business Sector of the Demerged Entity, therefore it is deemed appropriate to spin off the Business Sector from the Demerged Entity and contribute it to a new societe anonyme, a wholly owned subsidiary of the Demerged Entity by implementing the corporate transformation through demerger by way of spin-off of the Business Sector.

It is expected that the spin-off of the Business Sector and the establishment of a subsidiary will create the following benefits:

1) It will finally pave the way for the accreditation of the subsidiary, which will result from the Business Sector spin-off, as a certification body by the Hellenic Accreditation System (ESYD). In particular, as long as the Business Sector operates under the management structure of the Company, the ESYD raises impartiality and integrity objections and as a result, to date, the relevant request for accreditation has not been accepted. Furthermore, as the certification market is experiencing strong growth due to the more stringent regulatory frameworks, operating the Business Sector under the management structure of the Company will result in the Company being allowed to serve a very small percentage of its serviceable addressable market and, thus, in losing very significant revenue from certification services.

2) The spin-off will lead to a faster expansion of the Business Sector's activities, which cannot be achieved through organic growth (alone). In particular, the subsidiary resulting from the Business Sector spin-off will be able to acquire and integrate other companies operating in sectors adjacent to those already served by the Business Sector since its establishment and to expand its customer base. In this way, it is expected that the subsidiary will create new revenue streams, enhancing the growth and diversification of its portfolio of activities. Despite the fact that the lignite phase-out and the interconnection of the islands are expected to negatively affect the activities of the Business Sector, the subsidiary, through the vast expansion of its scope of accreditation, the development of new activities and the overall implementation of an ambitious development plan along with the renewal of its equipment, will be in a position to take advantage of the Greek TIC market opportunities.

3) The full integration of the acquired companies is a necessary step to achieve a more effective market penetration and take advantage of all synergies to the maximum extent. In particular, this will allow full integration of the accreditation fields and will offer the possibility of issuing a single test report/inspection certificate, as the totality of customers expect from TIC providers. Market research shows that the ability of a provider to cover all the services requested by customers is a key reason for choosing a provider ("One Stop Shop"). In addition, it will lead to reduced costs (indicatively, operating costs, etc.) and will also contribute to expanding the geographic coverage of the services provided.

Furthermore, the fact that the Beneficiary will remain within PPC Group and even connected to the Demerged Entity by a shareholding relationship (the Demerged Entity shall be the sole shareholder of the Beneficiary), is expected to ensure the Beneficiary a clear and dynamic presence in the market, which at the same time will be characterized by stability and will inspire confidence among other market participants. Thus, with such a privileged position in the market, the Beneficiary will be able to expand its business activities by engaging in larger scale projects and partnerships, which will have a positive impact on its financial results and will act as vehicles for the growth and development of its activities as a whole.

2. Applicable provisions - Procedure for the demerger by way of spin-off of the Business Sector and establishment of a new company

2.1 The Demerger shall take place in accordance with the provisions of Articles 4, 54 par. 3, 57 par. 3, 59-74 and 83-87 of Law 4601/2019, the provisions of Law 4548/2018, as well as with the tax provisions of the Decree Law 1297/1972, as in force.

2.2 In accordance with Article 17 of Law 4548/2018, for the purposes of the Demerger, the balance sheet (transformation balance sheet) used is the one dated 31.12.2023 (hereinafter referred to as the "**Transformation Balance Sheet**"), which is attached to the present Draft Demerger Deed as an Annex and was sent to the Chartered Accountants Messrs. Dimitrios Douvris (Reg. No SOEL: 33921) and Stergios Ntetsikas (Reg. No SOEL: 41961) of the audit firm "**Grant Thornton S.A. CHARTERED ACCOUNTANTS AND MANAGEMENT CONSULTANTS**" (Reg. No SOEL: 127) who were assigned the task to carry out a valuation

of the fair value of the transferred assets of the Business Sector of the Demerged Entity based on the assets and liabilities of the latter, as shown in the Transformation Balance Sheet (hereinafter referred to as the "**Valuation Report**"). The Valuation Report will be registered and published in the G.E.MI. In addition, the aforementioned audit firm "**Grant Thornton S.A. CHARTERED ACCOUNTANTS AND MANAGEMENT CONSULTANTS**" (Reg. No SOEL: 127) has undertaken to examine the terms of the present Draft Demerger Deed in accordance with the provisions of Article 62 of Law 4601/2019 and formulate an opinion as per law (hereinafter referred to as the "**Experts Report**"). The relevant report will be registered and published in the G.E.MI.

- 2.3 The Business Sector to be demerged and transferred to the Beneficiary is the independent Testing, Inspection & Certification Business Sector of the Company, reflected in the Transformation Balance Sheet and the Valuation Report.
- 2.4 In accordance with Article 61 of Law 4601/2019, the Board of Directors of the Demerged Entity has prepared a detailed explanatory report, which explains and justifies, from a legal and financial point of view, the present Draft Demerger Deed (hereinafter referred to as the "**Explanatory Report**"). The Explanatory Report shall be registered in the G.E.MI and posted on its website.
- 2.5 In accordance with Article 60 of Law 4601/2019, the present Draft Demerger Deed shall be registered in the G.E.MI and posted on its website at least one (1) month prior the General Meeting of shareholders of the Demerged Entity which will be convened for decision making on the approval of the Demerger. In accordance with Article 63 of Law 4601/2019, the Demerged Entity shall make available to its shareholders, for information purposes at its registered seat all documents provided for in Article 63 of Law 4601/2019, at least one (1) month prior to the General Meeting of Shareholders which will be convened in order to decide on the approval of the Demerger.
- 2.6 The final decision for the approval of the Demerger shall be made by the General Meeting of the shareholders of the Demerged Entity in accordance with Articles 66 and 74 par. 3 of Law 4601/2019.
- 2.7 The decision of the General Meeting of the Demerged Entity, which shall be made in accordance with Articles 66 and 74 par. 3 of Law 4601/2019 along with the final demerger deed, which shall be drawn up in the form of a notarial deed (hereinafter referred to as the "**Notarial Demerger Deed**") in accordance with Article 67 of Law 4601/2019, as well as the Articles of Incorporation of the Beneficiary shall be subject to the publicity formalities provided for by Law 4601/2019, Law 4548/2018 and Law 4919/2022 for both the Demerged Entity and the Beneficiary.
- 2.8 The Demerger is effected upon registration in the G.E.MI of the Notarial Demerger Deed for both the Demerged Entity and the Beneficiary (the date of completion of the registration in the G.E.MI of the Notarial Demerger Deed for the Demerged Entity and the Beneficiary is referred to as the "**Demerger Completion Date**").

3. Details of the companies involved in the Demerger

The Companies involved in the Demerger are the following:

- α) **The Demerged Entity** is the societe anonyme under the trade name "**Public Power Corporation Societe Anonyme**" and distinctive title "**PPC S.A.**", having its registered seat at 30 Chalkokondyli st., in Athens, prefecture of Attica, GR-104 32, G.E.MI No: 000786301000 and TIN No.: 090000045.

- β) **The Beneficiary** is the societe anonyme to be established as a result of the Demerger under the trade name “**PPC TESTING & INSPECTION & CERTIFICATION**” and the distinctive title “**PPC INSPECTRA**” having its registered seat at 9, Leontariou st., Kantza-Pallini, prefecture of Attica GR 15351.

4. Financial Data of the Demerged Entity - Share Capital of the Beneficiary - Exchange Relationship - Participation of the Demerged Entity in the Beneficiary

- 4.1 The share capital of the Demerged Entity amounts today to nine hundred forty- seven million three hundred sixty thousand (€947,360,000.00) euros, divided into three hundred eighty-two million (382,000,000) ordinary registered shares, with a nominal value of two euros and forty-eight cents (€ 2.48) each.
- 4.2 The equity of the Business Sector's assets and liabilities to be transferred, as determined in the Valuation Report, amounts to one million nine hundred and fourteen thousand five hundred and thirty-seven euros and sixty-nine cents (€1,914,537.69), of which an amount of two million seven hundred and sixty-four thousand seven hundred and eighty-eight euros and eighty-one cents (€2,764,788.81) relates to differences resulting from the revaluation of fixed assets. Therefore, the equity of the Business Sector, as determined in the Valuation Report is negative and is estimated at the following negative number: minus eight hundred and fifty thousand two hundred and fifty-one point twelve (-850,251.12).
- 4.3 Given that, on the one hand, for the legal establishment of the Beneficiary its share capital after the completion of the Demerger is required to amount to at least twenty-five thousand euros (€25,000.00) (Article 83 par. 2 of Law 4601/2019, and Article 15, par. 2 of Law 4548/2018) and, on the other hand, for the purposes of application of the Decree Law 1297/1972, the said share capital is required to arise to an amount of at least three hundred thousand euros (€300,000.00) and given that, as set out above, the contributed equity of the Business Sector is negative, the Demerged Entity shall proceed with a cash contribution in the amount of one million one hundred and fifty thousand two hundred and fifty-one euros and twelve cents (€1,150,251.12), which shall take place in the context of the Demerger.
- 4.4 In view of the above, upon completion of the Demerger, the share capital of the Beneficiary shall amount to three hundred thousand euros (€300,000.00), divided into three hundred thousand (300,000) ordinary registered shares, with a nominal value of one euro (€1.00) each, consisting of the contributed negative equity of the transferred assets and liabilities of the Business Sector and the contribution in cash by the Demerged Entity in the amount of one million one hundred and fifty thousand two hundred and fifty-one euros and twelve cents (€1,150,251.12) for the purposes of fulfilling the conditions for the legal establishment of the Beneficiary under Law 4548/2018 (Article 83, par. 2 of Law 4601/2019, and Article 15, par. 2 of Law 4548/2018) and the conditions for the application of the Decree Law 1297/1972 to this Demerger (Article 4f(a) of the Decree Law 1297/1972).
- 4.5 Given that in exchange for the contribution of the Business Sector, the Demerged Entity shall acquire all shares of the Beneficiary, namely, three hundred thousand (300,000) ordinary registered shares with a nominal value of one euro (€1.00) each and, therefore, the Demerged Entity will indirectly remain the beneficiary of the transferred assets of the Business Sector, the exchange ratio has no practical significance and the terms of the Demerger can only be considered fair and reasonable.
- 4.6 In order to confirm the above, the audit firm “**Grant Thornton S.A. CHARTERED ACCOUNTANTS AND MANAGEMENT CONSULTANTS**” (Reg. No SOEL: 127) and, in particular, the Chartered Accountants, Messrs. Dimitrios Douvris (Reg. No SOEL: 33921) and Stergios Ntetsikas (Reg. No SOEL: 41961) were assigned the task to examine the terms

of this Draft Demerger Deed in accordance with the provisions of Article 62 of Law 4601/2019 and to formulate the opinion required by law, as set out in 2.2 above.

5. Acts of the Demerged Entity following the date of the Transformation Balance Sheet

As of 1.1.2024, namely the day following the Transformation Balance Sheet date, on the basis of which the Demerger takes place and until the Demerger Completion Date and the establishment of the Beneficiary, all acts and transactions carried out by the Demerged Entity relating to the Business Sector shall be considered from an accounting point of view to be carried out in the name and on behalf of the Demerged Entity and not in the name and on behalf of the Beneficiary and the financial results arising during this period shall benefit or be borne solely by the Demerged Entity. If, during the aforementioned interim period, the Demerged Entity makes a profit, such profit shall belong to the Demerged Entity, and in the event that the Demerged Entity makes a loss during this period, such loss shall be covered by the Demerged Entity, by payment in cash of an amount equal to the loss.

6. Special advantages

The Demerged Entity, including the Business Sector to be spun off, and in particular the members of the Board of Directors and the internal auditors of the Demerged Entity, as well as the experts appointed by the Demerged Entity, are not granted any special advantages under its Articles of Incorporation or by resolutions of the General Meeting of its Shareholders, nor are they granted any such advantages under the said Draft Demerger Deed.

7. Date of participation in the profits of the Beneficiary

The shares of the Beneficiary to be received by the Demerged Entity as the sole (100%) shareholder of the Beneficiary as a result of the Demerger, shall entitle the Demerged Entity to participate in the profits and any dividend distribution of the Beneficiary which shall take place as from the Demerger Completion Date onwards.

8. Results of the Demerger

8.1 Since the Demerger Completion Date, the following results shall occur automatically and simultaneously both between the Demerged Entity and the Beneficiary and vis-à-vis third parties, pursuant to Article 70 par. 2, 3 and 4 of Law 4601/2019:

- a) The Beneficiary shall be established with the Articles of Incorporation to be approved by the General Meeting of Shareholders of the Demerged Entity and included in the Notarial Demerger Deed.
- b) The Beneficiary shall be substituted as universal successor to all property of the Business Sector transferred thereto, as reflected in the Valuation Report, the Transformation Balance Sheet and the Notarial Demerger Deed and as these will be formed as at the Demerger Completion Date.
- c) The Demerged Entity shall become the sole (100%) shareholder of the Beneficiary.

8.2 In particular, the universal succession shall cover all assets of the Business Sector to be transferred, i.e. all the rights, obligations and generally legal relations of the Demerged Entity, including administrative licences issued in favour of the latter and related to the said assets to be transferred. Any other right, obligation, claim, intangible property, approval, legal relations or generally other asset or liability relating to the Business Sector's property

to be transferred to the Beneficiary, shall be transferred to the Beneficiary, in the context of the Demerger, without any specific reference being required herein or in the Notarial Demerger Deed.

- 8.3 Any pending legal proceedings of the Demerged Entity to the extent that they relate to the Business Sector shall be continued ipso iure by the Beneficiary, with no further formality being required and without any violent interruption of such proceedings as a result of the Demerger.
- 8.4 Upon completion of the Demerger, each of the employees of the Business Sector, whose employment is directly related to the transferred property thereof, shall be transferred to the Beneficiary, which shall be automatically substituted for the Demerged Entity as an employer. The said employees will be promptly and properly notified about the Demerger, as required by the relevant legislation.
- 8.5 The transfer of the property and rights in rem in general to be transferred from the Demerged Entity to the Beneficiary shall be effected by applying mutatis mutandis the provisions of Article 1197 of the Civil Code, with the registration in the relevant transfer books of an extract of the Notarial Demerger Deed or the Articles of Incorporation indicating that the Beneficiary is the universal successor to the Demerged Entity, with a report containing the information required by Article 1194 of the Civil Code on the rights in rem and the identification number of the property concerned.

9. Formalities of delivery of the new shares of the Beneficiary to be issued as a result of the Demerger to the Demerged Entity

Immediately after the Completion Demerger Date, the Beneficiary shall proceed to all necessary actions to issue its share certificates, deliver them all to the Demerged Entity and register the latter as the sole shareholder in the shareholder register maintained by the Beneficiary pursuant to Article 40 par. 2 of Law 4548/2018.

10. Final provisions

- 10.1 The Demerged Entity shall expressly, irrevocably and unreservedly declare that it will comply with all provisions of the law and the present Draft Demerger Deed, will observe all the formalities provided for by the applicable legislation and will proceed to all necessary actions, notifications, formalities or special forms that may be required by the applicable legislation for the transfer of assets, rights and obligations, in order to be lawfully and validly completed and to be effective vis-a-vis third parties.
- 10.2 The Demerged Entity shall represent, promise and warrant that the property of the Business Sector to be transferred as a whole (assets and liabilities) as at 31.12.2023 is as stated in the Transformation Balance Sheet and reflected in the Valuation Report and will be received by the Beneficiary as formed as at the Demerger Completion Date.
- 10.3 The present Draft Demerger Deed and the Demerger shall be subject to the approval by the General Meeting of the Demerged Entity, together with the Articles of Incorporation of the Beneficiary.
- 10.4 The Demerged Entity expressly, irrevocably and unconditionally declares that it waives any and all rights to contest this Draft Demerger Deed for any formal or substantive reason and/or cause.

In witness whereof, the present Draft Demerger Deed was drawn up and executed by the representative of the Demerged Entity in two (2) originals.

For the Demerged Entity

ANNEX
Transformation Balance Sheet

amounts in €	IFRS Value (31/12/2023)
Assets	
Tangible assets	3,307,387.16
Intangible assets	67,561.26
Deferred tax assets	41,157.04
Trade receivables	424,438.55
Accrued and other receivables	155,428.56
Total Assets	3,995,972.57
Liabilities	
Provisions	187,077.46
Deferred tax liabilities	100,550.73
Trade receivables	1,478,645.32
Accrued and other receivables	315,161.37
Total liabilities	2,081,434.88
Net assets	1,914,537.69
Revaluation reserve for fixed assets	2,764,788.81

Λογιστική κατάσταση μετασχηματισμού
του κλάδου Εργαστηρίων, Πιστοποίησης & Επιθεώρησης
της Δημόσιας Επιχείρησης Ηλεκτρισμού Α.Ε.

ποσά σε € κατά την 31/12/2023	Αξία Δ.Π.Χ.Α.
Ενσώματες ακινητοποιήσεις	3.307.387,16
Ασώματες ακινητοποιήσεις	67.561,26
Αναβαλλόμενος φόρος ενεργητικού	41.157,04
Εμπορικές απαιτήσεις	424.438,55
Δεδουλευμένες και Λοιπές απαιτήσεις	155.428,56
Σύνολο Ενεργητικού	3.995.972,57
Προβλέψεις	187.077,46
Αναβαλλόμενος φόρος παθητικού	100.550,73
Εμπορικές υποχρεώσεις	1.478.645,32
Δεδουλευμένες και Λοιπές υποχρεώσεις	315.161,37
Σύνολο Παθητικού	2.081.434,88
Καθαρά περιουσιακά στοιχεία	1.914.537,69
Αποθεματικό αναπροσαρμογής παγίων	2.764.788,81



Στέργιος Τσιφωτούδης
Διευθυντής
Λογιστικών Υπηρεσιών