



Announcement on international arbitration case

AVAX SA (the "Company") announces that an international arbitration court under the auspices of the International Centre for the Settlement of Investment Disputes (ICSID) ruled to dismiss the claim for compensation of the Company by the Republic of Lebanon on the basis of the Greece-Lebanon Bilateral Investment Agreement, regarding the contract signed on 12.04.2013 between the two parties for the construction of the Deir Aamar (Phase II) thermal power station near the city of Tripolis in Lebanon.

The Company resorted to international arbitration in 2016, citing among various other reasons for compensation, the fact that the Republic of Lebanon did not make any payments to the Company regarding the project (including two overdue, payable invoices), without the Lebanese state ever raising any question of the fulfillment of the Company's relevant contractual obligations and/or counter claim. It is noted that the Republic of Lebanon did not even proceed with the execution of the above project with another contractor.

According to the decision of the arbitration court, it was held that the Republic of Lebanon did not violate its obligations under the aforementioned Bilateral Investment Agreement between the Hellenic Republic and the Republic of Lebanon. The Company is thereby required to pay the amount of €1.3 million to the Republic of Lebanon for costs incurred during the arbitration proceedings.

The Company is investigating all possibilities of reaction against the above decision, which was not expected in the light of the case's background and the relevant evidence.

The decision of the arbitration court will be reflected in the Company's financial results in the first half of 2024 and is expected to result in a total accounting loss of €16 million, while any cash outlay will amount to €1.3 million and be realised in the next period.



Marousi, June 25, 2024

The Board of Directors