

SED ENERGY HOLDINGS PLC

Extraordinary General Meeting of 22 September 2026 Report of the Board of Directors relating to a proposed exclusion of Pre-emption Rights

Terms used herein shall have the same meaning as used in the calling Notice for the General Meeting, unless otherwise defined herein.

1. Purpose of the Report

This report has been prepared and is being submitted by the Board of Directors of SED Energy Holdings Plc (the "**Company**"), pursuant to the provisions of section 60B of the Cyprus Companies' Law, Cap.113, as amended (the "**Law**"), in order to support the proposal for the approval by the shareholders, at the Extraordinary General Meeting to be held on 22 September 2026, at 11.00 am (the "**EGM**"), of an exclusion of pre-emption rights, in connection with the proposed authorization to issue and allot shares representing up to 10% of the Company's issued share capital (the "**New Shares**").

The approval being sought, if granted, will remain valid from the date of this Extraordinary General Meeting until the conclusion of the next Annual General Meeting of the Company to be held in 2027.

2. Justification for the proposal

2.1 The Board of Directors proposes and is considering the following two possible methods of raising funds through the issue of further equity:

- (a) offering of further shares to existing shareholders, and
- (b) offering of further shares to other investors.

2.2 The fundamental purpose for providing the Board of Directors with the authority to issue shares is to enable the Company, acting through its Board of Directors, to utilize opportunities that arise in the marketplace, as they arise. This could take the form of, inter alia, general corporate purposes, mergers and acquisitions, refinancing or restructuring of debt, purchase of assets, incentive programmes for employees and management, and other capitalization initiatives. An exclusion of the pre-emption rights of the existing shareholders would provide the Board of Directors with the required flexibility and the ability to use any of the above-mentioned methods of raising funds, in addition to the ability to act quickly when circumstances dictate that this is to the benefit of the Company. It is therefore in the interest of all shareholders and other stakeholders, considering all options available to the Company, to provide the directors with the flexibility that may be required to act promptly and to be instantly responsive towards the opportunities which may arise.

Not excluding pre-emption rights could impact the process of attracting the funds needed by the Company quickly for a prominent investment. The Board of Directors considers, under the current circumstances that, while due consideration to the interests of all shareholders and other stakeholders will be given when determining the structure of a potential equity raise, it is prudent and in the interest of the shareholders if the Board of Directors has the necessary pre-requisites in place to enable it to pursue any opportunity that may arise swiftly.

3. Issue Price

In principle, the nominal value of the Company's shares is the minimum price at which a new share may be issued. In practice, the issue price in any equity transaction in the Company, regardless of

structure, will be based on negotiations with the relevant investors and/or guarantors. Such negotiations will have as a basis the listed price of the shares of the Company on the marketplace at the relevant time, and factoring in other relevant factors.

The Board of Directors considers that the fixing of the price for the issue of any shares through concrete negotiations with a broad number of relevant prospective investors or guarantors based on the market price of the Company's shares is the most reasonable and realistic method of fixing the said price, as this is the price at which any prospective investor would likely be willing to buy. The Company will seek to achieve the best price achievable for any new shares to be offered under any structure, under the prevailing market conditions at the time.



Alf Christian Thorkildsen
Chairman
On behalf of the Board of Directors