

**INVITATION TO THE ANNUAL GENERAL ASSEMBLY OF THE SHAREHOLDERS OF THE COMPANY WITH THE NAME: "KARATZIS INDUSTRIAL & HOTELIER ENTERPRISES S.A."**

**(Number in General Commercial Registry 77088427000)**

Upon a decision of the Board of Directors and according to the law and the Articles of Association of the Company, the shareholders are invited to the Annual General Assembly, which will take place on Saturday, **16<sup>th</sup> of June 2018** at 11:00 am, in the company's hotel "Nana Beach" in the area of Drapanos of the Municipality of Hersonissos, in order to discuss and decide on the following items of the Daily Agenda:

1. Submission and approval of the annual financial statements for the period from 1/1 to 31/12/2017, together with the relevant Reports and Declarations by the Board of Directors and the Auditors.
2. Approval of the distribution of profits for the fiscal year 2017.
3. Discharge of the members of the Board of Directors and the Auditors from any liability for the fiscal year 2017.
4. Approval of the compensation of the members of the Board of Directors.
5. Appointment of the Auditors for the fiscal year 2018 and approval of their remuneration.
6. Amendment of article 1 of the Articles of Association of the Company.
7. Validation of decisions of the Board of Directors for the increase of corporate guarantees in bank credit agreements of the subsidiary KEN SA.
8. Other issues

In case of not achieving the required by the articles of Association and the Law quorum for the decision for all or any of the items of the original daily agenda, the 1<sup>st</sup> Repetitive General Assembly will be held, in the same place, on Saturday, 30<sup>th</sup> of June 2018 at 11:00 a.m. Unless the required by the law quorum is achieved at that Assembly, a 2<sup>nd</sup> Repetitive General Assembly will be held in the same place, on Saturday, 14<sup>th</sup> of July 2018 at 11:00 a.m. The items of the daily agenda of potential Repetitive General Assemblies will be the above mentioned, with the exception of the items on which a decision will have been taken in a previous Assembly.

**PARTICIPATION RIGHT AT THE GENERAL ASSEMBLY**

Every person who appears as a shareholder of the Company, in the Dematerialized Securities System (DSS), managed by the "Greek, Exchanges SA" (HELEX), where the transferable securities (shares) of the Company are maintained, on the **11<sup>th</sup> of June 2018**, i.e. at the beginning of the fifth (5<sup>th</sup>) day before the date of the General Assembly (Record Date), has the right to participate at the Annual General Assembly.

The ownership is verified electronically by HELEX via online connection between the Company and the DSS. Therefore, the shareholder is not required to submit any written confirmation from HELEX in order to participate and vote at the General Assembly.

For the 1<sup>st</sup> Repetitive General Assembly, the shareholder status must exist on the 26<sup>th</sup> of June 2018 (Record Date), i.e. at the beginning of the fourth (4<sup>th</sup>) day before the date of the 1<sup>st</sup> Repetitive General Assembly. For the 2<sup>nd</sup> Repetitive General Assembly, the shareholder status must exist on the 10<sup>th</sup> of July 2018 (Record Date), i.e. at the beginning of the fourth (4<sup>th</sup>) day before the date of the 2<sup>nd</sup> Repetitive General Assembly.

Regarding the Company, only those who have the status of shareholder on the corresponding record date are entitled to attend and vote at the General Assembly. Exercising these rights does not entail the blocking of the shares of the beneficiary or any other similar process, which restricts the ability to sell or transfer these shares, during the time between the record date and the date of the General Assembly.

#### **PROCEDURE FOR VOTING BY PROXY**

Each shareholder may participate in the General Assembly and vote in person or by proxy by signing relevant authorization. Each shareholder may appoint up to three (3) proxies. Legal entities may participate in the General Meeting by appointing up to three (3) persons as proxies. However, if a shareholder holds shares of the Company, appearing in more than one Investor Securities Account, this limitation does not prevent the shareholder from appointing separate proxies for the shares appearing in each Account.

A proxy acting on several shareholders may cast votes differently for each shareholder. The proxy holder must disclose to the Company, before, the commencement of the General Assembly, any specific fact which may be useful to the shareholders in assessing the risk of the proxy serving other interests than the interests of the shareholder.

For the purposes of this paragraph may be a conflict of interests, especially when the proxy:

a) is a shareholder who controls the Company or any other legal entity or an entity controlled by such shareholder,

b) is a member of the Board of Directors or of the administration of the company or of a shareholder who controls the Company or other legal person or entity controlled by a shareholder who controls the Company,

c) is an employee or a certified auditor of the company or of a shareholder controls the Company or other legal person or entity controlled by a shareholder who controls the Company,

d) is a spouse or first-degree relative with one of the individuals in above mentioned cases (a) to (c).

The appointment and revocation of a proxy becomes in writing and notifies to the Company in the same process, at least three (3) days before commencing the date of the General Assembly.

The Company has made available on its website the form used for appointing a proxy. The completed and signed form is submitted by the shareholder to the Investor Relations Office of the Company by fax three (3) days before commencing the date of the General Assembly. The shareholders are requested to ensure the confirmation of successful transmission to the Company of the proxy appointment form.

The Articles of Association of the Company does not provide for the remote participation and exercise voting rights in the General Assembly.

## **MINORITY RIGHTS**

(a) At the request of shareholders representing one out of twenty (1/20) of the paid up share capital, the Board of Directors of the Company is obliged to include additional items on the daily agenda of the General Assembly, with the request being received by the Board up until June 1<sup>st</sup>, 2018, i.e. fifteen (15) days before the General Assembly. The request for additional items on the daily agenda must be accompanied by a justification or a draft resolution to be adopted at the General Assembly. The revised daily agenda is published in the same way as the previous one, on June 3<sup>rd</sup>, 2018, i.e. thirteen (13) days before commencing the date of the General Assembly and simultaneously are made available to shareholders at the website of the Company, along with the justification or draft resolution submitted by the shareholders in accordance with Article 27 paragraph 3 of CL 2190/1920.

(b) At the request of shareholders representing one out of twenty (1/20) of the paid up share capital, the Board of Directors make available to shareholders, as stipulated in Article 27 paragraph 3 of CL 2190/1920, no later than June 10<sup>th</sup>, 2018 , i.e. six (6) days before commencing the date of the General Assembly draft resolutions for items included in the initial or revised agenda, with the request being received by the Board up until the June 9<sup>th</sup>, 2018 , i.e. seven (7) days before commencing the date of the General Assembly.

(c) At the request of a shareholder or shareholders representing one out of twenty (1/20) of the paid-up share capital, the Chairman of the Assembly is obliged to postpone the decision making by the General Assembly, regular or extraordinary, only once, for all or certain items, by setting as continuation date of the session that specified in the shareholders' request, which could not be more than thirty (30) days from the date of postponement. The General Assembly, following the postponement, is a continuation of the previous one and a repetition of the publication formalities of the invitation to shareholders is not required. New shareholders can also participate in it, in compliance with the provisions of the articles 27 paragraph 2, 28 and 28a of CL 2190/1920.

(d) Upon request of any shareholder to the Company up until June 10<sup>th</sup>, 2018, i.e. five ( 5) full days before commencing the General Assembly, the Board of Directors is obliged to provide to the General Assembly the required information related to the affairs of the Company, to the extent that they are useful for the estimation of the agenda items. The Board may decline to provide such information citing sufficient material grounds, which should be recorded in the minutes.

(e) At the request of shareholders representing one out of five (1/5) of the paid up share capital, which is submitted to the Company up until June 10<sup>th</sup>, 2018, i.e. five (5) full days before commencing the General Assembly, the Board is obliged to provide the General Assembly with information on the progress of the business affairs and financial condition of the Company. The Board may decline to provide such information citing sufficient material grounds, which should be recorded in the minutes.

Similar terms for exercise of minority rights also apply in the case of Iterative Assemblies.

## **AVAILABLE DOCUMENTS AND INFORMATION**

The information according to the Article 27 paragraph 3 of CL 2190/1920 and particularly, this invitation, the proxy appointment form and the draft decisions on agenda items which are proposed by the Board of Directors, are available on the Company's website [www.karatzis.gr](http://www.karatzis.gr). These documents are available to

Messrs Shareholders in hard copy from the Investor Relation Office (Stelios Kazantzidis & Vosporou 2<sup>A</sup> Street, GR 71601, Heraklion Crete Greece, tel +30 2810 382900, fax +30 2810 382946).

Heraklion, May 25<sup>th</sup>, 2018

The Board of Directors