

INVITATION

TO THE ANNUAL GENERAL SHAREHOLDERS' MEETING

(Registration Number 15082945000)

www.karelia.gr

In accordance with the provisions of the Company's Articles of Association and the provisions of L. 4548/2018, as in force, the Board of Directors invites the Shareholders of "KARELIA TOBACCO COMPANY INC." to the Annual General Meeting on Wednesday June 26th, 2019, at 10:00 a.m., at "PHARAE PALACE" Hotel (Conference Room), in Kalamata, Navarinou and Riga Feraiou Str., for the discussion and decision making on the following items in the agenda:

A. AGENDA

1. Approval of the Company's Annual Financial Statements and the Annual Consolidated Financial statements for the fiscal year from 01.01.2018 – 31.12.2018, prepared by the Company in accordance with the international financial reporting standards (IFRS) and by any other special legal provision, along with the Annual Report of the Board of Directors, the Audit Report of the Chartered Auditor Accountant and the Corporate Governance Statement of the Board of Directors.
2. Approval of the Company's overall management by the Board of Directors during the fiscal year from 01.01.2018 – 31.12.2018 and discharge of the Chartered Auditor Accountant from any liability.
3. Approval of the remunerations/compensations paid to the members of the Board of Directors during the fiscal years from 01.01.2018 – 31.12.2018 and approval of the remunerations' advance payment of the persons mentioned above from July 01st 2019 and until the Company's next shareholders' Annual General Meeting.
4. Election of a Chartered Auditor Accountant or Auditing Company for the audits of the Annual Financial statements and the Annual Consolidated Financial statements of the fiscal year from 01.01.2019 – 31.12.2019 and approval of their remuneration.
5. Approval of the annual profit distribution of the fiscal year from 01.01.2018 – 31.12.2018 and dividend distribution.
6. Amendment of the Company's Articles of Association in accordance with the provisions of L. 4548/2018, as well as any other relevant verbal adjustments, recasting and renumbering of sections and paragraphs of the current Articles of Association. More specifically, amendments and relevant adjustments, recasting and renumbering of articles 2, 5 to 24 and 26 to 40 and addition of titles to the entire articles of association.

7. Approval of the Remuneration Policy for the members of the Company's Board of Directors, in accordance with article 110 of L. 4548/2018.

B. QUORUM / ITERATIVE GENERAL MEETING

In case the quorum required by law and the articles of association is not attained on any grounds during the session of the Company's Shareholders' General Meeting dated June 26th, 2019, the Board of Directors invites shareholders on July 10th, 2019, day being Wednesday at 10:00 a.m., to an Iterative General Meeting, **without publication of any new invitation**, which shall constitute a quorum no matter which part of the paid-up share capital is present or represented thereat.

The Iterative General Meeting shall also take place at "PHARAE PALACE" hotel, (Conference Room) in Kalamata Navarinou and Riga Feraiou Str. with items on the Agenda those of the initial one.

In accordance to the applicable provisions of L. 4548/2018 and particularly pursuant to paragraphs 3 and 4 of article 121, the Company shall inform shareholders on the following:

C. RIGHTS TO PARTICIPATE IN THE GENERAL MEETING

1. Each ordinary share shall give the right of one vote.
2. Only the person holding the shareholder status at the beginning of the fifth (5th) day prior to the day of the General Meeting's initial session dated June 26th, 2019, i.e. on June 21st, 2019 (Record Date), shall be entitled to participate and vote in the Company's Ordinary shareholders' General Meeting (initial and iterative meeting).
3. The above record date shall be also effective in the case of an adjourned or iterative meeting, provided the adjourned or iterative meeting shall take place no later than thirty (30) days from the record date. If this is not the case, only the person holding the shareholder status at the beginning of the third (3rd) day prior to the day of the adjourned or iterative General Meeting shall be entitled to participate and vote in the General Meeting.
4. The proof of shareholder status may be performed by all legal means, such as submitting to the Company (at Shareholders' Service, at the Company's registered office, Athinon Str., Kalamata) the relevant written attestation of the HELLENIC CENTRAL SECURITIES DEPOSITORY (H.C.S.D.) or of the participating and registered intermediaries to the H.C.S.D. and in any case based on information received by the Company either from the H.C.S.D. or through the participating and registered intermediaries to the H.C.S.D..

D. PROCEDURE FOR THE EXERCISE OF VOTING RIGHTS THROUGH PROXIES

1. Shareholders may participate in the General Meeting and vote either in person or by proxy. Minors and shareholders under privative judicial support shall participate and vote in the General Meeting by their legal proxies or by a proxy designated by their legal proxies. Persons under auxiliary judicial support relatively to the share options deriving from the Company's shares, ought to prove consent of their judicial supporter on the exercise of a specific share option, particularly of the voting right.
2. Each shareholder may appoint up to three (3) proxies. However, any shareholder owning shares held in more than one securities account, may appoint different proxies as regards shares held in each securities account in relation to a certain General Meeting. The provision of procuration shall be freely revocable.
3. Shareholders being legal entities or entities that are empowered to act shall participate in the General Meeting by their legal representatives.
4. Any proxy acting for more shareholders may vote differently for each shareholder.
5. Shareholders may appoint a proxy for one or more General Meetings and for a fixed period.
6. The proxy shall vote according to the shareholder's instructions, if any, and shall keep a record of the voting instructions for at least one (1) year from the date of the General Meeting or, in case of postponement of it, from the last iterative meeting where he used the procuration. Any eventual non compliance of the proxy with the instructions received, shall not affect validity of the decisions made by the General Meeting, even if the proxy's vote was decisive to achieve majority.
7. Before the commencement of the General Meeting, the proxy holder must disclose to the Company, any fact which may be useful to the shareholders in assessing the risk of the proxy serving interests other than the interests of the shareholder. For the purposes of this paragraph, a conflict of interests may exist, especially when the proxy:
 - i. is shareholder who controls the Company, or any other legal person or entity controlled by such shareholder,
 - ii. is a member of the Board of Directors, or of the management team of a company or shareholder controlling the Company, or other legal person or entity controlled by a shareholder who controls the Company,
 - iii. is an employee, or an auditor of the company, or shareholder who controls the company, or other legal person, or entity controlled by a shareholder who controls the Company,

- iv. is spouse, or first degree relative, with one of the natural persons referred to in cases (i) to (iii).
8. The appointment and the revocation or substitution of the shareholder's proxy or representative shall be performed in writing, via a special form used by the Company for this purpose (which shareholders may obtain as indicated below), which shall be submitted duly completed and signed by the Shareholders' Service (at the Company's registered office, Athinon str. Kalamata), via fax (+30- 27210-69080) at least forty eight (48) hours before the fixed date of the General Meeting, i.e. until 10.00 a.m. of June 24th 2019.
9. The Company's Articles of association shall not provide possibility of participation in the General Meeting by correspondence or by electronic means, without any physical presence of the shareholders at the place where it will be held, nor any possibility of the shareholders' remote participation in voting.

E. MINORITY RIGHTS

Relatively to the above Ordinary General Meeting, the Company's Shareholders shall have the following rights:

1. Upon request of Shareholders, representing one twentieth (1/20) of the paid up share capital the Company's Board of Directors shall be obliged to include in the agenda of the convened General Meeting, additional items, if the relevant request reaches the Board of Directors at least fifteen (15) days before the General Meeting. The request concerning inclusion of additional items on the agenda shall be accompanied by a justification or by a draft decision to be adopted by the General Meeting. The revised agenda shall be published or notified on the Board of Directors' responsibility, under Article 122 L. 4548/2018, thirteen (13) days before the date of the General Meeting and at the same time it shall be made available to shareholders on the Company's web page (www.karelia.gr), along with the justification or the draft decision submitted by shareholders pursuant to paragraph 4 of Article 123 L. 4548/2018. If these items are not published, the requesting shareholders are entitled to ask for the general meeting's postponement pursuant to paragraph 5 of Article 141 L. 4548/2018 and proceed themselves in the publication, as defined above, on the Company's expenses.
2. Upon request of Shareholders, representing one twentieth (1/20) of the paid up share capital, draft decisions on items included in the initial or the eventually revised agenda of the General Meeting may be submitted to the Board of Directors, which the Board of Directors shall make available to shareholders pursuant to paragraph 3 of Article 123 L. 4548/2018 at least six (6) days before the date of the General Meeting, if the relevant request reaches the Board of Directors at least seven (7) days before the date of the General Meeting.
3. Upon request of any shareholder submitted to the Company at least five (5) full days before the General Meeting, the Board of Directors shall be obliged to provide the General Meeting with the requested specific information on the Company's affairs to

- the degree this information is relevant to the items on the agenda. There is no obligation to provide information when the relevant information is already available on the Company's web site, especially in the form of questions and answers. Moreover, upon request of shareholders representing the one twentieth (1/20) of the paid up share capital the Board of Directors shall be obliged to announce to the Ordinary General Meeting, the amounts paid by the Company in the last two years to each member of the Board of Directors, or to the company's directors, as well as any benefit given to these persons as a result of any cause or agreement made with the company. The Board of Directors may give a single reply to shareholders' requests having the same content. The Board of Directors may decline to provide such information citing sufficient material grounds, which shall be recorded in the minutes. Such a ground may be, where appropriate, the representation of requesting shareholders to the Board of Directors, pursuant to articles 79 or 80 L. 4548/2018.
4. Upon request of shareholders representing one tenth (1/10) of the paid-up share capital, submitted to the Company within at least five (5) full days before the General Meeting, the Board of Directors shall be obliged to provide the General Meeting with information on the course of corporate affairs and on the Company's property. However the Board of Directors may decline to provide such information citing sufficient material grounds, which should be recorded in the minutes. Such a ground may be, where appropriate, the representation of requesting shareholders to the Board of Directors, pursuant to articles 79 or 80 L. 4548/2018, provided that the corresponding members of the Board of Directors have received the relevant information in a sufficient manner.

In all the above-mentioned cases the requesting Shareholders must prove their shareholder status and, apart from the first case of paragraph 3, the number of shares they own on exercising the corresponding right. Such a proof may be performed by all legal means such as submitting to the Company (at Shareholders' Service, at the Company's registered office, Athinon str., Kalamata) the relevant written attestation of the HELLENIC CENTRAL SECURITIES DEPOSITORY (H.C.S.D.) or of the participating and registered intermediaries to the H.C.S.D. and in any case based on information received by the Company either from the H.C.S.D. or through the participating and registered intermediaries to the H.C.S.D..

F. DOCUMENTS AND INFORMATION AVAILABLE

This invitation, the full text of documents and draft decisions provided by paragraphs 3 and 4 of Article 123 L. 4548/2018, as well as the special form of appointment and revocation or substitution of any proxy or representative, shall be posted on the Company's web page (www.karelia.gr). Moreover, the Company shall make available to Shareholders, while Shareholders may obtain the above documents, in paper form, from the Company's Shareholders' Service (Athinon str., Asprochoma, Kalamata, tel: +30-27210-69213, fax: +30-27210-69080).

Kalamata, June 05th 2019

THE BOARD OF DIRECTORS