

HOUSEMARKET SOCIETE ANONYME FOR TRADING HOUSEHOLD ITEMS, FURNITURE AND CATERING ITEMS

G.E.M.I. No. 3804201000
S.A. Reg. No. 46208/04/B/00/37 (04)

EXPLANATORY NOTE ON THE AGENDA OF THE EXTRAORDINARY GENERAL MEETING OF THE SHAREHOLDERS OF 28/12/2017

The Shareholders of the Company are kindly informed that the total number of shares of the company "HOUSEMARKET SOCIETE ANONYME FOR TRADING HOUSEHOLD ITEMS, FURNITURE AND CATERING ITEMS." as of December 7, 2017 (date of the Invitation to the Extraordinary General Meeting that will take place on December 28, 2017) is **47.450.647** ordinary shares and the Company does not hold any treasury stock. Each share has one voting right.

A brief explanatory note on the items on the agenda of the Extraordinary General Meeting of December 28, 2017 follows.

SUBJECT 1: Dividend Distribution to the Shareholders from Retained Earnings of past years

Required quorum: 1/5 (20%) of the paid-up share capital of the Company.

Required majority: 50% + 1 of the represented in the EGM votes.

The Board of Directors proposes the approval of the decision for the distribution of dividend from retained earnings of the Company actualized in previous years (up until 31.12.2015). Retained earnings amount at €84.292.000,36 according to IFRS (while according to Greek Financial Standards amount at €56.044.690,13). More specifically, the Chairman of the Extraordinary General Assembly proposes a dividend distribution of five million euros (5.000.000 €) derived from the aforementioned retained earnings.

The Chairman of the General Assembly declares that the Company has sound financial capacity to implement its investment plans, to satisfy its creditors and to maintain its regular operation thus allowing the distribution of a small part of its retained earnings.

SUBJECT 2: Appointment of Members of the Audit Committee

Required quorum: 1/5 (20%) of the paid-up share capital of the Company.

Required majority: 50% + 1 of the represented in the EGM votes.

The Board of Directors proposes the new composition of the Audit Committee in accordance with the provisions of article 37 of Law 3693/2008. More specifically the Chairman of Extraordinary General Assembly proposes the appointment of Messrs. Eftychios Vassilakis, Ioannis Brembos and David Watson as members of

the Audit Committee. The proposed members comply with the requirements suggested by Article 4 of L.4449/2017, since all of them have high knowledge of the business activities of the Company, are independent according to the provisions of L.3016/2002 and they have proven high knowledge and experience in auditing and accounting.

The term of office of the new Audit Committee shall be the same as that of the new Board of Directors, i.e. expiring on 21.06.2021 and is automatically extended until the first General Assembly meeting following the maturity of its duration.