

**Clarifications on the items 1 & 6
on the Agenda regarding the Invitation
to the Ordinary General Meeting of PPC S.A. Shareholders
to be held on June 27th, 2019.**

ITEM ONE: Approval of PPC S.A. Standalone and Consolidated Financial Statements for the 17th fiscal year (from 01.01.2018 to 31.12.2018), as well as approval of the Unbundled Financial Statements pursuant to article 141 of Law 4001/2011 and to the applicable article 30 of the Articles of Incorporation of the Company.

The seventeenth (17th) fiscal year of PPC S.A. commenced on January 1st, 2018 and ended on December 31st, 2018. The annual Standalone and Consolidated Financial Statements and the Unbundled Financial Statements are drawn up as stipulated by the provisions of the Law and the Articles of Incorporation and are published by the Board of Directors prior to the Shareholders' General Meeting. The Financial Statements include the Statement of Financial Position, the Statements of Income, the Comprehensive Income Statement, the Cash Flow Statement and the Statement of Changes in Shareholders' Equity, along with the Notes thereof. The Consolidated Financial Statements concern PPC S.A. subsidiaries operating during the seventeenth (17th) fiscal year.

These subsidiaries are the following:

"PPC RENEWABLES S.A.", "HELLENIC DISTRIBUTION NETWORK OPERATOR S.A. OR HEDNO S.A." "ARKADIKOS ILIOS 1 S.A.", "ARKADIKOS ILIOS 2 S.A.", "ILIAKO VELOS 1 S.A.", "AMALTHIA ENERGIAKI S.A.", "SOLARLAB S.A.", "ILIAKA PARKA DITIKIS MAKEDONIAS 1 S.A.", "ILIAKA PARKA DITIKIS MAKEDONIAS 2 S.A.", "PHOIBE ENERGIAKI PHOTOVOLTAIKA S.A.", "GEOTHERMIKOS STOCHOS S.A.", "WINDARROW MOUZAKI ENERGY S.A.", "PPC FINANCE PLC", "PPC BULGARIA JSCO", "PPC ELEKTRIK TEDARIK VE TICARET ANONIM ŞİRKETİ", "PPC ALBANIA", "EDS DOO SKOPJE", "EDS DOO BELGRADE", "EDS INTERNATIONAL SK SRO", "EDS INTERANTIONAL KS LLC", "LIGNITIKI MELITIS S.A." and "LIGNITIKI MEGALOPOLIS S.A."

In accordance with the Financial Statements of the fiscal year 2018, there follows the basic figures of the Group and the parent company, PPC S.A.

The basic figures of the Group from continuing operations (not including the IPTO S.A. figures and the income from its sale for 2017 as well as the figures of "LIGNITIKI MELITIS S.A." and "LIGNITIKI MEGALOPOLIS S.A." for 2017 and 2018) are as follows:

(in € m.)	2018	2017	Δ	Δ (%)
Turnover	4,741.6	4,943.4	-201.8	-4.1%
EBITDA	216.5	828.8	-612.3	-73.9%
EBITDA margin	4.6%	16.8%		
Pre-tax profits / (Losses)	-509.1	145.3	-654.4	-450.4%
Net income / (Loss)	-542.0	127.6	-669.6	-524.8%

The basic figures of the Group from continuing operations (not including the IPTO S.A. figures and the income from its sale for 2017 as well as the figures of "LIGNITIKI MELITIS S.A." and "LIGNITIKI MEGALOPOLIS S.A.", for 2017 and 2018), excluding the one-offs are as follows:

(in € m.)		2018	2017	Δ	Δ (%)
Turnover		4,741.6	4,943.4	-201.8	-4.1%
One - offs	<i>Provision for personnel's severance payment</i>	-148.8	-		
	<i>Settlement of the Renewables levy (ETMEAR) for the years 2012, 2013 and 2016</i>	105.2	-		
	<i>Revenue from PSOs for the years 2012-2016</i>	-	359.8		
EBITDA (excluding one - offs)		260.1	469.0	-208.9	-44.5%
EBITDA margin		5.5%	9.5%		
Pre-tax profits / (Losses) (excluding one - offs)		-465.5	-214.5	-251.0	117.0%

The basic figures of the Group including the IPTO S.A. figures and the income from its sale for 2017 as well as the figures of "LIGNITIKI MELITIS S.A." and "LIGNITIKI MEGALOPOLIS S.A." for 2017 and 2018 are as follows:

(in € m.)	2018	2017	Δ	Δ (%)
Turnover	4,741.9	4,967.4	-225.5	-4.5%
EBITDA	-94.2	887.3	-981.5	-110.6%
EBITDA margin	-2.0%	17.9%		
Pre-tax profits / (Losses)	-848.8	270.4	-1,119.2	-413.9%
Net income / (Loss)	-903.8	237.7	-1,141.5	-480.2%

The basic figures of the Group including the IPTO S.A. figures and the income from its sale for 2017 as well as the figures of "LIGNITIKI MELITIS S.A." and "LIGNITIKI MEGALOPOLIS S.A." for 2017 and 2018, excluding the one-offs are as follows:

(in € m)		2018	2017	Δ	Δ (%)
Turnover		4,741.9	4,967.4	-225.5	-4.5%
One - offs	<i>Provision for personnel's severance payment</i>	-164.3	-		
	<i>Settlement of the Renewables levy (ETMEAR) for the years 2012, 2013 and 2016</i>	105.2	-		
	<i>Revenue from PSOs for the years 2012-2016</i>	-	359.8		
	<i>Impairment of the value of "Melitis Lignite S.A." and "Megalopolis Lignite S.A."</i>	-242.7	-		
	<i>Income from IPTO sale</i>	-	172.2		
EBITDA (excluding one - offs)		207.6	527.5	-319.9	-60.6%
EBITDA margin		4.4%	10.6%		
Pre-tax profits / (Losses) (excluding one - offs and the income from IPTO sale)		-547.0	-261.6	-285.4	109.1%

The basic figures of the Parent Company from continuing operations (not including the IPTO S.A. figures and the income from its sale for 2017 as well as the figures of "LIGNITIKI MELITIS S.A." and "LIGNITIKI MEGALOPOLIS S.A." for 2017 and 2018) are as follows:

(in € m)		2018	2017	Δ	Δ (%)
Turnover		4,593.2	4,846.6	-253.4	-5.2%
EBITDA		219.3	769.4	-550.1	-71.5%
EBITDA margin		4.8%	15.9%		
Pre-tax profits / (Losses)		-485.3	308.0	-793.3	-257.6%
Net income / (Loss)		-529.0	297.6	-826.6	-277.8%

The basic figures of the Parent Company from continuing operations (not including the IPTO S.A. figures and the income from its sale for 2017 as well as the figures of "LIGNITIKI MELITIS S.A." and "LIGNITIKI MEGALOPOLIS S.A." for 2017 and 2018) and excluding the one-offs are as follows:

(in € m)		2018	2017	Δ	Δ (%)
Turnover		4,593.2	4,846.6	-253.4	-5.2%
One - offs	<i>Provision for personnel's severance payment</i>	-90.7	-		
	<i>Settlement of the Renewables levy (ETMEAR) for the years 2012, 2013 and 2016</i>	105.2	-		
	<i>Revenue from PSOs for the years 2012-2016</i>	-	359.8		
EBITDA (excluding one - offs)		204.8	409.6	-204.8	-50.0%
EBITDA margin		4.5%	8.5%		
Pre-tax profits / (Losses) (excluding one - offs and the income from IPTO sale)		-499.8	-250.4	-249.4	99.6%

The basic figures of the Parent Company including the IPTO S.A. figures and the income from its sale for 2017 as well as the figures of "LIGNITIKI MELITIS S.A." and "LIGNITIKI MEGALOPOLIS S.A." for 2017 and 2018 are as follows:

(in € m)	2018	2017	Δ	Δ (%)
Turnover	4,593.5	4,847.0	-253.5	-5.2%
EBITDA	-68.8	745.4	-814.2	-109.2%
EBITDA margin	-1.5%	15.4%		
Pre-tax profits / (Losses)	-802.5	223.4	-1,025.9	-459.2%
Net income / (Loss)	-874.7	215.9	-1,090.6	-505.1%

The basic figures of the Parent Company including the IPTO S.A. figures and the income from its sale for 2017 as well as the figures of "LIGNITIKI MELITIS S.A." and "LIGNITIKI MEGALOPOLIS S.A." for 2017 and 2018, excluding the one-offs are as follows:

(in € m)		2018	2017	Δ	Δ (%)
Turnover		4,593.5	4,847.0	-253.5	-5.2%
One - offs	<i>Provision for personnel's severance payment</i>	-90.7	-		
	<i>Settlement of the Renewables levy (ETMEAR) for the years 2012, 2013 and 2016</i>	105.2	-		
	<i>Revenue from PSOs for the years 2012-2016</i>	-	359.8		
	<i>Income from IPTO sale</i>	-	198.6		
EBITDA (excluding one - offs)		-83.3	385.6	-468.9	-121.6%
EBITDA margin		-1.8%	8.0%		
Pre-tax profits / (Losses) (excluding one - offs and the income from IPTO sale)		-817.0	-335.0	-482.0	143.9%

The Financial Statements, the Consolidated Financial Statements, the Unbundled Financial Statements, as well as the Executive Summary of the Board of Directors (BoD) along with the Explanatory Report of the BoD as approved by the Board of Directors at its meeting held on 23.04.2019, are submitted for approval to the Ordinary General Meeting.

ITEM SIX: Information to Shareholders on the activities of the Audit Committee of the Company.

The current Audit Committee (AC) operates according to the provisions of Article 44 of L. 4449/2017. As a permanent committee of the Board of Directors, its purpose is to assist the Board in fulfilling its monitoring responsibility towards the shareholders, the investor community and third parties, regarding the procedures of the preparation of financial reports.

At the Company's Ordinary General Meeting held on 7.6.2018, the members of the Audit Committee were increased by one, namely to four members, after taking into account the extent of the company's activities and focusing on financial reporting matters. Mr. Nikolaos Fragkos, Professor of Actuarial Science at the Athens University of Economics and Business, was elected as the 4th member of the Audit Committee. From the beginning of 2018, the Audit Committee is supported by an Audit Committee Secretariat which provides all the necessary assistance.

At the Extraordinary General Meeting of the Company held on 17.12.2018, Mr. G. Venieris, Professor of Accounting at the Athens University of Economics and Business, was elected as Independent Non – Executive Member of the Company's Board of Directors and member of the Audit Committee, due to the ending of the term of office of Mr. P. Alexakis, Independent Non-Executive Member of the Board of Directors, on 17.12.2018. Therefore, on 31.12.2018 the Audit Committee consisted of Mr. G. Andriotis (Vice-Chairman of the Board – Independent Non-Executive Member of the Board), Mr. Ch. Papageorgiou (Independent Non-Executive Member of the Board), Mr. Nikolaos Fragkos (Independent nonmember of the Board) and Mr. G. Venieris (Independent Non-Executive Member of the Board).

Within the context of the effective functioning of the Internal Audit System of PPC S.A., the Audit Committee has met with the Internal Audit Department, the Compliance Director, the Risk Management, Planning & Control Department and the Accounting Department, since they all jointly contribute to the effective audit of the Company. Said meetings were organized in order to discuss all matters of common interest, which are crucial for the prompt and effective management of the company's risks, and determine the framework for regular exchange of information and holding of meetings with the aforementioned Departments.

Within the scope of the Audit Committee competences, 22 meetings were held in 2018, during which minutes were kept. Those meetings concerned mainly per category (Internal or External Audit) the following:

A. External Audit / Financial Reporting Procedure

- In 2018 the AC submitted a recommendation to the Board of Directors concerning the selection of a chartered auditors-accountants firm, following a low cost tender procedure for the statutory audit of the company for the fiscal year 2018.

- In order to proceed to the above recommendation, the Audit Committee verified the existence of the required as per Law independence of the chartered auditors-accountants firm and of the audit team in relation to PPC S.A. and its subsidiaries, and has not identified any deviations from the standing provisions.

Furthermore, the Audit Committee proceeded to the following actions:

- The monitoring of the financial reporting procedure and of the progress of the statutory audit of the standalone and the consolidated financial statements of the Company, for the fiscal 2017.
- The review of the standalone and the consolidated financial statements of the Company for the first semester of the year 2018 by the Chartered Auditors-Accountants.
- The meetings with the Chartered Auditors-Accountants on matters pertaining to the audit of the standalone and of the consolidated financial statements of the Company.
- The monitoring of the procedure of drawing up internally the Q1 and 9m standalone and consolidated financial statements of the Company for the year 2018, as well as of the Company's basic operational and financial figures, which were published for the corresponding time periods.
- Its briefing on the amount of the guarantee letters which were issued and remained in effect in the second semester of the year 2017 and the first semester of 2018.

B. Internal Audit System/Regulatory Compliance/ Risk Management

- The Audit Committee reviewed issues concerning the functioning of the Internal Audit Department (IAD), as well as the auditing activity of the IAD in critical areas of audit interest, namely the monitoring of Contracts execution, the management of inventories, the operation of Sales Offices of the Supply Business Unit and the security of the company's Information Technology Systems, taking cognizance of the results and findings on the audits conducted by the IAD.
- Following the presentation of the findings which resulted from the internal audits performed by the IAD, as well as the issues raised by the Chartered Auditors Accountants, the Audit Committee held meetings with the competent Divisions and Business Units in order to discuss all major findings, focusing on ways to handle them and on corrective actions. The IAD monitors the progress of these corrective actions and briefs accordingly the Audit Committee and the Board of Directors of the company.
- With the coordination and support of the Compliance Director, the need to comply with the new General Data Protection Regulation ("GDPR"), which took effect on May 25, 2018, was addressed.

- Making use of the global trends, as well as of the already accumulated experience concerning the best practices, the compliance programmes aim at the elaboration of a Code of Conduct, which will include the fundamental principles, the rules and the values which formulate/govern the scope of activities of a company or group of companies.
 - ✓ The Code of Conduct aims, by way of example, at ensuring that the Company's transactions are performed fully in line with regulatory compliance and corporate responsibility; at promoting procedures of transparency and legal certainty within the company; at safeguarding the reputation of and the trust to the company in its transactions, at facilitating the training of the company's employees as well as of third parties associated with the company regarding the requirements of the company, aiming at establishing of a culture of ethics and conduct. In the above context, on 20.11.2018 PPC S.A. Code of Conduct was approved by the Board of Directors of Company and the approved text was posted on the company's portal and website both in Greek and English. The adoption of the Code of Conduct in conjunction with its effective implementation, contributes to the establishment of a single culture of conduct among the company's employees based on shared values.
- As regards the Risk Management, Planning & Control Department, its objective is to elaborate and propose promptly to the Management of the Company a road map with a view to introducing an organized framework of risk management to the Company and, following its approval, to proceed to the preparation of this framework. Moreover, the establishment of an "internal audit culture" within the company, which constitutes the major safeguard for the observance of the procedures of smooth operation, has been made a priority by the Audit Committee.

Georgios Venieris

Chairman of the Audit Committee