

## NOTICE OF EXTRAORDINARY GENERAL MEETING

The notice of EGM is important and requires your immediate attention. If you are in any doubt as to what action to take in relation to the EGM, you should consult with the appropriate independent advisers. If you have already sold or otherwise transferred your shareholding in the Company, you should immediately send this document together with the accompanying Proxy Form, Form of Direction or Form of Instruction (as the case may be) to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

PLAZA CENTERS N.V.

(the "Company")

(incorporated in The Netherlands with registered number 33248324)

## NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is given that the extraordinary general meeting of the shareholders of the Company will be held at 10:30 a.m. (CET) / 09:30 a.m. (London time) on 28 November 2014 at the Park Plaza Victoria Hotel Amsterdam, Damrak 1-5, 1012 LG Amsterdam, The Netherlands

### AGENDA

*Terms and definitions used in the agenda and the explanation below have the same meaning as in the shareholder circular and the prospectus for the rights offering, which are published on the Company's website [www.plazacenters.com](http://www.plazacenters.com)*

Opening and announcements

### ***Restructuring Resolutions***

*Rights Offering and Placing*

### **Resolution 1**

Proposal subject to, and conditional upon, Resolution 2 and all the Related Party Resolutions having become effective (subject only to this resolution being passed), to designate the Board, generally and unconditionally as the competent body to issue ordinary shares to cover the issue of New Ordinary Shares and the Escrow Shares (including rights to acquire ordinary shares) up to an aggregate nominal amount of € 7,028,138.62 (*seven million twenty eight thousand hundred thirty eight euro and sixty two eurocent*), being the unissued part of the Company's authorized share capital (*maatschappelijk kapitaal*) as at the date of this notice being EUR 10,000,000 (*ten million euro*), provided that such authority shall expire on the conclusion of the annual General Meeting to be held in 2015 unless previously renewed, varied or revoked by the general meeting, save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired. (**Resolution**, see the explanation below, the Shareholder Circular and the prospectus for the Rights Offering which will be published prior to this General Meeting).

### **Resolution 2**

Proposal, subject to, and conditional upon, Resolution 1 and all the Related Party Resolutions having become effective (subject only to this resolution being passed), to designate the Board, generally and unconditionally, as the competent body to restrict or exclude pre-emptive rights upon issuing ordinary shares to cover the issue of New Ordinary Shares and the Escrow Shares such power to expire at the conclusion of the annual General Meeting to be held in 2015, and the Board may allot equity securities following an offer or agreement made before the expiry of

the authority and provided that the authority is limited to the allotment of equity securities (including rights to acquire equity securities) up to a maximum aggregate nominal amount of € 7,028,138.62 (*seven million twenty eight thousand hundred thirty eight euro and sixty two eurocent*), being the unissued part of the Company's authorized share capital (*maatschappelijk kapitaal*) as at the date of this notice being EUR 10,000,000 (*ten million euro*) (**Resolution**, see the explanation below, the Shareholder Circular and the prospectus for the Rights Offering which will be published prior to this General Meeting).

### **Related Party Resolutions**

*Additional Placing Shares and Controlling Shareholder Undertaking and arrangements related thereto*

#### **Resolution 3**

Proposal subject to, and conditional upon, the Related Party Resolutions having become effective (subject only to this resolution being passed), to designate the Board, generally and unconditionally as the competent body to issue ordinary shares (including rights to acquire ordinary shares) to cover the issue of the Bondholders' Shares and any Additional Placing Shares). up to an aggregate nominal amount of € 7,028,138.62 (*seven million twenty eight thousand hundred thirty eight euro and sixty two eurocent*), being the unissued part of the Company's authorized share capital (*maatschappelijk kapitaal*) as at the date of this notice being EUR 10,000,000 (*ten million euro*), provided that such authority shall expire on the conclusion of the annual General Meeting to be held in 2015 unless previously renewed, varied or revoked by the general meeting, save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired. (**Resolution**, see the explanation below, the Shareholder Circular and the prospectus for the Rights Offering which will be published prior to this General Meeting).

#### **Resolution 4**

Proposal, subject to, and conditional upon, the Related Party Resolutions having become effective (subject only to this resolution being passed), to designate the Board, generally and unconditionally, as the competent body to restrict or exclude pre-emptive rights upon issuing Bondholders' Shares and any Additional Placing Shares such power to expire at the conclusion of the annual General Meeting to be held in 2015, and the Board may allot equity securities following an offer or agreement made before the expiry of the authority and provided that the authority is limited to the allotment of equity securities (including rights to acquire equity securities) up to a maximum aggregate nominal amount of € 7,028,138.62 (*seven million twenty eight thousand hundred thirty eight euro and sixty two eurocent*), being the unissued part of the Company's authorized share capital (*maatschappelijk kapitaal*) as at the date of this notice being EUR 10,000,000 (*ten million euro*) (**Resolution**, see the explanation below, the Shareholder Circular and the prospectus for the Rights Offering which will be published prior to this General Meeting).

#### **Resolution 5**

Proposal subject to, and conditional upon, the Related Party Resolutions having become effective (subject only to this resolution being passed), to approve the arrangements under the Controlling Shareholders Undertaking, including, without limitation, approving the undertaking by EUL that to the extent that not all Shareholders take up their Rights to subscribe for New Ordinary Shares under the Rights Offering, to subscribe, and/or procure that other persons subscribe, for such number of Rump Shares (being Ordinary Shares left in the Rights offering due to the fact that not all shareholders have exercised their Rights) at the Rights Offering Price such that the aggregate consideration to be received by the Company pursuant to the Rights Offering, together with the consideration received from the Bondholders (or their nominees) in respect of the Escrow Shares, shall not be less than EUR 20 million); approving the Board to issue Additional Placing Shares to EUL or persons nominated by it; and approving the placing of the Additional Placing Shares at the Rights Offering Price at what may, at the time of the issuance of such shares, be a discount of more than 10 per cent. to the middle market quotation of the Company's Ordinary Shares as derived from the daily Official List or any other publication of a Recognised International Exchange showing quotations for listed securities for the relevant date.

## **General Resolutions**

### *Articles of Association*

#### **Resolution 6**

Proposal to amend the Company's articles of association (*statuten*, **Articles of Association**) (**Resolution**).

#### **Resolution 7**

Proposal to grant power of attorney (*volmacht*) to have the notarial deed of amendment of the Articles of Association executed (**Resolution**).

### *Corporate matters*

#### **Resolution 8**

Proposal to appoint Grant Thornton Accountants en Adviseurs B.V as the external auditor for the 2014 financial year (**Resolution**).

### *Directors*

#### **Resolution 9**

Proposal to dismiss Mr. Nadav Livni from his position as non-executive director (*niet-uitvoerend bestuurder*) of the Company, in accordance with article 23.4 of the Articles of Association and proposal to appoint Mr. Nadav Livni as executive director (*uitvoerend bestuurder*) of the Company, in accordance with article 23 of the Articles of Association (**Resolution**).

#### **Resolution 10**

Proposal to dismiss Mr. Ron Hadassi from his position as executive director of the Company, in accordance with article 23.4 of the Articles of Association and proposal to appoint Mr. Ron Hadassi as non-executive director of the Company, in accordance with article 23 of the Articles of Association (**Resolution**).

#### **Resolution 11**

Proposal to approve the terms of the appointment letter relating to Mr. Livni.

#### **Resolution 12**

Proposal to approve the terms of appointment of Mr. Ron Hadassi.

#### **Resolution 13**

Proposal to approve the terms of appointment of Mr. Yoav Kfir.

#### **Resolution 14**

Proposal to approve the terms of appointment of Mr. Shlomi Kelsi.

#### **Resolution 15**

Proposal to approve the terms of appointment of Mr. David Dekel.

**By order of the Board**

Mr M.H. Wichers

Chairman

Dated: 17 October 2014

**Notes:**

1. A Shareholder entitled to attend and vote at the meeting may appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a Shareholder of the Company.
2. The instrument appointing a proxy and (in the case of an instrument signed by an agent of the Shareholder who is not a corporation) the authority under which such an instrument is signed or an office copy or duly certified copy must be deposited at the offices of the Company not less than 48 hours (excluding weekends) before the time appointed for the meeting or any adjourned meeting.
3. Completion of a Form of Proxy will not prevent a Shareholder from attending the meeting and voting in person.
4. Shareholders will be entitled to attend and vote at the meeting if they are registered in the Company's register of Shareholders (*aandeelhoudersregister*) 48 hours before the time appointed for the meeting or any adjourned meeting.
5. Forms of Direction are required to be completed by the holders of Depositary Interests (other than for holders of Depositary Interests that have been credited to investors' accounts maintained by the brokerage house in Poland) and returned so as to be received by Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom, by no later than 10:30 a.m. (CET) / 09:30 a.m. (London time) on 25 November 2014.
6. Depositary Interest holders may instruct the Depositary to vote utilising the CREST electronic voting service. To instruct the Depositary how to vote or amend an instruction to vote via the CREST system, the CREST message must be received by the Company's agent CREST PID: 9RA01, Designation: 40281PLA by 10:30 a.m. (CET) / 09:30 a.m. (London time) on 25 November 2014. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which the Company's agent is able to receive the message. After this time any change of voting instructions through CREST should be communicated to the Company's agent by other means. CREST Personal Members or other CREST sponsored members, and those of CREST Members who have appointed voting service provider(s) should contact their CREST sponsor of voting service provider(s) for assistance. For further information on CREST procedures, limitations and system timings please refer to the CREST manual.
7. Depositary Interest Holders wishing to attend the General Meeting should contact the Depositary at Capita IRG Trustees Limited, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, or email [custodymgmt@capita.co.uk](mailto:custodymgmt@capita.co.uk), by no later than 10:30 a.m. (CET) / 09:30 a.m. (London time) on 25 November 2014.
8. Forms of Instruction are required to be completed by the holders of Depositary Interests that have been credited to investors' accounts maintained by the brokerage house in Poland and returned to such brokerage house so as to be received by no later than noon (CET) / 11:00 a.m. (London time) on 21 November 2014.

## EXPLANATION TO THE AGENDA AND RECOMMENDATION

### *Restructuring Resolutions*

#### **Resolution 1**

At the annual General Meeting held on 8 July 2014, the Company's shareholders designated the Board as the competent corporate body to issue shares, for a period up to the annual General Meeting to be held in 2015. To implement the Restructuring Plan (which includes the Rights Offering and the placing of the Escrow Shares), the Board of Directors is requesting the extension of this authority.

The current authority applies to 33 per cent. of the Company's issued share capital as at 27 May 2014, being the date of the notice for the annual General Meeting, being 89,071,426 (*ninety eight million seventy one thousand four hundred twenty-six*) ordinary shares.

The authority sought in this extraordinary General Meeting, *inter alia* in connection with the issue of New Ordinary Shares and Escrow Shares applies to the Company's unissued authorized share capital (*maatschappelijk kapitaal*) as at the date of the notice for this extraordinary General Meeting, being 702,813,862 (*seven hundred two million eight hundred thirteen thousand eight hundred sixty two*) ordinary shares in the capital of the Company.

The authority granted by the extraordinary General Meeting shall be generally and unconditional and shall expire on the conclusion of the annual General Meeting to be held in 2015, save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities in pursuance of such an offer or agreement as if the authority conferred hereby had no expired.

Resolution 1 is conditional upon the passing of Resolution 2 and Resolutions 3, 4 and 5.

#### **Resolution 2**

At the annual General Meeting held on 8 July 2014, the Company's shareholders designated the Board as the competent corporate body to restrict or exclude pre-emptive rights upon issuing ordinary shares for a period up to the annual General Meeting to be held in 2015. In Resolution 1 above and *inter alia* in connection with the issue of New Ordinary Shares and Escrow Shares, the Board is requesting the extension of this authority.

The current authority applies to 10 per cent. of the Company's issued share capital as at 27 May 2014, being the date of the notice for the annual General Meeting, being 29,718,614 (*twenty nine million seven hundred eighteen thousand six hundred fourteen*) ordinary shares.

Authority by the extraordinary General Meeting is sought, in line with Resolution 1 above and *inter alia* in connection with the issue of New Ordinary Shares and Escrow Shares, for the Board to be in the position to exclude or restrict pre-emptive rights, upto the amount of the Company's unissued authorized share capital (*maatschappelijk kapitaal*) as at the date of the notice for this extraordinary General Meeting, being 702,813,862 (*seven hundred two million eight hundred thirteen thousand eight hundred sixty two*) ordinary shares in the capital of the Company.

Pursuant to section 2:96a paragraph 1 of the Dutch Civil Code and article 6 of the Articles of Association, shareholders have pre-emption rights solely for shares issued for cash. No pre-emption rights exist in respect of shares issued against a contribution in kind. No pre-emption rights exist in respect of shares issued to the Company's employees or to employees of a group company.

The authority granted by the extraordinary General Meeting shall be generally and unconditionally and shall expire on the conclusion of the annual General Meeting to be held in 2015.

The authorization to exclude statutory pre-emptive rights of holders of ordinary shares is requested because certain shareholders resident outside the Netherlands may not be eligible to participate in the Rights Offering.

Resolution 2 is conditional upon the passing of Resolution 1 and Resolutions 3, 4 and 5.

### ***Related Party Resolutions***

#### **Resolution 3**

At the annual General Meeting held on 8 July 2014, the Company's shareholders designated the Board as the competent corporate body to issue shares, for a period up to the annual General Meeting to be held in 2015. To implement the Restructuring Plan that requires the issuance of, inter alia, the Bondholders' Shares, the Board of Directors is requesting the extension of this authority.

The current authority applies to 33 per cent. of the Company's issued share capital as at 27 May 2014, being the date of the notice for the annual General Meeting, being 89,071,426 (*ninety eight million seventy one thousand four hundred twenty-six*) ordinary shares.

The authority sought in this extraordinary General Meeting in connection with the issue of Bondholders' Shares and/or Additional Placing Shares applies to the Company's unissued authorized share capital (*maatschappelijk kapitaal*) as at the date of the notice for this extraordinary General Meeting, being 702,813,862 (*seven hundred two million eight hundred thirteen thousand eight hundred sixty two*) ordinary shares in the capital of the Company.

The authority granted by the extraordinary General Meeting shall be generally and unconditional and shall expire on the conclusion of the annual General Meeting to be held in 2015, save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities in pursuance of such an offer or agreement as if the authority conferred hereby had no expired.

Resolutions 3 and 4 are Related Party Resolutions as (i) Bondholders' Shares are proposed to be issued to York Global Finance Offshore BDH (Luxembourg) S.a.r.l. under the Restructuring Plan, a related party; and (b) Additional Placing Shares may under the provisions of the Controlling Shareholder Undertaking be issued to EUL and/or DK, both related parties of the Company under the Listing Rules.

EUL, EI, DK and York Global Finance Offshore BDH (Luxembourg) S.a.r.l. will therefore be unable to vote on the Related Party Resolutions. As far as the Board can determine, York Global Finance Offshore BDH (Luxembourg) S.a.r.l. holds no direct shareholding in Plaza and has undertaken to take all reasonable steps to ensure that its associates do not vote, on the Related Party Resolutions. Neither EI, EUL nor DK will vote on the Related Party Resolutions, and each has undertaken to take all reasonable steps to ensure that its associates do not vote, on the Related Party Resolutions.

Resolution 3 is conditional upon the passing of Resolutions 4 and 5.

#### **Resolution 4**

At the annual General Meeting held on 8 July 2014, the Company's shareholders designated the Board as the competent corporate body to restrict or exclude pre-emptive rights upon issuing ordinary shares. for a period up to the annual General Meeting to be held in 2015. In Resolution 1 above and *inter alia* in connection with the Rights Offering in relation to the issue of New Ordinary Shares and Escrow Shares, the Board is requesting the extension of this authority (which will be conditional upon the passing of item nr.2 above).

The current authority applies to 10 per cent. of the Company's issued share capital as at 27 May 2014, being the date of the notice for the annual General Meeting, being 29,718,614 (*twenty nine million seven hundred eighteen thousand six hundred fourteen*) ordinary shares.

Authority by the extraordinary General Meeting is sought, in line with Resolution 3 above in connection with the issue of Bondholders' Shares and Additional Placing Shares, for the Board to be in the position to exclude or restrict pre-emptive rights, upto the Company's unissued authorized share capital (*maatschappelijk kapitaal*) as at the date of the notice for this extraordinary General Meeting, being 702,813,862 (*seven hundred two million eight hundred thirteen thousand eight hundred sixty two*) ordinary shares in the capital of the Company.

Pursuant to section 2:96a paragraph 1 of the Dutch Civil Code and article 6 of the Articles of Association, shareholders have pre-emption rights solely for shares issued for cash. No pre-emption rights exist in respect of shares issued against a contribution in kind. No pre-emption rights exist in respect of shares issued to the Company's employees or to employees of a group company.

The authority granted by the extraordinary General Meeting shall be generally and unconditionally and shall expire on the conclusion of the annual General Meeting to be held in 2015.

The authorization to exclude statutory pre-emptive rights of holders of ordinary shares is requested because certain shareholders resident outside the Netherlands may not be eligible to participate in the Rights Offering.

For the avoidance of doubt, if the proposals for resolutions under agenda Resolutions 1, 2, 3 and 4 are adopted, the Board will have the authority under these designations to issue New Ordinary Shares, Escrow Shares, Bondholders' Shares and Additional Placing Shares and/or grant rights to subscribe for such shares while excluding all statutory pre-emptive rights in relation thereto as the Board may deem appropriate. Furthermore, the designations to the Board granted to it on 8 July 2014, will remain in place in respect of Ordinary Shares, other than New Ordinary Shares, Escrow Shares, Bondholders' Shares and Additional Placing Shares.

Resolution 4 is conditional upon the passing of Resolutions 3 and 5.

#### **Resolution 5**

EUL, EI and DK are related parties of the Company for the purpose of the Listing Rules as each is a substantial shareholder of the Company.

Under the Listing Rules, the undertaking by EUL in the Controlling Shareholder Undertaking whereby EUL undertook that to the extent that not all Shareholders take up their Rights to subscribe for New Ordinary Shares under the Rights Offering, to subscribe, and/or procure that other persons subscribe, for such number of Rump Shares at the Rights Offering Price such that the aggregate consideration to be received by the Company pursuant to the Rights Offering, together with the consideration received from the Bondholders (or their nominees) in respect of the Escrow Shares, shall not be less than EUR 20 million and the right of EUL to Additional Placing Shares at the Offering price constitute arrangements with a related party. Accordingly, the approval of the Independent Shareholders to the Related Party Resolutions is being sought at the General Meeting. Neither EI, EUL nor DK will vote on the Related Party Resolutions, and each has undertaken to take all reasonable steps to ensure that its associates do not vote, on the Related Party Resolutions.

Resolution 5 is conditional upon the passing of Resolutions 3 and 4.

#### **General Resolutions**

#### **Articles of Association**

#### **Resolution 6**



The Board proposes the extraordinary General Meeting to resolve to amend the Articles of Association. Recent changes to the Listing Rules relating to situations where a company has a controlling shareholder (broadly speaking, this captures any person who individually or together with any of their concert parties receives or controls 30% or more of the votes able to cast on all or substantially all matters at the Company's general meeting) require changes to be made to the Articles to conform to the Company's obligations under the Listing Rules. Accordingly the Company has proposed changes to the Articles that allow the election and re-election of independent directors (as that term is deferred in the Listing Rules) to be conducted in accordance with the Listing Rule requirements.

The draft deed of the amendment of the Articles of Association contains the full text of the proposed amendments. The draft deed of amendment of the Articles of Association is available for inspection, in the Dutch and in the English language, from the date of this notice until the end of the meeting (i) at the offices of the Company, Prins Hendrikkade 48-s, 1012 AC Amsterdam, The Netherlands; (ii) on the Company's website ([www.plazacenters.com](http://www.plazacenters.com)); and (iii) at the offices of Mayer Brown International LLP, the Company's legal advisers as to English law, at 201 Bishopsgate London, EC2M 3AF, London, United Kingdom.

#### **Resolution 7**

The amendment of the Articles of Association should be effected by the execution of a Dutch notarial deed (*notariële akte*). The Board proposes to grant power of attorney (authorization) to each managing director and each employee of law firm Buren N.V. (whose civil law notaries (*notarissen*) have prepared the draft amendment of the Articles of Association) to have the notarial deed of amendment executed and to perform all things necessary and formalities pertaining thereto or in connection therewith.

#### **Corporate Matters**

#### **Resolution 8**

The Board proposes to instruct Grant Thornton Accountants en Adviseurs B.V. to audit the Company's Dutch statutory financial statements for the year 2014. Grant Thornton Accountants en Adviseurs B.V. is part of Grant Thornton International Limited, an organization with over 38,500 people across 130 countries, being one of the world's leading organizations of independent assurance, tax and advisory firms.

#### **Directors**

#### **Resolutions 9 and 10**

On 8 July 2014, the annual General Meeting *inter alia* resolved to appoint Mr. Ron Hadassi as an executive director of the Company and to appoint Mr. Nadav Livni as non-executive director of the Company. The Company, taking into account Mr. Hadassi's involvement with the Controlling Shareholder, has determined that Mr. Nadav Livni should serve as the executive director of the Company and that Mr. Hadassi will become a non-executive director. Pursuant to section 2:129a of the Dutch Civil Code, article 15.1 of the Articles of Association contains a division of tasks among executive directors and non-executive directors. A director cannot be a non-executive director and an executive director at the same time. As a consequence thereof, directors should be specifically dismissed and appointed by the General Meeting as executive director or non-executive director. Accordingly, this is why this item is on the agenda of the extraordinary General Meeting. Given the fact that the proposals for dismissal and appointment are related each dismissal and appointment appears as one item on the agenda.

#### **Resolutions 11 – 15**

Though in principle, pursuant to the Articles, the General Meeting shall determine the principles of the remuneration policy and the salary is determined by the Board, the Board deems it appropriate to submit, in this specific case, the appointment letters of the Directors who were appointed at this extraordinary General Meeting and in the annual General Meeting on 8 July 2014 (both executive and non-executive directors) to the Shareholders for approval. All appointment letters are available for inspection on the Company's website [www.plazacenters.com](http://www.plazacenters.com) and at the offices of the Company at Prins Hendrikkade 48-s, 1012 AC Amsterdam, the Netherlands.

## **Recommendation**

The Board considers that the Rights Offering, the Placing and the Restructuring Resolutions are in the best interests of the Shareholders taken as a whole and are vital to the survival of the Company and therefore recommends and urges that all Shareholders vote in favour of the Restructuring Resolutions.

The Board (other than for Messrs. Hadassi, Livni, Kfir and Kelsi who are also directors of EI and who have therefore not taken part in the Board's consideration of these matters) considers that (i) the Additional Placing and the Related Party Resolutions; and (ii) EUL's undertaking that to the extent that not all Shareholders take up their Rights to subscribe for New Ordinary Shares under the Rights Offering, to subscribe, and/or procure that other persons subscribe, for such number of Rump Shares at the Rights Offering Price such that the aggregate consideration to be received by the Company pursuant to the Rights Offering, together with the consideration received from the Bondholders (or their nominees) in respect of the Escrow Shares, shall not be less than EUR 20 million, are in the best interests of the Shareholders taken as a whole and are vital to the survival of the Company and therefore recommends and urges that Independent Shareholders vote in favour of the Related Party Resolutions.

The Board further considers that the General Resolutions (being Resolutions 6 upto and including Resolution 15) are in the best interests of the Shareholders taken as a whole and recommends that all Shareholders vote in favour of the General Resolutions to be proposed at the extraordinary General Meeting.