

**THIS DOCUMENT AND THE ACCOMPANYING FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or the action you should take, you should immediately consult a person authorised for the purposes of the Financial Services and Markets Act 2000 (as amended) if you are in the United Kingdom or a qualified and authorised person for the purposes of the Dutch Act on financial supervision (AFS) if you are in The Netherlands or the applicable Polish laws if you are in Poland, or from another appropriately authorised independent financial adviser, if you are in a territory outside of the United Kingdom, The Netherlands or Poland.**

If you sell or have sold or otherwise transferred all or some of your Existing Ordinary Shares or Existing Depository Interests (other than ex-rights) held in uncertificated form before 8:00 a.m. (London time) on 1 December 2014 (the "**Ex-Rights Date**") on the LSE, a claim transaction will automatically be generated by Euroclear UK which, on settlement, will transfer the appropriate number of Rights to the purchaser or transferee.

The distribution of this document, any other offering or publicity material relating to the Placing or the Rights Offering into jurisdictions other than the United Kingdom, The Netherlands and Poland may be restricted by law or regulation. Persons into whose possession these documents come should inform themselves about and observe any such restrictions. In particular, subject to certain exceptions, such documents should not be distributed, forwarded to or transmitted in or into the United States or any other Excluded Territories. The transfer of the Bondholders' Shares, Escrow Shares, the Additional Placing Shares, the Rights and/or the New Ordinary Shares may also be so restricted by law or regulation. Any failure to comply with these restrictions may constitute a violation of the securities laws or regulations of any such jurisdiction. The Bondholders' Shares, Escrow Shares, the Additional Placing Shares, the Rights and the New Ordinary Shares are not transferable except in accordance with, and the distribution of the foregoing documents is subject to, the restrictions set out in section 6 of Part VIII (*Details of the Rights Offering and the Placing*) of the Prospectus. No action has been taken by the Company or by the Sponsor that would permit an offer of the Bondholders' Shares, Escrow Shares, the Additional Placing Shares, the Rights or the New Ordinary Shares (or rights thereto), or possession, distribution, forwarding or transmission of the foregoing documents in or into any jurisdiction where action for that purpose is required, other than The Netherlands, the United Kingdom and Poland.

This document is not a prospectus but a shareholder circular and is being sent to you solely for your information in connection with the Resolutions to be proposed at the extraordinary General Meeting of shareholders of the Company. It does not constitute or form part of any offer or invitation to purchase, acquire, subscribe for, sell, dispose of or issue, or any solicitation of any offer to sell, dispose of, purchase, acquire or subscribe for, any security, including any Bondholders' Shares or Escrow Shares to be issued in connection with the Placing, any Additional Placing Shares to be issued in connection with the Additional Placing, or the New Ordinary Shares to be issued in connection with the Rights Offering.

**The Prospectus containing details of the Placing, the Additional Placing and the Rights Offering will not be posted to Shareholders but will be published on the Company's website on or before the date of this document. Subject to certain limited exceptions, Shareholders in the United States or any other Excluded Territories will not be permitted to access the Prospectus. Investors should not subscribe for the Rights or the New Ordinary Shares except on the basis of the information and the terms and conditions of the Placing, the Additional Placing and Rights Offering contained in the Prospectus.**



**PLAZA CENTERS N.V.**  
(incorporated and registered in The Netherlands  
with company registration number 33248324)

**Circular to Shareholders relating to a proposed 19 for 20 Rights Offering of up to 282,326,831 New Ordinary Shares at EUR 0.0675 per New Ordinary Share**

**Proposed Placing of up to 90,336,596 Bondholders' Shares at EUR 0.01 per Bondholders' Share**

**Proposed Placing of up to 44,444,445 Additional Placing Shares at EUR 0.0675 per Additional Placing Share**

**Circular to Shareholders and notice of extraordinary General Meeting**

**Sponsor and Financial Adviser**

**SPARK Advisory Partners Limited**

**Your attention is drawn to the letter from the Chairman of Plaza Centers N.V., which is set out in Part 1 (*Letter from the Chairman of Plaza Centers N.V.*) of this document. This letter contains the recommendation of the Board of Plaza Centers N.V. that you vote in favour of the Resolutions to be proposed at an extraordinary General Meeting. Please read the whole of this document.**

This document contains a notice of an extraordinary General Meeting of the Company to be held at The Park Plaza Hotel, Amsterdam, Damrak 1-5, 1012 LG Amsterdam, The Netherlands at 10:30 a.m. (CET) / 09:30 a.m. (London time) on 28

November 2014 which is set out at the end of this document. A Form of Proxy for use at the extraordinary General Meeting is enclosed with this document. Whether or not you intend to attend the extraordinary General Meeting in person, please complete, sign and return the accompanying Form of Proxy in accordance with the instructions printed on it as soon as possible, but in any event, so as to be received by Capita Asset Services, 34 Beckenham Road, Beckenham, Kent, BR3 4TU to arrive by no later than 9:30 a.m. (London time) on 26 November 2014. Holders of Depositary Interests 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 or voting service provider(s) for assistance. For further information on CREST procedures, limitations and system timings please refer to the CREST manual. Completion and return of a Form of Proxy or an instruction to the Depositary to use the CREST electronic voting server will not prevent you from attending the extraordinary General Meeting and voting in person (in substitution for your proxy vote) if you wish to do so and are so entitled.

**EXCEPT AS OTHERWISE PROVIDED FOR HEREIN, NEITHER THIS DOCUMENT NOR THE FORM OF PROXY CONSTITUTES AN OFFER OF NEW ORDINARY SHARES, BONDHOLDERS' SHARES OR ADDITIONAL PLACING SHARES TO ANY PERSON WITH A REGISTERED ADDRESS, OR WHO IS LOCATED, OR RESIDENT, IN THE UNITED STATES, OR TO ANY PERSON WITH A REGISTERED ADDRESS, OR WHO IS LOCATED, OR RESIDENT IN, ANY OF THE OTHER EXCLUDED TERRITORIES.**

**The Bondholders' Shares, Escrow Shares, the Additional Placing Shares, the Rights, the New Ordinary Shares and this document have not been recommended, approved or disapproved by the SEC, any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the Bondholders' Shares, Escrow Shares, the Additional Placing Shares, the Rights or the New Ordinary Shares or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.**

The proposals in this document are conditional on, among other things, the approval of Shareholders at the extraordinary General Meeting.

This document does not constitute an offer of, or a solicitation to subscribe for or purchase, any securities in any jurisdiction in which such offer or solicitation is unlawful or to any person to whom it is unlawful to make such offer or solicitation. The Bondholders' Shares, Escrow Shares, the Additional Placing Shares, the Rights and the New Ordinary Shares have not been and will not be registered under the US Securities Act, or under the securities laws of any state or other jurisdiction of the United States and may not be offered, sold, pledged, taken up, resold, transferred or delivered, directly or indirectly, within the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. The Bondholders' Shares, Escrow Shares, the Additional Placing Shares, the Rights and the New Ordinary Shares offered outside the United States are being offered in reliance on Regulation S under the US Securities Act.

The Existing Ordinary Shares have been admitted to (i) the premium segment of the Official List and to trading on the London Stock Exchange's main market for listed securities; and (ii) trading on the Warsaw Stock Exchange's ("WSE") main market.

Application will be made to the UK Listing Authority for the Bondholders' Shares, the Escrow Shares and any Additional Placing Shares to be admitted to the premium segment of the Official List and to the London Stock Exchange for the Bondholders' Shares, the Escrow Shares and any Additional Placing Shares to be admitted to trading on the London Stock Exchange's main market for listed securities. It is expected that (i) admission to listing of any Additional Placing Shares and the Escrow Shares on the premium segment of the Official List will become effective, and dealings in any Additional Placing Shares and the Escrow Shares on the London Stock Exchange's main market for listed securities will commence, at 8:00 a.m. (London time) on 23 December 2014; and (ii) admission to listing of any Bondholders' Shares on the premium segment of the Official List will become effective, and dealings in Bondholders' Shares on the London Stock Exchange's main market for listed securities will commence, at 8:00 a.m. (London time) on 23 December 2014. In addition, an application will be made to the WSE for the Bondholders' Shares, Additional Placing Shares and the Escrow Shares to be admitted to trading on its main market for listed securities. It is expected that trading in the Escrow Shares and any Additional Placing Shares on the WSE's main market for listed securities will commence, at 8:00 a.m. (London time) on or around 23 December 2014 and that trading in the Bondholders' Shares on the WSE's main market for listed securities will commence, at 8:00 a.m. (London time) on or around 23 December 2014.

Application will also be made to the (i) UK Listing Authority for the New Ordinary Shares to be admitted to the premium segment of the Official List; (ii) London Stock Exchange for the New Ordinary Shares to be admitted to trading on the London Stock Exchange's main market for listed securities; and (iii) WSE for the New Ordinary Shares to be admitted to trading on the WSE's main market for listed securities. It is expected that admission to listing of the New Ordinary Shares on the premium segment of the Official List will become effective and that dealings in the New Ordinary Shares, fully paid, on the London Stock Exchange's main market for listed securities will commence at 8:00 a.m. (London time) on 23 December 2014. It is expected that trading in the New Ordinary Shares, fully paid, on the WSE's main market for listed securities will commence at 8:00 a.m. on or around 23 December 2014.

The Sponsor is authorised by the FCA. The Sponsor is acting for the Company and no one else in connection with the Placing, the Additional Placing and the Rights Offering, and will not regard any other person (whether or not a recipient of this document) as a client in relation to the Placing, the Additional Placing and/or the Rights Offering, and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Placing, the Additional Placing and the Rights Offering or any matters referred to in this document.

Apart from the responsibilities and liabilities, if any, which may be imposed on the Sponsor by FSMA or the regulatory regime established thereunder or otherwise under law, the Sponsor does not accept any responsibility whatsoever for the contents of this document, and no representation or warranty, express or implied, is made by the Sponsor in relation to the contents of this document, including its accuracy, completeness or verification or regarding the legality of any investment in the Bondholders' Shares, the Additional Placing Shares, the Rights or the New Ordinary Shares by any person under the laws applicable to such person or for any other statement made or purported to be made

by it, or on its behalf, in connection with the Company, the Bondholders' Shares, the Escrow Shares, the Additional Placing Shares, the Rights, the New Ordinary Shares, the Placing, the Additional Placing Shares or the Rights Offering, and nothing in this document is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or the future. To the fullest extent permissible the Sponsor accordingly disclaims all and any responsibility or liability whether arising in tort, contract or otherwise (save as referred to above) which they might otherwise have in respect of this document or any such statement.

Capitalised terms have the meaning ascribed to them in Part VI (*Definitions*) of this document.

Dated 17 October 2014

## **FORWARD-LOOKING STATEMENTS**

This document contains statements that are, or may be, forward-looking statements. All statements other than statements of historical facts included in this document may be forward-looking statements. Without limitation, any statements preceded or followed by or that include words such as "target", "plan", "believe", "expect", "aim", "intend", "will", "should", "could", "would", "may", "consider", "anticipate", "estimate", "synergy", "cost saving", "project", "goal" or "strategy" or words or terms of similar substance or the negative of such words are forward-looking statements. Forward-looking statements include statements relating to the following: future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, losses, profits and future prospects of the Company.

These forward-looking statements are not guarantees of future financial performance. Such forward-looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this document. The Company assumes no obligation to update or correct the information contained in this document, whether as a result of new information, future events or otherwise, except to the extent legally required. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof.

All subsequent oral or written forward-looking statements attributable to the Company or any of its members, directors, officers or employees or any persons acting on their behalf, are expressly qualified in their entirety by the cautionary statement above. The Company and its Directors disclaim any obligation to update any forward looking or other statements contained herein, except as required by applicable law. All forward-looking statements included in this document are based on information available to the Company on the date of this document and are made only as of the date of this document.

## CONTENTS

EXPECTED TIMETABLE OF PRINCIPAL EVENTS .....	6
KEY INFORMATION FOR SHAREHOLDERS .....	8
PART I LETTER FROM THE CHAIRMAN OF PLAZA CENTERS N.V. ....	10
PART II RISK FACTORS.....	30
PART III INFORMATION INCORPORATED BY REFERENCE.....	34
PART IV ADDITIONAL INFORMATION.....	35
PART V TERMS AND CONDITIONS OF THE RIGHTS OFFERING AND PLACING .....	47
PART VI DEFINITIONS .....	63
NOTICE OF EXTRAORDINARY GENERAL MEETING .....	69

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Each of the times and dates in the table below is indicative only and may be subject to change. Please read the notes to this timetable set out below:

Restructuring Plan confirmed by the Amsterdam District Court, Amsterdam	9 July 2014
Latest time and date for receipt of Forms of Proxy	09:30 a.m. on 26 November 2014
Latest time and date for receipt of Forms of Direction	09:30 a.m. on 25 November 2014
Record Date for entitlement under the Rights Offering for Qualifying Shareholders	25 November 2014
<b>Extraordinary General Meeting</b>	<b>09:30 a.m. on 28 November 2014</b>
Allotment of Rights Entitlement	as soon as practicable after close of extraordinary general meeting
<b>Admission and dealings in Rights commence on the London Stock Exchange and Warsaw Stock Exchange</b>	<b>8:00 a.m. on 1 December 2014</b>
Rights enabled by CREST	as soon as practicable after 8:00 a.m. on 1 December 2014
Rights credited to stock accounts in CREST (of Qualifying CREST Shareholders)	as soon as practicable after 8:00 a.m. on 1 December 2014
<b>Latest time and date for acceptance and payment in full of Rights by Qualifying Shareholders taking up Rights in Poland</b>	<b>The latest time and date for acceptance and payment in full of Rights by Qualifying Shareholders taking up Rights in Poland will be earlier than for Qualifying Shareholders taking up the Rights outside of Poland due to involvement of several intermediaries between such investors in Poland and CREST. Investors taking up Rights in Poland should consult their brokers to find out the exact latest time and date for acceptance and payment in full of Rights</b>
<b>Latest time and date for acceptance and payment in full of Rights by Qualifying Shareholders taking up Rights other than in Poland or in Excluded Territories</b>	<b>11:00 a.m. on 18 December 2014</b>
Rights disabled in CREST	11:00 a.m. on 18 December 2014
Announcement of results of the Rights Offering	by 8:00 a.m. on 19 December 2014
Allotment of Additional Placing Shares (if any), Escrow Shares and New Ordinary Shares	8:00 a.m. on 22 December 2014
<b>Admission and dealings in Additional Placing Shares (if any), New Ordinary Shares and Escrow Shares commence on the London Stock Exchange and the Warsaw Stock Exchange</b>	<b>by 8:00 a.m. on 23 December 2014</b>
Additional Placing Shares (if any), New Ordinary Shares and Escrow Shares credited to CREST stock accounts	as soon as practicable after 8:00 a.m. on 23 December 2014
Allotment of Bondholders' Shares	8:00 a.m. on 23 December 2014

**Admission and dealings in Bondholders' Shares commence on the London Stock Exchange and the Warsaw Stock Exchange by 8:00 a.m. on 23 December 2014**

Bondholders' Shares credited to CREST stock accounts

as soon as possible after 8:00 a.m. on  
23 December 2014

**Notes:**

1. The ability to participate in the Rights Offering is subject to certain restrictions relating to Shareholders with registered addresses outside the United Kingdom, Poland and The Netherlands, details of which are set out in Part V of this document.
2. These times and dates and those mentioned throughout this document may be adjusted by the Company in consultation with the Sponsor in which event details of the new times and dates will be notified to the UK Listing Authority, the London Exchange, the Warsaw Stock Exchange, and, where appropriate, Qualifying Shareholders and those entitled to Bondholders' Shares.
3. References to times in this timetable are to London time.

## KEY INFORMATION FOR SHAREHOLDERS

The following information is derived from, should be read as introduction to, and in conjunction with the whole of this document including the documents incorporated by reference and in particular the sections headed "Letter from the Chairman of Plaza Centers N.V." in Part I and the Risk Factors in Part II. Shareholders should read the whole of this document and not just rely on this section, "Key Information for Shareholders".

### Introduction and Restructuring Plan

Shareholders should be aware that the Company has been under financial stress for some considerable time. In November 2013, the Board agreed to approach the Company's Bondholders and creditors with a restructuring plan so that a formalised restructuring process could be implemented. The Restructuring Plan was approved by creditors on 26 June 2014, conditional upon the following final parts of the Restructuring Plan (set out below) being implemented by the Company by 30 November 2014, namely that Plaza receives an equity injection of at least EUR 20 million by way of a rights offering. The Restructuring Plan also requires the Bondholders to be issued with new Ordinary Shares in the Company (the "**Bondholders Placing**"), representing 13.2106% of the enlarged share capital of the Company post a rights offering (the "**Bondholder Shares**"), at no cost to the Bondholders; and that the Company list the Bondholder Shares on the Tel Aviv Stock Exchange.

The purpose of this document is to explain the background to what is described above and to give notice of the extraordinary General Meeting required to implement, inter alia, the Rights Offering and the issue of the Bondholder Shares described above.

**SHAREHOLDERS SHOULD BE AWARE THAT, WITHOUT THE FULL IMPLEMENTATION OF THE RESTRUCTURING PLAN THE COMPANY DOES NOT BELIEVE THERE ARE ANY CREDIBLE FINANCING ALTERNATIVES AVAILABLE TO IT. IF THE RESTRUCTURING PLAN FAILS THE COMPANY BELIEVES THAT IT WILL BE PLACED INTO LIQUIDATION BY ITS CREDITORS.**

### EUR 20 million equity injection

Plaza's majority shareholder Elbit Imaging Limited ("**EI**"), through its wholly owned subsidiary EUL, has, subject to the Company launching the Rights Offering on or prior to 30 November 2014, committed to contribute up to EUR 20 million to the Company in the form of new equity to satisfy this requirement of the Restructuring Plan. Some elements of this commitment are classed as related party transactions under the UK Listing Rules and will require independent shareholder approval at the forthcoming extraordinary General Meeting. Specifically, EUL has undertaken to take up its 62.25% entitlement under the Rights Offering (less the amount required for it to fund the payment of the nominal value of the Bondholders' Shares and the Escrow Shares) and to underwrite the balance of the Rights Offering up to EUR 18.94 million. As part of the negotiation with EI, the Company agreed that EUL would have the right to demand that the Company issues to it additional ordinary shares if the value of the shares not taken up under the Rights Offering is less than EUR 3 million. This underwriting arrangement (encapsulated in the Controlling Shareholder Undertaking) and the right of EUL to demand that the Company issue additional shares to EUL requires independent shareholder approval at the extraordinary General Meeting.

### Bondholder Placing

New Ordinary Shares cannot (legally) be issued to the Bondholders at no cost. The nominal value (EUR 0.01) must be paid to the Company for the shares to be issued under Netherland's company law. As the Restructuring Plan requires the Bondholders' Shares to be issued at no cost to the Bondholders, the Company had to devise a mechanism for it to receive the nominal value for the Bondholders' Shares. This is proposed to be achieved by the Company issuing a given number of new Ordinary Shares to the Bondholder trustee at nominal value (the "**Escrow Shares**"); EUL will then purchase the Escrow Shares from the Bondholder trustee at the Rights Offering Price; this will provide sufficient funds to the Bondholder trustee to enable them to pay the nominal value of the Bondholder and the Escrow Shares to the Company. The nominal value of the Bondholders' Shares and Escrow Shares amounts to EUR 1.06 million, which matches the shortfall in the Rights Offering underwriting of EUR 117,534 million described above and makes up the balance of EUL's EUR 20 million



financial commitment to this process. The placing of the Bondholders' Shares requires independent shareholder approval as one of the Bondholders is a related party of the Company.

### **Listing the Bondholder Shares on the Tel Aviv Stock Exchange**

This is the final part of the Restructuring Plan. Shareholders, at the 2014 Annual General Meeting of the Company, approved a listing of the Company's shares on the Tel Aviv Stock Exchange. We anticipate that the listing of the existing share capital will take place in early November, with the Rights Offering Shares and the Bondholder Shares being admitted to trading on the Tel Aviv Stock Exchange shortly after the close of the Rights Offering.

### **Action to be taken**

The Company is convening an extraordinary General Meeting to implement, inter alia, the final parts of the Restructuring Plan described above, and set out in more detail in the rest of this document. Some of the resolutions can only be voted upon by shareholders independent of EI and DK as they are related parties (and are prohibited from voting on these resolutions), but the Restructuring and Related Party Resolutions are inter-conditional on each other. Therefore, **ALL** of the Restructuring Resolutions and **ALL** of the Related Party Resolutions (Resolutions 1- 5 in the notice of extraordinary General Meeting) therefore need to be passed – **if one resolution is not passed by shareholders then the Restructuring Plan fails and the Company believes that it will be placed into liquidation by its creditors**. Shareholders are therefore urged to read the sections in Part I headed “Importance of the Vote” and “Recommendation”.

**PART I**  
**LETTER FROM THE CHAIRMAN OF PLAZA CENTERS N.V.**  
(incorporated and registered in The Netherlands  
with company registration number 33248324)

*Directors*

Mr. Ron Hadassi (*executive director*)  
Mr. Marco Habib Wichers (*non-executive director*)  
Mr. David Dekel (*non-executive director*)  
Mr. Sarig Shalhav (*non-executive director*)  
Mr. Shlomi Kelsi (*non-executive director*)  
Mr. Yoav Kfir (*non-executive director*)  
Mr. Nadav Livni (*non-executive director*)

*Registered Office*

Prins Hendrikkade  
48-s 1012 AC  
Amsterdam  
The Netherlands

To: All Shareholders

17 October 2014

Dear Shareholder

**Proposed 19 for 20 Rights Offering of up to 282,326,831 New Ordinary Shares at EUR 0.0675 per New Ordinary Share**

**Proposed Placing of up to 90,336,596 Bondholders' Shares at EUR 0.01 per Bondholders' Share**  
**Proposed Placing of up to 44,444,445 Additional Placing Shares at EUR 0.0675 per Additional Placing Share**

**and**

**Notice of extraordinary General Meeting**

**1. General**

On 14 November 2013, the Company announced that it had made the decision to withhold material payments to Bondholders, specifically a circa EUR 15 million payment due to Polish bondholders on 18 November 2013 and a circa EUR 17 million payment due to Israeli bondholders on 31 December 2013. Despite on-going efforts to complete a number of asset sales and secure some alternative financing transactions, the Company had been unable to conclude these transactions within a timeframe that would have enabled it to meet those payment obligations.

Therefore, to ensure the long-term viability of the business, the Board agreed to approach the Company's creditors with a restructuring plan so that a formalised restructuring process could be implemented. Subsequently, on 18 November 2013, the Company applied for a provisional suspension of payments (*voorlopige surseance van betaling*) under Dutch law that was granted by the Amsterdam District Court. The Board has, following engagement with its creditors, adopted a Restructuring Plan (that was approved by its creditors) aimed at strengthening its capital base and financial position and resolving its ability to meet its payment obligations to the Bondholders. This will be achieved primarily through the following (which form part of the Restructuring Plan):

- a deferral of principal payment obligations to creditors of the Company for a period of three and a half years with an additional one year deferral if certain conditions are met;
- deferral of obligations under guarantees issued as security for liabilities of subsidiaries for a period of four years;
- 1.5% per annum interest to be paid to Bondholders in addition to regular interest;
- early repayment of the Company's outstanding bonds in certain events upon the realisation or refinancing of certain assets with 75% of the net cash flows (subject to certain adjustments);

- a capital injection of at least EUR 20 million by way of a rights offering;
- an issue to Bondholders of Ordinary Shares representing 13.2106% of the outstanding share capital of the Company following the rights offering; and
- agreeing to a "negative pledge", "no new financial indebtedness" and "coverage ratio" covenants (subject to certain exceptions) and certain limitations or distributions (including dividends).

A summary of the main terms of the Restructuring Plan is set out in paragraph 3.2 (*The Restructuring Plan*).

The Company also agreed, as part of the Restructuring Plan, to list the Bondholders' Shares on the Tel Aviv Stock Exchange. Accordingly, the Company, to comply with this requirement, will seek to list its Ordinary Shares, including the Bondholders' Shares and any Additional Placing Shares when these have been issued, on the Tel Aviv Stock Exchange. The Board believes that the Restructuring Plan will enable the Group to retain substantial value for its stakeholders and to repay all its creditors in full.

As noted above, conditions of the Restructuring Plan, which was approved by the Company's creditors on 26 June 2014, included a requirement that an amount of at least EUR 20 million be injected into the Company against the issuance of New Ordinary Shares and that Bondholders receive Ordinary Shares representing 13.2106% of the outstanding share capital of the Company following any capital injection. Bondholders' Shares will be issued to Bondholders at par value. Accordingly, pursuant to the terms of the Restructuring Plan, (i) the trustee of the Bondholders will subscribe for a given number of Ordinary Shares at par value (the "**Escrow Shares**"); (ii) EI will acquire the Escrow Shares from the trustee at the Rights Offering Price; and (iii) the trustee will use the proceeds of the Escrow Shares received from EI to pay for the Bondholders' Shares and the Escrow Shares issued to them.

The Rights Offering has been initiated to meet the requirement under the Restructuring Plan to inject at least EUR 20 million into the Company. The Company believes that the proceeds received by it for the issue of the Escrow Shares and the Bondholders Shares will, for the purposes of the Restructuring Plan, be deemed to form part of the proceeds of the Rights Offering. The Company further believes that (i) as all conditions precedent to the Controlling Shareholder Agreement will be met prior to 30 November 2014 EUL will, pursuant to the Controlling Shareholder Undertaking, make available to the Company EUR 20 million prior to 30 November 2014; and (ii) Admission will occur prior to 31 December 2014 (after which date the monies paid by EUL or its nominees will need to be repaid). Accordingly the Company believes that it will have satisfied the requirement of the Restructuring Plan for a capital injection to have occurred by 30 November 2014.

The net proceeds of the Rights Offering (expected to amount to approximately EUR 18.06 million), the Placing (expected to amount to approximately EUR 1.06 million) and of any Additional Placing (which would amount to approximately EUR 3 million if all the Additional Placing Shares are issued), will be used by the Company for payment of the expenses related to the Rights Offering and Placing (amounting to approximately EUR 1 million), payment of unpaid accrued interest under the Bonds (amounting to approximately EUR 14.5 million) and for general corporate purposes.

The Company does not believe that 100 per cent. of the Shareholders will take up their Rights. If all Shareholders did so the Company would satisfy the requirement to raise at least EUR 20 million by Rights Offering as per the Restructuring Plan. Accordingly, the Company believes it highly likely that it will need to rely on the undertakings given by EUL in the Controlling Shareholder Undertaking (whereby EUL undertook, subject to the Company launching the Rights Offering on or prior to 30 November 2014, 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).

If the Restructuring Resolutions and the Related Party Resolutions are approved, the Company will be able to raise EUR 20 million by way of the Rights Offering and the Placing, which the Company believes, will satisfy the requirement for the Company to raise at least EUR 20 million under the Restructuring Plan.

## 2. Introduction

The Board announced that the Company proposes to raise at least EUR 20 million in aggregate (EUR 19.1 million net of expenses) by way of a 19 for 20 Rights Offering of New Ordinary Shares at a price of EUR 0.0675 per New Ordinary Share and a Placing at EUR 0.01 per Bondholders' Share and Escrow Share. The Company also announced that it may issue up to 44,444,445 Additional Placing Shares at a price of EUR 0.0675 per Additional Placing Share. Shareholders should note that the Rights Offering is not being fully underwritten – further details are set out in paragraphs 5.5 and 6 below. The Placing and the Rights Offering form part of the Company's Restructuring Plan.

The purpose of this document is to:

- explain the background to, and reasons for, the Rights Offering, the Placing and the Additional Placing; and
- give notice of the extraordinary General Meeting to be held to consider and, if thought fit, to pass the Restructuring Resolutions and the Related Party Resolutions required to enable and authorise the Board to implement the Rights Offering, the Placing and the Additional Placing.

This document also explains why (i) the Directors (other than for Messrs. Hadassi, Kfir, Livni and Kelsi who are also directors of EI and who have therefore not taken part in the Board's consideration of these matters) consider the Related Party Resolutions to be proposed to the extraordinary General Meeting are in the best interests of the Company and Shareholders as a whole and recommend that Independent Shareholders vote in favour of all the Related Party Resolutions to be proposed at the extraordinary General Meeting; and the Directors consider the Restructuring Resolutions and the General Resolutions to be proposed to the extraordinary General Meeting are in the best interests of the Company and Shareholders as a whole and recommend that all Shareholders vote in favour of the Restructuring Resolutions and the General Resolutions to be proposed at the extraordinary General Meeting.

### *Prospectus*

In connection with the Placing and the Rights Offering, the Company has prepared the Prospectus. The Prospectus has been approved by the AFM and been passported into the United Kingdom and Poland. The Prospectus, is available (other than to Excluded Shareholders) on the Company's website <http://www.plazacenters.com> and at the Company's registered office. You should not subscribe for any New Ordinary Shares referred to in this document except on the basis of information contained or incorporated by reference into the Prospectus. Shareholders in the United States and the other Excluded Territories will not be permitted access to the Prospectus.

### *Action*

The Restructuring Plan, having been approved by the Amsterdam District Court on 9 July 2014, will become effective following the raising of at least EUR 20 million of new equity capital by way of rights offering, issuance of the Bondholders' Shares issuance of the Escrow Shares and listing of the Bondholders' Shares on the Tel Aviv Stock Exchange. Accordingly, the approval of: (i) the Shareholders of the Restructuring Resolutions (giving the Board authority to issue New Ordinary Shares and Escrow Shares and disapplying pre-emption rights in relation to the issue of such shares); and (ii) the Independent Shareholders of the Related Party Resolutions (giving the Board authority to issue the Bondholders' Shares and any Additional Placing Shares, disapplying pre-emption rights in relation to the issue of such shares and approving EUL's obligation to partially underwrite the Rights Offering under the Controlling Shareholder Undertaking) is being sought an extraordinary General Meeting of the Company.

The extraordinary General Meeting is to be held at The Park Plaza Victoria Hotel, Amsterdam, Damrak 1-5, 1012 LG Amsterdam, The Netherlands on 28 November 2014 at 10:30 a.m. (CET) / 09:30 a.m. (London time). A notice of the extraordinary General Meeting and of the Resolutions to be considered at the extraordinary General Meeting is set out at the end of this document. A summary of the action you should take is set out in paragraph 12 of this letter and on the Forms of Proxy, Direction or Instruction that accompany this document.

**The Placing and the Rights Offering comprise the final parts of the Company's Restructuring Plan.**

**Shareholders will note that (i) the passing of each of the Restructuring Resolutions is conditional upon the passing of both Restructuring Resolutions - if one of the Restructuring Resolutions is**

not passed the Restructuring Resolutions will not become effective; (ii) each of the Related Party Resolutions is conditional upon the passing of all other Related Party Resolutions - if any of the Related Party Resolutions is not passed none of the Related Party Resolutions will become effective; and (iii) the Restructuring Resolutions are conditional upon passing of all of the Related Party Resolutions.

There is no guarantee that all Shareholders will take up their Rights to facilitate the Company raising the amount required pursuant to the Restructuring Plan (at least EUR 20 million). Accordingly the Company believes that it is highly likely that the underwriting obligations proposed in the Controlling Shareholder Undertaking will need to be used to ensure that the required monies are raised in the Rights Offering and Placing. However, as the undertaking to underwrite by EUL in the Controlled Shareholder Undertaking is with a related party of the Company (EUL), EUL's undertaking to take up additional New Ordinary Shares and the Company's obligation to issue the Additional Shares can only be utilized if the Related Party Resolutions are passed. Accordingly, to ensure that the Restructuring Plan becomes effective all the Restructuring Resolutions and all the Related Party Resolutions need to be passed.

The Board considers that the Rights Offering and the Placing 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, Kfir, Livni 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 (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 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.

Please refer to paragraph 14 for a summary of the consequences that may arise if the Restructuring Resolutions and the Related Party Resolutions are not passed.

### **3. Background to and reasons for the Rights Offering and the Placing**

#### **3.1 *Background***

The Company has been faced with challenging market conditions for some years. Adverse market conditions have primarily been caused by the underlying economic situation in many of the countries in which the Company operates. This, combined with the lack of transactional liquidity in the investment markets for assets such as those owned by the Company and the on-going lack of traditional bank financing available to real estate developers and investors, has had an adverse impact on the Company's performance.

Although the Board and senior management team have made considerable progress in re-positioning the Company's business model to ensure that it is focused on de-leveraging its balance sheet and the recycling of capital, primarily through the disposal of its non-core assets, the Company has not been able to complete these transactions within a timeframe that would enable it to meet its short term obligations towards the holders of Series A Notes, the holders of Series B Notes, the holders of the Polish Bonds and other unsecured creditors. As a result, by the end of 2013, the Company was faced with significant liquidity challenges.

Notwithstanding the liquidity issues, the Company continues to have a strong balance sheet, with a significant positive current net asset value, and owns assets and development opportunities that offer significant potential to deliver returns over the medium to long term. Accordingly, the Board believes that, on a going concern basis, the Company will retain substantial value for its stakeholders and will be

able to repay its creditors in full, while the Board is certain that a forced liquidation or a bankruptcy, would cause creditors and shareholders to incur significant losses.

On 18 November 2013, the Company applied for suspension of payment proceedings (*surseance van betaling*) under Dutch law and simultaneously filed a draft restructuring plan (*ontwerpakkoord*) (the "**Restructuring Plan**") with the district court of Amsterdam, The Netherlands (*Rechtbank Amsterdam*) (the "**Court**"). The Court had jurisdiction to open the suspension of payment proceedings since the center of main interests of the Company was situated in The Netherlands. The suspension of payment proceedings are governed by the Dutch Bankruptcy Code (*Faillissementswet*).

On 18 November 2013, the Court granted the Company a provisional suspension of payment, appointing Mr. J.L.M. Groenewegen as administrator (*bewindvoerder*) and Mrs. L. van Berkum as supervisory judge (*rechter-commissaris*). The Court determined that no hearing should take place to decide whether to grant a definitive suspension of payments and instead ordered that a creditor's meeting take place to vote on the Restructuring Plan. The Restructuring Plan was adopted by the Plan Creditors on 26 June 2014. On 9 July 2014, the Court confirmed the Restructuring Plan which became final and definitive (*in kracht van gewijsde*) on 18 July 2014.

As noted above, one of the conditions of the Restructuring Plan being approved by the Plan Creditors was that an amount of at least EUR 20 million be injected into the Company against the issuance of New Ordinary Shares. The Rights Offering has been initiated to meet this requirement. In addition, the Restructuring Plan also requires that the Company issues the Bondholders' Shares and the Escrow Shares.

### 3.2 **The Restructuring Plan**

A summary of the main terms of the Restructuring Plan are set out below:

- The Company is obliged to procure that an equity injection of at least EUR 20 million occurs before 30 November 2014 by means of a rights offering;
- a deferral of principal payment obligations to Bondholders for a period of between one and four and a half years;
- deferral of obligations under guarantees issued as security for liabilities of subsidiaries for a period of four years and the claims will only be enforceable after the collateral granted as security for the underlying loan has been realized. The amount of the guarantee claim will be reduced to the extent that the collateral is sold at a price below 90% of the fair market value as determined by a reputable appraiser;
- 1.5% per annum interest to be paid to Bondholders in addition to regular interest;
- listing of the Bondholders' Shares on the Tel Aviv Stock Exchange;
- early repayment of the Company's outstanding bonds in certain events upon the realisation or refinancing of certain assets with 75% of the net cash flows (subject to certain adjustments);
- an issue to Bondholders of Ordinary Shares representing 13.2106% of the outstanding share capital of the Company following any capital injection at no cost to the Bondholders;
- agreeing to a "negative pledge", "no new financial indebtedness" and "coverage ratio" covenants (subject to certain exceptions) in favour of all creditors bound by the Restructuring Plan and certain limitations on distributions (including dividends) to Shareholders. In addition, the Restructuring Plan includes certain financial covenants with respect to the realization of certain real estate assets of the Group and with respect to the purchase and development of real estate assets. The subsidiaries of Plaza Centers have issued an undertaking to be bound by certain of these covenants and restrictions;
- a mutual "waiver from claims" provision, in favour of the Company, the direct and indirect shareholders of the Group, and their respective directors and officers, the Bondholders, the trustees under the Trust Deeds, and other affiliated parties; and
- a prohibition on the issue of any new bonds by the Company until the claims the subject of the restructuring Plan have been satisfied.

### 3.3 ***Suspension of payments under Dutch law and Restructuring***

Details of the suspension of payments under Dutch law and the Restructuring are set out in paragraph 3 of Part IX (*Additional Information*) of the Prospectus which are incorporated by reference herein.

### 3.4 ***Use of proceeds***

The Company intends to use the net proceeds from the Rights Offering, the Placing and any Additional Placing for payment of the expenses related to the Rights Offering, Placing and the Additional Placing (amounting to approximately EUR 1 million), payment of unpaid accrued interest under the Bonds (amounting to approximately EUR 14.5 million) and for general corporate purposes.

## 4. **Amendment of the Articles**

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 ensure that the company complies with its 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 defined in the Listing Rules) to be conducted in accordance with the Listing Rule requirements. The Board considers the amendments to the Articles to be in the best interests of Shareholders and recommends that Shareholders vote in favour of the Resolution amending the Articles to be proposed at the extraordinary General Meeting.

## 5. **Structure of the Rights Offering and the Placing**

### 5.1 ***Introduction***

The Company expects to raise at least EUR 20 million in proceeds from the Rights Offering and the Placing. The Board has considered this to be the best way to structure the proposed equity capital raising in light of the Restructuring Plan. EUL, a wholly owned subsidiary of EI, the Company's majority shareholder has agreed, to the extent that the other Shareholders do not exercise their Rights such that there is a shortfall in the gross proceeds raised by the Rights Offering, to partially underwrite the Rights Offering as further discussed in paragraph 6 (*Irrevocable Undertaking and partial underwriting*) below. EI, the Company's majority shareholder, and which owns 100% of EUL, has agreed to guarantee the aforementioned obligations of EUL. Further details of the arrangements whereby EUL has agreed to take-up Ordinary Shares in the Rights Offering are given in paragraph 6 (*Irrevocable Undertakings and partial underwriting*) of this document and in section 6 of Part IV (*Related Party Agreements*).

### 5.2 ***Pricing***

The Rights Offering Price represents a 16.6 per cent. discount to the closing middle market quotation of an Existing Ordinary Share as published in the daily official list of the LSE of 6.5 pence (equivalent to EUR 0.080925) on 15 October 2014. The Bondholders' Shares will be issued against payment of nominal value (EUR 0.01).

### 5.3 ***Dilution***

The Rights Offering, on the assumption that all Shareholders exercise all their Rights, will result in up to 282,326,831 New Ordinary Shares being issued and the number of Ordinary Shares being increased from a total of 297,186,138 Ordinary Shares to a total of 579,512,969 Ordinary Shares (disregarding the issue of the Bondholders' Shares, the Escrow Shares and any Additional Placing Shares), representing an increase of 95 per cent..

The Placing (which will occur immediately following the Rights Offering) will, (i) result in up to 90,336,596 Bondholders' Shares being issued, 15,710,712 Escrow Shares being issued and the number of Ordinary Shares being increased from a total of 297,186,138 Ordinary Shares (as at the Record Date) to a total of 685,560,277 Ordinary Shares, representing an increase of 95 per cent.; and (ii) reduce the proportional ownership and voting interest in the Ordinary Shares of the Shareholders (as at the Record Date) by between 40.71 per cent. and 43.35 per cent. (depending upon the issuance of any Additional Placing Shares).

If Shareholders do not take up their entitlements to New Ordinary Shares under the Rights Offering by the latest date for application and payment in full in respect of their entitlements to New Ordinary

Shares that are set out in this document, their proportionate ownership and voting interest in the Company will be reduced, and the percentage that their existing Ordinary Shares represent of the ordinary share capital of the Company will be reduced accordingly. Subject to certain exceptions, holders of Existing Ordinary Shareholders in the United States or any other Excluded Shareholders will in any event, not be able to participate in the Rights Offering.

The Company's issued capital will be enlarged following the Rights Offering and consequently, Shareholders who have not exercised their Rights will suffer a dilution. Furthermore, immediately following the closing of the Rights Offering, as provided for in the Restructuring Plan, the Company will issue the Escrow Shares and 13.2106% of the then enlarged outstanding capital in Ordinary Shares to holders of Notes and Polish Bonds (the "**Bondholder Shares**"). Consequently, after the Rights Offering has closed, the Shareholders will suffer an immediate dilution of approximately 14 per cent. of their shareholding by means of the issue of the Bondholders' Shares and Escrow Shares.

In principle, pursuant to each of the Share Option Schemes, the Rights Offering shall also extend to persons holding options at the Record Date. Insofar on the Record Date, these options are out of the money (and thus no Ordinary Shares could be obtained with their exercise), any grant of Rights will not be effected.

#### 5.4 ***The placing of the Bondholders' Shares***

A central component of the Restructuring Plan requires that the Company allocate to the Bondholders (excluding a Subsidiary which holds Series B Notes) 13.2106% of the Ordinary Shares following the Rights Offering – the Bondholder Shares. The Bondholders' Shares will be issued at par value (EUR 0.01). The Company proposes to raise proceeds of approximately EUR 0.9 million through the placing as the Bondholders' Shares will be issued at par value. The allocation of Bondholders' Shares shall be made on the following distribution basis:

- 2.8660% will be allocated to the holders of Series A Notes;
- 9.2197% will be allocated to the holders of Series B Notes; and
- 1.1249% will be allocated to the holders of Polish Bonds.

In addition to the above, the Company will issue the Escrow Shares to the Bondholders' trustee. The Escrow Shares will be purchased by EUL from the Bondholders, at the Rights Offering Price, and the Bondholders' trustee will use the proceeds to pay-up (*volstorten*) the nominal value of the Bondholders' Shares and the Escrow Shares issued to them by the Company.

An application will be made to the UK Listing Authority for the Bondholders' Shares and the Escrow Shares to be admitted to listing on the premium segment of the Official List and to the London Stock Exchange for the Bondholders' Shares and the Escrow Shares to be admitted to trading on its main market for listed securities.

Fully paid Bondholders' Shares will be credited to the securities accounts of the persons who are Bondholders as of 2 December 2014. No action is required from the Bondholders to acquire the Bondholders' Shares.

It is expected that Admission of the Escrow Shares and the Bondholders' Shares will become effective on the London Stock Exchange at 8:00 a.m. (London time) on 23 December 2014. An application will also be made to the Warsaw Stock Exchange for the Escrow Shares and the Bondholders' Shares to be admitted to listing and to trading on its main market for listed securities. It is expected that trading in the Escrow Shares and the Bondholders' Shares on the Warsaw Stock Exchange will commence at 8:00 a.m. (CET) on or around 23 December 2014. The Bondholders' Shares and the Escrow Shares will also in due course be listed on the Tel Aviv Stock Exchange.

#### 5.5 ***The Rights Offering***

The Company proposes to raise proceeds of approximately EUR 19.1 million through the Rights Offering at a Rights Offering Price of EUR 0.0675 per New Ordinary Share. Subject to the fulfillment of the conditions set out below, the New Ordinary Shares will be offered by way of rights to Qualifying Shareholders on the following basis: 19 New Ordinary Shares with a nominal value of EUR 0.01 each



for every 20 Ordinary Shares held by Qualifying Shareholders on the Record Date and so in proportion to any other number of Ordinary Shares each Qualifying Shareholder then holds.

Entitlements to New Ordinary Shares under the Rights Offering will be rounded down to the nearest whole number and fractions of New Ordinary Shares will not be allotted to Qualifying Shareholders (and the Depositary will not make available fractions of New Depositary Interests to Qualifying Depositary Interest Holders). Such fractions will be aggregated and, if possible, placed in the market. The net proceeds of such placing will be donated to charity.

The Rights Offering is being partially underwritten by the Company's indirect parent, EI, via EUL on the terms and conditions of the Controlling Shareholder Undertaking, details of which are set out in paragraph 6 below (*Irrevocable Undertakings and partial underwriting*).

The Depositary holds Existing Ordinary Shares and accordingly will be allotted Rights on behalf of Qualifying Depositary Interest Holders. The Depositary will pass on the Rights allotted to it to Qualifying Depositary Interest Holders in accordance with the terms of the Deed Poll as described below. The Depositary will pass on the Rights allotted to it to Qualifying Depositary Interest Holders (other than Excluded Shareholders) on the following basis and otherwise on the terms and conditions set out in this document and in accordance with the Deed Poll: 19 New Depositary Interests at EUR 0.0675 each for every 20 Existing Depositary Interests held by Qualifying Depositary Interest Holders on the Record Date and so in proportion to any other number of Existing Depositary Interests each Qualifying Depositary Interest Holder then holds. The attention of Overseas Shareholders and any person (including, without limitation, custodians, nominees and trustees) who has a contractual or other legal obligation to forward this document into a jurisdiction other than The Netherlands, the United Kingdom or Poland, is drawn to section 6 of Part V (*Details of the Rights Offering and the Placing*) of this document. In particular, subject to certain exceptions, Qualifying Shareholders with registered addresses in the United States or in any of the other Excluded Territories will not have their CREST stock accounts credited with Rights.

The New Ordinary Shares will, when issued and fully paid-up, rank pari passu in all respects with the Existing Ordinary Shares, including the right to any future dividends or other distributions made, paid or declared after the date of their issue.

Application will be made to the UK Listing Authority for the Rights and the New Ordinary Shares to be admitted to listing on the premium segment of the Official List and to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on its main market for listed securities. It is expected that dealings in the Rights will commence on the London Stock Exchange at 8:00 a.m. (London time) on 1 December 2014 and that Admission will become effective on the London Stock Exchange at 8:00 a.m. (London time) on 23 December 2014.

Application will also be made to the Warsaw Stock Exchange for the Rights and the New Ordinary Shares to be admitted to listing and to trading on its main market for listed securities. It is expected that dealings in the Rights will commence on the Warsaw Stock Exchange at 8:00 a.m. (CET) on or around 1 December 2014 and that Admission will become effective on the Warsaw Stock Exchange at 8:00 a.m. (CET) on or around 23 December 2014.

Full details of the terms and conditions of the Rights Offering, including the procedure for acceptance and payment and the procedure in respect of Rights not taken up, are set out in Part V (*Terms and Conditions of the Rights Offering and the Placing*) of this document.

Shareholders should note that this document is not a prospectus but a shareholder circular and is being sent to you solely for your information in connection with the Resolutions to be proposed at the extraordinary General Meeting of Shareholders. It does not constitute or form part of any offer or invitation to purchase, acquire, subscribe for, sell, dispose of or issue, or any solicitation of any offer to sell, dispose of, purchase, acquire or subscribe for, any security, including any Bondholders' Shares or Escrow Shares to be issued in connection with the Placing, any Additional Placing Shares to be issued in connection with the Additional Placing, or the New Ordinary Shares to be issued in connection with the Rights Offering.

Overseas Shareholders should refer to section 6 of Part V (*Terms and Conditions of the Rights Offering and the Placing*) of this document for further information regarding their ability to participate in the Rights Offering.

## 5.6 ***Listing on the Tel Aviv Stock Exchange***

The Company, under the Restructuring Plan, is obliged to list the Bondholders' Shares on the Tel Aviv Stock Exchange. The Company therefore intends to list all of its Ordinary Shares on the Tel Aviv Stock Exchange shortly after the Record Date and the Bondholders' Shares shortly after the closing of the Rights Offering.

## 6. **Irrevocable undertakings and partial underwriting**

On or about the date hereof, EUL entered into the Controlling Shareholder Undertaking, where EUL made various undertakings to the Company.

The Controlling Shareholder Undertaking is subject to the following conditions precedent having been satisfied by 30 November 2014: a prospectus relating to the Rights Offering be approved by the AFM and published and passported into any other jurisdictions in the European Economic Area that the Company may deem appropriate or necessary; the Company's Board and Shareholders having given any necessary approvals in connection with the Rights Offering; and all of the matters due to take place under section 3.1.15(ii) to (v) of the Restructuring Plan have taken place (details of the matters under section 3.1.15(ii) to (v) of the Restructuring Plan are set out in paragraph 6 of Part IV (*Additional Information*) dealing with the Controlling Shareholder Undertaking).

The obligations of EUL under the Controlling Shareholder Undertaking will lapse in the event that the Rights Offering does not close before noon (Amsterdam time) on 31 December 2014.

Accordingly, even though EUL will not be taken up its full entitlement of Rights, it has committed to (i) acquire the Escrow Shares from the holders of the Bonds (or their nominees) (the proceeds of which will be used to pay up to the par value of the Bondholders' Shares and the Escrow Shares subscribed by the holders for the Bonds); and (ii) subject to the Company launching the Rights Offering on or prior to 30 November 2014, to the extent that any Rights are not taken up, to subscribe or procure that other persons subscribe for such number of additional New Ordinary Shares to ensure that the aggregate consideration received by the Company pursuant to the Rights Offering, the consideration for the Bondholders' Shares and the Escrow Shares shall not be less than EUR 20 million.

The obligations of EUL under the Controlling Shareholder Undertaking have been guaranteed by EI.

The Controlling Shareholding Undertaking is not a requirement of the Restructuring Plan but is a mechanism devised by the Company and EI to assist the Company to meet the requirement of the Restructuring Plan to raise at least EUR 20 million.

## 6.1 ***General Undertakings***

EUL, in the Controlling Shareholder Undertaking undertook: (i) to exercise or procure the exercise of all voting rights attaching to the Ordinary Shares held by EUL to vote in favour of all resolutions to approve the Rights Offering and any reasonable matters related thereto (save that EUL will not be required to vote on the Related Party Resolutions); (ii) subject to the Company launching the Rights Offering prior to 30 November 2014, to exercise (prior to 30 November 2014) its Rights under the Rights Offering to take up or procure that others take up its full entitlement of New Ordinary Shares at the Rights Offering Price less the number of Escrow Shares acquired from the Bondholders prior to 30 November 2014; (iii) to not exercise its Rights in respect of New Ordinary Shares equal in number to the Escrow Shares; and (iv) purchase the Escrow Shares from the Bondholders (or their nominees) at the Rights Offering Price.

EUL or its nominee will subscribe for 175,750,000 New Ordinary Shares under the Rights Offering that reflects its proportional entitlement of New Ordinary Shares less 15,710,712 Escrow Shares that it will acquire from the Bondholders (or their nominee).

In addition, the Company undertook that in the event that the value of the Rump Shares (circulated as the multiple of the number of Rump Shares by the Rights Offering Price (the "ARSV")) is less than EUR 3 million EUL may demand, at its sole discretion, that the Company issue and EUL and/or a person nominated by it shall subscribe for the Additional Placing Shares at the Rights Offering Price. Accordingly, if all Shareholders exercise their Rights in full, EUL has a right to demand that the Company issues 44,444,445 Additional Placing Shares at the Rights Offering Price.

## 6.2 *Partial Underwriting Undertaking*

EUL, in the Controlling Shareholder Undertaking, also undertook, subject to the Company launching the Rights Offering on or prior to 30 November 2014, 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 additional New Ordinary Shares (the "**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.

Further to the aforementioned undertaking EUL undertook to make or procure that payment of EUR 20 million is made to the bank account of the escrow agent under the Escrow Agreement (to be held under the terms of the Escrow Agreement) such that the monies are received by 17:00 London time on 28 November 2014. If the Company fails to issue to EUL or persons nominated by EUL the New Ordinary Shares subscribed by it or them, the Escrow Shares or any Additional Placing Shares by 31 December 2014, the escrow agent will return the monies it has received. In light of the current timetable as set out in this document, the Company believes that all relevant shares will be issued to Qualifying Shareholders who have taken up their rights prior to 31 December 2014.

In the Rights Offering, the Company is seeking to raise EUR 19.1 million. EUL, subject to certain conditions being satisfied, has in the Controlling Shareholder Undertaking committed EUR 20 million to the Company. EUL has agreed to use part of the EUR 20 million to take up their entitlement of Rights less the amount they will pay to the trustee of the Bondholders in respect of the Escrow Shares they acquire (the proceeds of which will be used by the trustee of the Bondholders to pay up the nominal value of the Escrow Shares and the Bondholder Shares) with the balance of the EUR 20 million being used to underwrite any Rights that are not taken up. Accordingly, there will be a shortfall of approximately EUR 117,534 that will not be covered by EUL's obligation to underwrite the Rights Offering together with the amount that EUL takes up under the Rights Offering. The Company believes, however, that provided EUR 20 million is raised by way of capital injection (including a combination of Rights Offering and Placing) that it will have satisfied the obligation under the Restructuring plan to raise EUR 20 million notwithstanding this was not done solely by way of a Rights Offering.

## 6.3 *Agreement between EI and DK*

On or about the date hereof, EUL also entered into an amended and restated agreement (the "**Back Stop Agreement**") with various affiliates of Davidson Kempner Capital Management LP ("**DK**"), pursuant to which DK undertook to subscribe, under the Rights Offering for such number of New Ordinary Shares as may be determined by EUL (the "**DK Shares**"), provided that such number of shares shall not be less than the higher of (i) the number of New Ordinary Shares subscribed by DK that would result in a purchase price of EUR 3 million; and (ii) the number New Ordinary Shares that have not been taken up by Shareholders in the Rights Offering, and further provided that DK's obligation to acquire ordinary shares in the Company under the Back Stop Agreement shall not exceed EUR 10 million or result in DK and its affiliates, directly or indirectly, holding ordinary shares representing 30 per cent or more of the total voting rights in the Company. DK also undertook to make payment of EUR 7.5 million to the escrow agent under the Escrow Agreement such that the monies are received by the escrow agent by 17:00 London time on 28 November 2014. The entry into of the Back Stop Agreement facilitated EUL being able to give the undertaking referred to in paragraph 6.2 above to take up the Rump Shares 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.

Under the Back Stop Agreement, EUL as part of the commercial arrangement with DK, who were keen to increase their shareholding in the Company, also undertook, subject to various terms and conditions, to exercise its rights under the Controlling Shareholder Undertaking to direct the Company to issue the DK Shares to DK (or such alternative party or parties as DK may direct). DK agreed, subject to various terms and conditions, to subscribe for the DK Shares as directed by EUL and pay for such shares. This agreement will automatically terminate if the conditions therein are not satisfied by 31 December 2014.

## 7. **Additional Placing**

In the Controlling Shareholder Undertaking the Company undertook, in consideration for EUL's undertakings as described in paragraph 6 above (*Irrevocable undertaking and partial underwriting*) that

in the event that the ARSV is less than EUR 3 million EUL may demand, at its sole discretion, that the Company issue and EUL and/or a person nominated by it shall subscribe for the Additional Placing Shares at the Rights Offering Price. Accordingly, if sufficient Shareholders take up their Rights under the Rights Offering such that the ARSV is less than EUR 3 million, then EUL has the right to demand that the Company issue to it and/or a person nominated by it Additional Placing Shares. If all Shareholders take up their Rights and subscribe for New Ordinary Shares, the Company would be obligated to issue up to 44,444,445 Additional Placing Shares were EUL to demand this. Should EUL demand that the Company issue Additional Placing Shares, the Company believes that in light of the arrangements agreed in the Back Stop Agreement such shares will be issued to DK who want an opportunity to increase their shareholding in the Company. Accordingly, if 44,444,445 Additional Placing Shares were issued to DK, DK's shareholding would increase from 5.54 per cent. to 10.49 per cent. in the Company after the Rights Offering and the issue of the Bondholders' Shares and the Escrow Shares (assuming that it does not receive any Ordinary Shares under the Back Stop Agreement).

#### 8. **Related party transactions**

EUL's undertaking to underwrite in the Controlling Shareholder Undertaking and EUL's right to receive Additional Placing Shares at the Rights Offering Price (as described in paragraph 6 (above)) constitute related party transactions under the Listing Rules.

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. EUL is entitled to exercise, or control the exercise of 62.25 per cent. or more of the votes able to be cast at a general meetings of the Company; EI is entitled to exercise, or control the control of 62.25 per cent. or more of the votes able to be cast at general meetings of the Company; and DK is entitled to exercise, or control the exercise of, 5.54 per cent. or more of the votes able to be cast at a general meetings of the Company.

Accordingly, the approval of the Independent Shareholders to the Related Party Resolutions is being sought at the General Meeting. None of EI, EUL or 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.

Furthermore, as noted in paragraph 5.4 above (*The placing of the Bondholders' Shares*) the Placing involves Bondholder's Shares being issued to Bondholders of the Company. As York Global Finance Offshore BDH (Luxembourg) S.a.r.l. holds approximately 19.7 per cent. as to outstanding shares of EI, the issue to York Global Finance Offshore BDH (Luxembourg) S.a.r.l. of the Bondholders' Shares constitutes a related party transaction under the Listing Rules. York Global Finance Offshore BDH (Luxembourg) S.a.r.l. will therefore be unable to vote on the Restructuring 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. EI and EUL, as they are not related parties for the purposes of Restructuring Resolutions, will be voting in favour of the Restructuring Resolutions.

#### 9. **Risk Factors**

For a discussion of the risks and uncertainties that you should take into account when considering whether to vote in favour of the Resolutions, please refer to Part II (*Risk Factors*) of this document.

#### 10. **Working Capital**

The Company is of the opinion that it does not have sufficient working capital for its present requirements; that is for at least 12 months from the end of the date of this document. However, as we have outlined in this document, should Shareholders approve the Restructuring Resolutions and the Related Party Resolutions proposed at the extraordinary General Meeting to be held on 28 November 2014, then the Company will receive the Guaranteed Proceeds from the proposed Rights Offering and Placing, which will enable the Restructuring Plan, as explained in this document, to become effective in its entirety. The Company has sufficient working capital until the extraordinary General Meeting under its current arrangements and, once the Restructuring Plan is effective and Admission has occurred, the Company is of the opinion that it will then have sufficient working capital for its present requirements; that is for at least the next 12 months from the date of this document.

However, as we have stated in this document, if the Restructuring Resolutions and the Related Party Resolutions are not approved by Shareholders at the General Meeting, the Rights Offering will not occur and the Company will have failed to comply with the requirements set out in the Restructuring Plan.

Whilst the Directors, and where appropriate the Independent Directors, are recommending that Shareholders should vote in favour of all the Resolutions at the General Meeting, including the Restructuring and Related Party Resolutions, there are no guarantees that Shareholders will follow their recommendations and, at this stage there are no indications of Shareholders' voting intentions.

The Company expects that one or more of its creditors will apply to the Dutch courts, as they will be entitled, for rescission of the Restructuring Plan if the required terms of the Restructuring Plan (as set out in this document) are not met as required by 30 November 2014. The Company's creditors will be entitled, at any time after 30 November 2014, to apply to the Dutch courts for rescission of the Restructuring Plan. This would mean that payments to the Polish and Israeli Bondholders and other creditors (totaling in excess of €225 million, which had been deferred under the Restructuring Plan, would become payable immediately and the Company would not be able to meet these payments from its existing cash reserves. The Company would also be in breach of a number of its banking covenants.

In the event that creditors exercise their right to apply for rescission of the Restructuring Plan, a court hearing is likely to take place within 4-6 weeks following any application by creditors. The court would usually be expected to reach a determination within 2-4 weeks following such a hearing. If an order to rescind the Restructuring Plan is granted, which is the most likely outcome in these circumstances, the court will simultaneously declare the Company bankrupt. No second restructuring plan may be proposed. After rescission of the existing Restructuring Plan and opening of bankruptcy proceedings the Company will have to be liquidated. An application to rescind the Restructuring Plan and to declare the Company bankrupt is likely therefore to be decided within a period of a few weeks following the creditors having made their application to the Dutch court.

**THE DIRECTORS DO NOT BELIEVE THERE ARE ANY CREDIBLE FINANCING ALTERNATIVES AVAILABLE TO THE COMPANY IF THE RESTRUCTURING PLAN FAILS. ACCORDINGLY, IF THE RESTRUCTURING PLAN FAILS THE DIRECTORS BELIEVE IT WILL BE PLACED INTO LIQUIDATION BY ITS CREDITORS.**

## 11. **General Meeting**

A notice convening the extraordinary General Meeting to be held at The Park Plaza Victoria Hotel, Amsterdam, Damrak 1-5, 1012 LG Amsterdam, The Netherlands at 10:30 a.m. (CET) / 09:30 a.m. (London time) on 28 November 2014 is set out at the end of this document. A Form of Proxy to be used in connection with the extraordinary General Meeting is enclosed.

**THE PLACING, THE ADDITIONAL PLACING AND THE RIGHTS OFFERING ARE SUBJECT TO THE PASSING OF ALL THE RESTRUCTURING RESOLUTIONS AND ALL THE RELATED PARTY RESOLUTIONS AT THE EXTRAORDINARY GENERAL MEETING.**

Shareholders will note that (i) the passing of each of the Restructuring Resolutions is conditional upon the passing of both Restructuring Resolutions - if one of the Restructuring Resolutions is not passed the Restructuring Resolutions will not become effective; (ii) each of the Related Party Resolutions is conditional upon the passing of all other Related Party Resolutions - if any of the Related Party Resolutions is not passed none of the Related Party Resolutions will become effective; and (iii) the Restructuring Resolutions are conditional upon passing of all of the Related Party Resolutions.

### 11.1 ***Restructuring Resolutions***

In summary, the Restructuring Resolutions seek the approval of Shareholders:

- (a) Subject to, and conditional upon all the Restructuring Resolutions and all of the Related Party Resolutions being passed:

to authorise the Board as the competent body to issue Ordinary Shares (including rights to acquire Ordinary Shares) to cover the issue of New Ordinary Shares and the Escrow Shares, for a period up to the annual General Meeting to be held in 2015.

Without prejudice to the authority conferred on the Board at the last General Meeting held on 8 July 2014 during which 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, the Board of Directors is requesting an extension of this authority to cover the issue of New Ordinary Shares and the Escrow Shares.

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

The authority sought at the extraordinary General Meeting applies to the Company's unissued authorized share capital (*maatschappelijk kapitaal*) as at the date of the notice for the 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 not expired.

- (b) Subject to, and conditional upon all the Restructuring Resolutions and all of the Related Party Resolutions being passed:

to authorise the Board as the competent body to exclude pre-emptive rights in respect of Ordinary Shares to be issued for cash to cover the issue of New Ordinary Shares and the Escrow Shares (including rights to acquire Ordinary Shares), for a period up to the annual General Meeting to be held in 2015.

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. In connection with item (a) above, without prejudice to the authority conferred on the Board at the last General Meeting held on 8 July 2014, the Board is requesting an extension of this authority to cover the issue of New Ordinary Shares and the Escrow Shares.

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

The authority is sought, in line with items (a) and (b), 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 the 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, 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 unconditional and shall expire on the conclusion of the annual General Meeting to be held in 2015.

## 11.2 **Related Party Resolutions**

In summary, the Related Party Resolutions seek the approval of Independent Shareholders:

- (a) Subject to, and conditional upon all the Related Party Resolutions being passed:

to authorise the Board as the competent body to issue Ordinary Shares to cover the issue of the Bondholders' Shares and any Additional Placing Shares, for a period up to the annual General Meeting to be held in 2015.

Without prejudice to the authority conferred on the Board at the last General Meeting held on 8 July 2014 during which 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. The Board of Directors is requesting an extension of this authority to cover the issue of the Bondholders' Shares and any Additional Placing Shares.

This is a Related Party Resolution 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.

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

The authority sought at the extraordinary General Meeting applies to the Company's unissued authorized share capital (*maatschappelijk kapitaal*) as at the date of the notice for the 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 not expired.

- (b) Subject to, and conditional upon all the Related Party Resolutions being passed:

to authorise the Board as the competent body to exclude pre-emptive rights in respect of Ordinary Shares to be issued for cash to cover the issue of the Bondholders' Shares and any Additional Placing Shares, for a period up to the annual General Meeting to be held in 2015.

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. In connection with item (a) above, without prejudice to the authority conferred on the Board at the last General Meeting held on 8 July 2014, the Board is requesting an extension of this authority to cover the issue of the Bondholders' Shares and any Additional Placing Shares.

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

The authority is sought, in line with items (a) and (b), 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 the 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, 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 unconditional and shall expire on the conclusion of the annual General Meeting to be held in 2015.

- (c) Subject to, and conditional upon all the Related Party Resolutions being passed:

authorising the arrangements under the Controlling Shareholder Undertaking, including, without limitation, authorising 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; authorising the Board to issue Additional Placing Shares to EUL or persons nominated by it; and authorising the approval of 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.

Under the Listing Rules, the aforementioned amount to related party transactions as each of EI, EUL and DK are related parties of the Company.

### 11.3 **Other Resolutions**

In addition, the approval of Shareholders is also being sought in relation to Resolutions:

- (a) to amend the Articles;
- (b) to grant power of attorney (*volmacht*) to have the notarial deed of amendment of the Articles executed;
- (c) to appoint Grant Thornton Accountants en Adviseurs B.V. as external auditor for the 2014 financial year;
- (d) to dismiss Mr. Nadav Livni from his position as non-executive director (*niet uitvoerend bestuurder*) of the Company and to appoint Mr. Nadav Livni as executive director (*uitvoerend bestuurder*) of the Company;
- (e) to dismiss Mr. Ron Hadassi from his position as executive director of the Company and to appoint Mr. Ron Hadassi as non-executive director of the Company;
- (f) to approve the terms of the appointment letter relating to Mr. Livni;
- (g) to approve the terms of appointment of Mr. Ron Hadassi;



- (h) to approve the terms of appointment of Mr. Yoav Kfir;
- (i) to approve the terms of appointment of Mr. Shlomi Kelsi; and
- (j) to approve the terms of appointment of Mr. David Dekel.

Please note that this is not the full text of the Resolutions and you should read this summary in conjunction with the Resolutions and the explanation thereto set out in the notice on page 69 of this document.

## 12. Action to be taken

### 12.1 *Voting at the extraordinary General Meeting*

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) / 9:30 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 extraordinary 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 22 November 2014 at noon (CET) / 11:00 a.m. (London time).

The chairman of the extraordinary General Meeting will resolve on all matters concerning the admission to this meeting, the exercise of voting rights, and all other matters concerning the extraordinary General Meeting.

In the extraordinary General Meeting, the holder of every Ordinary Share will have the right to cast one (1) vote. Blank votes and invalid votes will be considered as not having been cast.

Unless the law of The Netherlands or the Articles prescribe a greater majority, resolutions shall be adopted by a simple majority of the votes cast.

The chairman of the meeting determines the voting manner and the possibility of voting by acclamation.

In case of an equality of votes on issues other than the appointment of Directors, the proposal will be considered as having been rejected.

The voting results will be publicly announced through the regulatory information services of the London Stock Exchange and the Warsaw Stock Exchange, and on the Company's website.

## 12.2 ***Applying for New Ordinary Shares pursuant to the Rights Offering***

The Rights in respect of which action is to be taken will be in uncertificated form (that is, in CREST).

If you are a Qualifying CREST Shareholder and do not have a registered address in or you are not located in the United States or any of the other Excluded Territories, please refer to sections 3 and 4, 6.5 and 7 to 12 of Part V (*Details of the Rights Offering and the Placing*) of this document.

CREST sponsored members should refer to their CREST sponsors, as only their CREST sponsors will be able to take the necessary actions specified below to take up the entitlements or otherwise to deal with the Rights of CREST sponsored members.

Qualifying CREST Shareholders (other than, subject to certain exceptions, Excluded Shareholders) will receive a credit to their appropriate stock accounts in CREST in respect of their New Ordinary Shares on 23 December 2014. For Qualifying CREST Shareholders, the CREST stock account to be credited will be an account under the participant ID and member account ID that apply to the Existing Ordinary Shares held on the Record Date by the Qualifying CREST Shareholder in respect of which the Rights are allotted.

The Rights will constitute separate securities for the purposes of CREST and can accordingly be transferred, in whole or in part, by means of CREST in the same manner as any other security that is admitted to CREST.

**CREST members who wish to exercise or trade all or part of their entitlements in respect of, or otherwise to transfer, all or part of their Rights held by them in CREST should refer to the CREST Manual for further information on the CREST procedures referred to below. If you are a CREST sponsored member, you should consult your CREST sponsor if you wish to take up your entitlement, as only your CREST sponsor will be able to take the necessary action to take up your entitlements or otherwise to deal with your Rights.**

Full details of the terms and conditions of the Rights Offering, including instructions on acceptance and payment are set out in Part V (*Details of the Rights Offering and the Placing*) of this document.

**If you are in any doubt as to the action you should take, you should seek your own financial advice immediately from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriate independent financial adviser who is authorised under FSMA or, if you are outside the United Kingdom, by another appropriately authorised independent financial adviser.**

## 13. **Further information**

Further details of the Placing, the Additional Placing and the Rights Offering are set out in the Prospectus, which is being published on the Company's website on or about the date of this document. Certain information contained in the Prospectus is incorporated into this document by reference, as set out in Part III (*Information Incorporated by Reference*) of this document. Information incorporated from the Prospectus by reference includes information about the Company.

14. **Importance of the vote**

***SHAREHOLDERS SHOULD READ THE FOLLOWING CAREFULLY***

***Importance of approval of the Rights Offering, the Placing and the Additional Placing***

Under the provisions of the Restructuring Plan, the Company has to raise additional capital in the amount of at least EUR 20 million by way of a rights offering. The Company believes that provided EUR 20 million is raised by way of capital injection (including a combination of Rights Offering and Placing) that it will have satisfied the obligation under the Restructuring Plan to raise EUR 20 million notwithstanding this was not done solely by way of a rights offering. The Restructuring Plan requires this amount to be raised prior to 30 November 2014. The Company believes that (i) as all conditions precedent to the Controlling Shareholder Agreement will be met prior to 30 November 2014 EUL will, pursuant to the Controlling Shareholder Undertaking, make available to the Company EUR 20 million prior to 30 November 2014; and (ii) Admission will occur prior to 31 December 2014. Accordingly the Company believes that it will have satisfied the requirement of the Restructuring Plan for a capital injection to have occurred by 30 November 2014.

As a means of ensuring that at least EUR 20 million is raised, the Company and EUL entered into the Controlling Shareholder Undertaking. In this agreement EUL committed to exercise its Rights under the Rights Offering to take up its full entitlement of New Ordinary Shares at the Rights Offering Price less the number of Escrow Shares acquired from the Bondholders; not exercise its Rights in respect of New Ordinary Shares equal in number to the Escrow Shares; and purchase the Escrow Shares from the Bondholders (or their nominees) at the Rights Offering Price; and, subject to the Company launching the Rights Offering on or prior to 30 November 2014, 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 additional New Ordinary 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.

The Company has therefore proposed the (i) Restructuring Resolutions to approve the issue of New Ordinary Shares and the Escrow Shares and the disapplication of pre-emption rights relating to the issue of those shares; and (ii) the Related Party Resolutions to approve the issue of the Bondholders Shares and the Additional Placing Shares, the disapplication of pre-emption rights relating to the issue of those shares and EUL's underwriting obligations and issue of Additional Placing Shares at the Rights Offering Price as provided for in the Controlling Shareholder Undertaking.

Shareholders will note that (i) the passing of each of the Restructuring Resolutions is conditional upon the passing by Shareholders of both Restructuring Resolutions - if one of the Restructuring Resolutions is not passed the Restructuring Resolutions will not become effective; (ii) each of the Related Party Resolutions is conditional upon the passing by the Independent Shareholders of each of the Related Party Resolutions - if any of the Related Party Resolutions is not passed none of the Related Party Resolutions will become effective; and (iii) the Restructuring Resolutions are conditional upon passing of all of the Related Party Resolutions. Accordingly, all the Restructuring Resolutions and all the Related Party Resolutions need to be passed for the Rights Offer, the Placing and the Additional Placing to proceed.

The arrangements proposed in the Controlling Shareholder Undertaking, including the partial underwriting arrangements, can only be put in place and utilized if the Related Party Resolutions are passed. Accordingly, to ensure that the Restructuring Plan becomes effective the Restructuring Resolutions and the Related Party Resolutions need to be passed.

If the Restructuring Resolutions and the Related Party Resolutions are not approved, the Rights Offering will not occur and the Company will fail to comply with the requirements set out in the Restructuring Plan. The Company expects that one or more of its creditors will apply to the Dutch courts for rescission of the Restructuring Plan if the Restructuring Resolutions and the Related Party Resolutions are not approved by 30 November 2014 - the Company's creditors will be entitled, at any time after 30 November 2014, to apply to the Dutch courts for rescission of the Restructuring Plan in such instance.

A court hearing is likely to take place within 4-6 weeks following any application by creditors. The court would usually be expected to reach a determination within 2-4 weeks following the hearing. If an order to rescind the Restructuring Plan is granted which is the most likely outcome in these circumstances, the court will simultaneously declare the Company bankrupt. No second restructuring plan may be proposed. After rescission of the existing Restructuring Plan and opening of bankruptcy proceedings the Company will have to be liquidated. An application to rescind the Restructuring Plan and to declare the Company bankrupt is likely to be decided within a period of a few weeks following the creditors having made their application to the Dutch court.

**THE COMPANY DOES NOT BELIEVE THERE ARE ANY CREDIBLE FINANCING ALTERNATIVES AVAILABLE TO THE COMPANY IF THE RESTRUCTURING PLAN FAILS. ACCORDINGLY, IF THE RESTRUCTURING PLAN FAILS THE COMPANY BELIEVES IT WILL BE PLACED INTO LIQUIDATION BY ITS CREDITORS.**

15. **Recommendation**

15.1 **Rights Offering and Placing**

**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.**

15.2 **Additional Placing and Controlling Shareholder Undertaking**

**THE BOARD (OTHER THAN FOR MESSRS. HADASSI, KFIR, LIVNI 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, 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.**

15.3 **General Resolutions**

**THE BOARD CONSIDERS THAT THE GENERAL RESOLUTIONS 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.**

15.4 **Related Party Resolutions – Fair and Reasonable**

**THE BOARD, (OTHER THAN FOR MESSRS. HADASSI, KFIR, LIVNI AND KELSI WHO ARE ALSO DIRECTORS OF EI AND WHO HAVE THEREFORE NOT TAKEN PART IN THE BOARD'S CONSIDERATION OF SUCH MATTERS) WHO HAS BEEN SO ADVISED BY SPARK ADVISORY PARTNERS LIMITED IN THEIR CAPACITY AS SPONSOR, CONSIDERS THAT THE RELATED PARTY RESOLUTIONS ARE FAIR AND REASONABLE AS FAR AS SHAREHOLDERS ARE CONCERNED. IN PROVIDING FINANCIAL ADVICE TO THE BOARD, THE SPONSOR HAS TAKEN INTO ACCOUNT THE COMMERCIAL ASSESSMENT OF THE DIRECTORS.**

**NONE OF EI, EUL OR 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.**

**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.**

Yours faithfully

**Mr M.H.Wichers**  
Chairman

## PART II

### RISK FACTORS

This Part II addresses certain risks and uncertainties relating to the Restructuring Plan and if the Related Party Resolutions are not passed. This Part II also addresses the risks known to Company and the Directors at the date of this Circular and which the Directors consider to be material risks relating to the Company listing its Ordinary Shares on the Tel Aviv Stock Exchange.

Prior to voting on the Resolutions, Shareholders should consider the risks set out below fully and carefully. If any or a combination of the following risks actually materialises, the business, results of operations, financial condition, turnover and/or profits and assets of the Group may be materially and adversely affected.

The following is not an exhaustive list or explanation of all risks relating to the Related Party Resolutions and failure of the Restructuring Plan. Additional risks and uncertainties relating to the Group that are not currently known to the Group, or that the Group currently deems immaterial, may individually or cumulatively also have a material adverse effect on the Group's business, operating results, financial condition or prospects. If any such risk should materialise, the price of the New Ordinary Shares, the Bondholder's Shares or the Rights may decline and investors could lose all or part of their investment.

For a discussion of the risks and uncertainties which you should take into account prior to investing in the New Ordinary Shares, the Bondholder's Shares or the Rights, please refer to the Risk Factors section of the Prospectus.

#### 1. Risks relating to the Restructuring Plan

***Failure to pass the Restructuring Resolutions and the Related Party Resolutions will result in the Restructuring Plan not being implemented and this will lead to the insolvency of the Company.***

The Rights Offering is conditional on the extraordinary General Meeting passing all of the Restructuring Resolutions and all of the Related Party Resolutions and upon EUL's support of the Rights Offering in terms of the obligations to partially underwrite the Rights Offering. If the Restructuring Resolutions and the Related Party Resolutions are not approved, the Rights Offering will not occur and the Company will fail to comply with the requirements set out in the Restructuring Plan to raise at least EUR 20 million by way of a capital injection. If the Restructuring Resolutions and the Related Party Resolutions are not approved by 30 November 2014, the Company's creditors will be entitled to apply to the Dutch courts, at any time after 30 November 2014, for rescission of the Restructuring Plan. A court hearing is likely to take place within 4-6 weeks following any application by creditors. The court would usually be expected to reach a determination within 2-4 weeks following the hearing. If an order to rescind the Restructuring Plan is granted which is the most likely outcome in these circumstances, the court will simultaneously declare the Company bankrupt. No second restructuring plan may be proposed. After rescission of the existing Restructuring Plan and opening of bankruptcy proceedings the Company will have to be liquidated. An application to rescind the Restructuring Plan and to declare the Company bankrupt is likely to be decided within a period of a few weeks following the creditors having made their application to the Dutch court.

The Company does not believe there are any credible financing alternatives available to the Company if the Restructuring Plan fails. Accordingly, if the Restructuring Plan fails the Company believes the Company will be placed into liquidation by its creditors.

***Provisional suspension of payments terminated however failure of the Restructuring Plan to be performed may lead to direct insolvency of the Company***

The Company has been incorporated under the laws of the Netherlands which means that the applicable jurisdiction for all matters of corporate law will be governed by Dutch law and that all matters relating to its insolvency will be governed by the Dutch Bankruptcy Code (*Faillissementswet*).

On 18 November 2013, the Company applied for suspension of payments proceedings (*surseance van betaling*) under Dutch law and simultaneously filed the draft Restructuring plan (*ontwerpakkoord*) with the district court of Amsterdam, The Netherlands (Rechtbank Amsterdam). On 26 June 2014, the Restructuring Plan was

approved by the Plan Creditors. On 9 July 2014, the Amsterdam District Court confirmed (*homologeren*) the Restructuring Plan which terminated the provisional suspension of payments. At the date of this document the term for appeal against the aforementioned court confirmation has expired, as a result of which the court confirmation has become final and definitive (*in kracht van gewijsde*).

The Restructuring Plan purports to enable the Company to continue its business operations in the forthcoming future by inter alia the extension of the maturity of certain debt.

If the Restructuring Resolutions and the Related Party Resolutions are not approved by 30 November 2014 the Restructuring Plan will not have been satisfied and the Company may be declared bankrupt and enter into liquidation proceedings. The proceeds from the liquidation of the Company's assets may be insufficient to redeem outstanding debt and holders of Ordinary Shares in that situation are likely to lose their entire investment.

## **2. Risks relating to the investment in Ordinary Shares and participation in the Rights Offering**

*The share price of publicly traded companies can be highly volatile, including for reason, related to differences between expected and actual operating performance, corporate and strategic actions taken by such companies or their competitors, speculation and general market conditions and regulatory changes*

The Company can give no assurance that the market price of the Ordinary Shares will not decline below the Rights Offering Price. Qualifying Shareholders and Qualifying Depositary Interest Holders should note that if the market price of the Ordinary Shares is lower than the Rights Offering Price during the period of the Rights Offering, it may not be economically advantageous for Qualifying Shareholders and Qualifying Depositary Interest Holders to take up their entitlements to the New Ordinary Shares. Should the market price of the Ordinary Shares decline below the Rights Offering Price after Qualifying Shareholders and Qualifying Depositary Interest Holders take up their entitlements to New Ordinary Shares or New Depositary Interests, such Qualifying Shareholder or Qualifying Depositary Interest Holder would suffer an immediate unrealised loss on the New Ordinary Shares issued in respect of its entitlements. Moreover, there can be no assurance that, following the take up of their New Ordinary Shares or New Depositary Interests, Qualifying Shareholders and Qualifying Depositary Interest Holders will be able to sell these securities at a price equal to or greater than the Rights Offering Price.

*Qualifying Shareholders and Qualifying Depositary Interest Holders who do not subscribe for New Ordinary Shares or New Depositary Interests in the Rights Offering will experience dilution in their ownership of the Company*

If Shareholders do not take up their entitlements to New Ordinary Shares under the Rights Offering by the latest date for application and payment in full in respect of their entitlements to New Ordinary Shares that are set out in this document, their proportionate ownership and voting interest in the Company will be reduced, and the percentage that their existing Ordinary Shares represent of the ordinary share capital of the Company will be reduced accordingly. Subject to certain exceptions, holders of Existing Ordinary Shareholders in the United States or any other Excluded Shareholders will in any event, not be able to participate in the Rights Offering.

*The issue of the Bondholders' Shares and the New Ordinary Shares will dilute the holders of Existing Ordinary Shares*

The Company's issued capital will be enlarged following the Rights Offering and consequently, Shareholders who have not exercised their Rights will suffer dilution. Furthermore, as soon as practically possible after the Settlement Date, as provided for in the Restructuring Plan, the Company will issue the Escrow Shares and 13.2106% of the then enlarged outstanding capital in Ordinary Shares to holders of Notes and Polish Bonds, pursuant to the provisions of the Restructuring Plan. Consequently, after the Rights Offering has closed, the Shareholders will suffer an immediate dilution of their shareholding by means of the issue of the Escrow Shares and the Bondholders' Shares.

***Even if an Eligible Person elects to sell his/her unexercised Rights, the consideration he/she receives may not be sufficient to compensate him/her fully for the dilution of his/her percentage ownership of the Company's share capital that may be caused as a result of the Rights Offering***

The consideration that a Qualifying Shareholder or Qualifying Depositary Interest Holder receives may not be sufficient to compensate him/her fully for the dilution of his/her percentage ownership of the Company's share capital that may be caused as a result of the Rights Offering.

***An active trading market in the Rights may not develop and there may be volatility in the trading price of the Rights***

An active trading market in the Rights may not develop on the London Stock Exchange and/or on the Warsaw Stock Exchange (the only exchanges on which the Rights will be traded) since the Rights will have a lower value than the Ordinary Shares and will only have a limited trading life. In addition, because the trading price of the Rights depends on the trading price of the Ordinary Shares, the price of the Rights will be subject to the same risks as the price of Ordinary Shares and any volatility in the price of the Ordinary Shares may increase volatility in the trading price of the Rights.

***Restructuring Plan arrangements for limitations on Distributions***

Pursuant to the Restructuring Plan, the Company will be allowed to make any distribution to its Shareholders provided (i) at least 75% of the unpaid principal balance of the Bonds as per the Amendment Date (excluding Bonds that are sold by a subsidiary following the Amendment Date) have been repaid in full prior to such distribution; and (ii) that following such distribution a certain financial coverage ratio is met, unless such distribution has been approved in a meeting of the creditors that are subject to the Restructuring Plan (by a majority of at least 67% of the debt's balance which is being held by the creditors participating in such meeting and voting). Notwithstanding the aforesaid, in the event that, following the implementation of the Restructuring Plan, at least an additional EUR 20 million is invested in the Company in the form of an equity investment or in the form of subordinated debt to the debt towards the Bondholders (i.e., in addition to the equity contribution that is a condition to the Restructuring Plan), the Company will be permitted (subject to applicable law) to distribute a dividend to its shareholders in an amount equal to 50% of the said additional equity investment and such Distribution will not be subject to the aforementioned limitations.

### **3. Risks relating to the listing and trading of the Ordinary Shares**

***The Rights and Ordinary Shares may be illiquid***

the admission and introduction of the Rights, the New Ordinary Shares and the Bondholders' Shares to trading on the LSE and the WSE does not guarantee their liquidity. If an appropriate level of trading in the Ordinary Shares or the Rights is not achieved or maintained, it could have a material impact on the liquidity and price of the Rights and the Ordinary Shares. Even if the appropriate level of trading in the Ordinary Shares and Rights is achieved and maintained, the market price of the New Ordinary Shares may be below the Rights Offering Price. These factors and any corresponding price fluctuations may materially and adversely affect the market price of the Ordinary Shares and result in substantial losses to the investors.

***There has been no prior public market in Israel for the Ordinary Shares, and an active trading market in Israel may not develop***

Prior to the the listing of the Ordinary Shares on the Tel Aviv Stock Exchange there has been no public market in Israel for the Ordinary Shares. An active trading market in Israel may not develop following the registration of the Ordinary Shares on the Tel Aviv Stock Exchange or, if developed, an active trading market in the Ordinary Shares on the Tel Aviv Stock Exchange may not be sustained. The lack of an active market on the Tel Aviv Stock Exchange may impair an investor's ability to sell the Ordinary Shares at the time the investor desires to sell them or at a price that is considered reasonable. The lack of an active market in Israel may also reduce the fair market value of the Ordinary Shares.



***Shareholders face additional investment risk related to the Ordinary Shares resulting from exchange rates***

The Ordinary Shares and the Rights will be quoted in PLN on the WSE, whereas on the LSE the Ordinary Shares and the Rights will be quoted in GBP. In addition, the reporting currency of the Company is EUR and all payments to holders of Ordinary Shares including the payment of dividends on the Ordinary Shares will be made in EUR. As a result holders of Ordinary Shares or Rights may suffer losses that result from any fluctuations of the currency exchange rates related in particular to EUR, GBP and PLN.

***Shareholders may face a risk related to the currency exchange rate due to the denomination of the Rights Offering Price in EUR***

The Rights Offering Price is denominated in EUR and the Ordinary Shares are quoted in pence on the London Stock Exchange and in PLN on the Warsaw Stock Exchange. The Rights will be quoted in pence on the London Stock Exchange and in PLN on the Warsaw Stock Exchange. Consequently, the price of the Ordinary Shares and the Rights on the London Stock Exchange and the Warsaw Stock Exchange may be affected by the fluctuations of currency exchange rates. Shareholders who exercise their Rights will have to pay the Rights Offering Price in EUR and accordingly will face an additional currency exchange rate risk during the period between the payment of the Rights Offering Price and the receipt of the New Ordinary Shares or the New Depositary Interests when they will not be able to trade in the New Ordinary Shares or the New Depositary Interests.

***The Ordinary Shares are and will be traded on different markets and this may result in price variations.***

The Ordinary Shares are traded on the LSE and the WSE and will be listed on the Tel Aviv Stock Exchange shortly after the Record Date. Trading in the Ordinary Shares on these markets will be made in different currencies (GBP on the LSE, PLN on the WSE and NIS on the Tel Aviv Stock Exchange) and will take place at different times (resulting from different time zones, different trading days and different public holidays in the United Kingdom, Poland and Israel). The trading prices of the Ordinary Shares on these three markets may differ due to these and other factors. Any decrease in the price of the Ordinary Shares on one of these markets could cause a decrease in the trading price of the Ordinary Shares on the other market.

***The Ordinary Shares are and will be traded on different markets and simultaneous trading on different markets may cause delay in settlement***

The Ordinary Shares are traded on the LSE and the WSE and will be listed on the Tel Aviv Stock Exchange shortly after the Record Date. Trading on three different markets may cause settlement issues that may lead to delays in settlement which may have an adverse effect on the price of the Ordinary Shares.

***The Company's Ordinary Shares Have Been Placed on the Alert List by the WSE***

On 1 October 2014 the WSE placed the Ordinary Shares on the Alert List as the average price of the Ordinary Shares in the third quarter of 2014 was lower than PLN 0.50 (it was PLN 0.49). Consequently, the trading system in which the Ordinary Shares are, and the Rights will be, listed has been changed from the continuous to the single-price auction system. This means that the procedure of determining the price and executing a transaction will be carried out twice daily (at 11:00 a.m. and 3:00 p.m. CET). The Ordinary Shares will remain on the Alert List at least until the publication of the results of the WSE's next quarterly review, which will occur on the second trading day prior to the last trading day in December. If the Ordinary Shares and/or the Rights are placed on the Alert List for a second consecutive time, the Company will need to present a corrective action plan indicating the measures that it intends to take in order to eliminate the reasons for having its shares placed on the Alert List. If the Ordinary Shares and/or the Rights are placed on the Alert List on six consecutive occasions, the WSE may suspend trading of Ordinary Shares and/or the Rights and after a three-month suspension period the WSE may decide to delist the Ordinary Shares and/or the Rights from exchange trading.

Since the Ordinary Shares are now listed in the single-price auction system, no assurance may be given that the Ordinary Shares and/or the Rights will be actively traded on the WSE due to investors being prevented from reacting promptly to changing market conditions. Where the price of the Ordinary Shares and/or the Rights on the LSE fluctuates, holders of the Ordinary Shares and/or the Rights in Poland may not be able to execute the transactions on the WSE at the same or similar price as the price of Ordinary Shares and/or the Rights quoted on the LSE at any specific time.

### PART III

#### INFORMATION INCORPORATED BY REFERENCE

The table below sets out the various information incorporated by reference into this document, so as to provide the information required pursuant to the Listing Rules and to ensure that Qualifying Shareholders and others are aware of all information which, according to the particular nature of the Company and of the New Ordinary Shares, is necessary to enable Qualifying Shareholders and others to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Company, and of the rights attaching to the New Ordinary Shares. These documents are also available on the Company's website at [www.plazacenters.com](http://www.plazacenters.com).

The following sections from the Prospectus:

<b><i>Information incorporated by reference into this document</i></b>	<b><i>Page number(s) in such document</i></b>	<b><i>Location of incorporation in this document</i></b>	<b><i>Page number(s) in this document</i></b>
Suspension of payments under Dutch law and Restructuring	210	Paragraph 3.2 of Part 1 ( <i>Letter from the Chairman of Plaza Centers N.V.</i> )	14
Information about the Company	200 & 201	Paragraph 2 of Part IV ( <i>Additional Information</i> )	35
Information on the share capital	225 & 226	Paragraph 2 of Part IV ( <i>Additional Information</i> )	35
Details of Directors of the Company	247 & 248	Paragraph 2 of Part IV ( <i>Additional Information</i> )	35
Major holders of interests in the Company's share capital	247	Paragraph 3 of Part IV ( <i>Additional Information</i> )	35

The documents incorporated by reference into this document have been incorporated in compliance with Listing Rule 13.1.6.

Information that is itself incorporated by reference or referred or cross-referred to in these documents is not incorporated by reference into this document. Except as set forth above, no other portions of these documents are incorporated by reference into this document.

## PART IV ADDITIONAL INFORMATION

### 1. **Responsibility Statement**

The Company and its Directors, whose names appear in section 1 of Part V (*Management*) of the Prospectus, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Company and its Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything like to affect the import of such information.

### 2. **The Company, share capital and the Directors**

Details of the Company and the issued share capital of the Company are set out in sections 2 and 5 respectively of Part IX (*Additional Information*) of the Prospectus, which are incorporated by reference herein. The Ordinary Shares are held in uncertificated form only. Shareholders who hold Ordinary Shares will be registered as shareholders in the Company's Shareholders' register. Qualifying Crest Shareholders hold their Depositing Interests through CREST.

Details of the Directors' interests in the share capital of the Company and any of its Subsidiaries, the service contract of the Executive Director and the letters of appointment of the Non-Executive Directors are set out in section 9 of Part IX (*Additional Information*) of the Prospectus, which are incorporated by reference herein.

### 3. **Major holders of interests in the Company**

The names of persons (other than any Director) who, so far as is known to the Company who, directly or indirectly, are or will be interested in 3 per cent. or more of the Company's share capital, and the amount of such persons' interests, are set out in section 8 of Part IX (*Additional Information*) of the Prospectus, which is incorporated by reference herein. The most up-to-date information as to persons holding an interest of 3% or more in the Company are available on the website of the AFM, <http://www.afm.nl/en/professionals/registers/alle-huidige-registers.aspx>

### 4. **Litigation**

Save as set out below, no member of the Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during the previous 12 months which may have, or have had in the recent past significant effects on the Company and/or the Group's financial position or profitability.

#### ***Current litigation***

- (a) SIA Diksna (the joint venture company for Riga Plaza) submitted a claim against Seesam Latvia, Chartis Finland, QBE Estonia, AXA Versicherung with third persons MAI Insurance Brokers and SIA Peek & Cloppenburg for recovery of the insurance indemnity in the total amount of EUR 630,891. The damage was reported by SIA Peek & Cloppenburg to be caused by a fire accident at the premises of SIA Peek & Cloppenburg being the tenant of the shopping center in Riga, Latvia during the construction of the mall. The first instance court judgment was delivered on 27 December 2011 which fully satisfied SIA Diksna's claim. The insurers submitted an appeal regarding the first instance judgment. SIA Diksna submitted written pleadings against it and a counter appeal. On 2 June, 2014 the Appeal court denied Diksna's claim on two principal alternative grounds: (A) The fire incident occurred during the maintenance period of the insurance policy and not during the construction period (fire risk not cover during the maintenance period); (B) Peek & Cloppenburg is not an insured person under the insurance policy (while the agreement by which Diksna compensates losses to P&C for clean-up is simply a private agreement which does not bind the insurers). SIA DIKSNA submitted a cessation claim to the highest instance court on 16 July, 2014 appealing the decision of the Appeal Court.
- (b) The Hungarian tax authorities have challenged the applied tax treatment in two of the entities previously sold in Hungary by the Company to Klepierre in the course of the Framework

Agreement dated 30 July, 2004 ("**Framework Agreement**"). In respect of two of the former subsidiaries of the Company, the tax authorities decision of reducing the tax base and imposed a penalty in the sum of HUF 428.5 million (approximately EUR 1.428 million), were challenged by the previously held entities at the competent courts. On 2 July, 2014 Klepierre submitted a request for arbitration for ICC Arbitration claiming that the tax assessed in the described procedures falls within the scope of the tax indemnification provisions under the Framework Agreement. The Company in its responses rejected such claims and submitted a statement of defense on 8 August, 2014.

- (c) In respect of the project in Bangalore, several persons claiming to be land owners have commenced a total of 11 court cases in respect of approximately 7 acres of land belonging to Elbit Plaza India Real Estate Holding Limited (i.e. Aayas Trade Services Private Limited) in the Bangalore project. All claimants argue that they have a share in the land and that this land was sold to Elbit Plaza India Real Estate Holding Limited without their consent. They are therefore alleging that the said sale of land would not be binding on them. The Company is of the view that these claims are not material and that the claimants have a low chance of being successful in their court cases. However, should the Indian courts find in favour of the claimants then Elbit Plaza India Real Estate Holding Limited may lose its title to ownership of the relevant land.

#### *Potential litigation*

- (a) On 11 November 2013 the Company exercised the corporate guarantee provided by EI in the shareholders' agreement entered into on 25 August 2008 between the Company and EI for the development of existing and future major mixed-use projects in India (the "**Indian JV Agreement**"). The Company demanded a sum of EUR 4,301,834 including the interest thereon (the "**Reimbursement Payment**") provided by EI pursuant to the Indian JV Agreement on the ground of EI's default to finalize and conclude the transfer of the Cochin Project Rights to the Indian JV Vehicle. EI in its reply letter has refused to repay the Reimbursement Payment.
- (b) The Group is currently in breach of most of the facility agreements it has entered into with finance providers due to the Company's provisional suspension of payment procedure and certain covenants of such facilities. If the Group is unable to obtain the necessary waivers or alternative financing and restrictions are imposed or a breach continues over a period of time, culminating in an event of default the Group may, among other things, be required to immediately fully or partially repay such credit facilities, including accrued interest and premiums. Such events may lead to litigation with the financing banks.
- (c) Due to the challenging conditions in the real estate markets where the Company operates, the Company has been experiencing cash flow difficulties and cannot meet its short term obligations towards bondholders and has applied for a provisional suspension of payments. As a result thereof, the Company has received demand letters from the bondholders making various demands, insinuation, allegations and threats, including (i) allegations against the payments made before the granting of the provisional suspension of payment, attempting to classify these as unlawful preference of creditors; (ii) allegations regarding the "financial deterioration of the Company" and the responsibility thereto; (iii) allegations against non-payment; (iv) allegations regarding sale of the Bonds in 2013, allegedly at a discount. The Company rejected any and all such insinuations, demands, claims, allegations and threats. Potential claims have been reported to the Company's insurer.
- (d) In November 2013 the Company reached an agreement to sell Koregaon Park Plaza, subject to the fulfilment of certain closing conditions ("**KPP Sale Agreement**"). According to the KPP Sale Agreement, the Company was expected to receive EUR 18 million before transaction and tax costs (after the repayment of the bank loan) that should had been paid in several instalments during 2014-2016. Since one of the conditions precedent was not fulfilled, and although the Company has not yet received an official notification, it is very likely that the KPP Sale Agreement will not be completed and a request to repay the advance payment will be received from the purchaser who is a party to the KPP Sale Agreement. In this case the Company will claim all its costs and damages from the purchaser.

## 5. **Material contracts**

No contracts have been entered into (other than in the ordinary course of business) by any member of the Group either: (i) within the two years immediately preceding the date of this document which are, or may be, material to the Group; or (ii) which contain any provision under which any member of the Group has any obligation or entitlement which is, or may be, material to the Group as at the date of this document, save as disclosed below.

### ***Sponsor Agreement***

Under the terms of the Sponsor Agreement entered into on or around the date hereof between the Company, the Directors and the Sponsor, the Company has appointed SPARK Advisory Partners Limited as sponsor to the Rights Offering, the Placing and the Additional Placing. The obligations of the Sponsor are conditional upon certain conditions that are typical for an agreement of this nature. These conditions include, amongst others, the accuracy of the warranties in the Sponsor Agreement and Admission occurring by not later than 8:00 a.m. on 31 December 2014 or such later time and/or date as the Sponsor may agree with the Company. The Sponsor may terminate the Sponsor Agreement prior to Admission in certain specified circumstances that are typical for an agreement of this nature. These include certain changes in financial, political or economic conditions (as more fully set out in the Sponsor Agreement). The Sponsor Agreement cannot be terminated after Admission. The Company has agreed to pay or cause to be paid (together with certain related value added tax) certain costs, charges, fees and expenses properly incurred by the Sponsor in the performance of its obligations under the Sponsor Agreement. The Company and the Directors have given certain warranties to the Sponsor pursuant to the Sponsor Agreement. The Company has also given indemnities to the Sponsor. The warranties and indemnities are typical for an agreement of this nature.

### ***Polish Agency Agreement***

On 14 October 2014, the Company and IPOPEMA Securities S.A. (the "**IPOPEMA**") entered into an agency agreement in connection with the placing of the Bondholders' Shares in Poland (the "**Agency Agreement**"). Pursuant to the Agency Agreement, IPOPEMA will provide the Company with certain services related to the distribution of Bondholders' Shares to the holders of Polish Bonds in accordance with the requirements of the regulations of the Polish CSD. The Agency Agreement contains standard representations and warranties of the parties. The Company agreed to indemnify IPOPEMA for any losses resulting from the breach of the Company's representations and warranties. The agreed fee for the IPOPEMA is EUR 15,000 exclusive of expenses.

### ***Escrow Agreement***

On or around the date of this document, the Company, EUL and (an affiliate of) DK will enter into an escrow agreement with a Dutch civil law notary as (notaris) as escrow agent (the "**Escrow Agent**"). The escrow agreement provides for EUL and DK transferring the amount of each of their respective undertakings under the Controlling Shareholder Agreement and the Back Stop Agreement (the aggregate amount of EUR 20 million, the "**Escrow Amount**") to the Escrow Agent's third party account (notariële kwaliteitsrekening) on or prior to 28 November 2014. After that date, the Escrow Agent will hold the Escrow Amount for the account of the Company, subject to certain conditions, one of which is that before 31 December 2014, the Company shall have issued Ordinary Shares subscribed by EUL and DK pursuant to the Controlling Shareholder Agreement and the Back Stop Agreement. If the conditions have been fulfilled, the Notary shall pay out the Escrow Amount to the Company; if the conditions have not been fulfilled, the Notary shall transfer the Escrow Amount back to EUL and DK.

### ***Joint Venture and Shareholders Agreement with EI***

On 25 August 2008, the Company and EI entered into a strategic joint venture and shareholders agreement, for the development of existing and future major mixed-use projects in India (the "**Indian JV Agreement**"). Under the Indian JV Agreement, the Company acquired from EI a 47.5% stake in the Indian JV Vehicle in consideration for approximately USD126 million. The Indian JV Vehicle owns 50% and 80% of two residential projects in India, in conjunction with local Indian partners. In addition, under the Indian JV Agreement, EI undertakes to transfer all of its rights and interests in a real estate

development project being conducted by it in the city of Cochin (the "**Cochin Project Rights**") to the Indian JV Vehicle, and has provided the Company with a corporate guarantee for the fulfillment of this undertaking. Following this transaction, the Group and EI each own 47.5% of the Indian JV Vehicle and the remaining 5% is owned by Mr. Abraham Goren, EI's former Vice Chairman. The Indian JV Vehicle's board of directors comprises four members, of whom two were appointed by the Company and two were appointed by EI. The Indian JV Agreement is not subject to time restrictions, therefore, as long as there is no occurrence of a termination event, the Indian JV Agreement shall survive. Under the Indian JV Agreement, the Company and EI agreed to terminate by mutual consent the project sourcing agreement which they entered into on 26 October 2006, under which EI was obliged to offer to the Company potential real estate development sites sourced by it in India. However, in the event that the validity of the Indian JV Agreement shall lapse or be terminated prior to 26 October 2021, the parties shall re-execute a project sourcing agreement in identical form to the previous one.

### ***Bangalore and Chennai (India)***

In March 2008, the Indian JV Vehicle entered into an amended and reinstated share subscription and framework agreement (the "**Amended Framework Agreement**"), with a local third party (the "**Partner**") and a wholly owned Indian subsidiary of the Indian JV Vehicle which was designated for this purpose ("**SPV**"), to acquire, through the SPV, up to 440 acres of land in Bangalore, India (the "**Project**") in certain phases as set forth in the Amended Framework Agreement. As of 31 December 2013, the Partner has surrendered land transfer deeds in favor of the SPV to a trustee nominated by the parties for approximately 54 acres for a total aggregate consideration of approximately INR 2,843 million (EUR 40 million), and upon the actual transfer of the title, the Partner will be entitled to receive 50% of the shareholdings in the SPV.

In addition, the SPV has paid to the Partner advances of approximately INR 2,536 million (EUR 35 million) on account of future acquisitions by the SPV of a further 51.6 acres.

On 22 July 2010, the JV Vehicle, the SPV and the Partner signed a new framework agreement which, subject to certain conditions (which, as of the date of this document have not been satisfied), is supposed to replace the Amended Framework Agreement (the "**New Framework Agreement**").

The New Framework Agreement established new commercial understandings between the parties thereto, pertaining, inter alia, to the joint development of the Project and its magnitude and financing, the commercial relationships and working methods between the parties and the distribution mechanism of the revenues from the Project. In accordance with the New Framework Agreement, the following commercial terms have been, inter alia, agreed between the parties:

- The Indian JV Vehicle will remain the holder of 100% of the shareholdings and the voting rights in the SPV.
- The scope of the new project will be decreased to approximately 165 acres instead of the original 440 acres.
- The Partner undertakes to complete the acquisitions of the additional land and/or the development rights therein in order to obtain the ownership and/or the development rights over all 165 acres.
- Neither the Indian JV Vehicle nor the SPV will be required to pay any additional amounts in respect of the land acquisitions or with respect to the Project and its development.
- The Project will be re-designed as an exclusive residential project.
- The Project will be executed jointly by the Partner and the SPV. The Partner (or any of its affiliates) will also serve as the general contractor and marketing manager of the project. Under the New Framework Agreement, the Partner is also committed to a maximum sale prices, minimum construction costs threshold and a detailed timeline and budget with respect to the development of the project.

Under the New Framework Agreement, the Indian JV Vehicle will receive distributions (following a certain 3+6 months reserve mechanism to enable the Partner to utilize a portion of the proceeds for construction costs and expenses) of approximately 70% of the net proceeds from the Project (including the proceeds from any sale by the Partner or any transaction with respect to the original land which does not form part of the said 165 acres), until such time that EPI's investment in the amount of INR 5,780 million (approximately EUR 80 million) ("**JV's Investment**") plus an Internal Return Rate of 20% per annum calculated from 30 September 2009 ("**IRR**") is paid to the SPV on behalf of EPI (the "**Discharge Date**").

Following the Discharge Date, the Indian JV Vehicle will not be entitled to receive any additional profits from the Project and it will transfer to the Partner the entire shareholdings in the SPV for no consideration. In addition, the Partner has a call option, subject to applicable law and regulations, to acquire the entire shareholdings of the SPV, at any time, in consideration for the JV's Investment plus an IRR of 20% per annum calculated on the relevant date of acquisition.

The New Framework Agreement will enter into full force and effect upon execution of certain ancillary agreements described therein as well as satisfaction of certain other conditions; however, the Indian JV Vehicle, the SPV and the Partner are actually pursuing the Project itself in accordance with the New Framework Agreement.

In January 2011, the Partner has submitted the development plans pertaining to approximately 49 plus 35 acres included in the scope of the new project of 165 acres to the local planning authority, the Bangalore Development Authority ("**BDA**"). In October 2011, the BDA had notified the Partner that the development plans cannot be considered due to a future eminent domain plan. In January 2012, the Partner applied to the State High Court, requesting to issue a court order directing the BDA to consider the development plans. In March 2012, the court awarded a judgment pertaining to approximately 49 acres, ordering the BDA to consider the development plans related to the said 49 acres ("**Development Plan**"), while ignoring any future eminent domain plan that may be considered by the state authorities. In December 2012, the BDA decided to submit the Development Plan pertaining to the aforementioned 49 acres to the Sensitive Zone Sub-Committee of the BDA and in January 2013, the Sensitive Zone Sub-Committee of the BDA granted its approval to the aforementioned Development Plan. In May 2013, the court awarded a judgment pertaining to the additional 35 acres, ordering the BDA to consider the development plans related to the said 35 acres as well.

In December 2007, the Indian JV Vehicle executed agreements for the establishment of a special purpose vehicle ("**Chennai Project SPV**") together with one of the leading real estate developers in Chennai (in this section, the "**Local Partner**"). Subject to the fulfillment of certain conditions, the Chennai Project SPV undertook to acquire the ownership and development rights in and up to 135 acres of land situated in the Sipcot Hi-Tech Park in the Siruseri District of Chennai, India. Under these agreements, the Indian JV Vehicle is to hold 80% of the equity and voting rights in the Chennai Project SPV, while the Local Partner will retain the remaining 20%. Under the agreement, EPI's investment in the Chennai Project SPV will be a combination of investment in shares and compulsory convertible debentures. Due to changes in market conditions, the Indian JV Vehicle and the Chennai Project SPV later decided to limit the extent of the project to 83.4 acres.

As at the date hereof, the Chennai Project SPV has completed the purchase of approximately 75 acres out of the total 83.4 acres for consideration of approximately INR 2,367 million (approximately EUR 33 million). An additional amount of INR 564 million (approximately EUR 8 million) was paid in advance in order to secure the acquisition of an additional 8.4 acres.

A shareholders agreement in respect of the management of the Chennai Project SPV provides for a five member board of directors, four of whom are appointed by the Indian JV Vehicle. The shareholders agreement also includes certain pre-emptive rights and restrictions on transferring securities in the Chennai Project SPV. Profit distributions declared by the Chennai Project SPV will be distributed in accordance with the shareholders' proportionate shareholdings in that company, subject to the Indian JV Vehicle's entitlement to receive certain preferential payments out of the Chennai Project SPV's cash flow.

On the terms specified in the agreements. The consummation of the agreements will be accomplished in stages, and is subject to the fulfilment of certain regulatory requirements, as well as to our satisfactory due diligence investigations, in respect of each stage. However, the Indian JV Vehicle is currently

negotiating certain changes in the project's implementation plan and holding structure, which would require changes also in the respective agreements. Among other things, should those changes be accepted, the Indian JV Vehicle shall not be required to advance more financing to the project in addition to the amounts mentioned above and shall hold all the issued and outstanding share capital of the SPV. In furtherance of the foregoing, the Indian JV Vehicle is currently operating to secure a joint development agreement with local developer(s) for the development of the project land, in accordance with the aforementioned guidelines.

### **Option agreement Mr. Rami Goren**

The Company has entered into an agreement on 27 October 2006 with Mr Abraham (Rami) Goren who then acted as the Executive Vice-Chairman of EI with responsibility for its operations in India, under which he will be entitled to receive options (the "**Options**") to acquire up to 5% of the holding company through which the Company will carry on its operations in India. However, where considered appropriate and by agreement, Mr Goren will be entitled to take up a 5% interest in specific projects, in which case necessary adjustments will be made at the holding company level. The Company and Mr Goren will agree the form of the Option for each acquisition, taking into account taxation, securities laws and regulations applicable to either party or their respective affiliates, and other considerations of the respective parties. If Mr Goren exercises all of his Options (5%) at the holding company level, his right to take up interests on a project by project basis will lapse. The Options will be subject to vesting over a three-year period, with an initial vesting of 2% on award of the Options following commencement of the relevant project. This will rise by 1% on the following dates: 31 March 2007; 31 March 2008; and 31 March 2009. Therefore, this will reach a maximum amount of 5% after the three-year period. If Mr Goren elects to take up Options in a specific project which commences after any of the vesting dates specified above, an immediate vesting will be allowed in respect of Options which would have vested as of the above dates. For example, if a project commences after 31 March 2008, Mr Goren will be entitled to an immediate vesting of 4%. The Options will also vest immediately upon: (i) Mr Goren's death, in which event all of his rights under the agreement will devolve upon his legal heirs; or (ii) Mr Goren being declared, by court order, mentally or physically incapacitated and incapable of conducting his own affairs, in which case all of his rights under the agreement will devolve upon his legal guardians appointed by court order. The Options may be exercised at any time, at a price (the "Exercise Price") calculated in accordance with the following formula:

$$\frac{[A]}{100} \times [B] + [C] = [D]$$

Where:

[A] is the total owner's net equity investment made by the Company in the projects as at the Option exercise date;

[B] is the number of vested Options to be exercised (expressed as a percentage of the total outstanding shares held by the Company in the projects);

[C] is interest at the rate of LIBOR plus 2% per annum from the date of the investment until the Option exercise date; and

[D] is the Option Exercise Price.

Mr Goren has a cash-in right to require the Company to purchase shares held by him following exercise of the Options, at a price to be determined by an independent valuer. In addition, Mr Goren has the right to pay the Exercise Price on a partial exercise of Options by way of the surrender to the Company of Options valued at the Exercise Price of the exercised Options. If the Company sells its shares in the India holding company to a third party, Mr Goren's Options will not be affected. However, if a new investor is allotted shares in the holding company, Mr Goren's options will be diluted pro-rata.



The Option arrangement was approved by EI's relevant corporate organs together with an additional agreement that is intended to replace this agreement, subject to receipt of the relevant approvals of the Company's corporate bodies. The agreement includes tag-along rights and rights of first refusal. The parties have given the standard representations and warranties for an agreement of this kind.

Although Mr. Goren left the Group in 2011, the option agreement remains in place.

#### ***Riga Plaza (Latvia)***

The joint-venture company for Riga Plaza, SIA Diksna, is jointly owned by two affiliates of Development Corporation Latvia (being ATS Development Corporation (Moldova) Limited and SIA Diksna Finances, both of which are unrelated third parties). The Company's ownership in SIA Diksna share amounts to 50%. The joint venture and shareholders' agreement was concluded in February 2004 for the purpose of the development, construction, opening, management and operation of Riga Plaza, located in Riga, Latvia. The agreement governs the obligations of the parties in the construction, development and operation of Riga Plaza and provides for a buy-out mechanism in the event of certain deadlocks and for certain limitations on the sale of each party's holdings in the special purpose vehicle, including provisions ensuring that negotiations take place on bona fide arms-length terms, a right of first offer and a tag along right for all of each party's shares.

Any problematic shareholder resolution will first be submitted to a deadlock committee, comprising the CEO's of the Company, and in the event of an unresolved deadlock, either party may invoke the compulsory buy out procedures.

#### ***Dambovit Center (Casa Radio)—Bucharest, Romania***

Mimel Insaat San Ve Tic. A.S., which was at the relevant time controlled by a Turkish group, and Orb Estates Plc. (the "**Initial Investors**"), following a Romanian Government tender, entered into a public-private partnership agreement ("**PPP Contract**") with the Government of Romania ("**GOR**") in 2003, for the development of the "Casa Radio" or "Dambovit Center" project ("**Casa Radio Project**") in central Bucharest, Romania. Pursuant to the original PPP Contract, the Initial Investors, through nominee companies, held 90% of a Romanian company incorporated to develop the Casa Radio Project (Dambovit Center SRL—the "**Project SPV**"), while the GOR held the remaining 10%. Thereafter, Orb Estates Plc. assigned all its rights and shares under the PPP Contract to Mimel Insaat San Ve Tic. A.S., which thus held the full 90% interest of the Initial Investors in the Project SPV through a nominee company ("**Vendor**"). The Company and the Vendor have entered into a share purchase agreement dated 11 October 2006 (the "**Agreement**"), pursuant to which the parties have agreed that EI and the Company (the "**Purchaser**") acquired from the Vendor such number of shares equalling to 75% of the total outstanding and issued shares in the Project SPV at a price of USD 23,365,000. In addition, the Purchaser paid USD 2,000,000 as reimbursement of costs for the transaction. Both of these sums were paid into escrow, and were released to the Vendor following approval by GOR of the Purchaser as a new investor, and of certain amendments to the PPP Contract. Accordingly the Company holds (indirectly) 75% of the shares in the Project SPV, the remaining 25% are held by the GOR (15%) and by an affiliate of the Vendor (10%).

Further to the Agreement, on 19 October 2006, the Vendor and the Purchaser entered into a shareholders agreement ("**Shareholders Agreement**") in relation to the Project SPV. The Shareholders Agreement, which was conditional on the amendments to the PPP Contract being approved by GOR, governs some of the obligations of the parties in relation to the Project SPV, and includes pre-emption and drag and tag along rights on the transfer of shares in the Project SPV, obligations on the Purchaser to take all necessary measures to obtain financing for the demolition and site organization works required by the PPP Contract (as amended) and for the development of the Casa Radio Project, including the payment of all expenses. The board of directors of the Project SPV will comprise five directors of which the Purchaser has the right to appoint three members, and each of the GOR and the Vendor one director.

As part of the PPP Contract, the Project SPV was granted with development and exploitation rights in relation to the site for a period of 49 years, starting December 2006. In addition, the Project SPV has

committed to construct a Public Authority Building ("**PAB**") measuring approximately 11.000sqm for the GOR Government at its own cost.

Large scale demolition, design and foundation works were performed on the construction site which amounted to circa EUR 85 million until 2010, when current construction and development were put on hold due to lack of progress in the renegotiation of the PPP Contract with the Romanian Authorities.

The Project SPV obtained the Detailed Urban Plan ("**PUD**") permit related to the Casa Radio Project in September 2012. Furthermore, on 13 December 2012, the Romanian Court took note of the waiver of a claim submitted by certain plaintiffs and rejected the litigation aiming to cancel the approval of the Zonal Urban Plan ("**PUZ**") related to the Casa Radio Project. The court decision is irrevocable. As the PUD is based on the PUZ, the risk that the PUD would be cancelled as a result of the cancellation of the PUZ was removed following the date when the PUZ was cleared in court on 13 December 2012.

Following the Court decision, in order to comply with the original schedule of the PPP Contract, the Project SPV was required to submit a request for building permits within 60 days from the approval date of the PUZ/PUD and commence development of its project within 60 days after obtaining the building permit.

However, due to substantial differences between the approved PUD and stipulations in the PPP Contract as well as changes in the EU directives concerning buildings used by public authorities, and in order to ensure a construction process that will be adjusted to current market conditions, the Project SPV started preliminary discussions with the GOR (shareholder of the Project SPV and a party to the PPP) regarding the future development of the project.

In addition, considering the delays incurred in the development of the Casa Radio Project due to the challenge of the PUZ in court, the Project SPV also officially notified the GOR in order to renegotiate the existing PPP contract on items such as a new time table, structure and milestones.

The Company estimates that although there is no formal obligation from the GOR to renegotiate the PPP Contract, such obligation is expressly provided for the situation when extraordinary economic circumstances arise; however there is no assurance that the GOR will respect such obligation.

### ***Credit Facility Agreements***

Certain Subsidiaries entered into credit facility agreements for the purchase of land and construction of the Group's projects. With regard to Liberec Plaza, Zgorzelec Plaza, Valley View, Primavera and Koregaon Park Project, the Company has provided different types of corporate guarantees.

### ***BAS, Romania***

On 22 October 2007, the Company entered into a share purchase agreement and an asset purchase agreement ("**Transaction Agreements**") with Badto Adviesburo B.V. and its shareholders, being three private Israeli individuals ("**Badto Shareholders**") for the purpose of purchasing existing assets, namely Romanian special purpose vehicles that hold real estate property in Romania ("**Existing Assets**") and for cooperation with the Badto Shareholders in the development, construction and selling of future residential and office projects in Romania.

At the closing of the Transaction Agreements on 31 January 2008 ("**Closing**"), the Existing Assets were transferred to Plaza BAS B.V. ("**BAS**"), at that time a wholly owned subsidiary of the Company, and BAS issued to the Badto Shareholders such amount of new shares that the Badto Shareholders together acquired 49.9% of the issued and outstanding share capital. In addition, at the Closing, the Company and the Badto Shareholders entered into a shareholders agreement setting out the terms and conditions under which they will jointly operate BAS. Following the Closing the Company has 50.1% of the issued and outstanding share capital of BAS and the majority of members of BAS' board of directors (three members out of a total of five members of the board of directors). In the frame of the Transaction Agreements seven (7) local special purpose vehicles ("**Local SPVS**") are holding residential and office projects in Bucharest, Ploiesti and Brasov. The Local SPVS are held together with Aura Investments Limited ("**Aura**") (see Part III, Information on the Group).

On 7 November, 2013 BAS and Aura have entered into a Share Sale and Purchase Agreement (the "**Shares Sale and Purchase Agreement**"), as further and ultimately amended on 16 June, 2014 for the mutual transfer of the shares in the Local SPVS between Bas and Aura and accordingly BAS wholly owns four (4) Local SPVS and Aura wholly owns three (3) Local SPVS.

#### ***Agreement related to the Bonds***

The Company and the Bondholders have agreed, in the Restructuring Plan, on certain terms in relation to the Bonds.

There are no contracts (not being contracts entered into in the ordinary course of business) which have been entered into by members of the Group which contain any provision under which any member of the Group has any obligation or entitlement which is material to the Group as at the date of this document.

#### **6. Related party agreements**

The agreements described in this paragraph are transactions which, as a single transaction or in their entirety, are or may be material to the Company and have been entered into by the Company or any other member of the Group during the period commencing on 1 January 2003 and up to the date of this document with a related party. Each of the transactions was concluded at arm's length.

#### ***Controlling Shareholder Undertaking***

On or around the date hereof, EUL entered into the Controlling Shareholder Undertaking, pursuant to which EUL undertook to the Company: (i) to exercise or procure the exercise of all voting rights attaching to the Ordinary Shares held by EUL to vote in favour of all resolutions to approve the Rights Offering and any reasonable matters related thereto (save that EUL will not be required to vote on the Related Party Resolutions); (ii) subject to the Company launching the Rights Offering prior to 30 November 2014, to exercise its Rights under the Rights Offering to take up or procure that others take up its full entitlement of New Ordinary Shares at the Rights Offering Price less the number of Escrow Shares acquired from the Bondholders prior to 30 November 2014; (iii) to not exercise its Rights in respect of New Ordinary Shares equal in number to the Escrow Shares; (iv) to purchase the Escrow Shares from the Bondholders (or their nominees) at the Rights Offering Price; and (v) subject to the Company launching the Rights Offering on or prior to 30 November 2014, 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 additional New Ordinary Shares (the "**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. In addition, the Company undertook that in the event that the value of the Rump Shares (circulated as the multiple of the number of Additional Rights Shares by the Rights Offering Price (the "**ARSV**")) is less than EUR 3,000,000 EUL may demand, at its sole discretion, that the Company issue and EUL and/or a person nominated by it shall subscribe for the Additional Placing Shares at the Rights Offering Price.

EUL also undertook to make or procure that payment of EUR 20 million is made to the bank account of the escrow agent under the Escrow Agreement (to be held under the terms of the Escrow Agreement) such that the monies are received by the escrow agent by 17:00 London time on 28 November 2014.

The Controlling Shareholder Undertaking is subject to the following conditions precedent having been satisfied by 30 November 2014: a prospectus relating to the Rights Offering be approved by the AFM and published and passported into any other jurisdictions in the European Economic Area that the Company may deem appropriate or necessary; the Company's Board and Shareholders having given any necessary approvals in connection with the Rights Offering; and all of the matters due to take place under section 3.1.15(ii) to (v) of the Restructuring Plan have taken place. Section 3.1.15 (ii) to (v) of the Restructuring Plan Capital requires that the following need to have occurred prior to 30 November 2014: (i) the Ordinary Shares to be listed on the Tel Aviv Stock Exchange; (ii) a pre-ruling from the Israeli tax authority to be received on the tax implications for the Israeli holders of the Notes resulting

from the amendment of the original terms and conditions of the trust deeds relating to the Notes and the terms of the Polish Bonds; (iii) the trustee of the Series A Notes and the Series B Notes having received signed undertakings from the Company's subsidiaries as required under the Restructuring Plan; and (iv) the amount of interest to be paid to the holders of the Notes on the first interest payment date under the Restructuring Plan having been deposited in a trust account or with the nominee company in accordance with the trusts deeds relating to the Notes.

The Company also made a number of representations and undertakings to EUL and each person nominated by EUL to receive shares, including: (a) that shares of the Company received by EUL and/or the such persons nominated by EUL to receive shares shall not be subject to any contractual lock-up or similar contractual transfer restrictions with the Company, its affiliates or advisers; (b) that no UK stamp duty or stamp duty reserve tax is payable by acquirers of shares or depository interests representing shares in the capital of the Company; (c) as at 30 November 2014, since the date of the agreement, there shall not have been any material adverse change; (d) that as at 30 November 2014, no event or circumstance has occurred or information exists with respect to the Company or its business, properties, operations or financial condition, which, under applicable law, rule or regulation, requires public disclosure or announcement by the Company but which has not been so publicly disclosed or announced; (e) that as at Admission there shall not have been any material adverse change and no new insolvency event is continuing; (f) not to amend, change or modify the Restructuring Plan without EUL's prior written consent, and (g) not to amend, change, modify the terms of the Rights Offering without EUL's prior written consent. The Company agreed to indemnify EUL and each person nominated by EUL to receive shares, for any breach of point (e) provided that any claim that EUL and each person nominated by EUL to receive shares may have under point (e) will be subordinated to the claims of other creditors of the Company.

EUL agreed not, at any time after 30 November 2014, to rescind this Controlling Shareholder Undertaking for breach of any representation given or made under that document by the Company.

The obligations of EUL under the Controlling Shareholder Undertaking will lapse in the event that the Rights Offering does not close before noon (Amsterdam time) on 31 December 2014.

The obligations of EUL under the Controlling Shareholder Undertaking have been guaranteed by EI.

### ***Relationship Agreement***

The Company proposes entering into an amended and restated relationship agreement that will amend the relationship entered into by the parties on 27 October 2007 (the "**Relationship Agreement**"). The amendments proposed to the Relationship Agreement reflect recent changes introduced to the Listing Rules relating to situations where companies have a 'controlling shareholder'. Pursuant to this agreement it is proposed that Elbit will undertake to the Company that:

- (a) neither it nor any member of its group nor any of its or their associates would take any action that would have the effect of preventing the Company from complying with its obligations under the Listing Rules;
- (b) neither it nor any member of its group nor any of its or their associates will propose or procure the proposal of a shareholder resolution which is intended or appears to be intended to circumvent the proper application of the Listing Rules;
- (c) it would allow the Company to be operated in the best interests of the Company as a whole;
- (d) it would allow the Company at all times to carry on its business independently of EI and the Elbit Imaging Group; and
- (e) it would use its best endeavours to procure that no member of its group would act in any way or omit to act in any way which shall prejudice the ability of Group to carry on its business independently of Elbit Imaging Group (or render it unsuitable for continued listing on the London Stock Exchange by reason of any act or omission on the part of any member of the Elbit Imaging Group).

It is also proposed that Elbit will undertake to the Company that it will (and will procure that the relevant members of the Elbit Imaging Group), conduct any transactions, arrangement and relationships between any member of the Elbit Imaging Group and/or its associates, on the one hand, and any member of the Group, on the other, on arm's length and on normal commercial terms.

It is proposed that the amended Relationship Agreement will terminate in the event that the Company's issued share capital ceases to be admitted to the Official List.

#### ***Agreement with Control Centers***

The Company and/or its subsidiaries were parties to a projects initiation and supervision agreement which was signed in 2006 between the Company and Control Centers. Bank Hapoalim has instituted legal action to foreclose on its pledges, including, inter alia, all the assets of Europe-Israel securing Europe-Israel's obligations under a loan agreement with Bank Hapoalim including its shares in EI. On 21 July 2013 a receiver was appointed to Control Centers and Europe-Israel and on 10 September 2013, the Receiver dismissed their employees. Consequently, as of the date hereof the Company is not receiving the agreed services under the aforementioned agreement. As of the date of this document the agreement with Control Centers is deemed to be terminated due to EI's restructuring and there is no liability in respect of engineering supervision services supplied by related parties in Control Centers Group.

#### ***EI Guarantees***

An agreement dated 27 October 2006, addressed to the Company from EI, pursuant to which with effect from 1 January 2006 the Company will pay a commission to EI in respect of all and any outstanding corporate and first demand guarantees which have been issued by EI in favour of the Company and which remain valid and outstanding ("**EI Guarantees**"). The amount of the commissions to be paid will be determined by agreement between EI and the Company at the beginning of each financial year, and will apply to all EI Guarantees which remain outstanding during the course of that relevant financial year. The amount of the commission payable by the Company is subject to a cap of 0.5% of the amount or value of the relevant EI Guarantee, per annum. The commission payable is exclusive of value added tax, if applicable, and will be paid annually in arrears. In the event that an EI Guarantee lapses, or is returned, during the course of the relevant financial year, then the commission is payable pro rata for the period during which it remained valid during that year. The Company has the right to replace the EI Guarantees at any time, either with its own corporate guarantees or with guarantees issued by third parties. Upon the termination or return of EI Guarantees which have been replaced, the commission is payable pro rata for the period during which it remained valid during that year. As of the date of this document no EI Guarantees are issued and/or there are no outstanding EI Guarantees.

#### ***Joint Venture Agreement***

On 25 August 2008, the Company and EI entered into a strategic joint venture and shareholders agreement, for the development of existing and future major mixed use projects in India. For a description of this agreement, reference is made to paragraph 6 of this Part IV (*Material Contracts*).

#### **7. Significant change**

There has been no significant change in the financial or trading position of the Group since 30 June 2014, the date of the last interim unaudited accounts for the half year period ended 30 June 2014.

#### **8. Consents**

The Sponsor has given and not withdrawn its written consent to the inclusion in this document of its name and references thereto in the forms and contexts in which they appear.

#### **9. Documents available for inspection**

Copies of the following documents will be available on the Company's website [www.plazacenters.com](http://www.plazacenters.com) and for inspection during normal business hours on any weekday (Saturdays, Sundays, Dutch and UK public holidays excepted) at (i) the registered office of the Company at Prins Hendrikkade 48-2, 1012

AC Amsterdam, The Netherlands; and (ii) the offices of Mayer Brown International LLP at 201 Bishopsgate, London EC2M 3AF from the date of this document until the day following the extraordinary General Meeting.

- (A) the draft deed of amendment of the Articles of Association;
- (B) a copy of the Articles of Association marked to show the changes made by the New Articles of Association;
- (C) the consents referred to in paragraph 8 above;
- (D) the Prospectus; and
- (E) this document.

**PART V**  
**TERMS AND CONDITIONS OF THE RIGHTS OFFERING AND PLACING**

**1. Introduction**

The Company proposes to raise gross proceeds of approximately EUR 19.1 million through the Rights Offering at a Rights Offering Price of EUR 0.0675 per New Ordinary Share per New Ordinary Share. Subject to the fulfilment of the conditions set out below, the New Ordinary Shares will be offered by way of rights to Qualifying Shareholders on the following basis:

**19 New Ordinary Shares with a nominal value of EUR 0.01 each for every 20 Ordinary Shares**

held by Qualifying Shareholders on the Record Date and so in proportion to any other number of Ordinary Shares each Qualifying Shareholder then holds.

Entitlements to New Ordinary Shares under the Rights Offering will be rounded down to the nearest whole number and fractions of New Ordinary Shares will not be allotted to Qualifying Shareholders (and the Depositary will not make available fractions of New Depositary Interests to Qualifying Depositary Interest Holders). Such fractions will be aggregated and, if possible, donated to charity.

The Depositary holds Existing Ordinary Shares and accordingly will be allotted Rights on behalf of Qualifying Depositary Interest Holders. The Depositary will pass on the Rights allotted to it to Qualifying Depositary Interest Holders in accordance with the terms of the Deed Poll as described below.

The Depositary will pass on the Rights allotted to it to Qualifying Depositary Interest Holders (other than Excluded Shareholders) on the following basis and otherwise on the terms and conditions set out in this document and in accordance with the Deed Poll:

**19 New Depositary Interests at EUR 0.0675 each for every 20 Existing Depositary Interests**

held by Qualifying Depositary Interest Holders on the Record Date and so in proportion to any other number of Existing Depositary Interests each Qualifying Depositary Interest Holder then holds

The attention of Overseas Shareholders and any person (including, without limitation, custodians, nominees and trustees) who has a contractual or other legal obligation to forward this document into a jurisdiction other than the Netherlands, the United Kingdom or Poland is drawn to section 6 of this Part VIII-1. In particular, subject to certain exceptions, Qualifying Shareholders with registered addresses in the United States or in any of the other Excluded Territories will not have their CREST stock accounts credited with Rights.

The New Ordinary Shares will, when issued and fully paid-up, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to any future dividends or other distributions made, paid or declared after the date of their issue.

Application will be made to the UK Listing Authority for the Rights and the New Ordinary Shares to be admitted to listing on the premium segment of the Official List and to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on its main market for listed securities. It is expected that dealings in the Rights will commence on the London Stock Exchange at 8:00 a.m. (London time) on 1 December 2014 and that Admission will become effective on the London Stock Exchange at 8:00 a.m. (London time) on 23 December 2014.

Application will also be made to the Warsaw Stock Exchange for the Rights and the New Ordinary Shares to be admitted to listing and to trading on its main market for listed securities. It is expected that dealings in the Rights will become effective on the Warsaw Stock Exchange at 8:00 a.m. (CET) on or around 1 December 2014 and that Admission will become effective on the Warsaw Stock Exchange at 8:00 a.m. (CET) on or around 23 December 2014.

IPOPEMA Securities S.A. will act as the Polish issue sponsor in connection with the Placing in Poland, in accordance with the requirements of Polish law.

On or around the date hereof, EUL entered into the Controlling Shareholder Undertaking, pursuant to which EU, subject to certain conditions, undertook to the Company to, inter alia: (i) subject to the Company launching the Right Offering prior to 30 November 2014, exercise its Rights under the Rights Offering to take up or procure that others take up its full entitlement of New Ordinary Shares at the Rights Offering Price less the number of Escrow Shares acquired from the Bondholders; (ii) not exercise its Rights in respect of New Ordinary Shares equal in number to the Escrow Shares; (iii) purchase the Escrow Shares from the Bondholders (or their nominees) at the Rights Offering Price; and (iv) subject to the Company launching the Rights Offering on or prior to 30 November 2014, 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 additional New Ordinary Shares (the "**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. In addition, the Company undertook that in the event that the value of the Rump Shares (circulated as the multiple of the number of Rump Shares by the Rights Offering Price (the "**ARSV**")) is less than EUR 3 million EUL may demand, at its sole discretion, that the Company issue and EUL and/or a person nominated by it shall subscribe for the Additional Placing Shares at the Rights Offering Price. Save for the aforementioned, the Rights Offering is not being underwritten.

Further to the aforementioned undertaking EUL undertook to make or procure that payment of EUR 20 million is made to the bank account of the escrow agent under the Escrow Agreement (to be held under the terms of the Escrow Agreement) such that the monies are received by 17:00 London time on 28 November 2014. If the Company fails to issue to EUL or persons nominated by EUL the New Ordinary Shares subscribed by it or them, the Escrow Shares or any Additional Placing Shares by 31 December 2014, the escrow agent will return the monies it has received. In light of the current timetable as set out in this document, the Company believes that all relevant shares will be issued to Qualifying Shareholders who have taken up their rights prior to 31 December 2014.

EUL, subject to certain conditions being satisfied, has in the Controlling Shareholder Undertaking committed EUR 20 million to the Company. EUL has agreed to use part of the EUR 20 million to take up their entitlement of Rights less the amount they will pay to the trustee of the Bondholders in respect of the Escrow Shares they acquire (the proceeds of which will be used by the trustee of the Bondholders to pay up the nominal value of the Escrow Shares and the Bondholder Shares) with the balance of the EUR 20 million being used to underwrite any Rights that are not taken up. Accordingly, there will be a shortfall of approximately EUR 117,534 that will not be covered by EUL's obligation to underwrite the Rights Offering together with the amount that EUL takes up under the Rights Offering. The Company believes, however, that provided EUR 20 million is raised by way of capital injection (including a combination of Rights Offering and Placing) that it will have satisfied the obligation under the Restructuring plan to raise EUR 20 million notwithstanding this was not done solely by way of a Rights Offering.

The obligations of EUL under the Controlling Shareholder Undertaking have been guaranteed by EI.

Subject to the above conditions being satisfied and save as provided in section 6 of this Part VIII-1 in respect of Overseas Shareholders, it is intended that:

- (A) the Receiving Agent will instruct Euroclear UK to credit the appropriate stock accounts of Qualifying CREST Shareholders (other than Excluded Shareholders) with such Rights, with effect from 8:00 a.m. (London time) on 1 December 2014;
- (B) the Rights will be enabled for settlement by Euroclear UK as soon as practicable after the Company has confirmed to Euroclear UK that all the conditions for admission of such Rights to CREST have been satisfied, which is expected to be as soon as practicable after 8:00 a.m. (London time) on 1 December 2014; and
- (C) the New Ordinary Shares and New Depositary Interests will be credited to the appropriate stock accounts of relevant Qualifying CREST Shareholders (or their renounees) who have exercised their Rights as soon as practicable after 8:00 a.m. (London time) on 23 December 2014.

The Existing Depositary Interests are already admitted to CREST. No further application for admission to CREST is required for the New Depositary Interests and all of the New Depositary Interests when issued and



fully paid-up may be held and transferred by means of CREST. Applications will be made for the Rights to be admitted to CREST. Euroclear UK requires the Company to confirm to it that certain conditions are satisfied before Euroclear UK will admit any security to CREST. It is expected that these conditions will be satisfied in respect of the Rights at 8:00 a.m. on 1 December 2014. As soon as practicable after satisfaction of the conditions, the Company will confirm this to Euroclear UK.

Application will be made to the Central Securities Depository of Poland to register the Rights and the New Depository Interests with the Central Securities Depository of Poland to enable the trading of the the New Depository Interests on the Warsaw Stock Exchange. It is expected that such registration will become effective on or around 1 December 2014.

All documents and cheques and banker's drafts posted to or by Qualifying Shareholders and/or their transferees or renounees (or their agents, as appropriate) will be posted at their own risk.

Qualifying Shareholders exercising their rights by sending a USE instruction to Euroclear UK will be deemed to have given the representations and warranties set out in section 3.2 of this Part VIII-1, unless such requirement is waived by the Company and the Sponsor.

The Rights Offering Price can only be paid in euro. Holders of Depository Interests in Poland should contact their brokers in order to find out more information about the payment methods and the procedures of crediting their security accounts in Poland with the New Depository Interests.

## **2. Action to be taken**

The Rights in respect of which action is to be taken will be in uncertificated form (that is, are in CREST).

If you are a Qualifying CREST Shareholder and do not have a registered address in or you are not located in the United States or any of the other Excluded Territories, please refer to sections 3 and 4, 6.5 and 7 to 12 of this Part VIII and to the CREST Manual for further information on the CREST procedures referred to below.

CREST sponsored members should refer to their CREST sponsors, as only their CREST sponsors will be able to take the necessary actions specified below to take up the entitlements or otherwise to deal with the Rights of CREST sponsored members.

## **3. Action To Be Taken In Relation To Rights In Crest**

### **3.1 General**

Subject as provided in section 6 of this Part VIII-1 in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder is expected to receive a credit to his CREST stock account of his entitlement to Rights on 1 December 2014. For Qualifying CREST Shareholders, the CREST stock account to be credited will be an account under the participant ID and member account ID that apply to the Existing Ordinary Shares held on the Record Date by the Qualifying CREST Shareholder in respect of which the Rights are allotted.

The Rights will constitute separate securities for the purposes of CREST and can accordingly be transferred, in whole or in part, by means of CREST in the same manner as any other security that is admitted to CREST.

**CREST members who wish to exercise or trade all or part of their entitlements in respect of, or otherwise to transfer, all or part of their Rights held by them in CREST should refer to the CREST Manual for further information on the CREST procedures referred to below. If you are a CREST sponsored member, you should consult your CREST sponsor if you wish to take up your entitlement, as only your CREST sponsor will be able to take the necessary action to take up your entitlements or otherwise to deal with your Rights.**

### **3.2 Procedure for acceptance and payment**

#### **(A) USE instructions**

CREST members who wish to exercise or trade all or part of their entitlement in respect of Rights in CREST must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) a USE instruction to Euroclear UK which, on its settlement, will have the following effect:

- (i) the crediting of a stock account of the Receiving Agent under the participant ID and member account ID specified below, with the number of Rights to be taken up;
- (ii) the creation of a CREST payment, in accordance with the CREST arrangements, in favour of the payment bank of the Receiving Agent in euro, in respect of the amount specified in the USE Instruction which must be payable on acceptance in respect of the Rights referred to in subsection (i) above.

*(B) Contents of USE instructions*

The USE Instruction must be properly authenticated in accordance with Euroclear UK's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of Rights to which the acceptance relates;
- (ii) the ISIN of the Rights. This is NL0010938148;
- (iii) the CREST participant ID of the accepting CREST member;
- (iv) the CREST member account ID of the accepting CREST member from which the Rights are to be debited;
- (v) the participant ID of the Receiving Agent, in its capacity as a CREST receiving agent. This is 9RA01;
- (vi) the member account ID of the Receiving Agent, in its capacity as a CREST receiving agent. This is 40281PLA;
- (vii) the amount payable by means of a CREST payment on settlement of the USE Instruction. This must be the full amount payable on acceptance in respect of the number of Rights to which the acceptance relates;
- (viii) the intended settlement date (which must be on or before 11:00 a.m. (London time) on 18 December 2014); and
- (ix) the Corporate Action Number for the Rights Offering. This will be available by viewing the relevant corporate action details in CREST.

In order for an acceptance under the Rights Offering to be valid, the USE Instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11:00 a.m. (London time) on 18 December 2014. In order to assist prompt settlement of the USE Instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE Instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST Members and, in the case of CREST Sponsored Members, their CREST Sponsors, should note that the last time at which a USE Instruction may settle on 18 December 2014 in order to be valid is 11:00 a.m. (London time) on that day.

*(C) Validity of application*

A USE Instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11:00 a.m. (London time) on 18 December 2014 will constitute a valid and irrevocable application under the Rights Offering.

(D) *Representations, warranties and undertakings of CREST members*

A CREST member or CREST sponsored member who makes, or procures the making of, a valid acceptance in accordance with this section 3.2 represents, warrants and undertakes to the Company that he has taken (or procured to be taken), and will take (or will procure to be taken), whatever action is required to be taken by him or by his CREST sponsor (as appropriate) to ensure that the USE Instruction concerned is capable of settlement at 11:00 a.m. (London time) on 18 December 2014 and remains capable of settlement at all times after that until 2:00 p.m. (London time) on 18 December 2014 (or until such later time and date as they may determine). In particular, the CREST member or CREST sponsored member represents, warrants and undertakes that at 11:00 a.m. (London time) on 18 December 2014 and at all times thereafter until 2:00 p.m. (London time) on 18 December 2014 (or until such later time and date as the Company may determine) there will be sufficient Headroom within the Cap (as those terms are defined in the CREST Manual) in respect of the cash memorandum account to be debited with the amount payable on acceptance to permit the USE Instruction to settle. CREST sponsored members should contact their CREST sponsor if they are in any doubt.

If there is insufficient Headroom within the Cap (as those terms are defined in the CREST Manual) in respect of the cash memorandum account of a CREST member or CREST sponsored member for such amount to be debited or the CREST member's or CREST sponsored member's acceptance is otherwise treated as invalid and New Ordinary Shares and/or New Depositary Interests have already been allotted to such CREST member or CREST sponsored member, the Company may (in its absolute discretion as to manner, timing and terms) make arrangements for the sale of such shares and/or Depositary Interests on behalf of that CREST member or CREST sponsored member and hold the proceeds of sale (net of the Company's reasonable estimate of any loss that it has suffered as a result of the acceptance being treated as invalid and of the expenses of sale including, without limitation, any stamp duty or SDRT payable on the transfer of such shares and/or Depositary Interests and/or Depositary Interests, and of all amounts payable by the CREST member or CREST sponsored member pursuant to the provisions of this Part VIII-1 in respect of the acquisition of such shares and/or Depositary Interests) on behalf of such CREST member or CREST sponsored member. None of the Company, the Sponsor nor any other person shall be responsible for, or have any liability for, any loss, expenses or damage suffered by such CREST member or CREST sponsored member as a result.

A Qualifying CREST Shareholder will be deemed to have made the representations and warranties set out in section 6.6 of this Part VIII and in Part VIII of the Prospectus. All Qualifying Shareholders and Placees will also be deemed to have agreed and acknowledged that:

- (i) the Sponsor: (a) is acting exclusively for the Company and no one else in connection with the Rights Offering and the listing of the New Ordinary Shares on the premium segment of the Official List; and (b) will not be responsible to anyone other than the Company for providing the protections afforded to their clients for providing advice in connection with the Rights Offering, the listing of the New Ordinary Shares on the premium segment of the Official List or the contents of this document and/or the Prospectus;
- (ii) apart from the responsibilities and liabilities, if any, which may be imposed on the Sponsor by FSMA, the regulatory regime established thereunder or otherwise under law: (a) the Sponsor does not have any responsibility or liability for the contents of this document and/or the Prospectus; (b) the Sponsor makes no representation or warranty, express or implied, as to the contents of this document (including as to its accuracy, completeness or verification) and/or the Prospectus or for any other statement made or purported to be made by or on behalf of any of them, by the Company or on its behalf or by any other person in connection with the Company, the New Ordinary Shares, the New Depositary Interests or the Rights Offering, and nothing in this document and/or the Prospectus shall be relied upon as a promise or representation in this respect (whether as to the past or the future); and (c) the Sponsor shall not have any liability whatsoever to such Qualifying Shareholders, whether arising in tort, contract or otherwise (save as referred to above) in respect of this document and/or the Prospectus or any such statement;
- (iii) such Qualifying Shareholders have not relied on the Sponsor or any person affiliated with the Sponsor in connection with any investigation as to the accuracy of any information contained in this document and/or the Prospectus or their investment decision;
- (iv) such Qualifying Shareholders have relied only on the information contained in the Prospectus, and that no person has been authorised to give any information or to make any representation concerning the

Group or the Rights, the New Depositary Interests or the New Ordinary Shares (other than as contained in the Prospectus) and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Company or the Sponsor;

- (v) such Qualifying Shareholders agree that, having had the opportunity to read the Prospectus, such Qualifying Shareholders shall be deemed to have had notice of all information and representations concerning the Company and the New Ordinary Shares contained therein; and
- (vi) such Qualifying Shareholders have reviewed the restrictions contained in these terms and conditions.

*(E) CREST procedures and timings*

CREST members and CREST sponsors (on behalf of CREST sponsored members) should note that Euroclear UK does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE instruction and its settlement in connection with the Rights Offering. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) the action necessary to ensure that a valid acceptance is received as stated above by 11:00 a.m. (London time) on 18 December 2014. In this connection, CREST members and (where applicable) CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

*(F) Incorrect or incomplete applications*

If a USE Instruction includes a CREST payment for an incorrect sum, the Company, through the Receiving Agent, reserves the right:

- (i) to reject the application in full and refund the payment to the CREST Member in question (without interest);
- (ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of New Ordinary Shares as would be able to be applied for with that payment at the Rights Offering Price, refunding any unutilised sum to the CREST member in question (without interest); and
- (iii) in the case that an excess sum is paid, to treat the application as a valid application for all the New Ordinary Shares referred to in the USE Instruction, refunding any unutilised sum to the CREST member in question (without interest).

*(G) CREST member's undertaking to pay*

A CREST member or CREST sponsored member who makes a valid acceptance in accordance with the procedures set out in this section 3.2: (a) undertakes to pay to the Receiving Agent, or procure the payment to the Receiving Agent of, the amount payable in euro on acceptance in accordance with the above procedures or in such other manner as the Receiving Agent may require (it being acknowledged that, where payment is made by means of the CREST RTGS payment mechanism (as defined in the CREST Manual) the creation of an RTGS settlement bank payment obligation in euro in favour of the Receiving Agent's RTGS settlement bank (as defined in the CREST Manual), in accordance with the RTGS payment mechanism shall, to the extent of the obligation so created, discharge in full the obligation of the CREST member (or CREST sponsored member) to pay to the Company the amount payable on acceptance), and (b) requests that the Rights and/or New Ordinary Shares and/or the New Depositary Interests to which he will become entitled be issued to him on the terms set out in the Prospectus and subject to the Articles.

If the payment obligations of the relevant CREST member in relation to such New Ordinary Shares and/or such New Depositary Interests are not discharged in full and such New Ordinary Shares and/or such New Depositary Interests have already been allotted to such CREST member or CREST sponsored member, the Company may (in its absolute discretion as to manner, timing and terms) make arrangements for the sale of such shares or Depositary Interests on behalf of that CREST member or CREST sponsored member and hold the proceeds of sale (net of the Company's reasonable estimate of any loss that it has suffered as a result of the same and of the expenses of sale including, without limitation, any stamp duty or SDRT payable on the transfer of such shares

and/or Depository Interests, and of all amounts payable by the CREST member or CREST sponsored member pursuant to the provisions of this Part VIII-1 in respect of the acquisition of such shares and/or Depository Interests) or an amount equal to the original payment of the CREST member or CREST sponsored member (whichever is the lower) on behalf of such CREST member or CREST sponsored member. None of the Company, the Sponsor nor any other person shall be responsible for, or have any liability for, any loss, expenses or damage suffered by such CREST member or CREST sponsored member as a result.

*(H) Company's discretion as to rejection and validity of acceptances*

The Company may in its absolute discretion:

- (i) treat as valid (and binding on the CREST member or CREST sponsored member concerned) an acceptance which does not comply in all respects with the requirements as to validity set out or referred to in this section 3.2;
- (ii) accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid acceptance in substitution for, or in addition to, an USE Instruction and subject to such further terms and conditions as the Company may determine;
- (iii) treat a properly authenticated dematerialised instruction (in this section 3.2(H)(iii), the "first instruction") as not constituting a valid acceptance if, at the time at which the Receiving Agent receives a properly authenticated dematerialised instruction or thereafter, giving details of the first instruction, either the Company or the Receiving Agent has received actual notice from Euroclear UK of any of the matters specified in CREST Regulation 35(5)(a) in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
- (iv) accept an alternative instruction or notification from a CREST member or (where applicable) a CREST sponsor, or extend the time for acceptance and/or settlement of a USE Instruction or any alternative instruction or notification if, for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to take up all or part of his Rights by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of facilities and/or systems operated by the Receiving Agent in connection with CREST.

*(I) Acceptance and Payment outside of CREST*

The Company may, in its absolute discretion, agree with Qualifying Shareholders the terms upon which Qualifying Shareholders may exercise their entitlements in respect of Rights outside of CREST.

**3.3 Money Laundering Regulations**

If you hold your Rights in CREST and apply to take up all or part of your entitlement as agent for one or more persons and you are not a UK or EU regulated person or institution (for example, a bank, a broker or another UK or EU financial institution), then, irrespective of the value of the application, the Receiving Agent is required to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application. You must therefore contact the Receiving Agent before sending any USE Instruction or other instruction so that appropriate measures may be taken.

Submission of a USE instruction which constitutes, or which may on its settlement constitute, a valid acceptance as described above constitutes a warranty and undertaking by the applicant to provide promptly to the Receiving Agent any information the Receiving Agent may specify as being required for the purposes of the verification of identity requirements in the Money Laundering Regulations or FSMA.

Pending the provision of evidence satisfactory to the Receiving Agent as to identity, the Receiving Agent, having consulted with the Company may take, or omit to take, such action as it may determine to prevent or delay issue of the New Ordinary Shares concerned. If such information and other satisfactory evidence of

identity has not been provided within a reasonable time, then the exercise of the Rights represented by the USE Instruction will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by any of them as a result of failure by the applicant to provide satisfactory evidence.

### **3.4 Dealings in Rights in CREST**

Assuming the Rights Offering becomes unconditional, dealings in the Rights on the London Stock Exchange and the Warsaw Stock Exchange are expected to commence at 8:00 a.m. (London time) on 1 December 2014 and 8:00 a.m. (CET) on 1 December 2014. Dealings in Rights can be made by means of CREST in the same manner as any other security that is admitted to CREST. The Rights are expected to be enabled in CREST as soon as practicable after 8:00 a.m. (London time) on 1 December 2014 and 8:00 a.m. (CET) on 1 December 2014.

### **3.5 Withdrawal of Rights from CREST**

Rights held in CREST may not be converted into certificated form, that is, withdrawn from CREST.

### **3.6 Issue of New Depositary Interests in CREST**

Rights in CREST are expected to be disabled in CREST after 11:00 a.m. (London time) on 18 December 2014 (the latest date for settlement of transfers of Rights in CREST). New Ordinary Shares will be issued in uncertificated form to the Depositary on behalf of those persons registered as holding Rights in CREST at 11:00 a.m. (London time) on the date on which the Rights are disabled. The Receiving Agent will instruct Euroclear UK to credit the appropriate stock accounts of those persons (under the same participant ID and member account ID that applied to the Rights held by those persons) with their entitlements to New Depositary Interests within approximately 5 Business Days.

## **4. Procedure in respect of Rights not taken-up**

If an entitlement to New Ordinary Shares is not validly taken up by 11:00 a.m. (London time) on 18 December 2014 in accordance with the procedure laid down for acceptance and payment, then that provisional allotment will be deemed to have been declined and will lapse. The latest time and date for acceptance and payment in full of Rights by Qualifying Shareholders taking up Rights in Poland will be earlier than for Qualifying Shareholders taking up the Rights outside of Poland due to involvement of intermediaries between such investors in Poland and CREST. Investors taking up Rights in Poland should consult their brokers to find out the exact latest time and date for acceptance and payment in full of Rights. Subject to the terms and conditions of the agreement to be entered into with the broker to be appointed by the Company, the broker to be appointed by the Company will use reasonable endeavours to procure, by not later than 5 p.m. (London time) on 19 December 2014, subscribers for all (or, at the discretion of the broker, as many as possible) of those New Ordinary Shares not taken up if a premium over the total of the Rights Offering Price and the expenses of procuring such subscribers (including any related commissions and VAT which is not, in the reasonable opinion of the broker, recoverable) can be obtained.

If and to the extent that such subscribers cannot be procured on the basis outlined above, the relevant New Ordinary Shares will be subscribed for by EUL or a person nominated by it as principal pursuant to the Controlling Shareholder Undertaking at the Rights Offering Price on the terms and subject to the conditions of the Controlling Shareholder Undertaking.

Any premium over the aggregate of the Rights Offering Price and the expenses of procuring subscribers (including any applicable brokerage and commissions and VAT which is not recoverable) (the "premiums") shall be paid (subject as provided in this section 4):

- (a) where the Rights were, at the last time and date they could have been validly accepted in accordance with the procedure for acceptance and payment, in uncertificated form, to the person registered as the holder of those Rights at the time of their disablement in CREST; and
- (b) where an entitlement to New Ordinary Shares was not (or was deemed not to have been) taken up by an Overseas Shareholder, to that Overseas Shareholder.

New Ordinary Shares for which subscribers are procured on this basis will be re-allotted to such subscribers and the aggregate of any premiums (as defined above), if any, will be paid (without interest) to those persons entitled (as referred to above) pro rata to the relevant provisional allotments not taken up, save that no payment will be made of amounts of less than £5 per holding, which amounts will be aggregated and will ultimately be paid to the Company. Where any entitlement concerned was held in CREST the amount due will, unless the Company (in its absolute discretion) otherwise determines, be satisfied by the Company procuring the creation of an assured payment obligation in favour of the relevant CREST member's (or CREST sponsored member's) RTGS settlement bank in respect of the cash amount concerned in accordance with the RTGS payment mechanism.

Any transactions undertaken pursuant to this section 4 shall be deemed to have been undertaken at the request of the persons who did not take up their entitlement and none of the Company, any broker appointed by the Company for these purposes nor any other person procuring subscribers shall be responsible for any loss or damage (whether actual or alleged) arising from the terms of or timing of any such acquisition, any decision not to endeavour to procure subscribers or the failure to procure subscribers on the basis described above. Any broker appointed by the Company for these purposes will be entitled to retain any fees, commissions or other benefit received in connection with these arrangements.

The Controlling Shareholder has agreed, pursuant to the Controlling Shareholder Undertaking (see Part IX "Material Contracts") to, inter alia, 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 additional New Ordinary 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. Save for the aforementioned, the Rights Offering is not being underwritten.

To the extent that there are any additional Rights that have not been taken up by either the Shareholders or the Controlling Shareholder, such Rights will lapse.

## **5. Withdrawal rights**

Persons who have the right to withdraw their acceptances under section 87Q(4) of FSMA after a supplementary prospectus (if any) has been published and who wish to exercise such right of withdrawal must send a written notice of withdrawal, which must include the full name and address of the person wishing to exercise such right of withdrawal and, if such person is a CREST member, the participant ID and the member account ID of such CREST member to the Receiving Agent at Capita Asset Services, Regulated Business, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, for withdrawals by post or on +44 208 8639 1100 for withdrawals by facsimile (for further details, Shareholders should contact the Receiving Agent on 0871 664 0321 (from inside the UK) or +44 208 639 3399 (from outside the UK)), in each case so as to be received by no later than two Business Days after the date on which a supplementary prospectus is published. Notice of withdrawal given by any other means or which is sent after expiry of such period will not constitute a valid withdrawal. The Company will not permit the exercise of withdrawal rights after payment by the relevant person for New Ordinary Shares and/or New Depositary Interests in full and the allotment of such New Ordinary Shares and/or New Depositary Interests to such person becoming unconditional, save as required by statute. In such circumstances, Shareholders and Depositary Interest Holders are advised to consult their professional advisers.

Allotments of entitlements of New Ordinary Shares and/or New Depositary Interests which are the subject of a valid withdrawal notice will be deemed to be declined or to have lapsed. Such entitlements to New Ordinary Shares and/or New Depositary Interests will be subject to the provisions of section 4 of this Part VIII as if the entitlement had not been validly taken up.

## **6. Overseas Shareholders**

The Prospectus has been approved by the AFM, being the competent authority in the Netherlands. The AFM has issued a certificate of approval to the competent authorities in the United Kingdom, (the Financial Conduct Authority), and in Poland (the Polish Financial Supervision Commission) with a certificate of approval attesting which attests that the Prospectus has been drawn up in accordance with the AFS and after the issue of which, the Prospectus may be used for offerings. The Company may request that the AFM provide a certificate of approval to competent authorities in additional Member States within the EEA.

The offer of Rights and New Ordinary Shares to persons resident in, or who are citizens of, or who have registered addresses in, a jurisdiction other than the Netherlands, the United Kingdom or Poland may be affected by the laws of the relevant jurisdiction. The comments set out in this section 6 are intended as a general guide only and any Overseas Shareholders who are in any doubt as to their position should consult their professional advisers without delay.

### **6.1 General**

The offer of Rights and/or New Ordinary Shares and the distribution of this document or any other document relating to the Rights Offering to persons located or resident in, or who are citizens of, or who have a registered address in a jurisdiction other than the Netherlands, the United Kingdom or Poland, or which are corporations, partnerships or other entities organised under the laws of countries other than the Netherlands, the United Kingdom or Poland, or to persons who are nominees of or custodians, trustees or guardians for any such persons or entities, may be affected by the laws of the relevant jurisdiction. Those persons should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to take up their rights. It is the responsibility of all persons outside the United Kingdom, the Netherlands and Poland (including, without limitation, custodians, nominees and trustees) receiving this document and/or a credit of Rights to a stock account in CREST and wishing to take up rights under the Rights Offering to satisfy themselves as to full observance of the laws of the relevant territory, including obtaining all necessary governmental or other consents which may be required, compliance with all other requisite formalities and the payment of any issue, transfer or other taxes due in such territory. The comments set out in this section 6 are intended as a general guide only and any Overseas Shareholder who is in doubt as to his position should consult his own independent professional adviser without delay.

New Ordinary Shares and/or New Depositary Interests will be allotted to all Qualifying Shareholders, including all Overseas Shareholders. However, Rights will not be credited to CREST accounts of, Excluded Shareholders (except, however, where the Company is satisfied that such action would not result in the contravention of any registration or other legal or regulatory requirement in such jurisdiction) and their entitlements to New Ordinary Shares will be treated as entitlements not taken up in accordance with the procedures set out in section 4 of this Part VIII-1.

This document is not a prospectus but a shareholder circular and is being sent to you solely for your information in connection with the Resolutions to be proposed at the extraordinary General Meeting of shareholders of the Company. It does not constitute or form part of any offer or invitation to purchase, acquire, subscribe for, sell, dispose of or issue, or any solicitation of any offer to sell, dispose of, purchase, acquire or subscribe for, any security, including any Bondholders' Shares or Escrow Shares to be issued in connection with the Placing, any Additional Placing Shares to be issued in connection with the Additional Placing, or the New Ordinary Shares to be issued in connection with the Rights Offering.

No person receiving a copy of the Prospectus and/or receiving a credit of Rights to a stock account in CREST in any territory other than the Netherlands, the United Kingdom or Poland may treat the same as constituting an invitation or offer to him, nor should he in any event deal with Rights in CREST unless, in the relevant territory, such an invitation or offer could lawfully be made to him and the Rights in CREST could lawfully be used or dealt with without contravention of any registration or other legal or regulatory requirements. In such circumstances, the Prospectus are to be treated as sent for information only and should not be copied or redistributed.

Accordingly, persons receiving a copy of the Prospectus and/or whose stock account in CREST is credited with Rights should not, in connection with the Rights Offering, distribute or send the same in or into, or transfer, Rights to any person in the United States or any other Excluded Territory. If a credit of Rights in CREST is received by any person in any such territory, or by his agent or nominee, he must not seek to take up the rights referred to in the Prospectus or transfer the Rights in CREST unless the Company determines that such actions would not violate applicable legal or regulatory requirements. Any person who does forward the Prospectus or transfers Rights into any such territories (whether under a contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this section 6.

The Company may (in its absolute discretion) treat as invalid, and the Company will not be bound to allot or issue any New Ordinary Shares and/or New Depositary Interests in respect of any acceptance or purported acceptance of, the offer of New Ordinary Shares which appears to the Company or its agents to have been



executed, effected or despatched in a manner which may involve a breach of the laws or regulations of any jurisdiction or if it believes or they believe that the same may violate applicable legal or regulatory requirements or if, in the case of a credit of New Depository Interests in CREST, the CREST member's or a CREST sponsored member's registered address is in the United States or any of the other Excluded Territories or any other jurisdiction outside the Netherlands, the United Kingdom or Poland in which it would be unlawful to make or accept an offer to subscribe for or acquire the New Ordinary Shares, unless the Company is satisfied that such action would not result in the contravention of any registration or other legal or regulatory requirements. The attention of Overseas Shareholders with registered addresses in or who are located in the United States is drawn to sections 6.2 and 6.3 respectively of this Part VIII.

Despite any other provision of this document and/or the Prospectus the Company reserves the right to permit any Qualifying Shareholder to take up his rights if the Company in its absolute discretion is satisfied that the transaction in question is exempt from or not subject to the legislation or regulations giving rise to the restriction in question.

Those Shareholders who wish, and are permitted, to take up their entitlement should note that payments must be made as described in section 3 of this Part VIII-1.

The provisions of section 4 of this Part VIII-1 will apply generally to Overseas Shareholders who do not or are unable to take up New Ordinary Shares and/or New Depository Interests provisionally allotted to them.

If the New Ordinary Shares are not issued by 31 December 2014 and/or Admission of such shares has not taken place the Company undertakes to return all monies paid by Qualifying Shareholders.

## **6.2 Offering restrictions relating to the United States**

The New Ordinary Shares, the New Depository Interests and the Rights have not been and will not be registered under the US Securities Act or under any relevant securities laws of any state or other jurisdiction of the United States and may not be offered, sold, pledged, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within the United States absent registration or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable state securities laws. The New Ordinary Shares, the New Depository Interests and the Rights have not been approved or disapproved by the SEC, any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the New Ordinary Shares, the Rights or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

Accordingly, subject to certain exceptions, the Rights Offering is not being made in the United States and this document does not and will not constitute an offer, or an invitation to apply for, or an offer or an invitation to subscribe for or acquire any New Ordinary Shares or Rights in the United States. Subject to certain limited exceptions, Rights have not been, and will not be, credited to the CREST account of, any Qualifying Shareholder with a registered address in or that is known to be located in the United States.

Subject to certain limited exceptions, any person who subscribes for or acquires New Ordinary Shares, New Depository Interests or Rights will be deemed to have declared, warranted and agreed, by accessing this document, the Prospectus or accepting delivery of the New Ordinary Shares, New Depository Interests or Rights, that it is not, and that at the time of subscribing for or acquiring the New Ordinary Shares, New Depository Interests, or Rights it will not be, in the United States or a US Person within the meaning of US Securities Act.

The Company reserves the right to reject any USE Instruction in respect of Rights sent by or on behalf of any CREST member with a registered address in or located in the United States.

A QIB will, in the Company's sole discretion, be permitted to take up its entitlements to New Ordinary Shares under the Rights Offering only if the QIB executes a US Purchaser's Letter in the form set out in Appendix 1 to this Prospectus and delivers it to the Company with a copy to the Sponsor. The US Purchaser's Letter will require each such QIB to represent and agree that, amongst other things, (i) it is a QIB and (ii) it will only offer, sell, transfer, assign, pledge or otherwise dispose of the New Ordinary Shares in transactions exempt from the registration requirements of the US Securities Act and in compliance with applicable securities laws. The US

Purchaser's Letter contains additional written representations, agreements and acknowledgements relating to the transfer restrictions applicable to the New Ordinary Shares.

Any person in the United States who obtains a copy of this document and/or the Prospectus and who is not a QIB is required to disregard it.

Until 40 days after Admission, any offer, sale or transfer of the New Ordinary Shares, the New Depositary Interests or Rights within the United States by a dealer (whether or not participating in the Rights Offering) may violate the registration requirements of the US Securities Act.

### **6.3 US transfer restrictions in respect of shares not taken up in the Rights Offering**

Any person within the United States that subscribes for any New Ordinary Shares that were not taken up in the Rights Offering must meet certain requirements and will be deemed to have represented, acknowledged and agreed that it has received a copy of the Prospectus and such other information as it deems necessary to make an investment decision as follows (terms defined in Rule 144A or Regulation S shall have the same meaning in this section):

- (A) It is a QIB and, if it is subscribing for or acquiring the New Ordinary Shares as a fiduciary or agent for one or more investor accounts, (i) each such account is a QIB, (ii) it has investment discretion with respect to each such account, and (iii) it has full power and authority to make the representations, warranties, agreements and acknowledgements in this document on behalf of each such account.
- (B) It is aware and understands that an investment in New Ordinary Shares involves a considerable degree of risk and no US federal or state or non-US agency has made any finding or determination as to the fairness for investment or any recommendation or endorsement of any such investment.
- (C) It will base its investment decision solely on the Prospectus, including the information incorporated by reference into the Prospectus. It acknowledges that none of the Company, any of its affiliates or any other person (including the Sponsor and any of its respective affiliates) has made any representations, express or implied, to it with respect to the Company, the Rights Offering, the New Ordinary Shares, the New Depositary Interests or the accuracy, completeness or adequacy of any financial or other information concerning the Company, the Rights Offering, the New Ordinary Shares or the New Depositary Interests, other than (in the case of the Company and its affiliates only) the information contained or incorporated by reference into the Prospectus. It acknowledges and agrees that it will not hold the Sponsor or any of its affiliates or any person acting on their behalf responsible or liable for any misstatements in or omissions from any publicly available information relating to the Company. It acknowledges that it has not relied on any investigation that the Sponsor or any person acting on their behalf may or may not have conducted, and it has relied solely on its own judgment, examination and due diligence of the Company, and the terms of the transaction, including the merits and risks involved, and not upon any view expressed by or information provided by, or on behalf of, the Sponsor or any of its affiliates. It understands that the Prospectus has been prepared in accordance with the AFS and the Prospectus Directive, which differ from US disclosure requirements. In particular, but without limitation, the financial information contained in or incorporated by reference into the Prospectus has been prepared in accordance with IFRS as adopted in the European Union, and thus may not be comparable with financial statements of US companies prepared in accordance with US GAAP as adopted by the Public Company Accounting Oversight Board. It agrees that it will not distribute, forward, transfer or otherwise transmit the Prospectus, or any other presentational or other materials concerning the Rights Offering (including electronic copies thereof) to any person within the United States (other than a QIB on behalf of which it acts), and it has not distributed, forwarded, transferred or otherwise transmitted any such materials to any person (other than a QIB on behalf of which it acts). It acknowledges that it has read and agreed to the matters set forth under section 6.2 of this Part V.
- (D) It is aware and each beneficial owner of such New Ordinary Shares has been advised that the sale of New Ordinary Shares to them is being made in reliance on an exemption from, and in a transaction not subject to, the registration requirements of the US Securities Act.
- (E) It acknowledges that its purchase of any New Ordinary Shares is subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and

other information contained in the Prospectus. It agrees that it (i) has no need for liquidity with respect to its investment in the New Ordinary Shares and (ii) has no reason to anticipate any change in its circumstances, financial or otherwise, which may cause or require any sale or distribution by it of all or any part of the New Ordinary Shares.

- (F) It is an institution which (i) invests in or purchases securities similar to the New Ordinary Shares in the normal course of business, (ii) has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its investment in the New Ordinary Shares, and (iii) is, and any accounts for which it is acting are, able to bear the economic risk, and sustain a complete loss, of such investment in the New Ordinary Shares for an indefinite period of time.
- (G) To the extent it deems necessary, it will make its own independent investigation and appraisal of the business, results, financial condition, prospects, creditworthiness, status and affairs of the Company, and it has made its own investment decision to subscribe for or acquire the New Ordinary Shares. It understands that there may be certain consequences under US and other laws, including applicable tax laws, resulting from an investment in the New Ordinary Shares, including that it must bear the economic risk of an investment in the New Ordinary Shares for an indefinite period of time, and it will make such investigation and consult such tax, legal, and/or other advisers with respect thereto as it deems appropriate.
- (H) Any New Ordinary Shares that it subscribes for or acquires will be for its own account (or for the account of a QIB as to which it exercises sole investment discretion and has authority to make these statements) for investment purposes, and not with a view to distribution within the meaning of the US securities laws, subject to the understanding that the disposition of its property shall at all times be and remain within its control.
- (I) It acknowledges and agrees that it is not subscribing for or acquiring the New Ordinary Shares as a result of any general solicitation or general advertising (as those terms are defined in Regulation D under the Securities Act), including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over the radio or television or as a result of a seminar or meeting whose attendees have been invited by general solicitation or general advertising or directed selling efforts (as that term is defined in Regulation S).
- (J) It acknowledges that the New Ordinary Shares will be "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act and agrees that for so long as such New Ordinary Shares are "restricted securities" (as so defined), they may not be deposited into any unrestricted depository facility established or maintained by any depository bank.
- (K) It, and each other QIB, if any, for whose account it is acquiring New Ordinary Shares has been advised, understands and has acknowledged that the New Ordinary Shares are being offered in a transaction not involving any public offering in the United States within the meaning of the Securities Act and that the New Ordinary Shares are not being and will not be registered under the Securities Act, in reliance on an exemption under Section 4(a)(2) of the Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States. As long as the New Ordinary Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, it will not offer, sell, pledge or otherwise transfer the New Ordinary Shares except (i) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, or (ii) pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, in each case in accordance with any applicable securities laws of any state or other jurisdiction of the United States. It understands that no representation has been made as to the availability of Rule 144 of the Securities Act or any other exemption under the Securities Act or any state securities laws for the offer, resale, pledge or transfer of the Securities.
- (L) It acknowledges that, to the extent the New Ordinary Shares are delivered in certificated form, the certificate delivered in respect of the New Ordinary Shares will bear a legend substantially to the following effect for so long as the securities are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act:

THE SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933 (THE "SECURITIES ACT"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, OR (B) IN A TRANSACTION PURSUANT TO ANOTHER EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, AND IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT FOR REALES OF THE SHARES REPRESENTED HEREBY. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE SHARES MAY NOT BE DEPOSITED INTO ANY UNRESTRICTED DEPOSITARY RECEIPT FACILITY MAINTAINED BY A DEPOSITARY BANK. EACH HOLDER, BY ITS ACCEPTANCE OF THESE SHARES, REPRESENTS THAT IT UNDERSTANDS AND AGREES TO THE FOREGOING RESTRICTIONS.

It will notify any person to whom it subsequently reoffers, resells, pledges or otherwise transfers the Rights and the New Ordinary Shares of the foregoing restrictions on transfer.

- (M) It acknowledges and agrees that the Company shall not have any obligation to recognise any offer, resale, pledge or other transfer made other than in compliance with the restrictions on transfer set forth and described in this section and that the Company may make notations on its records or give instructions to any transfer agent of the New Ordinary Shares in order to implement such restrictions.
- (N) It confirms that, to the extent it is purchasing New Ordinary Shares for the account of one or more persons, (i) it has been duly authorised to make the confirmations, acknowledgements and agreements set forth herein on their behalf and (ii) these provisions constitute legal, valid and binding obligations of it and any other persons for whose account it is acting.
- (O) It acknowledges and agrees that the Company, its affiliates, the Sponsor, its respective affiliates, the Receiving Agent, the Registrar and others will rely upon the truth and accuracy of the foregoing warranties, acknowledgements, representations and agreements. It agrees that if any of the representations, warranties, agreements and acknowledgements deemed to be made cease to be accurate, it shall promptly notify the Company and the Sponsor.
- (P) It hereby represents and warrants that all necessary actions have been taken to authorise the purchase by it of the New Ordinary Shares.
- (Q) It and any person acting on its behalf have all necessary consents and authorities to enable it to enter into the transactions contemplated hereby and to perform its obligations in relation thereto.

Prospective purchasers are hereby notified that sellers of the New Ordinary Shares may be relying on the exemption from the registration requirements of the US Securities Act provided by Rule 144A.

#### **6.4 Other Excluded Territories**

Due to restrictions under the securities laws of the other Excluded Territories (i.e. other than the United States), subject to certain exceptions, this document and the Prospectus will not be sent to, and Rights will not be credited to a stock account in CREST of, Qualifying Shareholders with registered addresses in any other Excluded Territories. The New Ordinary Shares and the Rights have not been and will not be registered under the relevant laws of any other Excluded Territory or any state, province or territory thereof and may not be offered, sold, resold, transferred, delivered or distributed, directly or indirectly, in or into any other Excluded Territory or to, or for the account or benefit of, any person with a registered address in, or who is resident or located in (as applicable), any other Excluded Territory except pursuant to an applicable exemption. Accordingly, subject to certain exceptions, the Rights Offering is not being made in any other Excluded Territory and neither this document nor the Prospectus will constitute an offer or an invitation to apply for, or an offer or an invitation to subscribe for or acquire, any New Ordinary Shares or Rights in any other Excluded Territory.

### ***6.5 Overseas territories other than the United States and the other Excluded Territories***

Rights will be credited to the CREST stock accounts of Qualifying CREST Shareholders (other than, subject to certain limited exceptions, those Qualifying CREST Shareholders who have registered addresses in the United States or any of the other Excluded Territories). Such Qualifying Shareholders may, subject to the laws of their relevant jurisdictions, accept their rights under the Rights Offering in accordance with the instructions set out in this.

If you are in any doubt as to your eligibility to accept the offer of New Ordinary Shares or to deal in Rights, you should contact your appropriate professional adviser immediately.

### ***6.6 Representations and warranties relating to overseas territories other than the United States and the other Excluded Territories***

Qualifying CREST Shareholders

A CREST member or CREST sponsored member who makes a valid acceptance in accordance with the procedure set out in section 3 of this Part VIII -1 represents and warrants to the Company that, except where proof has been provided to the satisfaction of the Company that such person's acceptance will not result in the contravention of any applicable legal requirement in any jurisdiction: (i) such person is not within the United States or any of the other Excluded Territories; (ii) such person is not in any territory in which it is unlawful to make or accept an offer to subscribe for or acquire Rights or New Ordinary Shares; (iii) such person is not acting on a non-discretionary basis for a person located within the United States or any other Excluded Territory or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) such person is not subscribing for or acquiring Rights or New Ordinary Shares with a view to the offer, sale, pledge, resale, transfer, delivery or distribution, directly or indirectly, of any such Rights or New Ordinary Shares into the United States or any other Excluded Territory or any territory referred to in (ii) above.

The Company may treat as invalid any USE Instruction which appears to the Company to have been despatched from the United States or any of the other Excluded Territories or otherwise in a manner which may involve a breach of the laws of any jurisdiction or if they or their agents believe the same may violate any applicable legal or regulatory requirement or purports to exclude the warranty required by this section.

### ***6.7 Waiver***

The provisions of this section 6 and of any other terms of the Rights Offering relating to Overseas Shareholders may be waived, varied or modified as regards specific Shareholder(s) or on a general basis by the Company in its absolute discretion.

## **7. Taxation**

Information on taxation in the United Kingdom, Poland and the Netherlands with regard to the Rights Offering is set out in Part IX nr. 7 of the Prospectus. The information contained in Part IX (Addition Information—Taxation) is intended only as a general guide to the current tax position in the United Kingdom, Poland and the Netherlands and Qualifying Shareholders in the United Kingdom, Poland and the Netherlands should consult their own tax advisers regarding the tax treatment of the Rights Offering in light of their own circumstances. Qualifying Shareholders who are in any doubt as to their tax position or who are subject to tax in any other jurisdiction should consult an appropriate professional adviser immediately.

## **8. Times and dates**

The Company shall in its discretion be entitled to amend the dates that dealings in Rights commence and amend or extend the latest date for acceptance under the Rights Offering and all related dates set out in this document and in the Prospectus and in such circumstances shall announce such amendment in accordance with applicable legal requirement and notify the UK Listing Authority and other relevant authorities if required and, if appropriate, the Qualifying Shareholders.

## **9. Employee Share Option Schemes**

In principle, pursuant to each of the Share Option Schemes, the Rights Offering shall also extend to persons holding options at the Record Date. Insofar on the Record Date, these options will appear to be out of the money (and thus no Ordinary Shares could be obtained with their exercise), any grant of Rights will not be effected. For further information in respect of the Company's Share Option Schemes, reference is made to Part IX nr. 11.

## **10. Employee Shareholders**

To the extent that employees are also Shareholders, their Ordinary Shares will be treated in the same way in the Rights Offering as Ordinary Shares held by any other Shareholder. Such treatment is detailed in the Prospectus.

If the employee Shareholder holds his Ordinary Shares through a nominee arrangement, the employee may need to instruct the nominee, for example, as to how to vote at a General Meeting and whether or not to accept the rights attaching to the employee's Ordinary Shares. Employee Shareholders will be contacted in due course in this regard.

## **11. Governing law**

The terms and conditions of the Rights Offering as set out in this document and the Prospectus shall be governed by, and construed in accordance with, the laws of the Netherlands.

## **12. Jurisdiction**

The courts of Amsterdam, the Netherlands are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Rights Offering or the Prospectus. By accepting rights under the Rights Offering in accordance with the instructions set out in the Prospectus, Qualifying Shareholders irrevocably submit to the jurisdiction of the courts of The Netherlands and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

**PART VI**  
**DEFINITIONS**

The following definitions apply throughout this document, unless the context otherwise requires:

<b>"£" or "sterling"</b>	UK pounds sterling, the legal currency of the United Kingdom for the time being;
<b>"AFM"</b>	The Netherlands Authority for the Financial Markets ( <i>Autoriteit Financiële Markten</i> );
<b>"Additional Placing"</b>	the placing of additional Ordinary Shares to EUL or certain other persons nominated by EUL pursuant to the Company's obligations under the Controlling Shareholder Undertaking;
<b>"Additional Placing Shares"</b>	the Ordinary Shares to be issued to EUL or certain other persons nominated by EUL pursuant to the Company's obligations under the Controlling Shareholder Undertaking;
<b>"ARSV"</b>	has the meaning given to that term as set out in paragraph 6 of Part I of this document;
<b>"Admission"</b>	the admission of the New Ordinary Shares, the Bondholders' Shares, the Escrow Shares and any Additional Placing Shares (as applicable) to (i) the premium segment of the Official List and to trading on the main market for listed securities of the LSE; and (ii) to trading on the main market for listed securities of the WSE;
<b>"Amendment Date"</b>	the date in which the amended Trust Deeds will come into effect, after satisfaction of all conditions precedent thereof;
<b>"Articles"</b>	the current articles of association ( <i>statuten</i> ) of the Company, a summary of which is set out in section 6 of Part IX ( <i>Additional Information</i> ) of the Prospectus;
<b>"Back Stop Agreement"</b>	has the meaning given to that term as set out in paragraph 6 of Part I of this document;
<b>"Back Stop Undertaking"</b>	has the meaning given to that term as set out in paragraph 6 of Part I of this document;
<b>"Bonds"</b>	the Notes and the Polish Bonds jointly;
<b>"Bondholders' Shares"</b>	Ordinary Shares to be issued to the holders of the Bonds pursuant to the Restructuring Plan;
<b>"Circular"</b>	this document;
<b>"Company" or "Plaza Centers"</b>	Plaza Centers N.V. incorporated in The Netherlands with number 33248324 whose registered office is at Prins Hendrikkade 48-s, 1012 AC Amsterdam, The Netherlands;
<b>"Controlling Shareholder" or "EI"</b>	Elbit Imaging Ltd., the indirect parent company of the Company;
<b>"Controlling Shareholder Undertaking"</b>	the amended and restated undertaking dated on or around the

date hereof, and made between the Company, EUL and EI;

<b>"CREST"</b>	the computerised paperless settlement system which facilitates the transfer of title to shares in uncertificated form in accordance with the CREST Regulations, operated by Euroclear UK;
<b>"CREST Manual"</b>	the rules governing the operation of CREST, consisting of the CREST Reference Manual, CREST International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service Standards, Settlement Discipline Rules, CCSS Operations Manual, Daily Timetable, CREST Application Procedure and CREST Glossary of Terms (all as defined in the CREST Glossary of Terms promulgated by Euroclear UK on 15 July 1996, as amended);
<b>"CREST Member"</b>	a person who has been admitted by Euroclear UK as a system member (as defined in the CREST Regulations);
<b>"CREST Regulations"</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended from time to time;
<b>"Deed Poll"</b>	the deed poll dated 20 October 2006 made by the Depositary dealing with the creation and issue of DIs in respect of the Company;
<b>"Depositary Interest" or "DI"</b>	a dematerialised depositary interest which represents an entitlement to Ordinary Shares that can be settled electronically through and held in CREST, as issued by the Depositary which holds the underlying securities on trust, further details of which are set out on section 24 of Part IX "Additional Information" of the Prospectus;
<b>"Depositary"</b>	Capita IRG Trustees Limited, an English company limited by shares, number 2729260 whose registered office is at 34 Beckenham Road, Beckenham, Kent, BR3 4TU and which was incorporated on 7 July 1992 and which operates under the UK Companies Act 2006;
<b>"DI Holders" or "Depositary Interest Holders"</b>	holders of Depositary Interests;
<b>"Directors" or "Board"</b>	the directors of the Company from time to time;
<b>"DK"</b>	Davidson Kempner Capital Management LP;
<b>"EI" or "Elbit"</b>	Elbit Imaging Limited;
<b>"Escrow Agreement"</b>	the agreement dated on or around the date hereof, and made between the Company, EUL, Burlington Loan Management Limited and a Dutch civil law notary as (notaris) as escrow agent;
<b>"Escrow Shares"</b>	Ordinary Shares to be issued to the trustees of the holders of the Bonds pursuant to the Restructuring Plan;
<b>"EUL"</b>	Elbit Ultrasound (Luxembourg) B.V./S.a.r.l., the direct major shareholder of the Company;



<b>"EUR" or "€" or "euro"</b>	euro, the legal currency of the Eurozone for the time being;
<b>"Excluded Shareholders"</b>	subject to certain exceptions, Shareholders or Depositary Interest Holders who have registered addresses in, who are incorporated in, registered in or otherwise resident or located in the United States or any other Excluded Territory;
<b>"Excluded Territories"</b>	Australia, Canada, Japan, New Zealand, the Republic of South Africa, the United States and any other jurisdiction where the extension or availability of the Rights Offering (and any other transaction contemplated thereby) would breach any applicable law or regulation;
<b>"Existing Depositary Interests"</b>	the Depositary Interests in issue as at the date of this document;
<b>"Existing Ordinary Shares"</b>	the Ordinary Shares in issue as at the date of this document;
<b>"Ex-Rights Date"</b>	the date on which Ordinary Shares are marked "ex-rights", which is expected to occur at 08:00 a.m. on 1 December 2014;
<b>"Euroclear UK"</b>	Euroclear UK & Ireland Limited, the operator of CREST;
<b>"FCA" or "Financial Authority"</b>	means the Financial Conduct Authority of the United Kingdom;
<b>"Form of Proxy"</b>	means the hardcopy form of proxy for use at the General Meeting;
<b>"FSMA"</b>	means the United Kingdom Financial Services and Markets Act 2000 (as amended);
<b>"General Meeting"</b>	means the general meeting of shareholders ( <i>algemene vergadering van aandeelhouders</i> ) of the Company;
<b>"General Resolutions"</b>	means those resolutions set out as resolutions 6 upto and including resolution 15 in the notice of extraordinary General Meeting attached to this document;
<b>"Group"</b>	means the Company and its Subsidiaries;
<b>"Guaranteed Proceeds"</b>	the proceeds amounting to EUR 20 million in aggregate payable to the Company by EUL under the Controlling Shareholder Undertaking for the issue of the Escrow Shares and the New Ordinary Shares to be issued to EUL, with EUL's obligations having been guaranteed by EI;
<b>"Independent Shareholders"</b>	means Shareholders other than EUL and DK and any of their respective affiliates;
<b>"Listing Rules"</b>	the listing rules made by the FCA under section 73A(2) of FSMA;
<b>"London Stock Exchange" or "LSE"</b>	means London Stock Exchange Group plc or its successor(s);
<b>"New Depositary Interests"</b>	means the Depositary Interests to be issued by the Depositary following (i) take up of rights to acquire New Ordinary Shares by Qualifying Shareholders in connection with the Rights Offering;

and (ii) the issue of the Bondholders' Shares, the Escrow Shares and any Additional Placing Shares (as the case may be);

<b>"New Ordinary Shares"</b>	means the Ordinary Shares to be issued by the Company pursuant to the Rights Offering;
<b>"Notes"</b>	means the Series A Notes and the Series B Notes collectively;
<b>"Official List"</b>	means the official list of the United Kingdom Listing Authority;
<b>"Ordinary Shares"</b>	means ordinary shares with a nominal value of EUR 0.01 each in the share capital of the Company or DIs (as the case may be);
<b>"Overseas Shareholders"</b>	means Shareholders or Depositary Interest Holders with registered addresses outside The Netherlands, the United Kingdom or Poland or who are incorporated in, registered in or otherwise resident or located in, countries outside The Netherlands, the United Kingdom or Poland;
<b>"Placing"</b>	means the placing of the Bondholders' Shares and the Escrow Shares as described in this document;
<b>"Plan Creditors"</b>	means the Company's ordinary unsecured creditors pursuant to the Restructuring Plan;
<b>"Polish Bonds"</b>	means Series A unsecured, dematerialized bearer bonds of the Company with a nominal value of PLN 100,000 per bond, issued by the Company on 16 November 2010 under Polish law with ISIN: NL0009524107;
<b>"Prospectus"</b>	means the prospectus to be published by the Company on or before the date hereof relating to the Rights Offering, the Placing and the Additional Placing;
<b>"Qualifying CREST Shareholders"</b>	means Qualifying Shareholders holding Existing Ordinary Shares in uncertificated form and Qualifying Depositary Interest Holders on the Record Date;
<b>"Qualifying Depositary Interest Holders"</b>	means holders of Existing Depositary Interests on the register of such holders maintained on behalf of the Depositary by Capita IRG plc on the Record Date;
<b>"Qualifying Shareholders"</b>	means holders of (i) Existing Ordinary Shares on the Company's shareholders register as at the Record Date; or (ii) Existing Depositary Interests on the register of such holders maintained on behalf of the Depositary by Capita IRG plc as at the Record Date;
<b>"Record Date"</b>	means 25 November 2014, (unless altered by the Company in consultation with the Sponsor and notified to the UK Listing Authority, the London Stock Exchange, the Warsaw Stock Exchange and, where appropriate, Qualifying Shareholders);
<b>"Related Party Resolutions"</b>	means those resolutions set out as resolutions 3, 4 and 5 in the notice of extraordinary General Meeting attached to this document;
<b>"Restructuring Resolutions"</b>	means those resolutions set out as resolutions 1 and 2 in the

	notice of extraordinary General Meeting attached to this document;
<b>"Regulation S"</b>	means Regulation S under the Securities Act;
<b>"Resolutions"</b>	means all the resolutions to be proposed at the extraordinary General Meeting as set out in the notice convening the extraordinary General Meeting;
<b>"Restructuring Plan"</b>	means the Company's draft restructuring plan ( <i>ontwerpakkoord</i> ) as filed on 18 November 2013 with the district court of Amsterdam, The Netherlands ( <i>Rechtbank Amsterdam</i> ) and as adopted by the Plan Creditors on 26 June 2014;
<b>"Rights"</b>	means transferable subscription entitlements to subscribe for New Ordinary Shares;
<b>"Rights Offering"</b>	means the offering of New Ordinary Shares through the grant of Rights to Qualifying Shareholders and Qualifying Depositary Interest Holders to subscribe for New Ordinary Shares or New Depositary Interests against the Rights Offering Price;
<b>"Rights Offering Price"</b>	means EUR 0.0675 per New Ordinary Share;
<b>"Rump Shares"</b>	has the meaning given to that term as set out in paragraph 6 of Part I of this document;
<b>"SEC"</b>	means the United States Securities and Exchange Commission;
<b>"Series A Notes"</b>	means Series A Notes issued by the Company of NIS 1 par value each;
<b>"Series B Notes"</b>	means Series B Notes issued by the Company of NIS 1 par value each;
<b>"Share Option Schemes"</b>	means the 2006 Share Option Scheme and the 2011 Share Option Scheme collectively;
<b>"Shareholders"</b>	means the holders of Ordinary Shares or DIs (as the case may be);
<b>"Sponsor"</b>	means SPARK Advisory Partners Limited;
<b>"Stock Account"</b>	means an account within a member account in CREST to which a holding of a particular share or other security in CREST is credited;
<b>"Subsidiary"</b>	is as defined in section 2:24a of the Dutch Civil Code ( <i>Burgerlijk Wetboek</i> ) and "Subsidiaries" shall be defined accordingly;
<b>"Trust Deed" or "Trust Deeds"</b>	trust deed for the Series B Notes, concluded between the Company and Reznik Paz Nevo Ltd. containing <i>among other things</i> the conditions applicable to the Series B Notes;
<b>"uncertificated" or "in uncertificated form"</b>	refers to a share or other security recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;

<b>"UK Listing Authority" or "UKLA"</b>	means the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA;
<b>"UK" or "United Kingdom"</b>	means the United Kingdom of Great Britain and Northern Ireland;
<b>"US" or "USA" or "United States"</b>	means the United States of America, its territories and possessions, any state or political subdivision of the United States of America, the District of Columbia and all other areas subject to the jurisdiction of the United States of America;
<b>"US Securities Act"</b>	means the United States Securities Act of 1933, as amended; and
<b>"Warsaw Stock Exchange" or "WSE"</b>	means the Warsaw Stock Exchange in Warsaw, Poland.

## 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

*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)*

### AGENDA

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 [custodymgt@capita.co.uk](mailto:custodymgt@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 22 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, 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.

## Form of Proxy

### PLAZA CENTERS N.V.

(the "Company")

(Incorporated in The Netherlands with registered number 33248324)

I/we am/are a shareholder of the Company, entitled to attend and vote at any general meeting of the Company. I/we appoint the person named below, or failing him/her the chairman of the meeting, as my/our proxy to vote on my/our behalf at the extraordinary General Meeting of the Company to be held at the following place and time and at any adjournment and on any proposed amendments to any of the resolutions:

Name of Shareholder:	
Name of proxy:	
Place of meeting:	Park Plaza Victoria Hotel Amsterdam, Damrak 1-5, 1012 LG Amsterdam, The Netherlands
Date of meeting:	10:30 a.m. (CET) / 09:30 a.m. (London time) on 28 November 2014

The proxy will vote on the following resolutions as indicated below:

<i>Items on the agenda</i>	<i>For</i>	<i>Against</i>	<i>Abstain</i>
<b>Resolution 1</b>  Proposal to designate the Board, generally and unconditionally as the competent body to issue ordinary shares (including rights to acquire ordinary shares) in connection with the issue of New Ordinary Shares and Escrow Shares, as set out in the notice and agenda of the extraordinary General Meeting  Resolution 1 is conditional upon the passing of Resolutions 2, 3, 4 and 5.			
<b>Resolution 2</b>  Proposal to designate the Board, generally and unconditionally, as the competent body to restrict or exclude pre-emptive rights upon issuing New Ordinary Shares and Escrow Shares, as set out in the notice and agenda of the extraordinary General Meeting  Resolution 2 is conditional upon the passing of Resolutions 1, 3, 4 and 5.			
<b>Resolution 3</b>  Proposal to designate the Board, generally and unconditionally as the competent body to issue ordinary shares in connection with the issue of Bondholders' Shares and/or Additional Placing Shares, as set out in the notice and agenda of the extraordinary General Meeting  Resolution 3 is conditional upon the passing of Resolutions 1, 2, 4 and			

5.			
<p><b>Resolution 4</b></p> <p>Proposal to designate the Board, generally and unconditionally as the competent body to restrict or exclude pre-emptive rights upon issuing ordinary shares in connection with the issue of Bondholders' Shares and/or Additional Placing Shares, as set out in the notice and agenda of the extraordinary General Meeting</p> <p>Resolution 4 is conditional upon the passing of Resolutions 1, 2, 3 and 5.</p>			
<p><b>Resolution 5</b></p> <p>Proposal to authorize the arrangements under the Controlling Shareholder Undertaking</p> <p>Resolution 5 is conditional upon the passing of Resolutions 1, 2, 3 and 4.</p>			
<p><b>Resolution 6</b></p> <p>Proposal to amend the Company's articles of association (statuten, <b>Articles of Association</b>)</p>			
<p><b>Resolution 7</b></p> <p>Proposal to grant power of attorney (<i>volmacht</i>) to have the notarial deed of amendment of the Articles of Association executed</p>			
<p><b>Resolution 8</b></p> <p>Proposal to appoint Grant Thornton Accountants en Adviseurs B.V. as the external auditor for the 2014 financial year</p>			
<p><b>Resolution 9</b></p> <p>Proposal to dismiss Mr. Nadav Livni from his position as non-executive director (<i>niet-uitvoerend bestuurder</i>) of the Company, in accordance with article 23.4 of the Articles of Association and proposal to appoint Mr. Nadav Livni as executive director (<i>uitvoerend bestuurder</i>) of the Company, in accordance with article 23 of the Articles of Association.</p>			
<p><b>Resolution 10</b></p> <p>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.</p>			
<p><b>Resolution 11</b></p> <p>Proposal to approve the terms of the appointment letter relating to Mr. Livni</p>			

<b>Resolution 12</b> Proposal to approve the terms of appointment of Mr. Ron Hadassi			
<b>Resolution 13</b> Proposal to approve the terms of appointment of Mr. Yoav Kfir			
<b>Resolution 14</b> Proposal to approve the terms of appointment of Mr. Shlomi Kelsi			
<b>Resolution 15</b> Proposal to approve the terms of appointment of Mr. David Dekel			

Please indicate with an X in the space provided how you wish your votes to be cast in relation to each resolution. If you sign and return this form without indicating how the proxy is to vote, he/she will have discretion to vote either way or to abstain. The 'abstain' option is provided to enable you to withhold your vote on any resolution. A vote withheld is not a vote in law and will not be counted in the calculation of the proportion of votes 'For' and 'Against' a resolution.

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_ 2014



## NOTES

1. This Form of Proxy must be signed by the Shareholder appointing the proxy or by his/her attorney authorised in writing. If the Shareholder is a corporation, the Form of Proxy must be sealed with its common seal or signed by an officer or an attorney of the corporation or other person authorised to sign it.
2. The return of this form will not prevent a Shareholder from attending in person and voting at the meeting.
3. In the case of joint Shareholders, the person whose name appears first in the register of Shareholders (*aandeelhoudersregister*) has the right to attend and vote at general meetings to the exclusion of all others.
4. To be effective, this Form of Proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially or otherwise certified copy of such power of authority must be deposited at the offices of the Company not less than 48 hours before the time appointed for the meeting or any adjourned meeting.
5. Any alterations made to this form must be initialled.

Please complete and return to: Plaza Centers N.V., Prins Hendrikkade 48-s, 1012 AC Amsterdam, The Netherlands.

**Form of Direction**

**PLAZA CENTERS N.V.**

(Incorporated in The Netherlands with registered number 33248324)

**(the "Company")**

**Form of Direction**

I/we am/are a holder of Depositary Interests representing shares on a one for one basis in the Company. I/we instruct Capita IRG Trustees Limited, the Depositary, to vote for me/us and on my/our behalf in person or by proxy at the extraordinary General Meeting of the Company to 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, and at any adjournment and on any proposed amendments to any of the resolutions.

Name of Depositary Interest holder:	
Address of holder:	

The Depositary will vote on the following resolutions as indicated below:

<i>Items on the agenda</i>	<i>For</i>	<i>Against</i>	<i>Abstain</i>
<b>Resolution 1</b>  Proposal to designate the Board, generally and unconditionally as the competent body to issue ordinary shares (including rights to acquire ordinary shares) in connection with the issue of New Ordinary Shares and Escrow Shares, as set out in the notice and agenda of the extraordinary General Meeting  Resolution 1 is conditional upon the passing of Resolutions 2, 3, 4 and 5.			
<b>Resolution 2</b>  Proposal to designate the Board, generally and unconditionally, as the competent body to restrict or exclude pre-emptive rights upon issuing New Ordinary Shares Escrow Shares, as set out in the notice and agenda of the extraordinary General Meeting  Resolution 2 is conditional upon the passing of Resolutions 1, 3, 4 and 5.			
<b>Resolution 3</b>  Proposal to designate the Board, generally and unconditionally as the competent body to issue ordinary shares in connection with the issue of Bondholders' Shares and/or Additional Placing Shares, as set out in the notice and agenda of the extraordinary General Meeting  Resolution 3 is conditional upon the passing of Resolutions 1, 2, 4 and 5.			

<p><b>Resolution 4</b></p> <p>Proposal to designate the Board, generally and unconditionally as the competent body to restrict or exclude pre-emptive rights upon issuing ordinary shares in connection with the issue of Bondholders' Shares and/or Additional Placing Shares, as set out in the notice and agenda of the extraordinary General Meeting</p> <p>Resolution 4 is conditional upon the passing of Resolutions 1, 2, 3 and 5.</p>			
<p><b>Resolution 5</b></p> <p>Proposal to authorize the arrangements under the Controlling Shareholder Undertaking</p> <p>Resolution 5 is conditional upon the passing of Resolutions 1, 2, 3 and 4.</p>			
<p><b>Resolution 6</b></p> <p>Proposal to amend the Company's articles of association (statuten, <b>Articles of Association</b>)</p>			
<p><b>Resolution 7</b></p> <p>Proposal to grant power of attorney (<i>volmacht</i>) to have the notarial deed of amendment of the Articles of Association executed</p>			
<p><b>Resolution 8</b></p> <p>Proposal to appoint Grant Thornton Accountants en Adviseurs B.V as the external auditor for the 2014 financial year</p>			
<p><b>Resolution 9</b></p> <p>Proposal to dismiss Mr. Nadav Livni from his position as non-executive director (<i>niet-uitvoerend bestuurder</i>) of the Company, in accordance with article 23.4 of the Articles of Association and proposal to appoint Mr. Nadav Livni as executive director (<i>uitvoerend bestuurder</i>) of the Company, in accordance with article 23 of the Articles of Association.</p>			
<p><b>Resolution 10</b></p> <p>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.</p>			
<p><b>Resolution 11</b></p> <p>Proposal to approve the terms of the appointment letter relating to Mr. Livni</p>			
<p><b>Resolution 12</b></p>			

Proposal to approve the terms of appointment of Mr. Ron Hadassi			
<b>Resolution 13</b> Proposal to approve the terms of appointment of Mr. Yoav Kfir			
<b>Resolution 14</b> Proposal to approve the terms of appointment of Mr. Shlomi Kelsi			
<b>Resolution 15</b> Proposal to approve the terms of appointment of Mr. David Dekel			

Please indicate with an X in the space provided how you wish the Depositary to vote. If no voting instruction is indicated, the Depositary will abstain from voting on such resolution. The 'abstain' option is provided to enable you to provide for the Depositary to abstain its vote on any resolution. A vote abstained is not a vote in law and will not be counted in the calculation of the proportion of votes 'For' and 'Against' a resolution.

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_ 2014

**NOTES:**

1. To be effective, this Form of Direction and the power of attorney or other authority (if any) under which it is signed, or a notarial or otherwise certified copy of such power of authority, must be 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.
2. In the case of a corporation this Form of Direction must be given under its common seal or under the hand of an officer or attorney duly authorised in writing.
3. Any alterations made to this Form of Direction must be initialled by the person who signs it.
4. On receipt of this Form of Direction duly signed, you will be deemed to have authorised The Depositary, to vote or abstain from voting, as per your instructions.
5. Depositary Interests held in uncertificated form (CREST) representing Ordinary Shares in the capital of the Company on a one for one basis, may be voted through the CREST Proxy Voting Service in accordance with the procedures set out in the CREST manual.
6. The Depositary will appoint the Chairman of the meeting as its proxy to cast your votes. The Chairman may also vote or abstain from voting as he thinks fit on any other business (including amendments to resolutions) which may properly come before the meeting.
7. Depositary Interest Holders wishing to attend the Meeting should contact the Depositary at Capita IRG Trustees Limited, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, or email [custodymgt@capita.co.uk](mailto:custodymgt@capita.co.uk), by no later than 10:30 a.m. (CET) / 09:30 a.m. (London time) on 25 November 2014.

Please complete and return to: Capita Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom.

## Form of Instruction

### PLAZA CENTERS N.V.

(Incorporated in The Netherlands with registered number 33248324)

(the "Company")

## Form of Instruction

I/we instruct the Polish National Depository for Securities (Krajowy Depozyt Papierów Wartościowych S.A.) to give Capita IRG Trustees Limited (the entity which acts as Depository for the Company's shares), through Euroclear Banking, instructions to vote, in person or by proxy, at the extraordinary General Meeting of the Company to 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, and at any adjournment and on any proposed amendments to any of the resolutions.

Name of Depository Interest holder:	
Address of holder:	

The National Depository for Securities will instruct the Depository, through Euroclear Banking, to vote on the following resolutions as indicated below:

<i>Items on the agenda</i>	<i>For</i>	<i>Against</i>	<i>Abstain</i>
<b>Resolution 1</b>  Proposal to designate the Board, generally and unconditionally as the competent body to issue ordinary shares (including rights to acquire ordinary shares) in connection with the issue of New Ordinary Shares and Escrow Shares, as set out in the notice and agenda of the extraordinary General Meeting  Resolution 1 is conditional upon the passing of Resolutions 2, 3, 4 and 5.			
<b>Resolution 2</b>  Proposal to designate the Board, generally and unconditionally, as the competent body to restrict or exclude pre-emptive rights upon issuing New Ordinary Shares Escrow Shares, as set out in the notice and agenda of the extraordinary General Meeting  Resolution 2 is conditional upon the passing of Resolutions 1, 3, 4 and 5.			
<b>Resolution 3</b>  Proposal to designate the Board, generally and unconditionally as the competent body to issue ordinary shares in connection with the issue of Bondholders' Shares and/or Additional Placing Shares, as set out in the notice and agenda of the extraordinary General Meeting  Resolution 3 is conditional upon the passing of Resolutions 1, 2, 4 and			

5.			
<p><b>Resolution 4</b></p> <p>Proposal to designate the Board, generally and unconditionally as the competent body to restrict or exclude pre-emptive rights upon issuing ordinary shares in connection with the issue of Bondholders' Shares and/or Additional Placing Shares, as set out in the notice and agenda of the extraordinary General Meeting</p> <p>Resolution 4 is conditional upon the passing of Resolutions 1, 2, 3 and 5.</p>			
<p><b>Resolution 5</b></p> <p>Proposal to authorize the arrangements under the Controlling Shareholder Undertaking</p> <p>Resolution 5 is conditional upon the passing of Resolutions 1, 2, 3 and 4.</p>			
<p><b>Resolution 6</b></p> <p>Proposal to amend the Company's articles of association (statuten, <b>Articles of Association</b>)</p>			
<p><b>Resolution 7</b></p> <p>Proposal to grant power of attorney (<i>volmacht</i>) to have the notarial deed of amendment of the Articles of Association executed</p>			
<p><b>Resolution 8</b></p> <p>Proposal to appoint Grant Thornton Accountants en Adviseurs B.V. as the external auditor for the 2014 financial year</p>			
<p><b>Resolution 9</b></p> <p>Proposal to dismiss Mr. Nadav Livni from his position as non-executive director (<i>niet-uitvoerend bestuurder</i>) of the Company, in accordance with article 23.4 of the Articles of Association and proposal to appoint Mr. Nadav Livni as executive director (<i>uitvoerend bestuurder</i>) of the Company, in accordance with article 23 of the Articles of Association.</p>			
<p><b>Resolution 10</b></p> <p>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.</p>			
<p><b>Resolution 11</b></p> <p>Proposal to approve the terms of the appointment letter relating to Mr. Livni</p>			

<b>Resolution 12</b> Proposal to approve the terms of appointment of Mr. Ron Hadassi			
<b>Resolution 13</b> Proposal to approve the terms of appointment of Mr. Yoav Kfir			
<b>Resolution 14</b> Proposal to approve the terms of appointment of Mr. Shlomi Kelsi			
<b>Resolution 15</b> Proposal to approve the terms of appointment of Mr. David Dekel			

Please indicate with an X in the space provided how you wish the National Depository for Securities to instruct the Depository, through Euroclear Banking, to vote. If you sign and return this form without indicating how the votes are to be cast, the National Depository for Securities will not instruct the Depository and the Depository will abstain from voting on such resolutions. The 'abstain' option is provided to enable you to provide for the Depository to abstain its vote on any resolution. A vote abstain is not a vote in law and will not be counted in the calculation of the proportion of votes 'For' and 'Against' a resolution.

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_ 2014



**NOTES:**

1. To be effective, this Form of Instruction and the power of attorney or other authority (if any) under which it is signed, or a notarially or otherwise certified copy of such power of authority, must be deposited with the brokerage house not later than noon (CET) / 11:00 a.m. (London time) on 22 November 2014.
2. The instructions included in the Form of Instruction shall be effective only after the securities account in which the Company's Depositary Interests are registered is blocked until the end of trading on the Warsaw Stock Exchange on the date of the extraordinary General Meeting.