

November 22, 2021

**PLAZA CENTERS N.V.  
G.C HEVRON CAPITAL RESTRUCTURING PROPOSAL PLAN**

Plaza Centers N.V. ("**Plaza**" or the "**Company**") announces today, that further to its previous announcement dated November 12, 2021 an unofficial translation into English of the proposed restructuring plan is attached as an appendix to this announcement.

**Ends**

**For further details, please contact:**

**Plaza**

Ran Yaacovs, CFO

972-546-303-006

***Notes to Editors***

Plaza Centers N.V. ([www.plazacenters.com](http://www.plazacenters.com)) is listed on the Main Board of the London Stock Exchange, and, on the Warsaw Stock Exchange (LSE: "PLAZ", WSE: "PLZ/PLAZACNTR") and, on the Tel Aviv Stock Exchange("PLAZ").

**THIS VERSION IS AN UNOFFICIAL TRANSLATION OF THE DEBT SETTLEMENT PLAN FROM THE HEBREW LANGUAGE FOR CONVENIENCE PURPOSES ONLY. THE BINDING VERSION OF THESE DEBT SETTLEMENT PLAN IS IN THE HEBREW LANGUAGE.**

## **PLAZA CENTERS N.V.**

Debt Settlement Plan  
11 November 2021

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**Plaza Centers N.V.**

("The Company")

**SETTLEMENT PLAN**

**1. DEFINITIONS**

In this Settlement Plan, the following terms shall have the meaning indicated alongside them below:

- "The Bonds (Series A)"** – Bonds (Series A) of the Company, in the total amount of ILS 117,754,182 par value (Security number 1109495)
- "The Bonds (Series B)"** – Bonds (Series B) of the Company, in the total amount of ILS 172,758,019 par value (Security number 1109503)
- "The Bonds"** – Bonds (Series A) and Bonds (Series B)
- "Court"** – Tel Aviv-Yaffo District Court
- "Officer"** – The officer appointed for management of the settlement fund and realization of the Company's assets prior to the Settlement (as this term is defined below), as described in Section 4.1.2 below.
- "The Stock Exchange"** – The Tel Aviv Stock Exchange Ltd.
- "Settlement" or "Settlement Plan"** – The Debt Settlement plan outlined in this document and its appendices.
- "The company"** – Plaza Centers N.V.
- "Deadline for Filing Claims"** – The deadline for filing a debt claim by all the Company's creditors who are not holders of the Company's bonds, as set forth in Section 7.3 below.
- Hevron Capital** – G.C. Hevron Capital Ltd.
- "Companies Act"** – The Companies Act, 5759-1999.
- "Insolvency Act"** – The Insolvency and Economic Rehabilitation Act, 5778-2018.
- "Trading Day"** – A day on which trading takes place on the Stock Exchange, on the Warsaw Stock Exchange and on the London Stock Exchange.
- "Business Day"** – A day on which most banks are open for business in Israel, the Netherlands, Poland and the United Kingdom.

<b>“Company Shares”</b>	– Ordinary shares of the Company.
<b>“Date of Execution” or “Date of Settlement Execution”</b>	– The day on which the Settlement is actually made. This date will be set by the Company in coordination with the trustees of the holders of the Bonds and the with the Stock Exchange and will be published by the Company on MAGNA at least 7 days prior.
<b>“Effective Date” or “Settlement Effective Date”</b>	– A date to be determined in coordination by the Company and the trustees of the holders of the Bonds and the with the Stock Exchange and will be published by the Company on MAGNA at least 7 days prior to execution.
<b>“Investors”</b>	– The investors listed in Appendix G to this Settlement.
<b>“Bonds Trustee (Series A)”</b>	– Hermetic Trust (1975) Ltd.
<b>“Bonds Trustee (Series B)”</b>	– Reznik Paz Nevo Trusts Ltd.
<b>“Debt Claims Examination Trustee”</b>	– An official appointed by the court, as the case may be, for ascertaining debt claims against the Company, as specified in Section 7.3 below.
<b>“Bondholders” Trustees”</b>	– The Trustee for the Bonds (Series A) and the Trustee for the Bonds (Series B).
<b>“Settlement Creditors”</b>	– The Bondholders and any other creditor whose debt claim will be approved by the Debt Claims Examination Trustee.
<b>“Company Assets Prior to Settlement”</b>	– All the assets and rights of the Company as listed in Appendix A to this Settlement Plan, which will be transferred to the Officer and become part of the Settlement Fund.
<b>“Settlement Regulations”</b>	– The Company (Application for Settlement) Regulations, 5762-2002.
<b>“Economic Rehabilitation Regulations”</b>	– The Insolvency and Economic Rehabilitation Regulations, 5779-2019.

## 2. APPENDICES

The following appendices are attached to this Settlement Plan, and they form an integral part thereof (the settlement appendices that have not been published by the time of publication of the Settlement will be published a reasonable time prior to the preliminary meetings of the bondholders to vote on the Settlement and will be deemed a part of this Settlement):

- |             |   |
|-------------|---|
| Appendix A  | – The Company Assets Prior to the Settlement                              |
| Appendix B’ | – Schedule for Settlement of the Company’s Liabilities to the Bondholders |

- Appendix C – The Options to Purchase the Company’s Shares
- Appendix D – Realization Notice
- Appendix E – Deed of Trust for the Company Bonds (Series A)
- Appendix F – Deed of Trust for the Company Bonds (Series B)
- Appendix G – The Investors and the Rates of Holdings and Investments Of Each Under this Settlement
- Appendix H – Form of Exemption and Waiver to the Officer

### 3. INTRODUCTION

- 3.1. This document will describe the Settlement Plan proposed by the Investors. For the avoidance of doubt, it is hereby clarified that each of the Investors is acting independently and separately and the obligations of the Investors are made severally and not jointly.
- 3.2. Details pertaining to the Company Assets Prior to the Settlement are hereby attached as **Appendix A** of this Settlement Plan.
- 3.3. The Schedule for Settlement of the Company’s Liabilities to the Bondholders, as of the date of publication of the Settlement Plan, is hereby attached as **Appendix B** of this Settlement.
- 3.4. As part of the Settlement, an invitation will be issued to all of the Company’s Creditors to file debt claims and they will be entitled to the Settlement considerations, as described in this document.

### 4. DETAILS OF THE SETTLEMENT

The details of the Settlement are as follows:

- 4.1. Write-off of the Company’s debt to the Company’s creditors against receipt of consideration from the Settlement Fund
  - 4.1.1. At the time of the Settlement Execution, the Company’s full liability to the Settlement Creditors (including interest, arrears interest, penalties, etc.) will be written off, against the right to receive consideration that will be limited only to the assets and rights included in the Settlement Fund, as specified below, which will be granted to all the Settlement Creditors according to the debt they hold on the Settlement Effective Date.
  - 4.1.2. At the time of the Settlement Execution, the Settlement Fund will include all the Company Assets prior to the Settlement, as specified in **Appendix A** of this Settlement Plan plus ILS 2,000,000, as specified in Section 4.3 below. The Settlement Fund will be administered by Adv. Ron Hadassi (hereinafter: the “**Officer**”) for and in favor of the Settlement Creditors. The Officer will administer the Settlement Fund at

his sole discretion, with the purpose of maximizing the consideration from the Settlement Fund and he will have all the powers to manage the Company Assets prior to the Settlement that will be transferred to the Settlement Fund; make decisions about which workers to employ in the various countries; make dispositions of each of the aforesaid assets; and to make distributions of funds and assets in the Settlement Fund; and act in the Settlement Fund as an owner – all for the benefit of the Settlement Creditors.

- 4.1.3. As stated above, the Officer will have the authority to decide on distribution of the consideration in the Settlement Funds to the Company's creditors. Any distribution of any consideration by the Officer to the aforesaid Company's Creditors will be made net of all the relevant expenses, taxes and levies and will be distributed to the Company's Creditors pro rata to the Company's debts to them on the Settlement Effective Date. The Officer will benefit from an exemption from and a waiver of contentions and claims in the form attached as Appendix H of this Settlement.
- 4.1.4. At the time of the Settlement Execution, all the Company assets prior to the Settlement will be encumbered with a first-degree fixed lien in favor of the Settlement Creditors, as much as legally and commercially and reasonably possible, without detracting from the option of their sale by the Officer at his own discretion.

#### 4.2. The Company's Rights in the Casa Radio Project

- 4.2.1. All the rights of the Company directly and/or indirectly in the Casa Radio project in Romania, including rights conferred on the Company in an arbitration proceeding between the Company and the Romanian government and/or any other legal proceeding between said parties (hereinafter together: the "**Casa Radio Rights**") will not be transferred to the Officer but will remain owned by the Company and managed by the Company.
- 4.2.2. The Company and the Officer will make reasonable commercial efforts to transfer the Casa Radio Rights to the Officer at the earliest possible date, at the reasonable discretion of the Company and the Officer.
- 4.2.3. Against the continued holding of the Casa Radio Rights, if any consideration is received at any time out of the Casa Radio Rights (whether during the period in which the Casa Radio Rights are held by the Company or after their transfer to the Officer), 10% of the total consideration, less expenses, taxes and other levies, but in no case more than a total of EUR 2 million cumulatively, shall be paid as follows: 50% to the existing shareholders of the Company on the date of the Settlement Execution (distributed pro rata) and 50% to the Investors (according to the division determined by such).

#### 4.3. Payments to the Investors; Allotment of Shares on the date of the Settlement Execution; Treatment of Option Holders; Appointment of Directors

- 4.3.1. On the Date of the Settlement Execution, the Investors in the distribution as specified in Appendix G of this Settlement will pay a total of ILS 2,000,000 to the

Settlement Fund (hereinafter: the “**First Payment**”) in exchange for an allotment of shares of the Company to the Investors, at a cumulative rate to reflect a holding of 74.99% of the issued and paid-up share capital of the Company, immediately after the allotment.

- 4.3.2. On the Date of the Settlement Execution, ordinary shares of the Company will be issued and listed for trading in a manner that the Company’s balance of issued capital (25.01%), will be held by the existing shareholders on the date of the Settlement Execution and Company’s Creditors (hereinafter: the “**Rightholders**”), as described below:

<b>Company shareholders</b>	<b>Total Company Shares</b>	<b>Rate of the shares out of the Company’s issued and paid-up capital</b>
The Company’s Creditors	27,367,677	20%
Company Shareholders prior to the Settlement Execution	6,855,603	5.01%
Investors (cumulative)	102,615,104	74.99%
<b>Total</b>	<b>136,838,384</b>	<b>100%</b>

- 4.3.3. In addition, at the time of the Settlement Execution, the Investors will deposit (as described in **Appendix G** of this Settlement) in the Company’s account is a total of ILS 1,000,000 for the Company’s ongoing operations (hereinafter: the “**Amount for Current Operations**”).

- 4.3.4. In respect of the options to purchase the Company’s shares that exist on the date of the Settlement Execution, the holders of said options may exercise such options under the terms thereof, provided that their exercise into shares is performed subject to the same rate of dilution that applies to the existing shareholders of the Company on the eve of the date of the Settlement Execution.

- 4.3.5. Also, at the time of the Settlement Execution, the Company’s Board of Directors will be comprised of the following persons: Sivan Barak, Dovrat Dagan, Tamar Adler, Guy Eliyahu, Arik Horowitz

4.4. Put Option to the Rightholders

- 4.4.1. At the time of the Settlement Execution, the Investors (divided as specified in **Appendix G** of this Settlement) will grant the Rightholders an option to sell all their shares in the Company on the date of the Settlement Execution in a transaction outside the Stock Exchange, in exchange for 23.47 agorot per one share of the Company (unlinked) and in total not to exceed ILS 8,032,000 (hereinafter: the “**Put Option**”), in accordance with and subject to the terms set forth in this section below.

- 4.4.2. The Put Option will be exercisable by the Rightholders during a 30-day period, which will begin after 12 months after the date of Settlement Execution (hereinafter: the “**Exercise Period**”) by giving notice of the exercise of the Put Option to a member of the Stock Exchange whose identity and details will be published by the Company (after receiving information from the Investors) at least three trading days before the start of the Exercise Period as an administrative representative of the Investors (hereinafter: “**Investors’ Representative**”), in the form attached as **Appendix D** of the Settlement proposal, being complete and duly signed (hereinafter: the “**Exercise Notice**”), to which will be attached a certificate of ownership from the relevant Stock Exchange member pertaining to the Rightholder’s holdings in the Company’s shares at the time of the Settlement Execution and an ex-Exchange transaction form pertaining to the shares subject to the Exercise Notice that are held by the member, owned by it and free and clear of any pledge, foreclosure, obligation, debt, lien or any right in favor of any third party on the date the Exercise Notice is issued and thereafter, and the holder’s obligation not to confer on any third party any rights in the aforesaid Company shares and not to make any disposition or transaction in them, whether in the Stock Exchange or in an ex-Exchange transaction, until their acquisition.
- 4.4.3. [If] The Investors’ Representative will not accept an Exercise Notice, and an Exercise Notice will be deemed to be null and void if it is submitted in an incomplete form and/or if not signed and/or is deficient, at the sole discretion of the Investors’ Representative.
- 4.4.4. Exercise Notices will be delivered to the Investors’ Representative during the Exercise Period, on any Business Day, between the hours of 8:00 AM and 06:00 PM. An Exercise Notice that is delivered after the Exercise Period will not be answered and will be deemed null and void.
- 4.4.5. A Rightholder who has given such Exercise Notice will be entitled to withdraw from the Exercise Notice given during the Exercise Period on the dates stated above until the Exercise Period expires. Withdrawal of the Exercise Notice will be made by sending a notice in writing to the Investors’ Representative stating that the original Exercise Notice is null and void, duly signed by all the Rightholders.
- 4.4.6. Should Exercise Notices be given to the Investors’ Representative during the Exercise Period, the Investors will purchase (divided as specified in **Appendix G** of this Settlement) the shares of each Rightholder who submitted such Exercise Notice against payment of the consideration stated in Section 4.4.1 above, in an ex-exchange transaction, within three (3) Trading Days from the end of the Exercise Period.
- 4.4.7. The obligations of the Investors to purchase the shares in respect of the exercise of the Put Option by the Rightholders under this Section 4.4, if the Rightholders exercise the Put Option, are at a rate and scope detailed in **Appendix G** of this Settlement. However, it is clarified that none of the Investors will purchase shares in

a manner that will cause an increase of its holding in the Company to 30% and above.

#### 4.5. Merging Activity into the Company

4.5.1. Subject to the Settlement Execution, and no later than 12 months from the date of the Settlement Execution, Hevron Capital and/or anyone acting on its behalf will act for the Company to acquire, in exchange for an allotment of the Company shares to be offered to it by Hevron Capital and/or anyone acting on its behalf at a value of no less than ILS 100 million (hereinafter: the “**New Activity**”), subject to the terms and conditions as follows.

4.5.2. The value of the New Activity will be determined by a reputable external appraiser whose identity will be determined by consent between Hevron Capital and/or anyone acting on its behalf and the Officer. Hevron Capital and/or anyone acting on its behalf will cooperate for the purpose of conducting the valuation for the New Activity and will make reasonable commercial efforts to provide to the appraiser all the relevant information reasonably required. The valuation will be completed by the appraiser within a period of up to 90 days.

4.5.3. The acquisition of the New Activity against the allotment of Plaza shares will be subject to further approval of Company shareholders at that time.

4.6. The Company shares allotted as aforesaid in Sections 4.3 and 4.5 above will be allotted free and clear of any debt, pledge, lien, foreclosure and any third party right, and in respect of shares allotted to the Company’s Creditors – will be released of any restriction of the transferability of the shares, including released from the blocking restriction under the Securities Act, 5728-1968.

4.7. The Settlement Execution is conditional on contingent conditions, as set out in Section 8 below.

## 5. EXEMPTION AND WAIVER

5.1. Effective from the date of Settlement Execution, the Rightholders will waive, fully and irrevocably, to the Discharged Parties (as defined below), any contention, demand or other claim, known or unknown, at present or in future, in respect of any act and/or omission committed on by any of the Dismissed Parties and/or in respect of any cause of action directly or indirectly related to the Company, the companies it holds, the Settlement and its execution, all solely in respect of the period prior to the date of approval of the Settlement by the court (hereinafter in this section: “**Waiver**”). Within the foregoing, the Rightholders will also refuse to be represented through a third party, including a class action plaintiff or a derivative plaintiff. If and to the extent that a claim is filed contrary to the provision of this Section 5.1, including a class action or derivative claim, the Rightholders, or any of them, must notify the court that they are unwilling to be represented by that third party, including a class action plaintiff or a derivative plaintiff, and that they request that such claim be

dismissed. The aforesaid shall not constitute a waiver of the right to give a third-party notice by a Rightholder, if such a claim is filed against it. In addition, this will not detract from the insurance and indemnification rights of officers towards the Company, as the case may be.

5.2. For the purposes of this section 5, the “**Dismissed Parties**” mean the Company and/or the Company officers and/or the Company employees and/or the Company’s current shareholders and/or the Company’s Creditors of any kind and/or the Bonds Trustees and/or their employees and/or their agents and/or anyone on their behalf and/or their attorneys and/or the counsels (legal, economic and/or other) of any of those.

## 6. REPRESENTATIONS

The Company hereby warrants and represents as follows:

6.1. To the best of its knowledge, at the time of the Settlement Execution it has no debt to any third party, including directors, consultants, tax authorities, etc., excluding debts incurred in the ordinary course of business, an undertaking to repay Effie €200,000, to the extent that the Company succeeds in the arbitration proceeding, as detailed above in section 4.2, and existing debts or potential debts as a result of the liquidation proceedings of companies held by the Company.

6.2. As of the date of publication of this Settlement Plan and prior to the date of the Settlement Execution, the Company’s issued capital is €6,855,803 divided into 6,855,803 shares of €1 par value each. All the shares of the Company are equal in their rights and have been duly issued and paid up. Except as specified in Appendix C of this Settlement, no share or security of the Company or a right to purchase such share or security or right to receive in any other way shares or securities of the Company has been given or promised to any person and no person or entity has any such, and the Company has not issued, not decided to issue and has not undertaken to issue nor given to any entity the right to be issued any shares and/or securities that are convertible into Company shares or other rights in the Company, and the Company has not undertaken to carry out any of the above actions.

6.3. The Company and/or anyone on its behalf, has not undertaken, granted or given to any person the right to receive and/or participate in the Company’s revenues and/or profit and/or any commission derived from any activity of the Company. In addition, none of the companies held by the Company and/or any on their behalf, has undertaken, granted or given to any person the right to receive and/or participate in the investee company’s revenues and/or profit and/or any commission derived from any activity of the investee company.

6.4. As of the date of publication of this Settlement Plan and the date of the Settlement Execution, other than the Company’s Securities to be Issued under this Settlement Plan (as defined above), no entity has any right to receive any additional securities of the Company.

- 6.5. As of the date of publication of this Settlement Plan and the date of Settlement Execution, other than the Company's Assets prior to the Settlement (as defined above), which will be pledged in favor of the Company's Creditors (excluding the Casa Radio Rights, to which section 4.3 above shall apply), in accordance with the provisions of this Settlement Plan. The Company holds no right and/or asset of any kind, except assets used for the Company's current operation, of which total value cumulatively is less than €20,000.
- 6.6. As of the date of publication of this Settlement Plan and the date of the Settlement Execution, the current shareholders of the Company or any of them do not owe any debt to the Company.
- 6.7. As of the date of publication of this Settlement Plan and the date of the Settlement Execution, the Company does not owe any debt to the current shareholders of the Company or any of them.
- 6.8. As of the date of publication of this Settlement Plan and the date of the Settlement Execution, there are no guarantees or collateral of any kind (including deposits) provided by current shareholders of the Company, or any of them, to secure the Company's liabilities or debts.
- 6.9. As of the date of publication of this Settlement Plan and the date of the Settlement Execution, there are no guarantees or collateral of any kind (including deposits) provided by the Company to secure the liabilities or debts of the Company's current shareholders or any of them.
- 6.10. It will continue to conduct itself as it did prior to the publication of this Settlement Plan.
- 6.11. As of the date of publication of this Settlement Plan and the date of the Settlement Execution, there is no contract or agreement, written or oral, between any of the Company's current shareholders and the Company.
- 6.12. As of the date of publication of this Settlement Plan, there are no legal proceedings, including cautions before initiating legal action, to which the Company is a party and which are not specified in the Company's financial statements as of December 31, 2020 and June 30, 2021.
- 6.13. To the best of the Company's knowledge, as of the date of publication of this Settlement Plan and the date of the Settlement Execution, the current shareholders do not hold Bonds of the Company.

## **7. SETTLEMENT CERTIFICATION PROCEEDINGS**

- 7.1. For the purpose of approving the Settlement, the Company will summon, subject to court approval and in accordance with the provisions of the Insolvency Act, a creditors' meeting and a shareholders' meeting and an option holders' meeting (hereinafter together: the "**Meetings**").

7.2. As part of convening the Meetings, the provisions of the Settlement will be presented for approval of the Meetings as one piece, including the transfer of the Company Assets prior to the Settlement to the Officer, the write off of the Company's debts and the allotment of Company shares to the Rightholders and the Investors, and the appointment of directors as detailed in section 4.3.4 above.

7.3. All the Company's Creditors who do not hold Company Bonds will be required to file debt claims up to 24 hours before convening the Creditors' Meetings (hereinafter: the "**Debt Claims**" and the "**Deadline for Filing Claims**", respectively). If Debt Claims are filed that the Company does not recognize, the court will appoint an officer (hereinafter: the "**Debt Claims Examination Trustee**"), who will independently review the claims for the purpose of determining eligibility to vote at the Meetings and, if necessary, review the Debt Claims on their merits in accordance with the law and will decide whether or not to recognize the claimed debt, in whole or in part, all in accordance with Article 24 of the Settlement Regulations and Article 326 of the Economic Rehabilitation Regulations. If the Debt Claims Examination Trustee decides that a debt claims that has not been recognized by the Company should be recognized, in whole or in part, the creditor's vote at the Meeting will be classified according to the type of his credit and under any law. The Debt Claims Examination Trustee will be the expert appointed by the court in accordance with the provisions of Section 328 of the Insolvency Act.

For the purposes of this section, "**Creditor**" means any creditor of the Company, whether it is debt or liability, at present or in future, certain or contingent, applicable to the Company on the date of approval of the Settlement or which will be applicable to it in the future due to liability of which cause existed prior to the approval of the Settlement, including liabilities that stem from the Settlement Execution.

7.4. As to the Bondholders, the Company will publish the Company's debt balances to them (principal, accrued and unpaid interest and linkage differences (if the debt is linked according to its terms)) near the date of publication of this Settlement Plan, and this amount will be deemed to be the amount of the debt claim that was recognized to the Bondholders, and they will not be required to file debt claims, unless they wish to appeal the amount of the debt published by the Company.

7.5. A creditor who does not file a Debt Claim by the Debt Claim Deadline (as defined above) will be barred from filing a debt claim against the Company, will not be recognized as a Creditor of the Company and will not have any contention and/or demand and/or claim against the Officer and/or The Company and/or the Settlement Fund and/or the Debt Claims Examination Trustee and/or anyone on their behalf.

## **8. SETTLEMENT CONTINGENT CONDITIONS**

8.1. The Settlement Execution will be subject to meeting all the following conditions before August 31, 2022 (hereinafter: "**Deadline for Meeting the Contingent Conditions**"). This Settlement will be terminated immediately and automatically if any of the conditions listed

below is not met by the Deadline for Meeting the Contingent Conditions or the deadline specified for it:

- 8.1.1. Suspension of trade of the Company's shares on the London Stock Exchange and/or the Stock Exchange, and/or delisting of the Company's shares on the London Stock Exchange and/or the Stock Exchange.
- 8.1.2. Obtaining all the decisions and approvals of the Tax Authority, if such are necessary, in respect of the various tax aspects of the Settlement (including tax aspects that apply to the Settlement's Creditors) and publishing such decisions and approvals on MAGNA, at least 7 days before the date of voting at the Meetings (as defined in Section 7.1 above). If after the issuance of a signed form of the Tax Authority's approvals, the Company will be required to amend said approvals, then the amended approvals of the Tax Authority may be published two (2) days prior to the convening of the Meetings for approval of this Settlement.
- 8.1.3. The approvals of the Meetings – which will be convened in accordance with the court decisions, by the majority required by law for this Settlement Plan (with its appendices) and for the execution of all the actions specified therein – will be obtained. As part of convening the Meetings, the provisions of the Settlement will be submitted for approval of the Meetings as one piece.
- 8.1.4. All the approvals required for the publication of a prospectus (or prospectuses) of the Company will be obtained in all the jurisdictions relevant to the allotment of shares to the Rightholders, and the prospectus to be published in Israel, if necessary, shall be prepared in "dual" prospectus format.
- 8.1.5. All the regulatory approvals required in the countries in which the Company's securities are listed for trade, including the approval of the Stock Exchange, as well as any other relevant stock exchange (including the London Stock Exchange and the Warsaw Stock Exchange) have been obtained for listing the securities to be allotted under the Settlement, as well as in respect of the value and public holding rate following the Settlement Execution.
- 8.1.6. A court order has been obtained, approving the Settlement and its Appendices in accordance with the provisions of the Insolvency Act, including, and without derogating from the generality of the foregoing, approving all the reliefs sought in the application for certification of the Settlement.
- 8.1.7. In the period from the date of publication of this Settlement Plan until the Deadline for Meeting the Contingent Conditions, no new debts of the Company will be discovered in a total amount exceeding ILS 150,000.
- 8.1.8. The Company's articles of association are amended, *inter alia*, in order to reduce the par value of the Company's shares to enable the execution of the Settlement, as detailed in this Settlement Plan, in accordance with Dutch law.

8.2. In addition, further to the provision of Section 4.5, and without derogating from the foregoing, for the purpose of acquiring the New Activity, the following contingent conditions will be met:

8.2.1. The Company will have received the approval of the Company's shareholders for the acquisition of the New Activity by the majority required by law.

8.2.2. The approval of the Stock Exchange, the London Stock Exchange and the Warsaw Stock Exchange is obtained for listing the securities to be allotted against the acquisition of the New Activity by the Company.

8.3. The provisions of this Settlement, including all the obligations and the agreements set forth in this Settlement Plan will enter into force only subject to meeting all of the Contingent Conditions, including after the certification of the Settlement by the court, and subject to the entry into force of the Settlement at the time of the Settlement Execution.

## 9. SETTLEMENT COMPLETION

9.1. Shortly after all the Contingent Conditions for the Settlement are met, the Company will issue a press release in which it will state that all the Contingent Conditions for the Settlement have been met, and which will specify, among other things, the date of Settlement Execution, which will be determined in coordination with the Bondholders' Trustees and the Stock Exchange, and will be as near as possible to the date the Contingent Conditions for the Settlement are met.

9.2. By the date of execution (including the day of execution) all the following actions will be carried out:

9.2.1. The Company will transfer the Company Assets prior to the Settlement to the Settlement Fund under the management of the Officer.

9.2.2. The Company will submit to the Registrar of Companies and to any other necessary authority (if such is necessary, in connection with assets located outside of Israel), pledge documents in favor of Officer for the Company's Bondholders in accordance with the provisions of this Settlement, in a form to the satisfaction of the Officer, in respect of a pledge of the of the Company Assets prior to the Settlement Execution in favor of the Officer, according to the Settlement Plan.

9.2.3. The Company will allot and list for trading Company shares, as stated in Section 4.3 above against payment of ILS 2,000,000 by the Investors (divided as specified in **Appendix G** of this Settlement) to the Settlement Fund, and the Investors (divided as specified in **Appendix G** of this Settlement) will pay the aforesaid amount to the Settlement Fund.

9.2.4. The Investors (divided as specified in **Appendix G** to this Settlement) will deposit to the Company's account the amount of ILS 250,000 to fund the Company's current operation.

- 9.2.5. All the Company's debts to the Company's Creditors will be revoked and will no longer have effect, and these include the Bonds (Series A) and the Bonds (Series B), which will be deleted and delisted from trading on the Stock Exchange, such that they will not entitle the Company's Bondholders with any rights, except the rights by virtue of this Settlement Plan.
- 9.2.6. The Company, the Officer and the Trustees for the Bondholders will act to ensure that, as much as possible and subject to the Stock Exchange's directives in this regard, all the actions that must be performed on the Execution Date will be carried out in one Trading Day. However, it is clarified that in any case, all the Settlement actions that must be performed at the time of Execution will be deemed to be performed simultaneously and none of the Settlement actions will be considered performed until all the Settlement actions have been performed and completed, even if the Execution Date becomes longer than one Trading Day.
- 9.3. If a date for performance of any action set forth in this Settlement Plan (including the transfer of funds and/or securities) will fall on a day that is not a Business Day, that date will be deferred to the following Business Day.
- 9.4. As required, prior to the date of execution, the Company will publish a procedure, which will specify the procedure for the Settlement operation, the dates for its execution and additional technical instructions involved in it, to be coordinated with the Investors, the Officer, the Trustees for the Bondholders and the Stock Exchange.
- 9.5. Without derogating from the foregoing, if the Stock Exchange and/or the London Stock Exchange and/or the Warsaw Stock Exchange and/or the securities authorities in Israel, England and Poland requests adjustments for carrying out the Settlement under this Plan, the Company will act in coordination with the Investors and the Trustees for the Bondholders to make the necessary adjustments and perform the appropriate arrangements, provided that it does not materially change the terms of this Settlement.
- 9.6. It may be that changes in the schedules and in the process of implementing the Settlement occur, as a result of comments and directives of the Stock Exchange or the Securities Authority. In such a case, the Company will publish an immediate report about it and will notify the court accordingly. This does not change the Deadline for Meeting the Contingent Conditions without the mutual consent of the parties.

## **10. MISCELLANY**

- 10.1. This Settlement only concerns the matters governed in it.
- 10.2. The approval of this Settlement constitutes approval for all its Appendices, even if their provisions are not expressly stated in this Settlement Plan.
- 10.3. There is no certainty that the Settlement will be approved, and it is not inconceivable that the Settlement Plan, if approved, will be different from what is stated in this Settlement Plan. If the Settlement is not approved, for any reason, or if the Settlement to be

approved (as the case may be) is different from this Settlement Plan, then this Settlement Plan will become null and void fundamentally and will not be used in any way and will not constitute evidence of consent and/or admission, directly or implied, and will not create a liability and/or responsibility of the Company and/or the officers of the Company and/or the controlling shareholders of the Company and/or anyone on their behalf.

- 10.4. In any case of conflict between the Settlement Plan and the Company's reports, the provisions of the Settlement Plan will prevail over its appendices.

\* \* \* \* \*

## APPENDIX A

### THE COMPANY ASSETS PRIOR TO THE SETTLEMENT

The following is a concise description of the Company's main assets at the time of publication of the Settlement Plan, which constitute all of the Company's activity on the date of this Settlement Plan, excluding all the Company's rights, directly and indirectly, in the Casa Radio project in Bucharest, Romania and all that is related to this project:

1. 47.5% of the share capital of Elbit Plaza India Real Estate Holdings Ltd. (Hereinafter: "**EPI**"), incorporated in Cyprus, holding 90% of the land rights in Bangalore, India;
2. The right to receive 20.75%, of the amount to be adjudicated, less financing costs of the costs of the lawsuit by First Libra Israel Ltd., in a derivative action filed in the Tel Aviv-Yaffo District Court against Company officers and third parties in connection with the sale of shopping centers in the United States in 2011;
3. Cash balances of approx. EUR 5 million;
4. Holdings in project companies in Poland, Hungary, the Czech Republic and Serbia which the Company is acting to liquidate and/or sell for non-material amounts (together: the "**Companies in Liquidation**");

For elaboration of the Company's assets and liabilities as of June 30, 2021, see the Company's financial statements as of June 30, 2021, published on MAGNA on August 30, 2021.

**APPENDIX B**

**SETTLEMENT SCHEDULE OF THE COMPANY'S LIABILITIES TO THE HOLDERS OF  
THE COMPANY'S BONDS**

**APPENDIX C**

**THE OPTIONS TO PURCHASE THE COMPANY'S SHARES**

<b>Grant No.</b>	<b>Grant date</b>	<b>Exercise Price</b>	<b>Number of Options</b>	<b>Expiration</b>	<b>Adj. Exercise Price (repricing 27.10.08)</b>
1	27/10/2006	0.52	150,767	2021	0.43
1 - ESOP 2	22/11/2011	0.43	44,790	2021	0.34
2	21/03/2007	0.52	1,642	2022	0.43
3	29/05/2007	0.52	1,935	2022	0.43
4	30/08/2007	0.52	4,822	2022	0.43
5	25/11/2007	0.52	1,762	2022	0.43
2 - ESOP 2	14/03/2012	0.54	3,850	2022	0.45
3 - ESOP 2	22/5/2012	0.47	3,150	2022	0.38
4 - ESOP 2	21/8/2012	0.41	1,300	2022	0.32
5- ESOP 2	20/11/2012	0.39	300	2022	0.3
6	26/03/2008	0.52	6,539	2023	0.52
7	27/05/2008	0.52	333	2023	0.52
8	25/08/2008	0.52	267	2023	0.52
9	25/11/2008	0.54	500	2023	0.54
6- ESOP 2	13/03/2013	0.3	1,850	2023	0.3
7- ESOP 2	22/08/2013	0.28	6,600	2023	0.28
10	26/03/2009	0.5	3,917	2024	0.5
19	22/11/2011	0.43	1,200	2025	0.43
<b>Total</b>			235,524		

**APPENDIX D**

**EXERCISE NOTICE**

Att.

\_\_\_\_\_ as the Investors Representative

**Re: Notice of Exercise of a Put Option**

Whereas according to a Settlement Plan between Plaza Centers N.V. and the Investors that was granted the approval of the court in Israel on \_\_\_\_\_ 2021 (hereinafter: the “**Settlement Plan**”), the Investors offered to purchase the Company’s shares from the Rightholders, in the amount as at the time of the Settlement Execution, all for the terms and conditions stated in the Settlement Plan (all the terms in the Exercise Notice shall have the meaning prescribed for them in the Settlement Plan);

Whereas I am the sole owner and holder of \_\_\_\_\_ ordinary shares of € 1 par value of the Company;

Whereas I wish to exercise the Put Option under the Settlement Plan;

I hereby notify you that I wish to exercise the Put Option included in the Settlement Plan in respect of \_\_\_\_\_ ordinary shares of \_\_ par value of the Company (hereinafter: the “**Exercise Shares**”).

I hereby declare and undertake that the Exercise Shares are free and clear of any pledge, foreclosure, debt or any right in favor of any third party on the date of this Exercise Notice. In addition, I undertake not to confer on any third party any rights in the Exercise Shares and that I will not make any disposition, or transaction in them, whether on the Stock Exchange or outside the Stock Exchange until the date of their transfer in the name of the Investors.

Please transfer the consideration for the exercise shares to my account at \_\_\_\_\_ number \_\_\_\_\_ Branch \_\_\_\_\_.

I am aware that the consideration in respect of the purchase of the exercise shares is subject to tax withholding at source from the consideration, in accordance with the Income Tax (Withholding from Consideration, Payment or Capital Gain or In a Future Sale) Regulations, 5763-2002.

I am aware that a precondition for the purchase of the Exercise Shares and payment of their consideration according to the Settlement Plan is the veracity of my statements as stated above.

Date

\_\_\_\_\_  
Full name

\_\_\_\_\_  
ID / Corporation number

**Attorney's Verification (for individual)**

I, the undersigned, \_\_\_\_\_, Adv., License No.: \_\_\_\_\_ confirm that this Exercise Notice was signed before me by Mr./Mrs. \_\_\_\_\_, who is personally known to me, and who identified himself/herself to me by ID Certificate No. \_\_\_\_\_.

\_\_\_\_\_  
\_\_\_\_\_, Adv.  
[Signature + Seal]

**Attorney's Verification (for corporation)**

I, the undersigned, \_\_\_\_\_, Adv., License No.: \_\_\_\_\_ confirm that this Exercise Notice was duly signed by the authorized signatories who are certified to bind \_\_\_\_\_ by their signature.

\_\_\_\_\_  
\_\_\_\_\_, Adv.  
[Signature + Seal]

**APPENDIX E**

**THE DEED OF TRUST FOR THE COMPANY'S BONDS (SERIES A)**

**APPENDIX F**

**THE DEED OF TRUST FOR THE COMPANY'S BONDS (SERIES B)**

**APPENDIX G**

**THE INVESTORS AND THE HOLDINGS AND INVESTMENTS, IN THIS ORDER, OF  
EACH OF THEM**

<b>Investors' names</b>		<b>Investment amount (ILS)</b>	<b>Share in the put option</b>	<b>Holding ratio + relative share in the put option</b>	<b>Relative share in the put option, in ILS</b>
Partnership to be established	4.99%		1.66%	6.65%	534,467
JC Hebron Capital Ltd.	17%		0.0%	17%	1,365,440
Investor A	17%		5.67%	22.67%	1,820,829
Yaniv Hebron and/or a company on his behalf	8.04%		0.0%	8.04%	645,773
Investor B	8%		11.02%	19.02%	1,527,553
Investor C	4.99%	750,000	1.66%	6.65%	534,467
Investor D	4.99%	750,000	1.66%	6.65%	534,467
Investor E	4.99%	750,000	1.66%	6.65%	534,467
Investor F	4.99%	750,000	1.66%	6.65%	534,467
<b>Total</b>	<b>74.99%</b>	<b>3,000,000</b>	<b>25.01%</b>		8,031,910

## **APPENDIX H**

### **FORM OF EXEMPTION AND WAIVER TO THE OFFICER**

Subject to the approval of the Settlement Plan by the court, in the framework of the Settlement Plan and as an inseparable part thereof, as of the date of Execution, a complete and irrevocable exemption and waiver is granted by the Rightholders to the Officer, their agent or anyone on their behalf, including legal advisors, financial advisors and others, to the largest extent permitted under any law, including in connection with any demand and/or claim and/or allegation of any kind in connection with the management of the Company's activity on the date of the Settlement, decisions made in respect thereof, dispositions in property, distributions and any other action within the powers of the officer.