

June 13 2019

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

### **UPDATE REGARDING THE TERM SHEET TO SELL THE PLOT IN CHENNAI, INDIA**

Plaza Centers N.V. ("Plaza" or the "Company") announced today, further to its press release dated March 4, 2019, regarding the termination of the Joint Development Agreement ("JDA") and the Term Sheet between Elbit Plaza India Real Estate Holdings Limited (a subsidiary held by the Company (50%) and Plaza Centers N.V. (50%)) ("EPI") and the purchaser (the "Purchaser") regarding a 74.7 acre plot in Chennai, India held by an SPV subsidiary of EPI, a transaction with total consideration of approximately Euro 13.5 million (INR 108 crores) (Plaza part approximately 6.75 million Euro) (the "Consideration"), that the parties have signed a share purchase agreement ("SPA") according to which:

- a. The Purchaser has paid a deposit of INR 5 crores (approximately Euro 0.625 million) in order to provide the Purchaser with an additional six months to complete the closing, which may be extended by another month upon payment by the Purchaser of an additional deposit of INR of 5 crores. As of this date, the Purchaser has deposited a total of INR 15 crores (approximately Euro 1.875 million) (the "Deposits").
- b. If the Purchaser is unable to complete the closing within the aforesaid time periods, then the parties will mutually appoint an international real estate consulting firm for the purpose of identifying a third-party buyer within a period of six months.
- c. If the Purchaser is unable to complete the closing and no third-party buyer is found within the aforesaid time periods, both the JDA and SPA shall be terminated, subject to the Purchaser receiving the Deposits. However, the Purchaser will not be entitled to reimbursement of expenses incurred by it under the JDA.
- d. Any final price received from a third-party buyer above the Consideration will be shared 67% by the Purchaser and 33% by EPI. The Consideration is subject to adjustment with respect to the Deposits and the existing cash in the SPV.
- e. The Consideration will be remitted in Euro at the base rate already agreed upon by the parties. Foreign exchange loss arising due to change in conversion rate from INR to euro will be borne by the Purchaser and gain will be credited to the account of EPI.
- f. The parties withdraw the arbitration proceedings and other notices.

At this stage, there is no certainty that the SPA closing will occur.

**Ends**

**For further details, please contact:**

**Plaza**

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***Forward-looking statement***

This press release may contain forward-looking statements with respect to Plaza Centers N.V. future (financial) performance and position. Such statements are based on current expectations, estimates and projections of Plaza Centers N.V. and information currently available to the company. Plaza Centers N.V. cautions readers that such statements involve certain risks and uncertainties that are difficult to predict and therefore it should be understood that many factors can cause actual performance and position to differ materially from these statements.

***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, as of 19 October 2007, on the Warsaw Stock Exchange (LSE: "PLAZ", WSE: "PLZ/PLAZACNTR") and, on the Tel Aviv Stock Exchange. Plaza Centers has been active in real estate development in emerging markets for over 23 years.