

October 15, 2020

## PLAZA CENTERS N.V.

### Update regarding a lawsuit against entities involved in the sale of U.S. shopping centers in 2011

Plaza Centers N.V. ("**Plaza**" or the "**Company**") announces today, further to the disclosure in note 7(e) in the interim Consolidated Financial Statements as of June 30, 2020, as follows:

1. In March 2018, a shareholder of the Company (hereinafter: "**the Plaintiff**") filed a motion with the Economic Department of the District Court in Tel-Aviv to reveal and review internal documents of the Company and of Elbit Imaging Ltd. (hereinafter: "**Elbit**") (hereinafter: "**the Motion**"), in which the court was asked to instruct the Company and Elbit (hereinafter together: "**the Respondents**") to provide the plaintiff with certain documents of the respondents in connection with the Casa Radio project in Romania and with the sale of the U.S. Shopping Centers in 2011.
2. In February 2020, an agreement was reached between the Plaintiff and the Respondents according to which the motion will be dismissed by consent and the plaintiff and the respondents (hereinafter: "**the Parties**") will jointly examine the feasibility of the lawsuit in connection with the above events.
3. In light of the aforesaid, an agreement was signed between the Plaintiff, the Respondents and First Libra Israel Ltd. (hereinafter: "**Libra**") according to which Libra will finance all the expenses of filing and managing of a new lawsuit by the Respondents against certain parties (certain officers in the Respondents, a portion of the heirs of Motti Zisser (the former controlling shareholder of the Respondents and other parties) who were involved in the Respondents' transaction for the sale of real estate in the United States in 2011 and for which funds (brokerage fees) were allegedly illegally transferred to private companies controlled by the late Mr. Motti Zisser (hereinafter: "**Financing Agreement**" and "**New LawsUIT**", respectively).
4. The parties to the Financing Agreement agreed, inter alia, that any consideration received as a result of the New LawsUIT (to the extent received) (hereinafter: "**the LawsUIT Funds**") will first be used to reimburse Libra's expenses for the New LawsUIT (plus interest and VAT) and the balance after deduction of such expenses (hereinafter: "**the Balance of the LawsUIT Funds**") will be divided among all those involved in the New LawsUIT, so that each of the Company and Elbit will be entitled to circa 20.75% of the Balance of the LawsUIT Funds.
5. In order to ensure the distribution of the LawsUIT Funds as stated above, both the Company and Elbit signed lien documents in favor of Libra, the Plaintiff and the attorneys representing them (hereinafter collectively: "**the Eligibles**") with respect to the reimbursement of expenses and their portion in the

Lawsuit Funds (hereinafter: "**the Lien**").

6. The parties are acting to file the New LawsUIT (in the amount of circa NIS 60 million) in the coming days.

**Ends**

**For further details, please contact:**

**Plaza**

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***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.