

The notice of AGM is important and requires your immediate attention. If you are in any doubt as to what action to take in relation to the AGM, 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 ANNUAL GENERAL MEETING

Notice is given that the annual general meeting of the Shareholders of the Company ("**Annual General Meeting**") will be held at 10:30a.m. (CET) on 30 June 2016 at the Park Plaza Victoria Hotel Amsterdam, Damrak 1-5, 1012 LG Amsterdam, the Netherlands

AGENDA

- A. *Opening and announcements*

- B. *Review of the 2015 financial year and remuneration in 2015*
 - (i) Report by the board of managing directors of the Company (the "**Board**") of the 2015 financial year and consideration of the Company's Dutch statutory annual accounts and the annual report for the year ended 31 December 2015
 - (ii) Report on remuneration in the year ended 31 December 2015

- C. *Resolutions on Financial statements for the financial year 2015*
 - 1. Proposal to adopt (*vaststellen*) the Company's Dutch statutory annual accounts for the financial year ended 31 December 2015 (**Resolution**)
 - 2. Proposal to not distribute any dividend in respect of the year ended 31 December 2015 (**Resolution**)

- D. *Resolution on discharge from liability*

3. Proposal to discharge the directors of the Company from their liability for the conduct of business for the financial year ended 31 December 2015 (**Resolution**)

E. Resolutions on corporate matters

4. Proposal to appoint Grant Thornton Accountants en Adviseurs B.V. as the external auditor for the 2016 financial year (**Resolution**)
5. Proposal to amend the Articles of Association to *inter alia* effectuate a reverse split (consolidation) of the Company's ordinary shares whereby 100 (*one hundred*) ordinary shares with a nominal value of EUR 0.01 (*one eurocent*) will be consolidated to 1 (*one*) ordinary share with a nominal value of EUR 1 (*one euro*) ("**Share Capital Consolidation**") (**Resolution**)
6. Proposal to grant power of attorney (authorization) to each employee of law firm Buren N.V. (whose civil law notaries (*notarissen*) have prepared the draft deed of 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.

F. Resolutions on shares

7. Proposal to designate the Board, generally and unconditionally as the competent body to issue ordinary shares (including rights to acquire ordinary shares) in the context of the Share Capital Consolidation (**Resolution**)
8. Proposal to designate the Board, generally and unconditionally, as the competent body to restrict or exclude pre-emptive rights upon issuing ordinary shares in the context of the Share Capital Consolidation (**Resolution**)
9. Proposal to authorise the Company, generally and unconditionally, for the purpose of Article 8 of the Articles of Association, to make market purchases of ordinary shares in the capital of the Company in the context of the Share Capital Consolidation (**Resolution**)

G. Resolutions on Board matters

10. Proposal to reappoint as a non-executive director, Mr. Ron Hadassi, who is retiring by rotation and may be reappointed under Article 23 paragraphs 6 and 9 of the Articles of Association (**Resolution**)
11. Proposal to reappoint as an executive director, Mr. Nadav Livni, who is retiring by rotation and may be reappointed, under Article 23 paragraphs 6 and 9 of the Articles of Association (**Resolution**)

By order of the Board

Mr. Ron Hadassi

Chairman

19 May 2016

Registration Date and Notes:

1. **AGM Record Date:** the Board has determined that for this Annual General Meeting the persons who will be considered as entitled to participate in the Annual General Meeting are those holders of shares (including holders of Depositary Interests and non-registered shares, the "**Shareholders**" and ordinary shares, Depositary Interests and non-registered shares collectively the "**Shares**") who on 2 June 2016 after close of trading on the London Stock Exchange, the Warsaw Stock Exchange and the Tel Aviv Stock Exchange (the "**AGM Record Date**"), hold those rights and are registered as such in one of the following (sub)registers:
 - (i) for holders of Depositary Interests (including non-registered Shares (Israel): the administrations of the banks and brokers where the securities accounts are held; and
 - (ii) for holders of registered ordinary shares: the Shareholders register (*aandeelhoudersregister*) of the Company.
2. Shareholders are entitled to vote up to the total number of Shares that they held at the close of trading at the AGM Record Date, provided they have registered their Shares timely.
3. 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.
4. 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, together with a confirmation of entitlement to Shares on the AGM Record Date (2 June 2016).
5. Completion of a Form of Proxy will not prevent a Shareholder from attending the meeting and voting in person.
6. Forms of Direction are required to be completed by the holders of Depositary Interests 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 09:30a.m. (UK time) on 27 June 2016. Forms of Direction are not to be used by holders of Depositary Interests or non-registered Shares (as the case may be) that have been credited to investors' accounts maintained by the brokerage house in Poland or in Israel.
7. 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 RA10 by 09:30a.m. (UK time) on 27 June 2016. 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.

8. Depository Interest Holders wishing to attend the General Meeting should contact the Depository at Capita IRG Trustees Limited, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, or email custodymgmt@capita.co.uk, by no later than 09:30a.m. (UK time) on 27 June 2016.
9. Forms of Instruction (Poland), which should be accompanied by a certificate issued by the participant of the Central Securities Depository of Poland with the confirmation of entitlement to Depository Interests on the AGM Record Date, are required to be completed by the holders of Depository Interests that have been credited to investors' accounts maintained by the brokerage houses in Poland and returned to such brokerage house so as to be received by no later than 22 June 2016 at 10:30a.m. CET.
10. Forms of Instruction (Israel) which should be accompanied by the Ownership Confirmation (as defined in the Form of Instruction (Israel)) which confirms entitlement to non- registered Shares on the AGM Record Date, are required to be completed by the holders of non-registered Shares in Israel and returned to the Company so as to be received by no later than 21 June 2016 at 5:30 p.m. (Tel Aviv time).

EXPLANATION TO THE AGENDA AND RECOMMENDATION

B. Review of the 2015 financial year and remuneration in 2015

- (i) The Board will give a presentation of the performance of the Company in 2015. Subsequently, the shareholders will be invited to discuss this performance (as described in more detail in the Company's 2015 annual report)

The Company presents its Dutch statutory annual accounts (including the consolidated accounts) and annual report for the year ended 31 December 2015. The annual accounts, the annual report, the auditors opinion (as referred to in article 33.4 of the Articles of Association) and other related information required pursuant to section 2:392 of the Dutch Civil Code (*Burgerlijk Wetboek*) are available for inspection from the date of this notice until the end of the meeting at the offices of the Company, Prins Hendrikkade 48-s, 1012 AC Amsterdam, the Netherlands. In addition, the Company's annual report is available on the Company's website (www.plazacenters.com). Shareholders may request a hardcopy of the documents at no cost.

- (ii) This agenda item provides for a discussion and explanation by the Board on the implementation, in 2015, of the Company's remuneration policy for the Board.

C. Resolutions on Financial statements for the financial year 2015

Resolution 1

Pursuant to section 2:101 paragraph 3 of the Dutch Civil Code, the General Meeting is the corporate body entitled to adopt the Company's Dutch statutory annual accounts. It is proposed that the General Meeting adopt the Company's Dutch statutory annual accounts for the year ended 31 December 2015. In respect of the availability of the underlying documents, please see the comments under item 2 above.

Resolution 2

Pursuant to article 27 paragraph 2 of the Articles of Association, the agenda includes the appropriation of profits. Pursuant to article 35 paragraph 1 of the Articles of Association, the profits will be at the disposal of the general meeting of shareholders. Pursuant to the Company's approved restructuring plan, the Company will be allowed to distribute dividends to its shareholders if at least 75% of the unpaid balance of the bonds (excluding bonds that are sold to the Company's subsidiary) following the date that the restructuring plan will come into effect and shall bind all creditors which are subject to it (being 9 July 2014), have been repaid in full prior to such distribution and provided that following such distribution a certain financial covenant 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 case of an additional equity of EUR 20 million that occurs following the date of the restructuring plan comes into force (i.e. in addition to the equity contribution), the Company will be allowed (subject to the 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 said limitations. Therefore the proposal is not to distribute any dividend to the shareholders for the year ended on 31 December 2015.

D. Resolution on discharge from liability

Resolution 3

As is customary for Dutch companies, it is proposed that shareholders discharge the Company's directors from their liability for the conduct of business during the previous financial year, to the extent that such exercise is apparent from the financial statements or has been otherwise disclosed to the General Meeting prior to the approval of the 2015 financial statements. Pursuant to Best Practice Provision IV.1.6. of the Dutch Corporate Governance Code (*Nederlandse Corporate Governance Code*), this item is included as a separate agenda item. This item will discharge all current members of the Board.

E. Resolutions on corporate matters

Resolution 4

The Board proposes to instruct Grant Thornton Accountants en Adviseurs B.V. ("**Grant Thornton**") to audit the Company's Dutch statutory financial statements for the year 2016. Grant Thornton has been the Company's statutory auditor for the years 2014 and 2015 as well.

Resolution 5

The Board proposes to amend the Company's articles of association (*statuten* the "**Articles of Association**") to *inter alia* effectuate a reverse split of the Company's ordinary shares whereby 100 (*one hundred*) ordinary shares with a nominal value of EUR 0.01 (*one eurocent*) will be consolidated to 1 (*one*) ordinary share with a nominal value of EUR 1 (*one euro*) ("**Share Capital Consolidation**"). The Share Capital Consolidation is *inter alios* of importance for the continued quotation of the ordinary shares in the capital of the Company on the Warsaw Stock Exchange. In respect of the Share Capital Consolidation, a shareholder circular is published simultaneously with this notice. This shareholder circular describes all particularities of the Share Capital Consolidation and provides a broad explanation.

Furthermore, certain provisions of the Articles of Association have been generally updated and been brought in line with the Listing Rules of the London Stock Exchange.

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 and the shareholder circular, are available for inspection (the draft amendment of the Articles of Association 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) ; and (iii) at the offices of King & Wood Mallesons, the Company's legal advisers as to English law, at 10 Queen Street Place London, EC4R 1BE, United Kingdom.

Resolution 6

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 of the Company and to 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.

F. Resolutions on shares

Resolution 7

In connection with the Share Capital Consolidation that will be effectuated through the amendment of the Articles of Association, the Board is requesting to be designated by the Company's shareholders as the competent corporate body to issue shares, for a period up to the Annual General Meeting to be held in 2017.

The authority shall apply to 10 per cent. of the Company's issued share capital as at the date of the notice for this Annual General Meeting, being 68,556,028 (*sixty eight million five hundred fifty six thousand and twenty eight*) ordinary shares.

The authority granted by the General Meeting shall be in the context of the Share Capital Consolidation and shall expire on the conclusion of the Annual General Meeting to be held in 2017, 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 8

In connection with the Share Capital Consolidation that will be effectuated through the amendment of the Articles of Association, the Board is requesting to be authorised by the Company's shareholders to exclude pre-emption rights for a period up to the Annual General Meeting to be held in 2017. Authority is sought, in line with Resolution nr. 7 above, for the Board to be in the position to exclude or restrict pre-emptive rights, to the percentage of 10 per cent. of the issued capital of the Company at the date of the notice for this Annual General Meeting, being 68,556,028 (*sixty eight million five hundred fifty six thousand and twenty eight*) 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 Annual General Meeting shall be in the context of the Share Capital Consolidation and shall expire on the conclusion of the Annual General Meeting to be held in 2017.

Resolution 9

The proposal is made to authorise the Company to, in the context of the Share Capital Consolidation, for the purpose of Article 8 of the Articles of Association, to make market purchases of ordinary shares in the capital of the Company on such terms and in such manner as the Directors may from time to time determine, provided that:

- (i) the maximum number of ordinary shares which may be purchased is 68,556,028 (*sixty eight million five hundred fifty six thousand and twenty eight*) ordinary shares, being 10 per cent. of the issued share capital of the Company as at the date of this notice;
- (ii) the minimum price (not including expenses) which may be paid for each ordinary share is EUR 0.01 (*say: one eurocent*) prior to the amendment of the Articles of Association and EUR 1 after the amendment of the Articles of Association (Share Capital Consolidation); and
- (iii) the maximum price which may be paid for each ordinary share is the higher of:
 - (a) an amount equal to twice the average of the middle market quotations of a share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the share is contracted to be purchased; and
 - (b) the higher of the last independent trade and the highest current independent bid on the London Stock Exchange Daily Official List,

provided that, the authority hereby conferred shall expire on the conclusion of the Annual General Meeting of the Company to be held in 2017 (except that the Company shall be entitled, at any time prior to the expiry of this authority, to make a contract for purchase which would or might be executed wholly or partly after such expiry and to purchase shares in accordance with such contract as if the authority conferred had not expired, unless such authority is renewed prior to such time).

G. Resolutions on Board matters

Resolutions 10 and 11 - explanation

Article 23 of the Articles of Association stipulates *inter alia* that at each Annual General Meeting (a) one-third (1/3) of the members of the Board (excluding any member of the Board who has been appointed since the previous Annual General Meeting) or, if their number is not an integral multiple of three (3), the number nearest to one-third (1/3) but not exceeding one-third (1/3) shall retire from office. A member of the Board who is retiring from office pursuant to this article, may, if he

is willing to act, be reappointed. As Messrs. Hadassi and Livni do not qualify as independent directors, no resolution from the Company's meeting of independent shareholders is required, pursuant to article 23A of the Articles of Association.

Resolution 10

Pursuant to article 23 of the Articles of Association, Mr. Ron Hadassi shall resign at this annual General Meeting and has expressed his availability for a new term of office. The shareholders are requested to reappoint Mr. Ron Hadassi in his position as non-executive director.

Resolution 11

Pursuant to article 23 of the Articles of Association, Mr. Nadav Livni shall resign at this Annual General Meeting and has expressed his availability for a new term of office. The shareholders are requested to reappoint Mr. Nadav Livni in his position as non-executive director.

Recommendation

Your Board considers that each of the resolutions set out in the agenda is in the best interests of shareholders as a whole and recommends that you vote in favour of each resolution.