



**RONSON EUROPE N.V.  
SHAREHOLDERS CIRCULAR  
DATED 18 JANUARY 2017**

**Introduction**

This document is prepared under article 33.5 of the Articles of Association of Ronson Europe N.V. (the "AoA") with its corporate seat in Rotterdam, the Netherlands (the "Company") and contains the draft resolutions to be adopted by the General Meeting of Shareholders ("GM") at the occasion of the extraordinary General Meeting of Shareholders, to be held on **1 March, 2017** in Rotterdam at Weena 210-212, 3012 NJ Rotterdam, at 11.00 hours CET ("GM"), as well as the explanatory notes thereto. This document must be read in conjunction with the AoA.

This document and the documents it refers to are available for all shareholders via the Company's website ([www.ronson.pl](http://www.ronson.pl)) and are also available for shareholders' inspection at the Company's offices in the Netherlands in Rotterdam at Weena 210-212, 3012 NJ Rotterdam and at the Company's offices in Poland in Warsaw at 57 Komisji Edukacji Narodowej Avenue.

**Agenda**

For the GM the following agenda is adopted on the basis of article 33.4 by the Board of Managing Directors and the Board of Supervisory Directors in accordance with article 33.2 of the AoA as follows:

- 1) Opening of the General Meeting.
- 2) Interim dividend for the financial year 2016\*
- 3) Composition of the Board of Managing Directors\*: 2 Resignations and 2 new appointments\*.
  - a) Acceptance of the resignation of Mr. Erez Yoskovitz as Managing Director B and member of the Board of Managing Directors, and granting discharge from liability ('decharge') for his management during the financial year 2016 up to and including the date of resignation effective the date of the EGM,
  - b) Acceptance of the resignation of Mr. Roy Vishnovizki as Managing Director B and member of the Board of Managing Directors, and granting discharge from liability ('decharge') for his management during the financial year 2016 up to and including the date of resignation,
  - c) Appointment of Mr. Erez Tik as Managing Director B and member of the Board of Managing Directors for a 4 year term effective the date of the AGM and expiring the date of the AGM of the fourth year,
  - d) Appointment of Mr. Alon Haver as Managing Director B and member of the Board of Managing Directors for a 4 year term effective the date of the AGM and expiring the date of the AGM of the fourth year.
- 4) Composition of the Board of Supervisory Directors\*: 3 Resignations and 3 new appointments\*.
  - a) Acceptance of the resignation of Mr. Mark Segall as member of the Board of Supervisory Directors, and granting discharge from liability ('decharge') for his management during the financial year 2016 up to and including the date of resignation effective the date of the EGM,
  - b) Acceptance of the resignation of Mr. Yair Shilhav as member of the Board of Supervisory Directors, and granting discharge from liability ('decharge') for his management during the financial year 2016 up to and including the date of resignation effective the date of the EGM,
  - c) Acceptance of the resignation of Mr. Reuben Sharoni as member of the Board of Supervisory Directors, and granting discharge from liability ('decharge') for his management during the financial year 2016 up to and including the date of resignation effective the date of the EGM,
  - d) Appointment of Ms. Mikhal Shapira as member of the Board of Supervisory Directors for a 4 year term effective the date of the AGM and expiring the date of the AGM of the fourth year,
  - e) Appointment of Mr. Alon Kadouri as member of the Board of Supervisory Directors for a 4 year term effective the date of the AGM and expiring the date of the AGM of the fourth year,
  - f) Appointment of Mr. Ofer Kadouri as member of the Board of Supervisory Directors for a 4 year term effective the date of the AGM and expiring the date of the AGM of the fourth year.



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- 5) Any Other Business.
- 6) Closing of the General Meeting.

**Proposed Resolutions**

With a view to agenda items 2, 3 and 4 marked with an asterisk to indicate that these require a shareholders' resolution, the following resolutions are proposed by the Board of Managing Directors and the Board of Supervisory Directors. Both Boards unanimously recommend that the GM adopt these resolutions.

After each resolution a short explanation is given for consideration by the GM before voting on the adoption of the resolutions.

Shareholders are explicitly invited to take cognizance of the Interim Financial Report for the nine months ended 30 September 2016 and Annual Report 2015. In addition, Shareholders are also invited to consider the prevailing AoA, in particular as to the provisions governing the GM and the appointment and resignation of directors.

***Resolution for agenda item 2***

*2. To acknowledge – under clause 30.5 and 30.8 of the Company's articles of association – the decision by the Board of Managing Directors and of the Board of Supervisory Directors and to resolve and approve to declare an interim dividend at PLN 14,760,974 for the financial year 2016 in accordance with the proposal of the Board of Managing Directors as follows:*

*To resolve to dedicate interim profits of the first three quarters of 2016 as well as to allocate a part of the retained earnings reserve of the Company in the total amount of PLN 14,760,974 for paying out an interim dividend for FY 2016 and to declare a dividend in cash of PLN 0.09 per ordinary share, in accordance with the proposal of the Board of Managing Directors included in Current Report No. 2 / 2017 and to determine the dividend date 17 March 2017 and the dividend payment date as 23 March 2017, to be payable through the National Depository of Securities S.A. (Krajowy Depozyt Papierów Wartościowych S.A.) with its registered seat in Warsaw.*

**Explanation**

For the relevant facts and circumstances for this resolution reference is made to the Interim Financial for the nine months ended 30 September 2016 and to the Annual Report 2015, as well as to the Company's current report no. 2 / 2017, in which the Company has announced a proposal of the Board of Managing Directors with respect to the amount of interim dividend to be declared and paid from interim profits during 2016 (in the amount of PLN 10,825,000) and from retained earnings reserve (in the amount of PLN 3,935,974). The General Meeting is authorized to determine dividends on the basis of article 30.5 and 30.8 of the Articles of Association upon a proposal by the Board of Managing Directors, approved by the Board of Supervisory Directors, which approval was granted on 18 January 2017. The boards are proposing to the shareholders to declare an interim dividend for financial year 2016 at PLN 0.09 per ordinary share. According to the boards the Company's freely distributable reserves are sufficient to allow for the proposed distribution as per the Company's Balance Sheet on 30 September 2016. Proposed dividend is also in line with the prevailing Company's dividend policy (as presented in the Company's current report 4/2013).



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***Resolution for agenda item 3a, 3b, 3c and 3d***

*3a) To accept the resignation of Mr. Erez Yoskovitz as Managing Director B and member of the Board of Managing Directors, effective the date of the GM and to grant him discharge from liability ('discharge') for his management during financial year 2016 up to and including the date of GM.*

*3b) To accept the resignation of Mr. Roy Vishnovizki as Managing Director B and member of the Board of Managing Directors, effective the date of the GM and to grant him discharge from liability ('discharge') for his management during financial year 2016 up to and including the date of GM.*

*3c) To appoint Mr. Erez Tik as Managing Director B and member of the Board of Managing Directors for a term of four years to expire on the date of the AGM in the fourth year.*

*3d) To appoint Mr. Alon Haver as Managing Director B and member of the Board of Managing Directors for a term of four years to expire on the date of the AGM in the fourth year.*

**Explanation**

On the date of the GM, Mr. Erez Yoskovitz will formally resign as Managing Director B and member of the Management Board. Mr. Yoskovitz is resigning from the Ronson Management Board due to the fact that Global City Holdings BV, i.e. the shareholder who nominated Mr. Yoskovitz to the position of the Managing Director, has sold its interest in the Company and will no longer be represented in the Company's Boards of Managing Directors.

Mr. Roy Vishnovizki has formally resigned from his position in the Company on 18<sup>th</sup> of January 2017, as he has left Amos Luzon Development and Energy Group Ltd. ("Luzon Group") taking other assignments out of Luzon Group. It is proposed that Mr. Yoskovitz and Mr. Vishnovizki will be replaced by Mr. Erez Tik and by Mr. Haver, who are nominated on behalf of the Luzon Group, currently the Company's leading shareholder.

Under article 13 of the AoA, managing directors are appointed by the general meeting of shareholders of the Company. In accordance with article 13.2 of the AoA the Board of Supervisory Directors may prepare a list of two nominees for the appointment of a member of the board of managing directors. Under the AoA, the nomination is binding upon the general meeting of shareholders but may be disregarded by the meeting with a vote of two thirds of the votes cast representing more than 50% of the outstanding shares. The general meeting of shareholders is free in its choice for either of the so nominated candidates. As a matter of Board discretion and for practical reasons, the Board of Supervisory Directors has decided to nominate one person to each position only, i.e. Mr. Tik and Mr. Haver.

The resume of the nominees are included in annex 1 to this circular. Given their experience and expertise, the Board of Supervisory Directors believes that the appointment of Mr. Tik and of Mr. Haver would fit the Board of Managing Directors and will to the board's conviction meaningfully contribute to and complement the management board's expertise for the benefit of the Company and its business. The Board of Managing Directors and the Board of Supervisory Directors are unanimously recommending to accept the proposed resignations and to appoint Mr. Tik and Mr. Haver. As members of the Board of Managing Directors the appointees will be entitled to remuneration in accordance with the remuneration policy and - program of the Company for members of the Board of Managing Directors. By these appointments as proposed, the GM acknowledges and confirms the Company's policy that four year terms expire on the date of the AGM in the fourth year of the term.

***Resolution for agenda item 4 a, 4 b, 4c, 4d, 4e and 4f***

*4 a) To accept the resignation of Mr. Mark Segall as member of the Board of Supervisory Directors, effective the day of the meeting and to grant him discharge from liability ('discharge') for the supervision during financial year 2016 up to and including the date of resignation effective the date of the EGM.*



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4 b) To accept the resignation of Mr. Yair Shilhav as member of the Board of Supervisory Directors, effective the day of the meeting and to grant him discharge from liability ('discharge') for the supervision during financial year 2016 up to and including the date of resignation effective the date of the EGM.

4 c) To accept the resignation of Mr. Reuben Sharoni as member of the Board of Supervisory Directors, effective the day of the meeting and to grant him discharge from liability ('discharge') for the supervision during financial year 2016 up to and including the date of resignation effective the date of the EGM.

4 d) To appoint Ms. Mikhal Shapira as member of the Board of Supervisory Directors, effective the day of the meeting, for a term of four years, expiring the date of the AGM of the fourth year.

4 e) To appoint Mr. Alon Kadouri as member of the Board of Supervisory Directors, effective the day of the meeting, for a term of four years, expiring the date of the AGM of the fourth year.

4 f) To appoint Mr. Ofer Kadouri as member of the Board of Supervisory Directors, effective the day of the meeting, for a term of four years, expiring the date of the AGM of the fourth year.

Explanation

Messrs. Segall, Shilhav and Sharoni are resigning from the Ronson Board of Supervisory Directors due to the fact that Global City Holdings BV, i.e. the shareholder who nominated them for the position of Supervisory Director, has sold its interest in the Company and will no longer be represented in the Company's Boards of Directors.

It is proposed that Messrs. Segall, Shilhav and Sharoni will be succeeded by Ms. Shapira and Messrs. Alon Kadouri and Ofer Kadouri. The resumes of the nominees are included in annex 2 to this circular. Given their experience and expertise, the Board of Supervisory Directors believes that the appointment of the nominees will fit the Board of Supervisory Directors and will to the board's conviction meaningfully contribute to and complement the board's expertise for the benefit of the Company and its business.

Under article 21 of the AoA, supervisory directors are appointed by the general meeting of shareholders of the Company. In accordance with article 21.1 of the AoA, the Board of Supervisory Directors may prepare a list of two nominees for each appointment of a member of the Board of Supervisory Directors. Such nomination would be binding upon the general meeting of shareholders but may be disregarded by the meeting with a vote of two thirds of the votes cast representing more than 50% of the outstanding shares. The general meeting of shareholders is free in its choice for either of the so nominated candidates. As a matter of board discretion and for practical reasons, the Board is only nominating one person for each (re)-appointment. Given their experience and expertise, the Board of Supervisory Directors believes that the appointment of the nominees would fit the Board of Supervisory Directors' profile drawn up in accordance with article 21.3 of the AoA and available on the Company's website and will to the Board's conviction meaningfully contribute to and complement the board's expertise for the benefit of the Company and its business.

Following these appointments, supervisory directors Ms. Shapira and Mr. P. Kowalczyk would qualify as independent members of the Board of Supervisory Directors in accordance with article 20.1 and 20.2 of the AoA and the Company's prevailing Corporate Governance Policy. The Board of Managing Directors and the Board of Supervisory Directors are unanimously recommending to accept the proposed resignations and to appoint the nominees for each appointment. As member of the Board of Supervisory Directors the new appointees will be entitled to remuneration in accordance with the remuneration policy and - program of the Company for members of the Board of Supervisory Directors.

By these resignations and appointments the number of members of the Board of Supervisory Directors is set at 5 and the GM confirms the Company's policy that four year terms expire on the date of the AGM in



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the fourth year of the term. In light of the changes in the Board, it is the intention of the Board of Supervisory Directors to review the composition of board committees in due course.

Rotterdam, 18 January 2017

Board of Managing Directors

Board of Supervisory Directors

*This document is of informative nature only and should be read in conjunction with the Company's Articles of Association and applicable provisions of Dutch law. Shareholders are kindly asked to read and consider carefully all the information concerning the GM which has been made available by the Company.*



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**Annex 1. A. Curriculum vitae Mr. Erez Tik**

Family name: Tik  
Given name(s): Erez  
Month & Year of birth: March, 1967  
Place of birth: Israel  
Nationality: Israeli

Professional experience:

Starting from Feb 2017: CEO in Amos Luzon Development and Energy Group Ltd.

- 2001-2016: Self-employed attorney. Founding Partner and Managing Partner of Tik, Gilad, Keynan (TGK) Law Firm, a boutique firm specializing in real estate. TGK is regularly rated as one of the leading real estate law firms in Israel by Dun & Bradstreet and BDI, and it is listed on Duns 100. The firm is also rated by foreign rating agencies on the list of the leading real estate firms in Israel (Chambers, Legal 500 and Partners).
- 1998-2000 An attorney in the law firm Baratz Gilat Bar Nathan. Managed the Real Estate Department from day one as an attorney. Partner in the firm's Real Estate Department from day one as an attorney.
- 1997-1998 Interned at the law firm Baratz Gilat Bar Nathan.

Education:

- 2005 LL.M. in a special executive program offered by Tel Aviv University in cooperation with Berkeley University of California, specializing in commercial law (graduated with distinction). Graduated with distinction.
- 1998 Admitted as an attorney in Israel.
- 1994-1997 LL.B. from the Faculty of Law at Tel Aviv University.
- 1985 Graduated from Alliance High School, Tel Aviv.

Interest in the Company:

Mr. Tik holds no (securities) interest in Ronson Europe N.V.

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**Annex 1. B. Curriculum vitae Mr. Alon Haver**

Family name: Haver  
Given name(s): Alon  
Month & Year of birth: September, 1972  
Place of birth: Israel  
Nationality: Israeli

Professional experience:

Since 2017: CFO in Amos Luzon Development and Energy Group Ltd.  
2014-2016: AFIKIM ADVANCED TRANSPORTATION LTD. (public transportation company); Chief Financial Officer  
2008-2014: GAMLA HAREL EUROPE LTD. (an international real estate company); Chief Financial Officer  
2007-2008: ENGEL EAST EUROPE (an international real estate company); Deputy CFO  
2006-2007: PWC Finance Israel; Mergers and Acquisitions (M&A) Department  
2003-2006: GEOGRAPHICAL TOURS COMPANY LTD., CFO

Education:

- BA in Economics and Accounting (Roppin College)
- CPA (Certified Public Accountant)

Interest in the Company:

Mr. Haver holds no (securities) interest in Ronson Europe N.V.

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**Annex 2. A. Curriculum vitae Ms. Mikhal Shapira**

Family name: Shapira  
Given name(s): Mikhal  
Month & Year of birth: November, 1965  
Place of birth: Israel  
Nationality: Israeli

**Professional experience:**

Ms. Shapira is an experienced executive and senior banker with over 17 years professional experience in executive management, banking, financing and real estate business development.

2012-2016: ISRAEL DISCOUNT BANK; Manager of the Real Estate and Infrastructure Department, Business Division

2008-2011: MESHULAM LEVINSTEIN CONTRACTING & ENGINEERING LTD.; VP Business Development of the Group

2005-2007: BANK LEUMI; Manager of the Appraisal Section, Business Division

1999-2004: ISRAEL DISCOUNT BANK; Department Manager, Appraisals, Business Division

1996-1999: UNITED MIZRAHI BANK; Real estate appraiser and business banking in the real estate sector, Business Division.

1993-1996: ASHER HERMAN REAL ESTATE APPRAISER / YIRMI ALON REAL ESTATE APPRAISER; Interned at real estate appraiser firms.

**Education:**

- Licensed real estate appraiser,
- BA in Political Science, Tel Aviv University,
- Studied law at Ramat Gan College - first two years. Associates Degree insolvency proceedings (segmented and Reorganization Law).

**Interest in the Company:**

Ms. Shapira holds no (securities) interest in Ronson Europe N.V.

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**Annex 2. B. Curriculum vitae Mr. Ofer Kadouri**

Family name: Kadouri  
Given name(s): Ofer  
Month & Year of birth: November, 1961  
Place of birth: Israel  
Nationality: Israeli

Mr. O. Kadouri is related to Mr. A. Kadouri (brother)

Professional experience:

Mr. Kadouri serves as CPA (Certified Public Accountant) at Ezra Kadouri & Co. CPA since 1985. Since 1995 partner and office manager at Ezra Kadouri & Co. CPAs. Is in charge of auditing, taxes, major projects, real estate groups, government offices, and vast number of other companies.

Education:

1984-1988: BA in CPA and Economics, University of Tel Aviv, Israel.  
1999-2000: Certificate in Expert Witnessing – The Israeli Institute for Experts Witness and Arbitrators.  
1984-2016: Courses throughout the years, conducted by the Institute of Certified Public Accountants, the Ministry of Interior, Ministry of Finance, and more. Associates Degree insolvency proceedings (segmented and Reorganization Law).

Interest in the Company:

Mr. Kadouri holds no (securities) interest in Ronson Europe N.V.

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**Annex 2. C. Curriculum vitae Mr. Alon Kadouri**

Family name: Kadouri  
Given name(s): Alon  
Month & Year of birth: July, 1965  
Place of birth: Israel  
Nationality: Israeli

Mr. A. Kadouri is related to Mr. O. Kadouri (brother)

**Professional experience:**

Mr. Kadouri serves as CPA (Certified Public Accountant) at Ezra Kadouri & Co. CPA since 1988. Since 1998 partner and office manager at Ezra Kadouri & Co. CPAs. Is in charge of auditing, taxes, major projects, real estate groups, government offices, and vast number of other companies.

**Education:**

1988-1992: BA in CPA and Expanded Funding in the Business College, Completion Studies in Tel Aviv University.  
1998: Certified Mediator – The Israeli Mediation and Conflict Resolution Center.  
1984-2016: Courses throughout the years, conducted by the Institute of Certified Public Accountants, the Ministry of Interior, Ministry of Finance, and more. Associates Degree insolvency proceedings (segmented and Reorganization Law).

**Interest in the Company:**

Mr. Kadouri holds no (securities) interest in Ronson Europe N.V.

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