

July 4, 2019

## PLAZA CENTERS N.V.

### PRE-SALE AGREEMENT FOR THE SALE OF THE COMPANY'S INDIRECT SHAREHOLDINGS IN THE DAMBOVITA CENTER PROJECT ("CASA RADIO")

Plaza Centers N.V. ("**Plaza**" or the "**Company**") announced today, further to its announcements dated February 11, 2019 and June 14, 2019, that it has signed a pre-sale agreement (the "**Agreement**") with AFI Europe N.V. (the "**Purchaser**", and together with the Company, the "**Parties**"), an indirectly wholly-owned subsidiary of Africa Israel Properties Ltd., an Israeli Company listed on TA-90 Index (the top 90 companies traded on the Tel Aviv Stock Exchange), for the sale of its subsidiary (the "**SPV**") which holds 75% in the Casa Radio Project (the "**Project**"), for a maximum consideration of EUR 60 million, subject to the fulfilment of certain conditions (the "**Transaction**").

Below are the principal changes made in the Agreement compared to the non-binding Letter of Intent, as detailed in the Company announcement dated February 11, 2019:

1. The Purchaser's due diligence review period was extended to no later than September 5, 2019, following which, subject to the satisfaction of the conditions precedent, the Parties will have 15 months to execute a share purchase agreement (the "**SPA**").
2. The payment schedule was changed as follows:
- 3.

Stage	Payment Amount	Comments
Down Payment (upon satisfactory completion of due diligence)	EUR 200,000	The down payment is refundable upon the occurrence of any of the following (i) cancellation of the PPP Agreement; (ii) initiation of SPV's dissolution due to negative equity requirements; or (iii) the existence of elements of criminal investigation against the SPV beyond the information disclosed to the Purchaser as of this date; or, if against the SPV's directors or employees, in case such elements would trigger a significant impact on the Project.
Execution of the SPA	EUR 20,000,000	
Issuance of Building Permit for Phase 1.	EUR 22,000,000	"Phase 1" was defined as the development of any of the elements of Component A under the PPP Agreement, <i>i.e.</i> , a shopping mall and/or an office park, excluding the development of the Public Authority building.
Obtaining of all permits required for the operation of any of the components (buildings) of Phase I, namely for the office building or for the shopping mall, including the fire permit and the operation permit.	The balance between the Purchase Price and the payments made by that time (see above).	The Purchase Price is defined in the Agreement as Euro 60 million <b>minus</b> 75% of the SPV's liabilities computed based on the closing accounts (as defined in the Agreement) and excluding the inter-company loan granted to the SPV; <b>plus</b> 75% of the SPV's available cash and other current assets as shown in the closing accounts (as defined in the

		Agreement) and <b>minus</b> , if applicable, the amount agreed upon by the Parties to be reduced from the Purchase Price if the 49-year lease period shall commence before 2012.
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4. The conditions precedent for the consummation of the Transaction were broadened to include also the receipt of the Company's shareholders' and bondholders' approval for the Transaction as well as no material adverse change, as defined in the Agreement.
5. The Company undertook to indemnify the Purchaser against all losses, charges, costs and expenses (including reasonable attorney fees) which the Purchaser sustained or incurred by reason of breach of the warranties set forth in the Agreement.

There can be no certainty that the SPA will eventually be executed and/or that the Transaction will be consummated as presented above or at all.

**Ends**

**For further details, please contact:**

**Plaza**

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***Forward-looking statements***

*This press release may contain forward-looking statements with respect to the possibility of completing the Transaction with the Purchaser. 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. Plaza Centers N.V. has no obligation to update the statements contained in this press release, unless required by law.*

***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.