

**DRAFT RESOLUTIONS PROPOSED TO  
THE EXTRAORDINARY GENERAL MEETING OF THE SHAREHOLDERS OF THE COMPANY  
TO BE HELD ON 28 AUGUST 2014**

Dear Shareholders,

The Company convened the extraordinary general meeting of the shareholders of the Company (hereinafter the "**Meeting**") to be held at the registered office of the Company at 40, rue de la Vallée, L-2661 Luxembourg **on 28 August 2014 at 10:00 CET**, in the presence of a Luxembourg notary public. The convening notice for the Meeting was published on 28 July 2014 in the Luxembourg official gazette (*Mémorial C, Recueil des Sociétés et Associations*), and the Luxembourg newspaper Tageblatt.

In accordance with article 4 of the law dated 24 May 2011 on the exercise of certain rights of shareholders in general meetings of listed companies, Materiali, a.s., being a shareholder of the Company holding more than 5 percent of the share capital of the Company (the "**Requesting Shareholder**") requested, in its letter dated 6 August 2014, to add the following point to the agenda of the Meeting:

*"Decision to remove Mr. Ian Cash from the Board of Directors of the Company with immediate effect."*

Following the request of the Requesting Shareholder, the agenda of the Meeting is revised as follows (the "**Revised Agenda**"):

1. Decision to change the name of the Company to "CPI PROPERTY GROUP".
2. Subject to approval of the point 1 of the agenda, decision to amend article 1 of the articles of association of the Company to reflect the point 1 above.
3. Decision to amend article 5 of the articles of association of the Company, by inserting a new sub paragraph 5.3 expressly authorizing the Company to redeem its own shares.
4. Subject to the approval of the point 3 of the agenda, decision to approve a buy-back programme of the Company enabling the redemption of Company's own shares.
5. Decision to amend sub paragraph 13.1 of article 13 of the articles of association of the Company to change the rules relating to the chairmanship of the Company's general meetings.
6. Decision to approve, the report issued by the board of directors according to article 32-3 (5) of the Luxembourg law on commercial companies dated 10 August 1915, as amended from time to time (the "**LCA**"), relating to the possibility of the board of directors to cancel or limit any preferential subscription right of the shareholders upon the increases of capital in the framework of the authorised share capital as mentioned in point 7 of the agenda.
7. Subject to approval of the point 6 of the agenda, decision to modify, renew and replace the existing authorised share capital and to set it to an amount of four hundred million euro (EUR 400,000,000.00) for a period of five (5) years from the date of the general meeting of the shareholders held on 28 August 2014 (or in case of adjourning or reconvening the general meeting because no quorum has been reached, the date of the adjourned or reconvened general meeting). Decision to grant to the board of directors of the Company, based on the report drawn up by the board of directors as referred to in Article 32-3 (5) of the LCA, all powers for a period of five (5) years in order to carry out capital increases within the framework of the authorised capital under the conditions and methods it will set with the possibility to cancel or limit any preferential subscription right of the shareholders on the issue of new shares to be issued within the framework of the authorised corporate capital, being

understood that all financial instruments carrying an entitlement to, or the right to subscribe for, shares issued until the expiry of that period may still be converted or exercised subsequently to that date.

8. Subject to approval of the points 6 and 7 of the agenda, decision to amend the articles of association of the Company to reflect point 7 above.
9. Decision to remove Mr. Ian Cash from the Board of Directors of the Company with immediate effect.

Please find below draft resolutions that will be proposed to the shareholders of the Meeting for voting:

### **PROPOSED RESOLUTIONS**

1. Decision to change the name of the Company to “CPI PROPERTY GROUP”.

**Proposed resolution:**

*The Meeting resolves to change the existing name of the Company to “CPI PROPERTY GROUP”.*

2. Subject to approval of the point 1 of the agenda, decision to amend the articles of association of the Company to reflect point 1 above.

**Proposed resolution:**

*The Meeting resolves to amend article 1 of the Company’s articles of association to reflect the change made pursuant to the first resolution set out here above, so as to read:*

*“There is hereby formed a corporation (société anonyme) under the name of “CPI PROPERTY GROUP”.*

3. Decision to amend article 5 of the articles of association of the Company, by inserting a new sub paragraph 5.3 expressly authorizing the Company to redeem its own shares.

**Proposed resolution:**

*The Meeting resolves to amend article 5 of the articles of association of the Company, by inserting a new sub paragraph 5.3 expressly authorizing the Company to redeem its own shares, so as to read:*

***“5.3. Redemption of its own shares***

*The Company may acquire its own shares, either on its own, or through a company in which the Company holds directly the majority of the voting rights, or through a person acting in its own name but for the account of the Company, subject to the conditions of the Luxembourg law dated 10 August 1915 on commercial companies, as amended (the “LCA”).”*

4. Subject to the approval of the point 3 of the agenda, decision to approve a buy-back programme of the Company enabling the redemption of Company’s own shares.

**Proposed resolution:**

*The Meeting resolves to approve the terms and conditions of the buy-back programme of the Company prepared by the board of directors enabling the redemption of Company’s own shares (a copy of which will remain attached to the present deed) and to authorise the Company to redeem/repurchase its own shares in accordance with the terms and conditions set forth in this buy-back programme and in the LCA. In particular, the Meeting authorises the board of directors of the Company to repurchase, in one or several steps, under the conditions set forth in this buy-back programme and in the LCA, a maximum number of 750,000,000 shares in the Company from the existing and/or future shareholders of the Company, for a purchase price comprised in the range between one eurocent (EUR 0.01-) and five euro (EUR 5.-), for a period of five (5) years from the date of the general meeting of the shareholders held on 28 August 2014 (or*

*in case of adjourning or reconvening the general meeting because no quorum has been reached, the date of the adjourned or reconvened general meeting). The Meeting further resolves to grant power to the board of directors of the Company (i) to proceed with the payment of the relevant repurchase price out of the Company's available funds, (ii) to take all required actions to complete any repurchase of shares and (iii) to verify that process of share repurchase is made in compliance with the legal provisions of the LCA.*

5. Decision to amend sub paragraph 13.1 of article 13 of the articles of association of the Company to change the rules relating to the chairmanship of the Company's general meetings.

**Proposed resolution:**

*The Meeting resolves to modify, renew and replace paragraph 13.1 of article 13 of the Company's articles of association, so as to read:*

*"13.1 The general meeting of shareholders (the "General Meeting") has the most extensive powers to do or ratify all and any acts of interest to the Company.*

*Any General Meeting of shareholders shall be chaired by a president, who shall be appointed by the Board of Directors of the Company.*

*Appointments in General Meetings are decided and decisions are taken in accordance with ordinary rules governing debating meetings; minutes of the meetings shall be signed by the members of the bureau and by such shareholders as may request to do so; copies intended for issue to third parties shall be certified true to the original in the event that the deliberations of the meeting have been drawn by notary deed, by the notary keeping minutes considered, otherwise by the president of the General Meeting, such persons to be liable for any damages that may result from their certificate.*

6. Decision to approve, the report issued by the board of directors according to article 32-3 (5) of the Luxembourg law on commercial companies dated 10 August 1915, as amended from time to time (the "LCA"), relating to the possibility of the board of directors to cancel or limit any preferential subscription right of the shareholders upon the increases of capital in the framework of the authorised share capital as mentioned in point 7 of the agenda.

**Proposed resolution:**

*The Meeting resolves to approve the report issued by the Company's board of directors according to article 32-3 (5) of the LCA, relating to the possibility for the Company's board of directors to cancel or limit any preferential subscription right of the Company's shareholders upon the increases of capital in the framework of the authorised share capital as amended.*

7. Subject to approval of the point 6 of the agenda, decision to modify, renew and replace the existing authorised share capital and to set it to an amount of four hundred million euro (EUR 400,000,000.00) for a period of five (5) years from the date of the general meeting of the shareholders held on 28 August 2014 (or in case of adjourning or reconvening the general meeting because no quorum has been reached, the date of the adjourned or reconvened general meeting). Decision to grant to the board of directors of the Company, based on the report drawn up by the board of directors as referred to in Article 32-3 (5) of the LCA, all powers for a period of five (5) years in order to carry out capital increases within the framework of the authorised capital under the conditions and methods it will set with the possibility to cancel or limit any preferential subscription right of the shareholders on the issue of new shares to be issued within the framework of the authorised corporate capital, being understood that all financial instruments carrying an entitlement to, or the right to subscribe for, shares issued until the expiry of that period may still be converted or exercised subsequently to that date.

**Proposed resolution:**

*The Meeting resolves to modify, renew and replace the existing authorised share capital and to set it to an amount of four hundred million euro (EUR 400,000,000.00) for a period of five (5) years from the date of the general meeting of the shareholders held on 28 August 2014 (or in case of adjourning or reconvening the general meeting because no quorum has been reached, the date of the adjourned or reconvened general meeting). The Meeting further resolves to grant to the board of directors of the Company, based on the report drawn up by the Company's board of directors as referred to in Article 32-3 (5) of the LCA, all powers for a period of five (5) years in order to carry out capital increases within the framework of the authorised capital under the conditions and methods it will set with the possibility to cancel or limit any preferential subscription right of the shareholders on the issue of new shares to be issued within the framework of the authorised corporate capital, being understood that all financial instruments carrying an entitlement to, or the right to subscribe for, shares issued until the expiry of that period may still be converted or exercised subsequently to that date.*

8. Subject to approval of the points 6 and 7 of the agenda, decision to amend the articles of association of the Company to reflect point 7 above.

**Proposed resolution:**

*The Meeting resolves to modify, renew and replace article 5.2 of the Company's articles of association to reflect the changes made pursuant to the sixth and seventh resolutions here above, so as to read:*

**"5.2 Authorised capital:**

*In addition to the issued and subscribed corporate capital of EUR [the amount as of the date of the Meeting will be added], the Company has also an authorised, but unissued and unsubscribed share capital set at four hundred million euro (EUR 400,000,000.00) (the "Authorised Capital").*

*The board of directors is authorised and empowered within the limits of the Authorised Capital to (i) realize any increase of the share capital or equity of the Company with or without the issuance of new shares it being understood that the board of directors is authorised to issue such new shares in one or several issues and (ii) issue bonds, preferred equity certificates, warrants, options or other instruments convertible, exchangeable or exercisable into new shares and to issue new shares further to the conversion or exercise of the above mentioned instruments, it being understood that (a) if such instruments are issued before or during the period set forth in the paragraph below, the new shares upon the conversion or exercise of such instruments may be issued after the expiry of said period and (b) the board of directors is authorised to issue such new shares in one or several issues. For the avoidance doubt, any increase of the share capital or equity of the Company, as well as any issue of bonds, preferred equity certificates, warrants, options or other instruments convertible, exchangeable or exercisable into new shares decided by the Board of Directors prior to [28 August 2014] under the former authorised share capital of the Company but not realized, converted or exercised at this date remains validly approved and can be realized, issued, converted or exercised under this new Authorised Capital.*

*Such authorisation conferred to the board of directors will expire five (5) years after the date of the general meeting of shareholders held on [28 August 2014] and can be renewed in accordance with the applicable legal provisions, it being understood that the board of directors can proceed to an increase of share capital or issue of the above mentioned instruments as of the date of the general meeting of shareholders held on [28 August 2014].*

*The new shares and the instruments to be issued in accordance with the above provisions may be paid up through contributions in cash or in kind, by the incorporation of reserves, issue premiums or retained earnings, including in the three latter cases in favor of new shareholders. The new shares to be issued in accordance with the provisions of this article 5 may be issued with or without share premium, it being understood that (i) such shares shall not be issued at a price below the accounting par value and (ii) if the consideration payable to the Company for such newly issued shares exceeds their accounting par value, the excess is to be treated as share premium in respect of such shares in the books of the Company.*

*The board of directors is specially authorised to issue such new shares and, where applicable, the instruments to be issued in accordance with the provisions of this article 5 without reserving (i.e. by cancelling or limiting) for the existing shareholders the preferential right to subscribe for such shares and instruments.*

*The board of directors is authorised to determine the place and date of the issue or the successive issues, the issue price, the terms and conditions of the subscription of and paying up on the new shares (referred to in this article 5) and, if applicable, the duration, amortization, other rights (including early repayment), interest rates, conversion rates and exchange rates of the aforesaid instruments (referred to in this article 5) as well as all the other conditions and terms of such instruments including as to their subscription, issue and payment.*

*The board of directors is authorised to do all things necessary to amend this article 5 of the present Articles of Association in order to record the change of issued and authorised share capital following any increase pursuant to the present article. The board of directors is empowered to take or authorise the actions required for the execution and publication of such amendment in accordance with the Luxembourg law of 10 August 1915 on commercial companies, as amended. Furthermore, the board of directors may delegate to any duly authorised person, the duties of accepting subscriptions, conversions or exchanges and receiving payment for shares, bonds, preferred equity certificates, warrants, options or instruments and to do all things necessary to amend article 5 of the present Articles of Association in order to record the change of issued and authorised share capital following any increase pursuant to the present article."*

The exact amount in the first paragraph of Article 5.2 of the articles of association as amended above will be set according to the actual amount on the effective holding date of the Meeting which will resolve on points 6, 7 and 8 of the Agenda.

The exact dates of the second paragraph and third paragraph of Article 5.2 of the articles of association as amended above will be set according to the effective holding date of the Meeting which will resolve on points 6, 7 and 8 of the Agenda.

9. Decision to remove Mr. Ian Cash from the Board of Directors of the Company with immediate effect.

**Proposed resolution:**

*The Meeting resolves to remove Mr. Ian Cash from the Board of Directors with immediate effect.*