

# MINUTES of the Annual General Meeting of Shareholders of RONSON EUROPE N.V., 30 June 2014

Minutes of the proceedings at the annual general meeting of shareholders of RONSON EUROPE N.V., a company with limited liability organised under the laws of the Netherlands, having its statutory seat in Rotterdam and address at Weena 210-212, 3012 NJ Rotterdam (hereinafter referred to as: the "**Company**"), which meeting was held at the Company's office on Monday 30 June 2014, commencement 11.00 AM.

In accordance with article 36, paragraph 1, of the articles of association of the Company, upon the request of the Supervisory Board, Mr. W.O.C.M. van Twuijver acted as Chairman of the meeting and Mr. T.C. Koster acted as Secretary of the meeting.

## 1. Opening

The Chairman opened the meeting and recorded that the meeting is held in one of the places referred to in the articles of association of the Company. The meeting was convened with due observance of the provisions of the Articles of Association and Dutch law and other relevant rules and regulations. It was announced in a current report on 19 May 2014 and the Convocation Notice was published on the same day by posting on the Company's website. The Chairman recorded that the meeting is being attended by 4 shareholders who deposited 168.249.187 shares representing 61.77% of the voting rights, equal to 61.77% of the outstanding number of shares (272,360,000) in the Company, whereby all shareholders registered for the meeting are represented by virtue of a proxy in writing. As a consequence, valid resolutions by the meeting can be passed and adopted.

For this meeting the Company has published and distributed the Annual Report 2013, dated 5 March 2014 ("Annual Report 2013") and the AGM Shareholder Circular, dated 19 May 2014 in order to inform the shareholders of the relevant facts and circumstances to be considered by shareholders before exercising their voting rights. All AGM documents are and have been available for inspection by the shareholders at the Company's offices in the Netherlands, at the Company's group office in Warsaw, Poland, as of 19 May 2014. All documents are also available for shareholders and investors via the Company's website as of the same date. The meeting was held in accordance with the following agenda:

- 1) Opening of the General Meeting
- 2) Discussion on the Company's Annual Report for the financial year 2013, including the report of the Management Board and the report of the Supervisory Board and its committees, and including management board and supervisory board remuneration (policies)
- 3) Adoption of the annual accounts for the financial year 2013 \*
- 4) Discussion on the policy on additions to the reserves and dividends
- 5) Appropriation of the net profit and dividend for the financial year 2013 \*
- 6) Discharge from liability ('*decharge*') of the members of the Management Board for their management tasks during the financial year 2013 \*
- 7) Discharge from liability ('*decharge*') of the members of the Supervisory Board for their supervisory tasks during the financial year 2013\*
- 8) Authorization of the Board of Supervisory Directors to appoint the Company's external auditor for the financial year 2014\*
- 9) Discussion of the corporate governance policy as set out in the Company's Annual Report for the financial year 2013
- 10) Composition of the Board of Managing Directors\*:
  - a) Acceptance of the resignation of Mr. Israel Greidinger as Managing Director B and member of the Board of Managing Directors, effective the date of the AGM\*
  - b) Appointment of Mr. Peter Dudolenski as Managing Director B and member of the Board of Managing Directors for a 4 year term expiring the date of the AGM of the fourth year , effective the date of the meeting\*
- 11) Any other business
- 12) Closing of the General Meeting

The outcome of the voting on each voting item was in accordance with the schedule 1 attached to these minutes, specifying votes for, neutral votes and votes against.

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2. Discussion on the Company's Annual Report for FY 2013, including the report of the Board of Managing Directors and the Report of the Board of Supervisory Directors, and its committees including management board and supervisory board remuneration (policies)

The Chairman proposed that the meeting discuss the Annual Report 2013, including the managing directors' report and the supervisory directors' report included in the Annual Report 2013). The Chairman noted that this is not a voting item. As here were no questions on this point, the Chairman then proceeded to agenda item 3.

3. Adoption of the annual accounts for the financial year 2013

The Chairman referred to the annual accounts for the financial year 2013 and the auditor's report, both included in the Annual Report 2013 and proposed the meeting to adopt and to confirm the annual accounts 2013 by adopting the following resolution:

*3. to adopt the annual accounts of the Company for the financial year 2013 in accordance with the accounts included in the Annual Report 2013*

The meeting then voted to adopt the resolution. After voting by the shareholders, the Chairman noted the outcome in accordance with schedule 1 under item 3 and declared that the resolution had been adopted with the requisite majority.

4. Discussion on the policy on additions to the reserves and dividends

The Chairman noted this agenda item is an annually recurring item and he pointed out that in accordance with Article 30 of the Articles of Association, the Board of Managing Directors, with prior approval of the Supervisory Board, shall determine which portion of the profits – the positive balance of the profit and loss account – shall be reserved. The profit remaining shall be at the disposal of the general meeting. Profit distributions may only be made to the extent the equity exceeds the paid and called up part of the capital increased with the reserves which must be maintained pursuant to the law (paragraph 2 of Article 30). In addition, dividends shall be paid after adoption of the annual accounts evidencing that payment of dividends is lawful. Furthermore, the Board of Managing Directors, with prior approval of the Supervisory Board may resolve to pay an interim dividend provided the requirement of the second paragraph has been complied with as shown by interim accounts drawn up in accordance with the provision of the law. The General Meeting is authorized to determine the dividend on the basis of article 30.1 and 30.4 of the Articles of Association upon a proposal by the Board of Managing Directors, approved by the Board of Supervisory Directors.

The Chairman then made reference to the Annual Report 2012 and the Company's current report 4/2013 and the appertaining press release and reminded the meeting that in 2013 the Company has announced a change in its dividend policy on considerations explained in such documents. Under this changed policy, the boards will no longer proposing to retain all profits as a matter of principle in order for these to be added to the reserves, but the boards may be proposing to the shareholders to declare a dividend to the extent the financial position of the Company and the business so permits. For financial year 2013 this has resulted in the proposal under agenda item 5.

The Chairman noted that this is not a voting item. As here were no questions on this point, the Chairman then proceeded to agenda item 5.

5. Appropriation of the net profit for the financial year 2013

The Chairman referred to the Annual Report 2013. The Board of Managing Directors is authorized under article 30.1 of the Articles of Association to determine which portion of the profits shall be reserved. The General Meeting is authorized to determine the dividend on the basis of article 30.1 and 30.4 of the Articles of Association upon a proposal by the Board of

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Managing Directors, approved by the Board of Supervisory Directors, which approval was granted on 5 March 2014. In light of the Management's positive assessment of the prospects of the Polish residential market and Company's further expansion plans resulting in increased requirements to finance and fund its current and future operations, the boards are proposing to the shareholders to declare no dividend for financial year 2013 and to resolve to add the net profit for 2013 amounting to PLN 19,026 thousand to the retained earnings.

The Chairman proposed to the meeting to consider the proposal by the Board of Managing Directors, as approved by the Board of Supervisory Directors, by adopting the following resolution.

*5. To acknowledge the decision by the Board of Managing Directors to add the net profit of the Company for financial year 2013 in the amount of PLN 19,026 thousand to the retained earnings and to resolve to declare a dividend at nil for the financial year 2013 in accordance with the proposal of the Board of Managing Directors included in the Annual Report 2013.*

The meeting then voted to adopt the resolution. After voting by the shareholders, the Chairman noted the outcome in accordance with schedule 1 under item 5 and declared that the resolution had been adopted with the requisite majority.

**6. Discharge from liability of the members of the Board of Managing Directors**

The Chairman referred to Paragraph 2 of Article 31 of the Articles of Association and proposed to approve the management of the Company as performed by the Management Board during the financial year 2013 and proposed that the Management Board be entirely discharged from liability ("décharge") in the exercise of its functions for the financial year 2013 by adopting the following resolution:

*6. to grant discharge from liability ("décharge") to the members of the Board of Managing Directors for their management during the financial year 2013.*

The meeting then voted to adopt the resolution. After voting by the shareholders, the Chairman noted the outcome in accordance with schedule 1 under item 6 and declared that the resolution had been adopted with the requisite majority.

**7. Discharge from liability of the members of the Board of Supervisory Directors**

The Chairman referred to Paragraph 2 of Article 31 of the Articles of Association and proposed to approve the supervision as performed by the Supervisory Board during the financial year 2013 and proposed that the Supervisory Board be entirely discharged from liability ("décharge") in the exercise of its functions for the financial year 2013 by adopting the following resolution:

*7. to grant discharge from liability ("décharge") to the members of the Board of Supervisory Directors for their supervision during the financial year 2013.*

The meeting then voted to adopt the resolution. After voting by the shareholders, the Chairman noted the outcome in accordance with schedule 1 under item 7 and declared that the resolution had been adopted with the requisite majority.

**8. Authorization of the Board of Supervisory Directors to appoint the Company's external auditor for the financial year 2014**

The Chairman pointed out that the GM is authorized to appoint the auditor on the basis of article 27.1 of the AoA. Under Dutch law, appointment of an auditor is mandatory for the Company. If the GM would fail to appoint an auditor the Board of Managing Directors and the Board of Supervisory Directors are obliged and authorized to do so. It is the Company's policy to schedule the appointment

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of the auditor each year for the AGM. The appointment right of the AGM includes the right to authorize an other corporate body to take a decision. The Company is currently evaluating the audit of the annual accounts for 2013. After completion of this process the Board of Managing Directors will make a recommendation to the Board of Supervisory Directors to appoint the auditor for FY 2014. Each of the big four firms (including E&Y, PWC, Deloitte and KPMG) are eligible for such appointment and the Boards intend to recommend and select one of these firms.

The recommendation and selection will be made, upon the recommendation of the Audit Committee, having consulted management and having conducted a thorough assessment of the functioning of external auditing within the Company.

The Chairman then proposed to the meeting to authorize the Board of Supervisory Directors to appoint the Company's external auditor for the financial year 2014 by adopting the following resolution:

*8. To authorize the Board of Supervisory Directors to appoint the Company's external auditor for the financial year 2014*

The meeting then voted to adopt the resolution. After voting by the shareholders, the Chairman noted the outcome in accordance with schedule 1 under item 8 and declared that the resolution had been adopted with the requisite majority.

### **9. Discussion of the Corporate Governance Policy**

The Chairman referred to the Company's Corporate Governance policy as described in the Annual Report 2013 and pointed out to the meeting that the policy of the Company is to schedule this subject each year for discussion with the shareholders. The Chairman then invited questions and, as there were none, went on to the next agenda item.

### **10. Composition of the Board of Managing Directors\*:**

a) Acceptance of the resignation of Mr. Israel Greidinger as Managing Director B and member of the Board of Managing Directors, effective the date of the AGM\*

b) Appointment of Mr. Peter Dudolenski as Managing Director B and member of the Board of Managing Directors for a 4 year term expiring the date of the AGM of the fourth year , effective the date of the meeting\*

The Chairman explained that on the date of the AGM, Mr. Israel Greidinger will resign as Managing Director B and member of the Management Board. Mr. Greidinger is resigning from the Ronson Management Board in light of his appointment to Non-Executive Director of Global City Holdings N.V., which company is a major indirect shareholder in the Company. It is proposed that Mr. Greidinger be replaced by Mr. Peter Dudolenski, who is currently CEO of Global City Holdings NV.

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 has prepared a list of two nominees for the appointment of a member of the board of managing directors. The nominated persons are Mr. Dudolenski and Mr. Wilbert van Twuijver. 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 nominated candidates. The resumes of the nominees are included in annex 1 and 2 to this circular. Given their experience and expertise, the Board of Supervisory Directors believes that the appointment of either nominee would fit the Board of Managing 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. Both candidates would qualify but without prejudice to the foregoing the Board of Managing Directors and the Board of Supervisory Directors are

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recommending to appoint Mr. Dudolenski. As member of the Board of Managing Directors the appointee 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 this appointment as proposed, the GM accepts the resignation of Mr. Greidinger and 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.

The Chairman then proposed to the meeting to adopt the following resolution to appoint Mr. Pieter Decla as Managing Director and member of the Board of Managing Directors by adopting the following resolution:

*10a) To accept the resignation of Mr. Israel Greidinger as Managing Director B and member of the Board of Managing Directors, effective the date of the AGM\**

*10b ) To appoint Mr. Peter Dudolenski 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*

The meeting then voted to adopt each of the resolutions. After voting by the shareholders, the Chairman noted the outcome in accordance with schedule 1 under item 10 a and b and declared that the resolutions had been adopted with the requisite majority.

**11. Any other business**

None

**12. Closing**

With no other business to be transacted, the Chairman closed the meeting at 11:45 am

Signed

W.O.C.M. van Twuijver  
*Chairman*

Signed

T.C. Koster  
*Secretary*

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*Schedule 1 Voting Summary*

<b>Agenda item</b>	<b>for</b>	<b>votes</b>			<b>Total</b>
		<b>against</b>	<b>neutral</b>	<b>not voted</b>	
3. Adoption of the annual accounts 2013	168.249.187	0	0	0	168.249.187
5. Appropriation of the net profit for 2013	168.249.187	0	0	0	168.249.187
6. Discharge of the members of the Board of Managing Directors for 2013	168.249.187	0	0	0	168.249.187
7. Discharge of the members of the SB for 2013	168.249.187	0	0	0	168.249.187
8. Authorization to appoint auditor for fy 2014	168.249.187				168.249.187
10. appointment of members of the board of Managing Directors	168.249.187	0	0	0	168.249.187