

## MINUTES OF THE ANNUAL GENERAL MEETING OF:

**Kardan N.V.**, a company with limited liability (*naamloze vennootschap*), incorporated under the laws of the Netherlands, with its corporate seat in Amsterdam, the Netherlands and its place of business at De Cuserstraat 85B, (1081 CN) Amsterdam, the Netherlands, registered with the trade register under number 34189974 ("**Company**" or "**Kardan**"),

held electronically by means of a video conference enabled by Zoom, in accordance with the bill on temporary provisions in the area of the Dutch Ministry of Justice and Security in connection with the coronavirus (COVID-19) outbreak ("**Emergency Act**") on 30 June 2020 (the meeting of the persons entitled to be present at the annual general meeting as well as the corporate body consisting of the shareholders present thereat both called: "**Meeting**").

### 1. Opening

Mr. Peter Sheldon, born in Chesterfield, the United Kingdom, on 11 June 1941, chairman of the board of the Company ("**Board**"), acted as chairman of the Meeting ("**Chairman**"). At the request of the Board, Dr. Paul Pieter de Vries, civil-law notary in Amsterdam, attended the Meeting with the intent to make records of the Meeting ("**Secretary**").

The Chairman opened the Meeting shortly after 10.00 hours Amsterdam time, welcomed the attendants joining by video conference, and proposed that the language of the Meeting be English.

Subsequently the Chairman declared that:

- in calling the Meeting, all statutory requirements and requirements under the Emergency Act have been met, the Meeting has been announced on the Company's website on 18 May 2020;
- the notice calling the Meeting stated that the agenda and the explanatory notes thereto and the annual report of the Company for the year 2019 ("**2019 Annual Report**") could be obtained free of charge as of 18 May 2020 at the Company's office in the Netherlands, the office of the Company's Secretary in Israel, at Shimonov & Co. law firm and on the Company's website;

- the notice calling the Meeting has granted the shareholders the opportunity to ask written or electronic questions about the items on the agenda no later than 72 hours in advance of the Meeting, but the Company has not received any such questions;
- the minutes of last year's annual general meeting, held on 29 May 2019, have been made available on the Company's website within the statutory period of publication;
- at the date of this Meeting, 123,022,256 shares, with a nominal value of € 0.20 each, are outstanding in the share capital of the Company;
- according to the signed registration list 20,030,876 shares, having a nominal value of € 0.20 each, in turn representing the same number of votes, were represented at the Meeting, representing approximately 16.3% of the issued and outstanding share capital of the Company;
- the Company's external auditor, PricewaterhouseCoopers Accountants N.V. represented by Mr. Corver was present at the Meeting.

After making some further practical announcements, the Chairman continued with the following item on the agenda.

## **2. Presentation by the CEO on the Company's group activities for the financial year 2019 and discussion of the report of the Board on the financial year 2019**

With respect to the Company's group activities for the financial year 2019 the Chairman gave the floor to the Company's chief executive officer, Mr. Ariel Hasson.

Mr. Hasson presented the current status on the discussions with the debenture holders, the financial highlights of the Kardan group of companies in 2019, highlights of the operations of Kardan Land China and Tahal Group International in 2019, the Company's equity position, the key developments of the first quarter of 2020, and finished his presentation informing the Meeting that the Company requested delisting of its shares from Euronext Amsterdam, effective on 30 July 2020, while the shares of the Company remain listed on the Israeli Stock Exchange.

No questions were raised after the presentation on the Company's group activities and the report of the Board on the financial year 2019.

### **3. Remuneration Report**

No questions were raised on the remuneration report, and the proposal to support the remuneration report was adopted by the Meeting.

### **4. Adoption of the annual accounts for the financial year 2019 (the "2019 Annual Accounts")**

No questions were raised and the proposal to adopt the 2019 Annual Accounts was adopted by the Meeting.

### **5. Dividend policy**

The Chairman informed the Meeting that, given (i) that the Company reported a loss over the past financial year and (ii) that according to the current deeds of trust of the debentures (series A and B) of the Company, the Company cannot distribute dividends until certain relief conditions have been met and 75% of the par value of the debentures (Series A and B) have been repaid, the Board has decided not to propose to distribute dividends to the shareholders of the Company.

No questions were raised.

### **6. Corporate Governance**

The Chairman invited the attendees to discuss the Company's approach towards the implementation of the Dutch Corporate Governance Code as specified in the Corporate Governance Statement for 2019, which is placed on the Company's website and deemed an integral part of the 2019 Annual Report. The Chairman informed the Meeting that in 2019 no material changes were made to the Company's governance framework.

No questions were raised.

### **7. Appointment of the external auditor for the financial year 2020**

The Chairman informed the Meeting that the Board proposed to reappoint PricewaterhouseCoopers Accountants N.V., Amsterdam, the Netherlands and PricewaterhouseCoopers, Tel-Aviv, Israel (jointly "**PWC**"), as the Company's external auditors responsible for auditing the financial statements for the financial year 2020.

No questions were raised and the proposal to appoint PWC as the external auditors for the financial year 2020 was adopted by the Meeting.

#### **8. Discharge from liability of the members of the Board in respect of their duties during the financial year 2019**

The Chairman referred to the notes to the agenda for an explanation of the Dutch concept of discharge.

There being no questions or remarks, the proposal to grant discharge to the members of the Board in respect of their duties during the financial year 2019 was adopted by the Meeting.

#### **9. Adoption of the remuneration policy**

The Chairman explained that pursuant to new legislation based on the revised Shareholders Rights Directive, effective in the Netherlands since June 2019, the Meeting has to adopt the remuneration policy of the Company at least every four years. On the basis of an evaluation of the RAS-committee, the Board has decided to continue the current remuneration policy, and only make small adjustments to comply with the Shareholder Rights Directive. The proposed revised remuneration policy was included in the Meeting documents.

There being no questions or remarks, the proposal to adopt the remuneration policy for the financial year 2020 up to and including the financial year 2024 was adopted by the Meeting.

#### **10. CEO Variable remuneration 2020**

The Chairman explained that although the RAS-Committee has recommended that it would be appropriate for the CEO to be granted a conditional variable bonus for 2020, the CEO has informed the Board that due to the precarious financial position of the Company and the impact of the CoVid-19 virus on the business of the Company he waives an entitlement to a variable bonus for the financial year 2020. As a result, no such remuneration is proposed to the Meeting.

#### **11. Reappointment of Mr. Peter Sheldon as chairman of the Board**

The Chairman requested Mr. Cor van den Bos vice chairman of the Board to chair the Meeting for this proposal. The vice chairman referred to the notes to the agenda setting

out the personal details and background of Mr. Peter Sheldon, and explained that Mr. Peter Sheldon has proven himself as a very valuable, competent and committed Chairman, especially given the challenging circumstances the Company has faced in the last years.

There being no questions or remarks, the proposal to adopt the proposal to reappoint Mr. Peter Sheldon as chairman of the Board, for a period of two years, ending at the end of the general meeting to be held in 2022 was adopted by the Meeting.

### **12. Authorization of the Board to resolve for the Company to acquire its own shares**

The Chairman proposed to the Meeting to authorize the Board for a period of 18 months as of the 30 June 2020 to resolve for the Company to acquire shares in the Company, subject to the limitations as further described in the notes to the agenda, and pursuant to which the authorization awarded to the Board during the annual general meeting of 2019 will be revoked.

There being no questions or remarks, the resolution was adopted by the Meeting.

### **13. Any other business**

The Chairman explained further details on the delisting of the shares in the capital of the Company requested from Euronext Amsterdam, effective on the 30 July 2020, and invited the attendees of the Meeting to raise any other matters, but none were raised.

### **14. Closing**

There being no further questions, the Chairman thanked all members of the Board and the professional staff for their outstanding work, and all attending the Meeting for their presence, and closed the Meeting shortly around 10.20 hours.

### **CORRECTION OF THE REGISTRATION LIST AFTER THE MEETING**

The Chairman has informed the Secretary that after the Meeting was held it has become clear that an error was made in the numbers reflected in the registration list, as reflected above under paragraph 1 of these minutes.

The Chairman has informed the Secretary that the registration list has been corrected as to reflect that 31,622,065 shares, having a nominal value of € 0.20 each, in turn

representing the same number of votes, were represented at the Meeting, representing approximately 25.7% of the issued and outstanding share capital of the Company.

The corrected registration list, which has been signed by the Chairman, is annexed to these minutes as an **Annex**.

The Chairman has informed the Secretary that the corrected registration list does not affect the results of the voting as reflected above, and does not affect his statements that all resolutions as reflected above have been duly adopted.

### **ABSENCE OF NOTARIAL MINUTES**

The minutes of the general meetings of the Company are usually laid down in a notarial deed, which notarial deed is signed by a civil-law notary practising in the Netherlands and, in the presence of the civil-law notary, by the chairman of the meeting, all in accordance with article 40.2 of the articles of association of the Company ("**Articles**"). Due to the coronavirus (COVID-19) outbreak, the Chairman is unable to appear before a civil-law notary practising in the Netherlands in the foreseeable future. Therefore (i) the Chairman and the Secretary will sign these non-notarial minutes of the Meeting in accordance with article 40.1 of the Articles, and (ii) minutes of the Meeting will be laid down in a notarial deed when the Chairman is again able to appear before a civil-law notary practising in the Netherlands, in accordance with article 40.2 of the Articles.

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These minutes were drawn up and signed in counterparts by the Chairman and the Secretary.

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by: Peter Sheldon  
title: Chairman  
place:  
date:

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by: Paul Pieter de Vries  
title: Secretary  
place:  
date:

**ANNEX - CORRECTED REGISTRATION LIST**