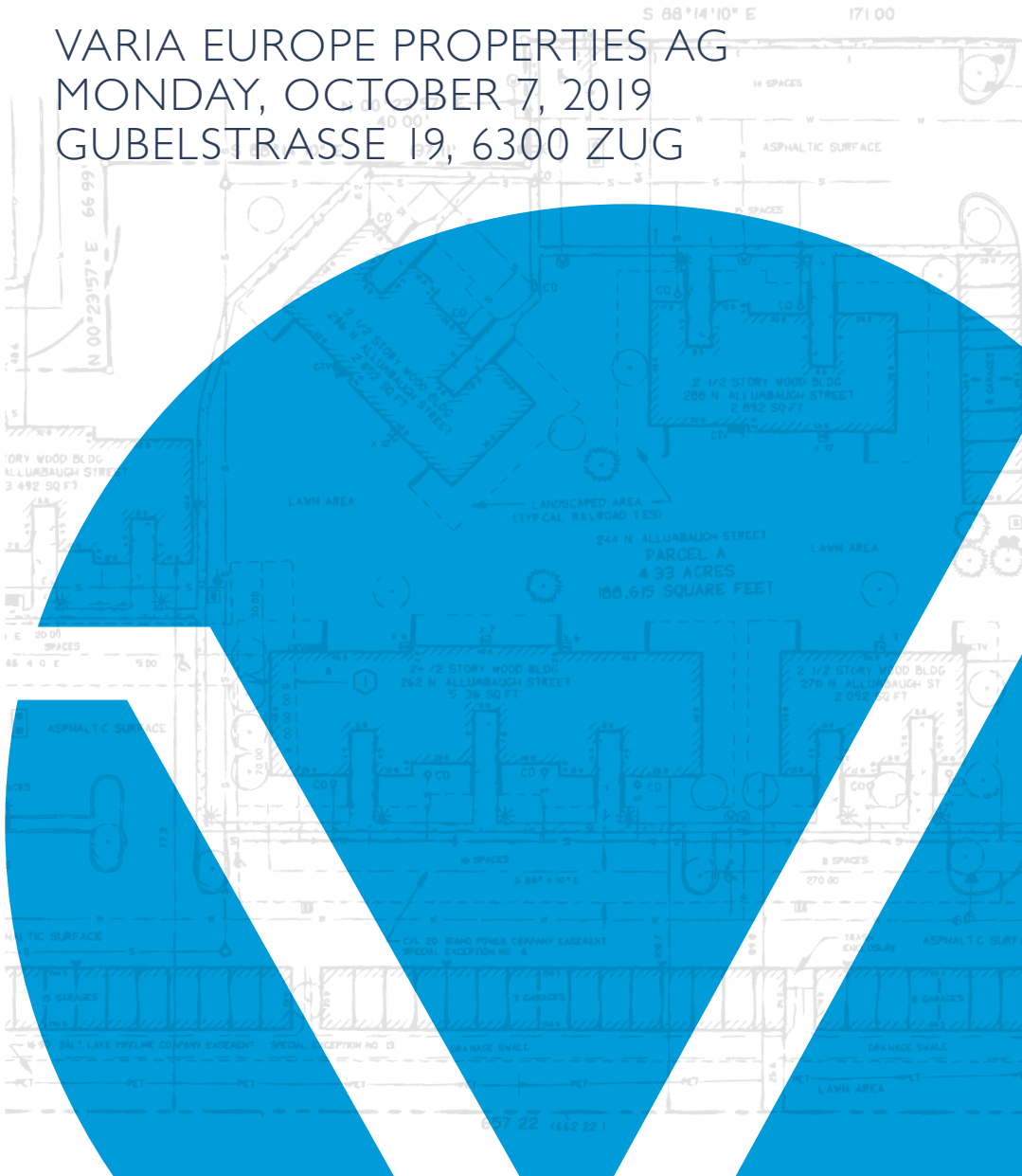


# INVITATION EXTRAORDINARY GENERAL MEETING



VARIA EUROPE PROPERTIES AG  
MONDAY, OCTOBER 7, 2019  
GUBELSTRASSE 19, 6300 ZUG



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# DEAR SHAREHOLDERS,

It is my pleasure to invite you to an Extraordinary General Meeting of Varia Europe Properties AG which will be held on Monday, October 7th, 2019 at 4:30 p.m. (doors opening at 4:15 p.m.) at Gubelstrasse 19, 6300 Zug.

Please find enclosed the Invitation and Proxy Statement for the Meeting, together with the Agenda and items to be voted.

Whether or not you plan to attend the General Meeting, your vote is important.

I look forward to welcoming you soon in Zug.



Taner Alicehic  
Chairman of the board of directors

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# **AGENDA ITEMS AND MOTIONS BY THE BOARD OF DIRECTORS**

**1. Appointment of the chairperson and the secretary of the meeting as well as determination of the quorum**

**2. Distribution of an extraordinary dividend from capital contribution reserves**

The board of directors proposes to the shareholders' meeting a distribution in the amount of CHF 0.05 per share payable out of the reserves from capital contributions. Based on the number of shares issued of 11,981,945, this distribution is equivalent to a reduction in the reserves from capital contribution of CHF 599,097.25. The board of directors proposes that if the distribution is made, the board of directors shall set the execution date, record date and payment date for the dividend payment.

**3. Reduction of the capital**

The board of directors proposes to the shareholders' meeting the reduction of the company capital pursuant to articles 732 et seq. CO as follows (the "Capital Reduction"):

- a) the share capital of the Company shall be reduced by CHF 11,742,306.10, from currently CHF 11,981,945 to newly CHF 239,638.90;
- b) The Capital Reduction shall be completed as follows:
  - (I) by reducing the nominal value per share from currently CHF 1.00 by CHF 0.98 to CHF 0.02 of 11,981,945 registered shares; and
  - (II) by use of the reduction amount to increase the capital contribution reserves (account "Reserves from Capital Contributions", account no. 2905) by CHF 11,742,306.10;
- c) any book profit in the sense of article 732 section 4 CO arising from the Capital Reduction must be used solely for write-downs.

**4. Conditional agenda item: Capital increase**

The board of directors proposes to the shareholders' meeting, subject to a positive resolution adopted regarding the capital decrease set out in Agenda Item 3 above, the increase of the company capital by means of an ordinary capital increase after the nominal value reduction according to Agenda Item 3 has been completed in the amount of not less than CHF 50,000 and not more than CHF 359,458.36, from previously CHF 239,638.90 to newly not less than CHF 289,638.90 and not more than CHF 599,097.26 as follows:

**4.1a Total nominal value by which the share capital shall be increased:**  
not less than CHF 50,000 and not more than CHF 359,458.36

**4.1b Amount to be paid-in:**  
not less than CHF 50,000 and not more than CHF 359,458.36,  
100% paid-in

**4.2a Number, nominal value and type of the new shares:**  
not less than 2,500,000 and not more than 17,972,918 registered shares,  
with restricted transferability, with a nominal value of CHF 0.02 each

**4.2b Preferential rights of individual categories:**

None

**4.3a Issuing price:**

The general meeting of shareholders delegates the competency for the determination of the issue price to the board of directors with regard to the issuance of the new registered shares.

**4.3b Beginning of the period of dividend entitlement:**

Business year 2019 (i.e. dividend resolved based on financial statements relating to business periods after the 31.12.2019)

**4.4 Sort of contribution**

The new registered shares are to be fully paid-up in cash.

The surplus resulting from the difference between the issuing amount and the nominal value of the newly issued registered shares shall be credited as capital contribution reserves (account "Reserves from Capital Contributions", account number 2905) of the Company.

**4.5 Restriction on transferability of the new registered shares issued:**

The transfer of the newly issued shares is restricted in accordance with the articles of incorporation.

**4.6 Restriction or withdrawal of pre-emptive rights and allocation of pre-emptive rights which have not been exercised or which have been withdrawn:**

The subscription rights are neither restricted nor withdrawn. In order to implement the capital increase, the board of directors may have newly issued shares subscribed by a bank based on an underwriting agreement. However, the newly issued shares shall be offered to the existing shareholders for subscription in any case. The board of directors will decide on the allocation of shares connected to expired subscription rights upon its sole discretion, taking into account the Company's interest and the equal treatment of the shareholders. The board of directors may allocate new shares for which the subscription rights have not been validly exercised to third parties and it may allocate them in any other manner in the interest of the Company.

**4.7** The ordinary capital increase in accordance with this Agenda Item 4 only has legal effect upon the registration of the capital decrease in accordance with Agenda Item 3 in the journal of the cantonal commercial register and the approval of the registration by the Federal Office for the Commercial Register (EHRA).

Agenda Item 4 is a conditional agenda item. A vote on Agenda Item 4 will be conducted only if the shareholders' meeting has previously approved Agenda Item 3 (*Capital Decrease*).

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# ORGANIZATIONAL NOTES

## Voting rights

Shareholders who are entered in the shareholder register as at October 1, 2019, 5:00 p. m. (CEST) (reporting date) are entitled to participate and vote at the extraordinary general meeting. During the period from October 1, 2019, 5:00 p. m. (CEST) until and including October 7, 2019, no entries of shares will be made in the shareholder register.

## Personal attendance

If a shareholder wishes to attend the extraordinary general meeting in person, the enclosed registration form may be used to request an admission card. For this purpose, please send the duly completed and signed registration form to ShareComm-Service AG, Europastrasse 29, 8152 Glattbrugg by no later than October 3, 2019, 4:00 p. m. (CEST) (time of receipt). Admission cards can also be ordered online until October 3, 2019, 4:00 p. m. (CEST). The personal login information is sent to the shareholders together with the invitation documents for the extraordinary general meeting. The admission cards will be sent out as from September 30, 2019.

## Powers of attorney

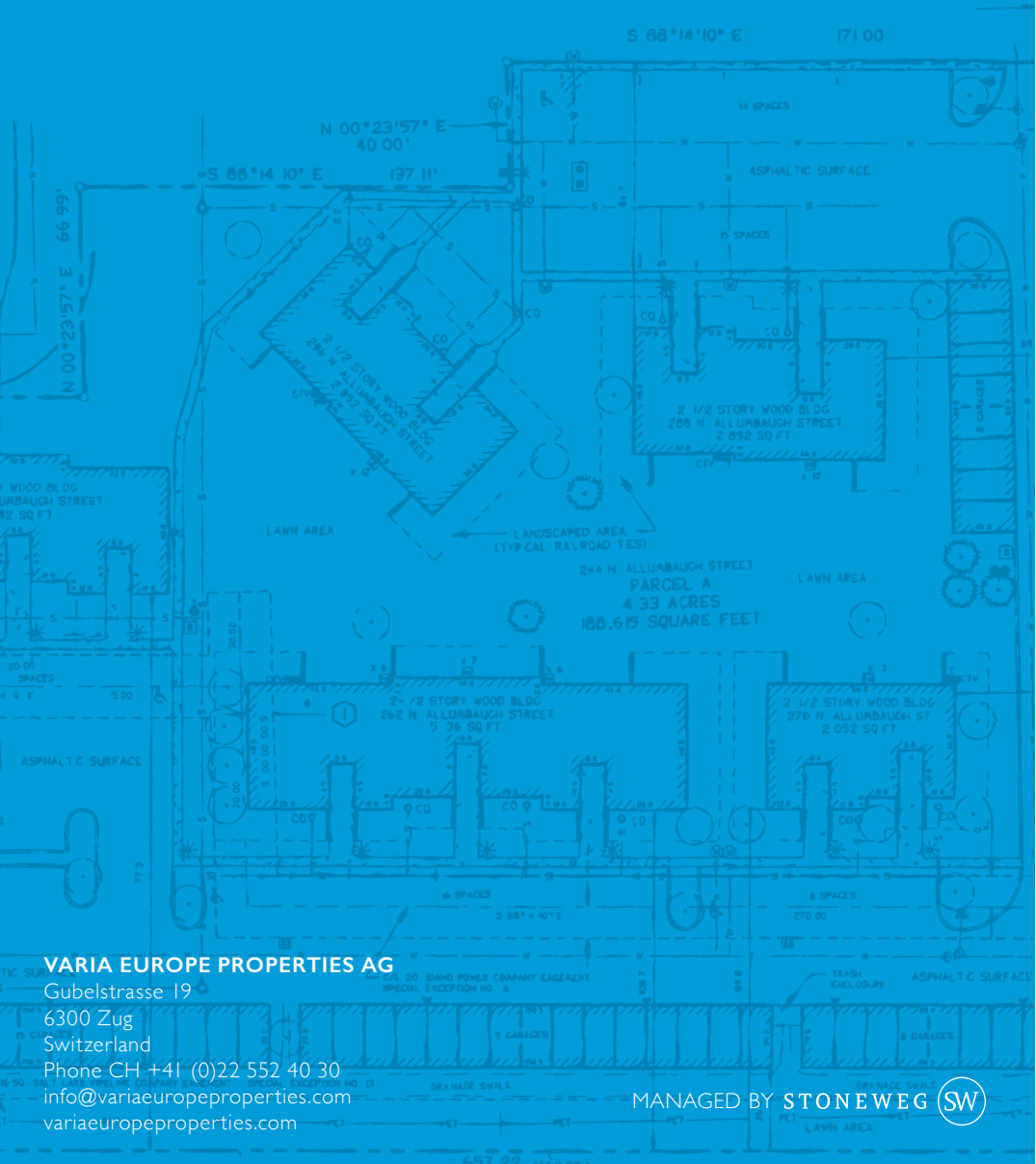
Shareholders who do not attend the extraordinary general meeting in person may be represented as follows:

- by an individual proxy based on written power of attorney, whereby the proxy does not need to be a shareholder. In this case, the admission card will be sent directly to the proxy.
- by the independent proxy, Buis Bürgi AG, Mühlebachstrasse 8, P.O. Box 672, CH-8024 Zürich. If the independent proxy cannot be present, the board of directors will appoint a new independent proxy. The powers of attorney granted to the independent proxy will also be valid for any new independent proxy appointed by the board of directors. In order to authorize the independent proxy, it is sufficient to return the accordingly completed and signed power of attorney form to ShareCommService AG, Europastrasse 29, 8152 Glattbrugg by no later than October 3, 2019, 4:00 p. m. (CEST), using the enclosed envelope. The independent proxy will vote in accordance with the instructions granted by the respective shareholder. For written instructions, please use the reverse side of the enclosed registration form.
- Shareholders may also grant powers of attorney and issue instructions to the independent proxy electronically. The personal login information is sent to the shareholders together with the invitation documents for the extraordinary general meeting. Powers of attorney may be granted and instructions may be issued electronically to the independent proxy by no later than October 3, 2019, 4:00 p. m. (CEST).

Zug, September 13, 2019

## Varia Europe Properties AG

Taner Alicehic  
Chairman of the board of directors



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MANAGED BY STONEWEG 