



**RONSON EUROPE N.V.
SHAREHOLDERS CIRCULAR
DATED 19 MAY 2017**

Introduction

This document is prepared under article 33.5 of the Articles of Association of Ronson Europe N.V. (the "AoA") with its corporate seat in Rotterdam, the Netherlands (the "Company") and contains the draft resolutions to be adopted by the General Meeting of Shareholders ("GM") at the occasion of the Annual General Meeting of Shareholders, to be held on **30 June 2017** in Rotterdam at Weena 210-212, 3012 NJ Rotterdam, at 11.00 hours CET ("AGM"), as well as the explanatory notes thereto. This document must be read in conjunction with the AoA and the Annual Report for 2016 as published by the Company on 16 February 2017 and made available to all shareholders (the "Annual Report 2016").

This document and the documents it refers to are available for all shareholders via the Company's website (www.ronson.pl) and are also available for shareholders' inspection at the Company's offices in the Netherlands in Rotterdam at Weena 210-212, 3012 NJ Rotterdam and at the Company's offices in Poland in Warsaw at 57 Komisji Edukacji Narodowej Avenue.

Agenda

For the AGM the following agenda is adopted on the basis of article 33.4 by the Board of Managing Directors and the Board of Supervisory Directors in accordance with article 33.2 of the AoA as follows:

- 1) Opening of the General Meeting
- 2) Discussion on the Company's Annual Report for the financial year 2016, 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 2016 *
- 4) Discussion on the policy on additions to the reserves and dividends
- 5) Appropriation of the net result and final dividend for the financial year 2016 *
- 6) Discharge from liability ('*decharge*') of the members (including former members) of the Management Board for their management tasks during the financial year 2016 *
- 7) Discharge from liability ('*decharge*') of the members (including former members) of the Supervisory Board for their supervisory tasks during the financial year 2016*
- 8) Authorization of the Board of Supervisory Directors to appoint the Company's external auditor for the financial year 2017*
- 9) Discussion of the corporate governance policy as set out in the Company's Annual Report for the financial year 2016
- 10) Composition of the Board of Managing Directors: Resignation and 2 new appointments*
 - a) Acceptance of the resignation of Mr. Shraga Weisman as Managing Director A and member of the Board of Managing Directors with title Chief Executive Officer *
 - b) Appointment of Mr. Tomasz Lapinski as Managing Director A and member of the Board of Managing Directors with title Chief Executive Officer for a 4 year term effective the date of the AGM and expiring the date of the AGM of the fourth year,
 - c) Appointment of Mr. Rami Geris as Managing Director A and member of the Board of Managing Directors with title Chief Financial Officer
- 11) Composition of the Board of Supervisory Directors: Appointment of one member*:
Appointment of Mr. Piotr Palenik as member of the Board of Supervisory Directors for a 4 year term effective the date of the AGM and expiring the date of the AGM of the fourth year,
- 12) Amendment of the Company's articles of association in accordance with the draft dated 18 May 2017 prepared by De Brauw Blackstone Westbroek NV and authorization of any and all members of the managing board of the Company as well as any and all civil-law notaries, associates and paralegals practicing with De Brauw Blackstone Westbroek N.V. to draw up the draft of the required notarial deed of amendment of the articles of association, to apply for the required ministerial declaration of no-objection, as well as to execute the notarial deed of amendment of the articles of association*
- 13) Any Other Business
- 14) Closing of the General Meeting



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Proposed Resolutions

With a view to agenda items 3, 5, 6, 7, 8, 10, 11 and 12, marked with an asterisk to indicate that these require a shareholders' resolution, the following resolutions are proposed by the Board of Managing Directors and the Board of Supervisory Directors. Both Boards unanimously recommend that the GM adopt these resolutions.

After each resolution a short explanation is given for consideration by the GM before voting on the adoption of the resolutions. The main agenda item for the GM is the adoption of the annual accounts of the Company for financial year 2016. Most of the other agenda items are closely related to the adoption of the annual accounts.

For the relevant facts and circumstances to be considered by the GM reference is further made to the Annual Report 2016. Shareholders are explicitly invited to take cognizance of the Annual Report 2016. In addition, Shareholders are also invited to consider the prevailing AoA, in particular as to the provisions governing the GM and the preparation and adoption of the annual accounts.

Resolution for agenda item 3

3. To adopt the annual accounts of the Company for the financial year 2016 in accordance with the accounts included in the Annual Report 2016.

Explanation

For the relevant facts and circumstances for this resolution reference is made to the Annual Report 2016. The accounts are audited and approved by Ernst & Young Accountants LLP. The GM is authorized to adopt the annual accounts on the basis of article 28.4 of the AoA.

Resolution for agenda item 5

5. To acknowledge – under clause 30.8 of the Company's articles of association – the decision by the Board of Managing Directors and of the Board of Supervisory Directors regarding the appropriation of the net result for 2016 and i) to resolve and approve to declare a dividend at PLN 0.19 per share for the full financial year 2016, ii) taking into account the interim dividend of PLN 0.09 per share declared on 1 March 2017, to declare a final dividend for 2016 of PLN 0.10 per share, and iii) to accept to add the remainder of the profits for 2016 in the amount of PLN 33,369,000 to the retained earnings reserve, in accordance with the proposal of the Board of Managing Directors as follows:

To resolve to dedicate an amount of PLN 31,162,054.47 of the profits of the Company for FY 2016 as per the accounts adopted under agenda item 3. for paying out a dividend for FY 2016 of PLN 0.19 per share for the full year 2016 and to declare a final dividend in cash of PLN 0.10 per ordinary share (and PLN 16,401,081.30 in the aggregate), in accordance with the proposal of the Board of Managing Directors included in Current Report No. 14/2017 and to determine the dividend date 3 August 2017 and the dividend payment date as 10 August 2017, to be payable through the National Depository of Securities S.A. (Krajowy Depozyt Papierów Wartościowych S.A.) with its registered seat in Warsaw.

Explanation

For the relevant facts and circumstances for this resolution reference is made to the Annual Report 2016, the resolution adopted by the GM on 1 March 2017 regarding the appropriation of the interim profits for 2016 as recorded by the minutes of such GM under 2. and to the Company's current report 14/2017 in which the



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Company has announced a proposal of the Board of Managing Directors with respect to the amount of dividend to be declared and paid from the profits for 2016. The General Meeting is authorized to determine the dividend on the basis of article 30.8 of the Articles of Association upon a proposal by the Board of Managing Directors, approved by the Board of Supervisory Directors, which approval was granted on 19 May 2017. The boards are proposing to the shareholders to declare a final dividend for the full financial year 2016 at PLN 0.19 per ordinary share, so that, taking into account the interim dividend of PLN 0.09, declared on 1 March 2017, a final dividend for 2016 at PLN 0.10 per share remains, while the remainder of the 2016 profits in an amount of PLN 33,369,000 will be added to the Company's retained earnings reserve. According to the Board of Managing Directors and to the Board of Supervisory Directors, the Company's reserves are sufficient to allow for the proposed distribution as per the Company's Balance Sheet on 31 December 2016 as well as per Company's Balance Sheet on 31 March 2017 with due observance of the limitations under the Company's AoA, in particular clause 30.2 and 30.6 of the AoA. The proposed dividend is also in line with the prevailing Company's dividend policy (as presented in the Company's current report 14/2017).

Resolution for agenda item 6

6. To grant discharge from liability ("décharge") to the members of the Board of Managing Directors for the management during the financial year 2016.

Explanation

This agenda item is an annually recurring item, scheduled on the basis of article 31.2 of the AoA and in accordance with Dutch law. For the relevant facts and circumstances for this resolution reference is made to the Annual Report 2016. The GM is authorized to resolve regarding discharge. Discharge does not extend to facts and circumstances that are not disclosed to or not otherwise reasonably known by the GM.

Resolution for agenda item 7

7. To grant discharge from liability ("décharge") to the members of the Board of Supervisory Directors for the supervision during the financial year 2016.

Explanation

This agenda item is an annually recurring item, scheduled on the basis of article 31.2 of the AoA. For the relevant facts and circumstances for this resolution reference is made to the Annual Report 2016. The GM is authorized to resolve regarding discharge. The discharge would extend to all persons having been supervisory director of the Company in 2016.

Resolution for agenda item 8

8. To authorize the Board of Supervisory Directors to appoint the Company's external auditor for the financial year 2017.

Explanation

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 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



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evaluating the audit of the annual accounts for 2016. 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 2017. 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.

Resolutions for agenda item 10 a, b and c

10a) To accept the resignation of Mr. Shraga Weisman as Managing Director A and member of the Board of Managing Directors and CEO, effective the date of the AGM and to grant him discharge from liability ('discharge') for his management during financial year 2016 and 2017 up to and including the date of AGM,

10b) To appoint Mr. Tomasz Lapinski as Managing Director A and member of the Board of Managing Directors with title Chief Executive Officer for a 4 year term effective the date of the AGM and expiring the date of the AGM of the fourth year,

10c) To appoint Mr. Rami Geris as Managing Director A and member of the Board of Managing Directors with title Chief Financial Officer for a term of four years to expire on the date of the AGM in the fourth year.

Explanation

As announced on 28 April 2017, on that date, Mr. S. Weisman has formally resigned as Managing Director A and member of the Management Board and CEO of the Company. It is proposed that Mr. Weisman be replaced by Mr. T. Lapinski, currently management board member and Chief Financial Officer of the Company.

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 may prepare a list of two nominees for the appointment of a member of the board of managing directors. 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 so nominated candidates. As a matter of board discretion and for practical reasons, the Board of Supervisory Directors has decided to nominate one person only, i.e. Mr. Lapinski. Mr. Lapinski has been a management board member of the Company since 2008 and the boards believe he has the financial and business expertise and experience to lead the Company as Chief Executive Officer. The resume of the nominee is included in annex 1 to this circular.

Given his experience and expertise, the Board of Supervisory Directors believes that the appointment of Mr. Lapinski would fit the Board of Managing Directors and as Chief Executive Officer will to the board's conviction meaningfully contribute to and complement the board's expertise for the benefit of the Company and its business. The Board of Managing Directors and the Board of Supervisory Directors are unanimously recommending to appoint Mr. Lapinski.

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. Weisman 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.



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The appointment of Mr Geris is also unanimously recommended by the Board of Managing Directors and the Board of Supervisory Directors. Mr. Geris is currently the Controller of the Company and as such has extensive financial experience and expertise in the Company's business. For the resume of the appointee, reference is made to annex 2 to this Circular.

Resolution for agenda item 11

11) To appoint Mr. Piotr Palenik as member of the Board of Supervisory Directors, effective the day of the meeting, for a term of four years, expiring the date of the AGM of the fourth year.

Explanation

In response to expectations of certain institutional investors and shareholders in the Company and following the developments in the Company's governance and in the Company's shareholding structure since December 2016, it is proposed that Mr Piotr Palenik will be appointed as member of the Board of Supervisory Directors. The resume of Mr. Piotr Palenik is included in annex 3 to this circular.

Under article 21 of the AoA, supervisory directors are appointed by the general meeting of shareholders of the Company. In accordance with article 21.1 of the AoA, the Board of Supervisory Directors may prepare a list of two nominees for each appointment of a member of the Board of Supervisory Directors. Such nomination would be 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 so nominated candidates. As a matter of board discretion and for practical reasons, the Board is only nominating one person for the appointment of Mr. Piotr Palenik. Given his experience and expertise, the Board of Supervisory Directors believes that the nominee would fit the Board of Supervisory Directors' profile drawn up in accordance with article 21.3 of the AoA and available on the Company's website 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. The Board of Managing Directors and the Board of Supervisory Directors are unanimously recommending the nominee for appointment.

Following this appointment, supervisory directors Ms. Shapira Mr. P. Kowalczyk and Mr. Piotr Palenik would qualify as independent members of the Board of Supervisory Directors in accordance with article 20.2 of the AoA and the Company's prevailing Corporate Governance Policy. As member of the Board of Supervisory 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 Supervisory Directors.

By this appointment the number of members of the Board of Supervisory Directors is set at 6 and the GM confirms the Company's policy that four year terms expire on the date of the AGM in the fourth year of the term. In light of the changes in the Board, it is the intention of the Board of Supervisory Directors to review the composition of board committees in due course.

Resolution for agenda item 12

12. To amend the articles of association of the Company in accordance with the draft deed of amendment dated 18 May 2017 prepared by De Brauw Blackstone Westbroek NV and to authorize any and all members of the managing board of the Company as well as any and all civil-law notaries, associates and paralegals practicing with De Brauw Blackstone Westbroek N.V. to draw up the draft of the required notarial deed of amendment of the articles of association, to apply for the required ministerial declaration of no-objection, as well as to execute the notarial



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deed of amendment of the articles of association.

Explanation

The prevailing articles of association of the Company (AoA) date back to 30 June 2011. In light of certain developments in the governance of the Company and the certain free float of shares, the Board of Managing Directors and the Board of Supervisory Directors have reviewed the AoA in consultation with certain institutional investors and shareholders in the Company and believe that certain amendments can be made to provide for improved protection of minority shareholders from dilution of shareholdings as a result of the issuance of shares in accordance with the draft deed attached to this circular as annex 4. For a detailed explanation of the changes reference is made to annex 4. The Boards are proposing and recommending the adoption of the AoA in accordance with annex 4.

Adoption of the amended AoA is the prerogative of the GM, provided the Board of Supervisory Directors has approved the proposal of the Board of Managing to amend the AoA under the provision of article 40.1 of the prevailing AoA. The Board of Supervisory Directors has approved such proposal as per annex 4 on 19 May 2017.

Rotterdam, 19 May 2017
Board of Managing Directors

Board of Supervisory Directors

This document is of informative nature only and should be read in conjunction with the Company's Articles of Association and applicable provisions of Dutch law. Shareholders are kindly asked to read and consider carefully all the information concerning the AGM which has been made available by the Company, including the Annual Report 2016 containing the Company's annual accounts.



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Annex 1. Curriculum vitae Mr. T. Lapinski

Family name:	Łapiński
Given name(s):	Tomasz
Month & Year of birth:	May, 1976
Place of birth:	Białystok
Nationality:	Polish

Professional experience:

Since April 2017	Ronson Europe N.V. acting CEO
2008 - 2017	Ronson Europe N.V. Chief Financial Officer, Member of the Management Board
2000 - 2008	Investment Banking Division of UniCredit Group (formerly CA IB)
1998 - 2000	Central Europe Trust (consulting)

Education:

1995-2000	Warsaw School of Economics (Szkoła Główna Handlowa, "SGH") Finance and Banking Faculty (Specializing in Financial Management)
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Interest in the Company:

Mr. Łapiński holds no (securities) interest in Ronson Europe N.V.



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Annex 2. Curriculum vitae Mr. Rami Geris

Family name:	Geris
Given name(s):	Rami
Month & Year of birth:	January, 1980
Place of birth:	Haifa, Israel
Nationality:	Israeli

Professional experience:

Since April 2017	Ronson Europe N.V. acting CFO
2007 - 2017	Financial Controller of Ronson Europe N.V. – involved in preparation of the financial statements, investor presentations, business development, budget controlling and CF projections, tax and related issues, as well as internal controlling procedures.
2006 - 2007	EY Israel – Assurance department, mainly involved in the audit of the companies listed on the Tel-Aviv stock exchange.
2004 - 2006	Zev Salomon & Co.-accountants Israel – auditor.

Education:

2001 - 2005	Graduated from the Accounting Department Ramat-Gan College. Certified CPA from the Israeli Board of Auditors
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Interest in the Company:

Mr. Geris holds no (securities) interest in Ronson Europe N.V.



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Annex 3. Curriculum vitae Mr. P. Palenik

Family name: Palenik
Given name(s): Piotr
Month & Year of birth: September, 1975
Place of birth: Warsaw
Nationality: Polish

Professional experience:

2004 - 2016 ING Securities S.A. / ING Bank Śląski brokerage house; research and advisory department; analyst – involved in medium capitalization companies and the financial sector (banks, insurance companies)

2000 - 2004 HSBC Securities Polska S.A. in Warsaw; research and advisory department; analyst – involved in medium capitalization companies

1998 - 1999 Pekao Fundusz Kapitałowy Sp. z o.o. management of cash surplus, minority interests in public companies

Education:

1994 -1999 The University of Lodz, major: International Economic and Political Relations

1997 course/training for investment adviser candidates, Centrum Prywatyzacji [*Privatization Centre*] in Warsaw; licence of the investment advisor

1996 course/training for securities broker candidates, Fundacja Rozwoju Przedsiębiorczości [*Entrepreneurship Development Foundation*] in Lodz; licence of the securities broker

CFA – Chartered Financial Analyst

Interest in the Company:

Mr. Palenik holds no (securities) interest in Ronson Europe N.V.



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Annex 4. Draft deed amendment of the Company's Articles of Association, dated 18 May 2017

CONCEPT DE BRAUW 18 MEI 2017
AKTE VAN STATUTENWIJZIGING
RONSON EUROPE N.V.

Op [●] tweeduizendzeventien verschijnt voor mij, [●], notaris met plaats van vestiging te Amsterdam:

[●]

De comparante verklaart dat op [●] tweeduizendzeventien door de algemene vergadering van aandeelhouders van de naamloze vennootschap: **Ronson Europe N.V.**, statutair gevestigd te Rotterdam en met adres: 3012 NJ Rotterdam, Weena 210-212, nummer handelsregister 24416758, op voorstel van de directie dat is goedgekeurd door de raad van commissarissen, besloten is de statuten van die vennootschap te wijzigen en de comparante te machtigen deze akte te doen verlijden.

Ter uitvoering van die besluiten verklaart de comparante in de statuten van de vennootschap de volgende wijziging aan te brengen:

Artikel 6 lid 9 wordt gewijzigd en komt te luiden als volgt:

6.9. Voor een besluit van de algemene vergadering tot beperking of uitsluiting van het voorkeursrecht of tot aanwijzing is een meerderheid van ten minste tachtig procent (80%) der uitgebrachte stemmen vereist.

Waarvan deze akte in minuut wordt verleden te Amsterdam, op de datum in het hoofd van deze akte vermeld.

Na mededeling van de zakelijke inhoud van de akte, het geven van een toelichting daarop en na de verklaring van de comparante van de inhoud van de akte te hebben kennisgenomen en met beperkte voorlezing in te stemmen, wordt deze akte onmiddellijk na voorlezing van die gedeelten van de akte, waarvan de wet voorlezing voorschrijft, door de comparante, die aan mij, notaris, bekend is, en mij, notaris, ondertekend.



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**DRAFT DE BRAUW 18 MAY 2017
UNOFFICIAL TRANSLATION
DEED OF AMENDMENT OF THE ARTICLES OF ASSOCIATION
OF RONSON EUROPE N.V.**

On the [●] day of [●] two thousand and seventeen appears before me, [●], notaris (civil-law notary) practising in Amsterdam:

[●]

The person appearing declares that on the [●] day of [●] two thousand and seventeen the general meeting of shareholders of **Ronson Europe N.V.**, a limited liability company, with corporate seat in Rotterdam and address at: 3012 NJ Rotterdam, the Netherlands, Weena 210-212, number Trade Register 24416758, resolved, at the proposal of the board of managing directors, which proposal was approved by the board of supervisory directors, to amend the articles of association of this company and to authorise the person appearing to execute this deed.

Pursuant to those resolutions the person appearing declares that she amends the company's articles of association as follows:

Article 6 paragraph 9 will be amended and will read:

6.9. A resolution of the General Meeting to restrict or exclude a right of first refusal or to authorize a corporate body for that purpose requires a majority of at least eighty percent (80%) of the votes cast.

In witness whereof the original of this deed which will be retained by me, notaris, is executed in Amsterdam, on the date first mentioned in the head of this deed.

Having conveyed the substance of the deed and given an explanation thereto and following the statement of the person appearing that she has taken note of the contents of the deed and agrees with the partial reading thereof, this deed is signed, immediately after reading those parts of the deed which the law requires to be read, by the person appearing, who is known to me, notaris, and by myself, notaris.