



**Orco Property Group**  
*Société Anonyme*  
42, rue de la Vallée  
L-2661 Luxembourg  
R.C.S. LUXEMBOURG B 44.996  
(the «**Company**»)

**Draft resolutions proposed to  
the extraordinary general meeting of the shareholders of the Company  
to be held on 4 February 2013  
amended further to the request of a shareholder of the Company holding at least five percent  
of the share capital of the Company**

Dear shareholders,

Please find below amended draft resolutions that will be proposed to the shareholders at the Extraordinary General Meeting (the "**General Meeting**") of the shareholders of the Company to be held at the registered seat of the Company at 42, rue de la Vallée, L-2661 Luxembourg, on **4 February 2013 at 13:00** in the presence of a Luxembourg notary public, to discuss and to vote on the agenda (the "**Agenda**") indicated below.

The General Meeting was convened in accordance with article 70 of the Luxembourg law on commercial companies dated 10 August 1915, as amended from time to time, further to the request of 28 December 2012 by Crestline Ventures Corp. and Gamala Limited, being shareholders of the Company and together holding approximately 29.7 percent of the share capital of the Company (jointly the "**Requesting Shareholder 1**").

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, Alchemy Special Opportunities LLP, acting as manager for and on behalf of Alchemy Special Opportunities Fund II LP, being a shareholder of the Company holding approximately 10.6 percent of the share capital of the Company (the "**Requesting Shareholder 2**") proposed, in its letter dated 10 January 2013, to modify the wording of the proposed resolutions regarding points 2 and 3 of the agenda of the General Meeting and therefore the Company issues these amended draft resolutions.

The Agenda of the General Meeting is the following:

**AGENDA**

- 1. Decision to decrease the corporate capital of the Company from its present amount of EUR 442,147,944.20 to EUR 215,681,924 without cancellation of shares, by decreasing the accounting par value of the existing shares from EUR 4.10 to EUR 2 per share with allocation of the reduction proceeds to a reserve (which is available for distribution after the expiry of a period of thirty (30) days following the publication of the minutes of the Extraordinary General Meeting in the Luxembourg Mémorial C, Recueil des Sociétés et Associations). The purpose of such decrease of the share capital is to adapt the share capital and the accounting par value of shares to the prevailing market situation, notably the Company's share price.**
- 2. Decision to approve, subject to approval of the point 1 of the agenda, 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, 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 authorized share capital as mentioned in points 3 of the agenda.

3. Subject to approval of points 1 and 2 of the agenda, decision to modify, renew and replace the existing authorized share capital and to set it to an amount of EUR 261,459,248 (with the possibility for the board of directors of the Company to limit or cancel the preferential subscription rights, where applicable), which represents an increase by EUR 45,777,324 and would authorize the issuance of up to 22,888,662 new ordinary shares in addition to the 107,840,962 shares currently outstanding, out of which 4,988,662 shares shall be reserved for new shares to be issued upon the exercise of currently outstanding warrants of the Company.
4. Decision to amend the Company's articles of association to reflect the changes pursuant to points 1 and 3 of the agenda.

### **PROPOSED RESOLUTIONS**

1. Decision to decrease the corporate capital of the Company from its present amount of EUR 442,147,944.20 to EUR 215,681,924 without cancellation of shares, by decreasing the accounting par value of the existing shares from EUR 4.10 to EUR 2 per share with allocation of the reduction proceeds to a reserve (which is available for distribution after the expiry of a period of thirty (30) days following the publication of the minutes of the Extraordinary General Meeting in the Luxembourg Mémorial C, Recueil des Sociétés et Associations). The purpose of such decrease of the share capital is to adapt the share capital and the accounting par value of shares to the prevailing market situation, notably the Company's share price.

#### **Resolution proposed by the Requesting Shareholder 1:**

*"The General Meeting resolves to decrease the corporate capital of the Company from its present amount of EUR 442,147,944.20 (four hundred forty-two million one hundred forty-seven thousand nine hundred forty-four euros and twenty euro cents) to EUR 215,681,924 (two hundred fifteen million six hundred eighty-one thousand nine hundred twenty-four euros) without cancellation of shares, by decreasing the accounting par value of the existing shares from EUR 4.10 (four euros ten eurocents) to EUR 2 (two euros) per share with allocation of the reduction proceeds to a reserve (which is available for distribution after the expiry of a period of thirty (30) days following the publication of the minutes of this General Meeting in the Luxembourg Mémorial C, Recueil des Sociétés et Associations). The purpose of such decrease of the share capital is to adapt the share capital and the accounting par value of shares to the prevailing market situation, notably the Company's share price."*

2. Decision to approve, subject to approval of the point 1 of the agenda, 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, 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 authorized share capital as mentioned in points 3 of the agenda.

#### **Proposed resolution:**

*"The General Meeting resolves 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, 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 of the Company."*

**Resolution proposed by the Requesting Shareholder 2:**

*"The General Meeting resolves 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, relating to the possibility of the board of directors to cancel or limit any preferential subscription right of the shareholders solely for the purposes of issuing up to 3,400,000 (three million four hundred thousand) new ordinary shares to officers and managers of the Company and up to 4,988,662 (four million nine hundred eighty-eight thousand six hundred sixty-two) shares upon the exercise of currently outstanding warrants of the Company."*

- 3. Subject to approval of points 1 and 2 of the agenda, decision to modify, renew and replace the existing authorized share capital and to set it to an amount of EUR 261,459,248 (with the possibility for the board of directors of the Company to limit or cancel the preferential subscription rights, where applicable), which represents an increase by EUR 45,777,324 and would authorize the issuance of up to 22,888,662 new ordinary shares in addition to the 107,840,962 shares currently outstanding, out of which 4,988,662 shares shall be reserved for new shares to be issued upon the exercise of currently outstanding warrants of the Company.**

**Resolution proposed by the Requesting Shareholder 1:**

*"The General Meeting resolves to modify, renew and replace the existing authorized share capital and to set it to an amount of EUR 261,459,248 (two hundred sixty-one million four hundred fifty-nine thousand two hundred forty-eight euros) for a period of five (5) years from the date of this meeting, which represents an increase by EUR 45,777,324 and would authorize the issuance of up to 22,888,662 new ordinary shares in addition to the 107,840,962 shares currently outstanding, out of which 4,988,662 shares shall be reserved for new shares to be issued upon the exercise of currently outstanding warrants of the Company.*

*On the basis of the report drawn up by the board of directors as referred to in Article 32-3 (5) of the Luxembourg law on commercial companies, as amended from time to time, and approved by the General Meeting in the resolution above, the General Meeting resolves to grant to the board of directors of the Company all powers for a period of five (5) years from the date of the General Meeting in order to carry out capital increases within the framework of the authorised share 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 and that EUR 9,977,324 (nine million nine hundred seventy-seven thousand three hundred twenty-four euros) of the authorized share capital shall only be used by the board of directors for the purposes of issuing 4,988,662*



*(four million nine hundred eighty-eight thousand six hundred sixty-two) new shares of the Company to the holders of warrants issued by the Company.”*

**Resolution proposed by the Requesting Shareholder 2:**

*“The General Meeting resolves to modify, renew and replace the existing authorized share capital and to set it to an amount of EUR 261,459,248 (two hundred sixty-one million four hundred fifty-nine thousand two hundred forty-eight euros) for a period of five (5) years from the date of this meeting, which represents an increase by EUR 45,777,324 and would authorize the issuance of up to 22,888,662 new ordinary shares in addition to the 107,840,962 shares currently outstanding, out of which 4,988,662 shares shall be reserved for new shares to be issued upon the exercise of currently outstanding warrants of the Company.*

*On the basis of the report drawn up by the board of directors as referred to in Article 32-3 (5) of the Luxembourg law on commercial companies, as amended from time to time, and approved by the General Meeting in the resolution above, the General Meeting resolves to grant to the board of directors of the Company all powers for a period of five (5) years from the date of the General Meeting in order to carry out capital increases within the framework of the authorised share capital under the conditions and methods it will set, with the possibility to cancel or limit any preferential subscription right of the shareholders solely for the purposes of issuing up to 3,400,000 (three million four hundred thousand) new ordinary shares to officers and managers of the Company and up to 4,988,662 (four million nine hundred eighty-eight thousand six hundred sixty-two) shares upon the exercise of currently outstanding warrants of the Company. 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 and that EUR 9,977,324 (nine million nine hundred seventy-seven thousand three hundred twenty-four euros) of the authorized share capital shall only be used by the board of directors for the purposes of issuing 4,988,662 (four million nine hundred eighty-eight thousand six hundred sixty-two) new shares of the Company to the holders of warrants issued by the Company.”*

**4. Decision to amend the Company’s articles of association to reflect the changes pursuant to points 1 and 3 of the agenda.**

**Proposed resolution:**

*As a consequence of the above resolutions, the General Meeting resolves to amend and restate article 5 of the articles of association of the Company in order to reflect the above decisions, which shall henceforth read as follows:*

**“ARTICLE 5: Corporate capital:**

The corporate capital is set at two hundred fifteen million six hundred eighty-one thousand nine hundred twenty four euros (EUR 215,681,924.-) represented by one hundred seven million eight hundred forty thousand nine hundred sixty-two (107,840,962) shares without nominal value. The accounting par value is calculated as the corporate capital divided by the number of issued shares which amounts to two euros (EUR 2.-).

**Authorized capital**

The corporate capital may be increased by the board of directors up to an amount of two hundred sixty-one million four hundred fifty-nine thousand two hundred forty-eight euros (EUR 261,459,248.-) through the



creation and issue of new shares without nominal value enjoying the same rights and privileges as already existing shares (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 of 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 [4 February 2013] under the former authorized 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 [4 February 2013] 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 [4 February 2013].

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 from time to time. 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."

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