

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action to take, you should consult your stockbroker, solicitor, accountant or other appropriate independent professional adviser authorised under the Financial Services and Markets Act 2000. If you have sold or otherwise transferred all your shares in East Balkan Properties plc, please forward this document and the accompanying Form of Proxy to the person through whom the sale or transfer was affected, for transmission to the purchaser or transferee.

EAST BALKAN PROPERTIES PLC

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 2014 Annual General Meeting of East Balkan Properties plc will be held at IOMA House, Hope Street, Douglas, Isle of Man IM1 1AP on 3 June 2014 at 10.00am for the following purposes:

The consideration and, if thought fit, passing of the following resolutions which will be proposed as ordinary resolutions:

1. To receive and consider the audited accounts of the Company for the year ended 31 December 2013, together with the Directors' and Auditors' reports thereon.
2. To approve the payment of Directors' fees for the year ended 31 December 2013.
3. To reappoint KPMG Audit LLC as Auditors of the Company until the conclusion of the next annual general meeting of the Company.
4. To authorise the Directors to determine the Auditors' remuneration.
5. To reappoint James Ede-Golightly who retires by rotation at the commencement of the 2014 Annual General Meeting and submits himself for immediate reappointment to the Board.
6. To reappoint Mark Butcher who was appointed a Director on 6 August 2013 and submits himself for immediate reappointment to the Board.
7. To pay a dividend of 1 penny per share to be paid out of capital reserves.

The consideration of the following resolutions which will be proposed as special resolutions:

8. THAT in accordance with Article 156 of the Articles of Association, the Company shall be wound up and a liquidator shall be appointed in accordance with section 220 of the Companies Act 1931.
9. THAT conditional on resolution 8 not being passed, the articles of association in the form provided on the website of the Company (being <http://www.ebp-plc.com/>) be and are adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association
10. THAT conditional on resolution 8 not being passed, to authorise the Company to make purchases of its ordinary shares in accordance with Article 15 of the Company's articles of association provided that:
 - (a) the maximum number of ordinary shares authorised to be acquired be 21,000,000 (representing 15 per cent. of the Company's issued share capital);
 - (b) the minimum price that may be paid for each ordinary share is €0.01 (nominal value);
 - (c) the maximum price that may be paid for each ordinary share is an amount equal to the NAV per share as published in the latest Annual or Semi-Annual Report and Accounts;

- (d) the authority conferred herein shall expire at the conclusion of the next Annual General Meeting of the Company, unless such authority is varied or revoked by the Company prior to such time; and
- (e) the Company may make a contract to acquire its ordinary shares prior to the expiry of the authority conferred by this Resolution 10, which will or may be executed wholly or partly after such authority has expired, and the Company may purchase its ordinary shares in pursuance of any such contract.

By order of the Board
Philip Scales
Company Secretary
8 May 2014

Registered Office
IOMA House
Hope Street
Douglas
Isle of Man
IM1 1AP

Notes:

1. A member entitled to attend and vote may appoint a proxy or proxies who need not be a member of the Company to attend and vote instead of him or her.
2. A Form of Proxy is enclosed which, to be valid, must be completed and delivered, sent by post or sent by facsimile to + 44 (0)1624 681392 or sent by email to grained@iomagroup.co.im together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy or copy in some other manner approved by the directors of such authority) to IOMA Fund and Investment Management Limited, IOMA House, Hope Street, Douglas, Isle of Man IM1 1AP so as to arrive not later than 10.00am on 1 June 2014 or, in the event that the meeting is adjourned, not later than 48 hours before the time appointed for the meeting or any adjournment thereof.
3. The completion and return of a form of proxy will not, however, preclude shareholders from attending and voting in person at the meeting or at any adjournment therefore, should they wish to do so.
4. If two or more persons are jointly entitled to a share conferring the right to vote, any one of them may vote at the meeting either in person or by proxy, but if more than one joint holder is present at the meeting either in person or by proxy, the one whose name stands first in the register of members in respect of the joint holding shall alone be entitled to vote in respect thereof. In any event, the names of all joint holders should be stated on the form of proxy.
5. A vote given by a proxy or authorised representative of a company is valid notwithstanding termination of his authority unless notice of the termination is received at the Company's registrars address as set out in paragraph 2 above (or at such other place at which the instrument of proxy was duly received) at least one hour before the time fixed for holding the meeting or adjourned meeting at which the vote is given.
6. The Company, pursuant to Regulation 22 of the Uncertificated Securities Regulations 2006 (Isle of Man), specifies that only those members registered in the register of members as at 10.00am on 1 June 2014 (or in the event that the meeting is adjourned, on the register of members 48 hours before the time of any adjournment meeting) shall be entitled to attend or vote at the meeting in respect of the ordinary shares registered in their name at that time. Changes to entries on the register of members after 10.00am on 1 June 2014 (or, in the event that the meeting is adjourned, on the register of members less than 48 hours before the time of any adjourned meeting) shall be disregarded in determining the rights of any person to attend or vote at the meeting.