

The Company's Board of Directors has chosen to adopt and apply all the relaxations specified in Section 5D(b)(1) to 5D(b)(5) of the Securities Regulations (Periodic and Immediate Reports), 5730-1970, which include the adoption of semi-annual reports, in accordance with Section 6C of the Securities Regulations (Prospectus Details and Draft Prospectus – Structure and Form), 5729-1969, and the relaxation specified in Section 3B of the Companies Regulations (Provisions and Conditions Regarding the Financial Statements Approval Process), 5770-2010, regarding the approval of the Company's financial statements.

Unitronics (1989) (R"G) Ltd.
("Unitronics")

Utron Ltd.
(the "Company")

Prospectus for Spinoff and Listing

13,752,312 registered ordinary shares of NIS 0.02 par value each of the Company, representing 100% of the Company's issued and paid-up share capital as of the spinoff date (hereinafter: the "**Spinoff Shares**"), which are held in trust for the shareholders of Unitronics and are to be transferred to them (apart from 1,676,192 ordinary shares of Unitronics which are dormant shares held by Unitronics¹), and which are to be listed on the Tel Aviv Stock Exchange Ltd. (hereinafter: the "**TASE**"), all as set out in Chapter 2 of this Prospectus.

For each ordinary share of NIS 0.02 par value of Unitronics held by a shareholder of Unitronics on the Date of Record, such shareholder will receive one ordinary share of NIS 0.02 par value of the Company (which shares are currently held in trust for the shareholders of Unitronics).

The listing of the Company's shares, as aforesaid, is subject to receipt of the TASE's approval for the listing of the Spinoff Shares on the TASE pursuant to this Prospectus.

Simultaneously with the completion of the offering under this Prospectus, the Logistics Solutions Business Segment (as defined in Section 6.10.1 in Chapter 6 of the Prospectus) and the shares of Unitronics Automated Solutions Ltd. will be transferred to the Company, such that the transferred assets will constitute the Company's area of business and the Company will engage, directly and through a wholly owned subsidiary and second-tier subsidiary, in services of design, development, marketing, production, construction and maintenance in the framework of projects of automated systems for autonomous parking facilities as well as projects of automation, computerization and integration of computerized logistics systems (mainly automated warehouses and automated distribution centers), including the installation of new systems and/or upgrading of existing systems, and maintenance services for these systems based on framework agreements or individual service calls (hereinafter: the "**Automated Solutions Business Segment**").

The offering of the Company's shares under this Prospectus is the initial public offering of securities of the Company.

The effective price of the shares of the Company and of Unitronics is at least NIS 1 per the relevant rules in Chapter Two of the TASE Regulations.

Shelf Prospectus

This Prospectus also constitutes a shelf prospectus, by virtue of which the Company may issue various types of securities, in accordance with the provisions of the law (ordinary shares of the Company, nonconvertible bonds, convertible bonds, warrants exercisable into shares of the Company, warrants exercisable into nonconvertible and convertible bonds, commercial papers), and it may make at-the-market (ATM) offerings of securities to the public.

The offering of securities by virtue of this Shelf Prospectus will be done in accordance with the provisions of Section 23A(f) of the Securities Law, through shelf offering reports in which all the details specific to such offering will be completed, in accordance with the provisions of any law (including the provisions of the TASE Regulations and the rules thereunder), as in effect from time to time.

The Company's business operations expose it to various risk factors, the most significant among them being exposure to competition. For details about the risk factors affecting the Company, see Section 6.33 in Chapter 6 of the Prospectus.

To the best of the Company's knowledge, the Company's total expenses for listing the shares under this Prospectus amount to NIS 1,116,000.

As of the date of this Prospectus, the Company is not subject to any limitations or restrictions in connection with the distribution of dividends.

A copy of the Prospectus can be found on the Israel Securities Authority (ISA) website, at www.magna.isa.gov.il, and on the TASE website, at <http://maya.tase.co.il>.

Prospectus date: February 28, 2019

¹The 1,676,192 ordinary shares which are dormant shares held by Unitronics, are not included in the 13,752,312 ordinary shares of the Company which are held by the Trustee and are to be transferred to the shareholders of Unitronics prior to their listing on the TASE, all as set out in Section 3.5 in Chapter 3 of the Prospectus.