



UNITRONICS (1989) (R" G) LTD.

PRESS RELEASE
Airport City, Israel,
May 18, 2016

*****Regulated Information*****

*****For Immediate Release*****

An immediate report concerning the appointment of an External Director

Airport City, Israel – May 18, 2016 - Unitronics (1989) (R" G) Ltd. (the "Company") published the attached Immediate Report pursuant to the requirements of the Israeli law with respect to the appointment of an External Director.

About Unitronics

Unitronics (1989) (R" G) Ltd. is an Israeli company that engages, through its Products Department, in the design, development, production, marketing and sale of industrial automation products, mainly Programmable Logic Controllers ("PLCs"). PLCs are computer-based electronic products (hardware and software), used in the command and control of machines performing automatic tasks, such as production systems and automatic systems for industrial storage, retrieval and logistics. The Company also engages, through its Systems Department and/or its subsidiaries, in the design, construction and maintenance services in the framework of projects for automation, computerization and integration of computerized production and/or logistics systems, mainly automated warehouses, automated distribution centers and automated parking facilities. The Company's PLCs are distributed by over one hundred and sixty distributors (and a wholly owned US subsidiary) in approximately sixty countries throughout Europe, Asia, America and Africa. The services of the Systems Department are provided to customers in Israel and also outside Israel.

This press release contains certain forward-looking statements and information relating to the Company that are based on the beliefs of the Management of the Company as well as assumptions made by and information currently available to the Management of the Company. Such statements reflect the current views of the Company with respect to future events, the outcome of which is subject to certain risks and other factors which may be outside of the Company's control. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results or outcomes may vary materially from those described herein as projected, anticipated, believed, estimated, expected or intended.

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

Immediate Report Regarding the Appointment of a Director (Who is Not a Corporation) or an Individual Serving on Behalf of a Corporation Who is a Director in a Private Company

Pursuant to regulation 34 (B) to the Israeli Securities Regulations (Periodic and Immediate Reports),
5730 - 1970

1. Surname and first name: *Granot Rivka*
Gender: *Female*
Identification number type: *Identity card number*
Identification number: *022652457*
Citizenship: *Private person with Israeli citizenship*
2. Date of Birth: *04/03/1967*
3. Address for serving court documents: *8 Finland Street, Haifa*
4. The office to which appointed: *External director*
5. Previous position in the company prior to the appointment: *None*
6. Starting date of appointment: *18/05/2016*
7. Education:

| Degree | Field | Name of academic institution |
|------------------|--|------------------------------|
| <i>Certified</i> | <i>Economics and Business Management</i> | <i>Haifa University</i> |
| <i>Other</i> | <i>Master of Sciences in Business Management</i> | <i>The Technion</i> |

Other education and professional certifications: *Portfolio Management license, Israel Securities Authority*

8. Principle occupations in the past 5 years:

| Position | Place of Employment | Period of Time in the Position |
|-----------------|---|--------------------------------|
| <i>Director</i> | <i>One1</i> | <i>3/11 – current date</i> |
| <i>Director</i> | <i>PCB Technologies Ltd.</i> | <i>5/11 – current date</i> |
| <i>Director</i> | <i>Robogroup T.E.K. Ltd.</i> | <i>3/94 – current date</i> |
| <i>Director</i> | <i>Wolfman Industries Ltd.</i> | <i>5/11 – 4/12</i> |
| <i>Director</i> | <i>Meitav Investment Management Ltd.</i> | <i>8/13 – 7/12</i> |
| <i>Director</i> | <i>Halman – Aldubi Provident Funds and Pension Ltd.</i> | <i>2/10 – 2/13</i> |
| <i>Director</i> | <i>Clal Finance Mutual Funds Management</i> | <i>1/10 - 5/13</i> |

9. Appointed as an alternate director of _____ and the period of the term is until _____.
10. The Director is serving as a Director in another corporation:

Serves as a Director in One1, PCB Technologies Ltd. and a subsidiary of the Rambam Health Institution
11. The Director *is not* an employee of the company, a subsidiary, or related company thereof nor is an interested party thereof.
12. The Director *is not* a family member of another interested party in the company.

13. a. The Director *does not* hold securities of the company.

b. The Director *does not* hold securities of an investee company of the reporting company if its activity is material to the reporting company.

14. The Director is a member of a committee or committees of the Board of Directors.

Compensation Committee, Audit Committee and the Financial Statements Review Committee

15. Does the company regard the Director as having financial and accounting expertise? Yes

16. Does the Company regard the Director as an "Independent Director"? Yes

How did she become an "Independent Director"? *Appointed by the General Meeting on 09/05/2016*

17. Statement of the director pursuant to section 224B to the Companies Law: *See below*

Explanation: Attachment of Director's Statement is also required where the director's appointment was not made by the General Assembly.

Respectfully,

Unitronics (1989) (R"G) Ltd.

To:

Unitronics (1989) (R”G) Ltd.

Declaration of eligibility as an external director

Pursuant to the Companies Law, 1999 (“**the Law**”)

I, the undersigned, Rivka Granot, bearer of I.D No: 022652457, of 8 Finland St. Haifa, after having been warned to state the truth, and that I shall be liable to the penalties prescribed by law should I fail to do so, hereby declare and undertake that I meet the qualifying requirements described in Section 240 of the Law, and declare that:

1. I am a resident of Israel.
2. I am not restricted from serving as a director of the Company under any items set forth in Sections 225 to 227A of the Law, regarding the restriction of appointment of a minor, incapacitated person, restriction of appointment due to conviction or the decision of an administrative enforcement committee or bankruptcy – as these restrictions were. The provisions of the sections, as being on the date of signing of this declaration, are specified in **Annex A** which is attached to this declaration as an integral part hereof.
3. I declare that I have all of the qualifications required, and the ability to dedicate the proper time to the fulfilment of the office of external director in the Company, taking into account, among others, the special needs and size of the Company.
4. I have financial and accounting expertise in accordance with the provisions of the Law and the regulations thereunder.
5. I am not a relative of the controlling shareholder of the Company and neither myself nor any of my relatives, partners, employers, a person to whom I am directly or indirectly subordinated or an entity in which I am a controlling shareholder, on the date of my appointment as external director of the Company or in the two years that preceded the date of my appointment, have affiliation with the Company, the controlling shareholder of the Company or a relative of the controlling shareholder on the date of my appointment, or with another corporate body;

Without derogating from Section 4 above, neither I, nor any of my relatives, partners or employers, nor any person to which I am directly or indirectly subordinated, nor a corporate body in which I am a controlling shareholder, have any business or professional relationship with the Company, the controlling shareholder of the Company or a relative of the controlling shareholder of the Company on the date of my appointment, or another corporate body, even if such relationships are not continuing, excluding insignificant relationships, and I have not received any payment in addition to the directors’ remuneration and reimbursement of expenses to which I am entitled by law, directly or indirectly, as an external director of the Company.

For purposes of this declaration –

“Affiliation” – The existence of employment relations, the existence of habitual business or professional relationship or control, and the holding of office as an officer, apart from the office of a director who was appointed to act as an outside director of a company which is about to make a first public offering of shares, except for matters which, as the minister determined, shall not constitute an affiliation.

“Another Corporation” – A corporation whose controlling shareholder, on or two years before the date of appointment, is the Company or its controlling shareholder.

“Relative” – spouse, sibling, parent, grandparents, offspring, and an offspring, sibling or parent of the spouse or the spouse of any of the above.

6. My other positions and occupations do not and may not create a conflict of interests with my duties as outside director, and will not prejudice my ability to hold office as outside director.
7. I do not serve as a director of any other company any of whose directors serve as an external director and/or independent director of the Company.
8. I am neither an employee of the Israel Securities Authority, nor an employee of the Tel Aviv Stock Exchange Ltd.
9. I hereby undertake to immediately notify the Company if any of the legal requirements, for serving as an external director cease to be met or in the case of a cause which may give rise to the termination of my tenure as external director of the Company.
10. Having read and understood all the foregoing, I hereby declare that all the aforesaid is the truth and that I am aware of all my rights and obligations under the Law and regulations thereunder.

| | | |
|--------------|----------------|-----------|
| Rivka Granot | March 28, 2016 | (-) |
| _____ | _____ | _____ |
| Name | Date | Signature |

Attorney Certification

I, the undersigned, Advocate Roi Cahani, L.N 45165 whose address is 2 Hamanofim st. Herzlia, hereby certify that on March 28, 2016 Ms. Rivka Granot, known to me personally, appeared before me and after I warned him that he must declare the truth and that he will be liable to the penalties prescribed by law should he fail to do so, he signed this declaration in my presence.

| | |
|----------------|------------------------------|
| March 28, 2016 | (-) |
| _____ | _____ |
| Date | Attorney Signature and Stamp |

Appendix A

Articles 225-227A of the Companies Law, 5759-1999

Duty of Disclosure

225. (a) A person who is a candidate to hold office as a director shall disclose to the person appointing him:

(1) whether he has been convicted by a conclusive judgment of an offense referred to in section 226(a) and not yet passed the period in which he should not serve as a director under section 226;

(2) whether he has been convicted by a conclusive judgment of an offense referred to in section 226(a1) and not yet passed the period set by the court under that subsection;

(3) whether the Administrative Enforcement Committee imposed on him enforcement measure which prohibits him to serve as a director in any public company, and not yet passed the period set by the Administrative Enforcement Committee.

(b) In this section:

"enforcement measure" – as stated in section 52NF to the Securities Law which imposed under chapter H4 to the Securities Law, under chapter G2 to the Investment Advice and Investment Portfolio Management Law, 1995, or under chapter J1 to the Joint Investment Trust Law, 1994, as applicable;

"Administrative Enforcement Committee" - the committee appointed under section 52LB(a) to the Securities Law;

"Conclusive judgment" – judgment of a court of the first instance

Restriction on Appointment Due to Conviction

226. (a) A person convicted by a conclusive judgment of one of the following offenses shall not hold office as a Director in a public company unless five years have passed from the date on which the judgment by which he was convicted was given:

(1) Offenses under sections 290 to 297, 392, 415, 418 to 420 and 422 to 428 of the Penal Law, 5737-1977, and under sections 52C, 52D, 53(a) and 54 of the Securities Law;

(2) A conviction by a court outside Israel for offenses of bribery, deceit, offenses by managers of a corporate body or offenses involving misuse of inside information;

(3) (deleted)

(a1) A person convicted by a conclusive judgment, as it is defined in section 225(b), in an offense that was not mentioned in subsection (a), if the court determined that due to its nature, severity or circumstances he is not fit to serve as a director of public company for the period that the court determined which shall not exceed five years from the judgment.

(b) The court may determine, at the date of the conviction or thereafter, on the application of a person interested in being appointed as a director, that despite his conviction of offenses as laid down in subsections (a), and taking

into account, inter alia, the circumstances in which the offense took place, such person is not precluded from holding office as director of a public company, or the period in which he is precluded from holding office as director of public company or a private company which is a Debenture Company will be shorter than five years.

(c) The Minister may prescribe additional offenses to those laid down in subsection (a)(1).

(d) The court, or a court of appeal – if one was submitted, may order a stay of execution regarding the limitations of the appointment or termination of office under this section at the date and on such terms as it deems fit.

**Restriction on
Appointment
Due to
Administrative
Enforcement
Committee
decision**

226A. If the Administrative Enforcement Committee has imposed an enforcement measure on a person, which precludes him from holding office as director of a public company, such person shall not be appointed as a director of a company in which he is prohibited to serve as a director according to this measure; in this section “enforcement measure” and “Administrative Enforcement Committee” – as defined in section 225(b).

**Limitation of
Appointment**

227. (a) A minor, a legally incompetent person, a person who has been declared bankrupt as long as such person remains undischarged, shall not be appointed as director, nor shall a corporation that has resolved to enter into voluntary liquidation or in respect of which a winding up order has been issued.

(b) A person nominated to hold office as director to whom the provisions of subsection (A) apply shall disclose such to the entity appointing him.

**Duty of
Notice**

227A. A director that no longer fulfils one of the requirements for office as a director under this Law or there is ground for expiration of his office as a director shall notify the company immediately, and his office shall expire on the date of the notice.