



**Unitronics (1989) (R"G) Ltd.**  
**("The Company")**

July 13, 2020

The Securities Authority

The Tel Aviv Stock Exchange

[www.isa.gov.il](http://www.isa.gov.il)

[www.tase.co.il](http://www.tase.co.il)

**Subject: Immediate Report With Regard to the Convening of Annual General Meeting**

An Immediate Report is hereby issued on the convening of a general meeting of Company shareholders, on the agenda of which are the items set forth below in accordance with the Companies Law, 5759-1999 (hereinafter: the "**Companies Law**"), the Companies Regulations (Notice of General Meetings and Class Meetings in Publicly Owned Companies), 5760-2000, the Companies Regulations (Proof of Ownership of Shares for Voting at a General Meeting), 5760-2000 and the Securities Regulations (Periodic and Immediate Reports), 5730-1970 (hereinafter: "**Periodic and Immediate Reports Regulations**").

**1. Date, location and agenda**

A notice is hereby given of the convening of an annual general meeting of the Company's shareholders (hereinafter; the "**Meeting**") which will be held on Wednesday, August 4, 2020, at 14:00 at Unitronics House, Arava Street, Airport City, Lod, Israel. In view of the announcement of the Securities Authority dated March 16, 2020 in connection with the conducting of general meetings through a communication medium, if at all and until the date of the convening of the meeting, restrictions will apply which will prevent the meeting from being convened at the offices of the Company.

**2. The items on the agenda of the Meeting and a summary of the proposed resolutions**

**2.1 Presentation of the audited financial statements of the Company, the Board of Directors Report of the Company on the State of Affairs of the Corporation, including the remuneration of the Auditors of the Company for auditing activities and remuneration thereof for additional activities, as well as the Periodic Annual Report (in the Barnea Committee format) for the year ended December 31, 2019.**

Summary of the proposed resolution: To approve that the audited financial statements of the Company, the Board of Directors Report of the Company on the State of Affairs of the Corporation, including the remuneration of the Auditors of the Company and the remuneration thereof for additional activities, and the Periodic Annual Report (in the Barnea Committee format) for the year ended December 31 2019 were presented to the general meeting of the shareholders of the Company.

**2.2 Reappointment of the office of BDO Ziv Haft as the Auditors of the Company until the next annual general meeting of the shareholders of the Company and the authorization of the Board of Directors to determine the remuneration thereof.**

Summary of the proposed resolution: To approve the appointment of the office of BDO Ziv Haft as the Auditors of the Company until the next annual general meeting of the shareholders of the Company and to authorize the Board of Directors to determine the remuneration thereof.

**2.3 The reappointment of Mr. Zvi Livneh for an additional term as a Director of the Company.**

The reappointment of Mr. Zvi Livneh for an additional term as a Director of the Company, until the date of the next annual general meeting of the shareholders of the Company, in accordance with the Company's Articles of Association (for details of Mr. Zvi Livneh, see section 4.13 of the 2019 Periodic and Annual Report published on March 26, 2020, Reference no.: 2020-01-26110 (hereinafter: the "**2019 Report**"). The statement of Mr. Livneh that the conditions required for serving as a Director of the Company are fulfilled in accordance with the provisions of Article 224B of the Companies Law and Regulation 36B (a) (10) of the Periodic and Immediate Reports Regulations, are attached to this report as **Appendix A**.

Both during 2019 and 2020, and until the date of publication of this report, the rate of participation of Mr. Livneh in the meetings of the Board of Directors and in the committees of which he is a member was 100%.

Subject to the reappointment thereof, Mr. Livneh will continue to be entitled to participation remuneration and annual remuneration, as well as insurance, indemnity and exemption arrangements in accordance with the Company Remuneration Policy, in accordance with which external Directors and Directors who do not serve as officers are entitled to annual remuneration and participation remuneration at the "fixed rate" as specified in the Second and Third Schedule of the Companies Regulations (Rules Regarding Compensation and Expense Reimbursement for External Directors), 5760 - 2000) and in accordance with the relevant capital rating of the Company. For details of the insurance, indemnity and exemption arrangements, see sections 4.7.7 and 4.17.1 in Chapter D of the 2019 Report (jointly, hereinafter: the "**Customary Remuneration in the Company**").

Summary of the proposed resolution: To reappoint Mr. Zvi Livneh as a Director of the Company for an additional term of office until the date of the next annual general meeting of the shareholders of the Company, in accordance with the Company's Articles of Association.

**2.4 The reappointment of Mr. Gillon Beck for an additional term as a Director of the Company.**

The reappointment of Mr. Gillon Beck for an additional term as a Director of the Company, until the date of the next annual general meeting of the shareholders of the Company, in accordance with the Company's Articles of Association (for details of

Mr. Gillon Beck, see section 4.13 of Chapter D of the 2019 Report). The statement of Mr. Beck that the conditions required for serving as a Director of the Company are fulfilled in accordance with the provisions of Article 224B of the Companies Law and Regulation 36B (a) (10) of the Periodic and Immediate Reports Regulations, are attached to this report as **Appendix B**.

Both during 2019 and 2020, and until the date of publication of this report, the rate of participation of Mr. Beck in the meetings of the Board of Directors was 100%.

Subject to the reappointment thereof, Mr. Beck will continue to be entitled to the Customary Remuneration in the Company, as specified in section 2.3 above.

Summary of the proposed resolution: To reappoint Mr. Gillon Beck as a Director of the Company for an additional term of office until the date of the next annual general meeting of the shareholders of the Company, in accordance with the Company's Articles of Association.

## **2.5 The reappointment of Mr. Yariv Avisar for an additional term as a Director of the Company.**

The reappointment of Mr. Yariv Avisar for an additional term as a Director of the Company, until the date of the next annual general meeting of the shareholders of the Company, in accordance with the Company's Articles of Association (for details of Mr. Yariv Avisar, see section 4.13 of Chapter D of the 2019 Report). The statement of Mr. Avisar that the conditions required for serving as a Director of the Company are fulfilled in accordance with the provisions of Article 224B of the Companies Law and Regulation 36B (a) (10) of the Periodic and Immediate Reports Regulations, are attached to this report as **Appendix C**.

Both during 2019 and 2020, and until the date of publication of this report, the rate of participation of Mr. Avisar in the meetings of the Board of Directors was 100%.

Subject to the reappointment thereof, Mr. Avisar will continue to be entitled to the Customary Remuneration in the Company, as specified in section 2.3 above.

Summary of the proposed resolution: To reappoint Mr. Yariv Avisar as a Director of the Company for an additional term of office until the date of the next annual general meeting of the shareholders of the Company, in accordance with the Company's Articles of Association.

## **2.6 The reappointment of Mr. Amit Ben Zvi for an additional term as a Director of the Company.**

The reappointment of Mr. Amit Ben Zvi, joint active Chairman of the Board of Directors, for an additional term as a Director of the Company, until the date of the next annual general meeting of the shareholders of the Company, in accordance with the Company's Articles of Association (for details of Mr. Amit Ben Zvi, see section 4.13 of Chapter D of the 2019 Report). The statement of Mr. Ben Zvi that the conditions required for serving as a Director of the Company are fulfilled in accordance with the provisions of Article 224B of the Companies Law and Regulation

36B (a) (10) of the Periodic and Immediate Reports Regulations, are attached to this report as **Appendix D**.

Both during 2019 and 2020, and until the date of publication of this report, the rate of participation of Mr. Avisar in the meetings of the Board of Directors was 100%.

For details of the terms of service and employment of Mr. Ben Zvi, see section 4.7.5 of Chapter D of the 2019 Report and for details of the insurance, indemnity and exemption arrangements, see sections 4.7.7 and 4.17.1 of Chapter D of the 2019 Report.

Summary of the proposed resolution: To reappoint Mr. Amit Ben Zvi as a Director of the Company for an additional term of office until the date of the next annual general meeting of the shareholders of the Company, in accordance with the Company's Articles of Association.

## **2.7 The reappointment of Mr. Haim Shani for an additional term as a Director of the Company.**

The reappointment of Mr. Haim Shani, the Director of the Company and the controlling shareholder thereof jointly with the Fimi Fund, for an additional term as a Director of the Company, until the date of the next annual general meeting of the shareholders of the Company, in accordance with the Company's Articles of Association (for details of Mr. Haim Shani, see section 4.13 of Chapter D of the 2019 Report). The statement of Mr. Shani that the conditions required for serving as a Director of the Company are fulfilled in accordance with the provisions of Article 224B of the Companies Law and Regulation 36B (a) (10) of the Periodic and Immediate Reports Regulations, are attached to this report as **Appendix E**.

Both during 2019 and 2020, and until the date of publication of this report, the rate of participation of Mr. Shani in the meetings of the Board of Directors was 100%.

For details of the terms of service and employment of Mr. Haim Shani, see section 4.7.3 of Chapter D of the 2019 Report and for details of the insurance, indemnity and exemption arrangements, see sections 4.7.7 and 4.17.1 of Chapter D of the 2019 Report.

Summary of the proposed resolution: To reappoint Mr. Haim Shani as a Director of the Company for an additional term of office until the date of the next annual general meeting of the shareholders of the Company, in accordance with the Company's Articles of Association.

## **2.8 The reappointment of Ms. Bareket Shani for an additional term as a Director of the Company.**

The reappointment of Ms. Bareket Shani, the wife of Mr. Haim Shani, who serves as the Deputy CEO and the Vice President of Human Resources in the Company, for an additional term as a Director of the Company, until the date of the next annual general meeting of the shareholders of the Company, in accordance with the Company's Articles of Association (for details of Ms. Bareket Shani, see section 4.13 of Chapter

D of the 2019 Report). The statement of Ms. Shani that the conditions required for serving as a Director of the Company are fulfilled in accordance with the provisions of Article 224B of the Companies Law and Regulation 36B (a) (10) of the Periodic and Immediate Reports Regulations, are attached to this report as **Appendix F**.

Both during 2019 and 2020, and until the date of publication of this report, the rate of participation of Ms. Shani in the meetings of the Board of Directors was 100%.

For details of the terms of service and employment of Ms. Shani, see section 4.7.3 of Chapter D of the 2019 Report and for details of the insurance, indemnity and exemption arrangements, see sections 4.7.7 and 4.17.1 of Chapter D of the 2019 Report.

Summary of the proposed resolution: To reappoint Ms. Bareket Shani as a Director of the Company for an additional term of office until the date of the next annual general meeting of the shareholders of the Company, in accordance with the Company's Articles of Association.

## **Part B – Convening, Date and Execution of a General Meeting:**

### **3. Quorum and adjourned meeting**

A quorum in accordance with the Company's articles shall be constituted when two shareholders holding at least thirty percent (30%) of the total voting rights in the Company are present, in person or by proxy. If a quorum is not present within half an hour from the time set for the start of the General Meeting, the Meeting will be adjourned by a week, to the same day, time and place. A quorum at an adjourned meeting shall be constituted when two shareholders are present, in person or by proxy, regardless of the percentage of votes represented by them.

### **4. Majority required at the Meeting:**

The majority required for approval of the item on the agenda as set forth in sections 2.2 – 2.8 above is a majority of the shareholders entitled to participate in the meeting and participate in the vote.

It should be noted that the holdings of the controlling shareholder in the Company, the total holdings of which, directly and indirectly, are approximately 71.91% of the issued and paid-up capital of the Company and approximately 71.91% of the voting rights therein (hereinafter: the "**Controlling Shareholder**"), grants the Controlling Shareholder the required majority to approve a resolution in each of the items on the agenda.

For further details of the control in the Company, see Regulation 21A in Chapter D of the 2019 Report.

### **5. Eligibility to vote**

5.1 Pursuant to Article 182(b) of the Companies Law, the determining date is July 16, 2020 (hereinafter: the "**Determining Date**") such that each holder of shares of the Company at the end of trading on the Determining Date shall be entitled to participate in the Meeting and vote therein personally or by proxy. A proxy to attend and vote at the Meeting, together with a legal proof of ownership of shares pursuant to which one can vote, is to be deposited at the offices of the Company at least 48 hours prior to the date of the convening the General Meeting. The proposed text of the proxy in Hebrew and in English is available on the Company website at: <http://www.unitronics.com>.

- 5.2 In accordance with the Companies Regulations (Certificate of Ownership of Shares for Voting at a General Meeting), 5760-2000 (hereinafter: "**Certificate of Ownership Regulations**"), a shareholder who has a share registered with a member of the Tel Aviv Stock Exchange Ltd. and wishes to attend and vote at the General Meeting, will submit to the Company a certificate from the member of the Stock Exchange with whom his right in the share is registered, regarding his ownership of the share, on the Determining Date, in accordance with Form 1 in the Addendum to the Certificate of Ownership Regulations, or alternatively, will submit a certificate of ownership to the Company by means of the Electronic Voting System.
- 5.3 Pursuant to the Companies Law, a shareholder whose shares are registered with a member of the TASE may receive the certificate of ownership from the Stock Exchange member through which he holds his shares at the branch of that TASE member, or by post to its address, in return for postage only, if he so requested. Such a request must be given in advance for a particular securities account. Likewise, an unregistered shareholder may instruct to have his certificate of ownership submitted to the Company by means of the Electronic Voting System.
- 5.4 The number of shares equivalent to 5% of the total voting rights in the Company is: 687,616 ordinary shares of the Company (taking into account dormant shares that do not confer voting rights).
- 5.5 The number of shares equivalent to 5% of the total voting rights in the Company that are not held by the controlling shareholder is 193,138 ordinary shares of the Company (taking into account dormant shares that do not confer voting rights).

## **6. Voting by electronic voting card**

- 6.1 An unregistered shareholder is entitled to vote on the resolutions on the agenda of the Meeting, which are set forth in section 2 above, using an electronic voting card that will be transmitted through the Electronic Voting System, as such is defined in the Voting Regulations (hereinafter; the "**Electronic Voting Card**").
- 6.2 An Electronic Voting Card is opened for voting at the end of the Determining Date. Voting by Electronic Voting Card shall will end 6 hours prior to the date of the Meeting (namely, August 4, 2020 at 08:00), at which time the Electronic Voting System will be locked down.
- 6.3 The Electronic Voting may be changed or cancelled until the lockdown of the Electronic Voting System and no change thereto shall be permitted through the Electronic Voting System thereafter. If a shareholder voted in more than one manner, the final vote thereof shall be counted. In this regard, the vote of the shareholder personally or by proxy, by means of the Electronic Voting Card, shall be considered the final vote.

## **7. The representatives of the Company with regard to the handling of the Immediate Report**

Ms. Barket Shani, the Deputy CEO and Vice President Human Resources of the Company is the representative of the Company with regard to the handling of this Immediate Report. Address: Unitronics House, 3 Arava St., Airport City, Lod, Israel, Telephone 03-9778888, Fax 03-9778877.

**8. Review of documents**

This Immediate Report and the documents referred to herein, as well as the complete text of the resolutions on the agenda, may be reviewed at the Company's offices, at Unitronics House, 3 Arava St., Airport City, Lod, on Sunday to Thursday, during regular business hours and after coordination with Mr. Yehida Cohen, the Chief Financial Officer of the Company (Telephone 03-9778888, Fax 03-9778877).

**Sincerely,**

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

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Haim Shani, Active Chairman of the Board of Directors