



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

May 13, 2021

The Securities Authority

The Tel Aviv Stock Exchange

www.isa.gov.il

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 Sunday, June 20, 2021, 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, 2020.

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 2020 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.

2.3.1 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 2020 Periodic and Annual Report published on March 03, 2021, Reference no.: **2021-01-025452** (hereinafter: the "**2020 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**.

2.3.2 Both during 2020 and 2021, 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%.

2.3.3 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 2020 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.

- 2.4.1 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 2020 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**.
- 2.4.2 Both during 2020 and 2021, 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%.
- 2.4.3 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.

- 2.5.1 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 2020 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**.
- 2.5.2 Both during 2020 and 2021, 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%.
- 2.5.3 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.

- 2.6.1 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 2020 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.
- 2.6.2 Both during 2020 and 2021, 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%.
- 2.6.3 For details of the terms of service and employment of Mr. Ben Zvi, see section 4.7.5 of Chapter D of the 2020 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 2020 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.

- 2.7.1 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 2020 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.
- 2.7.2 Both during 2020 and 2021, 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%.
- 2.7.3 For details of the terms of service and employment of Mr. Haim Shani, see section 4.7.3 of Chapter D of the 2020 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 2020 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 2020 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 2020 and 2021, 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 2020 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 2020 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.

2.9 The reappointment of Mr. Doron Shinar for an additional term as an External Director of the Company.

2.9.1 The appointment of Mr. Doron Shinar as External Director of the Company for an additional period (third) of three years, in accordance with the Articles of Association of the Company (for the details of Mr. Shinar see section 4.10 of the 2020 Report). The declaration of Mr. Shinar, that the conditions required for the tenure thereof as an External Director in the Company have been fulfilled in accordance with the provisions of Articles 224B and 241 (a) of the Companies Law, is attached to this report as **Appendix G**.

2.9.2 It should be noted that the candidacy of Mr. Shinar for an additional term of three years, which will start on July 16, 2021, following the end of the second term thereof of three years, was proposed by the Board of Directors of the Company in accordance with Article 245 (a1) (2) of the Companies Law at its meeting on May 12, 2021. At the same meeting, the Board of Directors of the Company determined that Mr. Shinar has the accounting and financial expertise as such is defined in the Companies Regulations (Conditions and

Criteria for a Director with Accounting and Financial Expertise and for a Director with Professional Qualifications), 2005.

- 2.9.3 Both during the year 2020 and during the year 2021 and up to the date of publication of this report, the rate of participation of Mr. Shinar in the meetings of the Board of Directors and the committees of which he is a member was 100%.
- 2.9.4 Subject to the reappointment thereof, Mr. Shinar will continue to be entitled to participation and annual compensation, as well as insurance, indemnity and exemption arrangements, in accordance with the Remuneration Policy of the Company, as specified in section 2.3 above.

Summary of the proposed resolution: To reappoint Mr. Doron Shinar as an External Director of the Company for an additional three-year term starting on July 16, 2021.

2.10 Approval of the granting of an indemnity undertaking to the Directors and officers of the Company who are controlling shareholders in the Company and/or those on their behalf – Messrs. Haim Shani, Bareket Shani, Amit Ben Zvi and Gilon Beck (hereinafter: the "Eligible Officers"), in accordance with the wording attached as Appendix H to this Immediate Report.

- 2.10.1 The Articles of Association of the Company and the Remuneration Policy of the Company provide the issuance of indemnity letters to the officers of the Company (including the Eligible Officers) to the maximum extent which complies with the provisions of the Companies Law.
- 2.10.2 In accordance with the wording of the indemnity letters of the officers of the Company, the Company has undertaken to its officers that it would indemnify them in certain events (hereinafter: the "**Determining Events**") in an amount not exceeding 25% of the equity of the Company, as recorded in its financial statements, as of the date of the indemnity, with regard to all officers. This amount will be added to the amount of all insurance benefits in respect of the types of Determining Events which the Company will receive from time as part of any officers' liability insurance.

For further details of the indemnity letters of the officers of the Company, see section 4.17.1 in Chapter D of the 2020 report.

- 2.10.3 In accordance with the provisions of Articles 270 (4) and 275 (a1) (1) of the Companies Law, the issuance of the aforesaid letter of indemnity of the Eligible Officers is required to be approved once every 3 years.
- 2.10.4 On May 6, 2021 and May 12, 2021, the Balance Sheet, Remuneration and Audit Committees as well as the Board of Directors of the Company approved, respectively, the granting of indemnity to the Eligible Officers in accordance with the wording attached as **Appendix H** to this Immediate Report (hereinafter: the "**Indemnity Letter**"), which shall be valid (subject to the approval of the convened meeting under this Immediate Report) for a period of three years from the date of approval of the meeting.
- 2.10.5 It should be emphasized that the indemnity letter is the same as the indemnity letters previously given to the Eligible Officers and to the other officers in the company. In addition, the indemnification undertaking for Eligible Officers is

given in accordance with the provisions of the Company's Remuneration Policy.

2.10.6 For details of the reasons of the Balance Sheet, Remuneration and Audit Committees as well as the Board of Directors of the Company for the engagement detailed in this section 2.10, see section 8 below.

Summary of the proposed resolution: To approve the granting of the letter of indemnity in the attached version as **Appendix H** to this Immediate Report to the Eligible Officers.

2.11 Approval of the granting of an undertaking to grant an exemption to the Eligible Officers, with the wording attached as Appendix I to this Immediate Report.

2.11.1 The Articles of Association of the Company and the Remuneration Policy of the Company provide the granting of exemption letters to the officers of the Company (including the Eligible Officers) to the maximum extent which complies with the provisions of the Companies Law.

2.11.2 Pursuant to the wording of the exemption letters of the officers of the Company, the Company has undertaken to exempt its officers, in advance, from any liability for damage due to the breach of fiduciary duty to the Company, subject to certain restrictions.

For further details of the exemption letters of the officers of the Company officers, see section 4.17.1 in Chapter D of the 2020 report.

2.11.3 In accordance with the provisions of Articles 270 (4) and 275 (a1) (1) of the Companies Law, the granting of the aforesaid exemption letter to the Eligible Officers is required to be approved once every 3 years.

2.11.4 On May 6, 2021 and May 12, 2021, the Balance Sheet, Remuneration and Audit Committees as well as the Board of Directors of the Company approved, respectively, the granting of an exemption to Eligible Officers with the wording attached as **Appendix I** to this Immediate Report (hereinafter: the "**Exemption Letter**"), which shall be valid (subject to the approval of the convened meeting under this immediate report) for a period of three years from the date of approval of the meeting.

2.11.5 It should be emphasized that the Exemption Letter is identical to the Exemption Letters previously issued to Eligible Officers and other officers in the Company. In addition, the undertaking to exempt Eligible Officers is provided in accordance with the provisions of the Remuneration Policy of the Company.

2.11.6 For details of the reasons of the Balance Sheet, Remuneration and Audit Committees as well as the Board of Directors of the Company for the engagement specified in this section 2.11, see section 8 below.

Summary of the proposed resolution: To approve the granting of the Exemption Letter to the Eligible Officers with the wording attached as **Appendix I** to this Immediate Report.

2.12 Approval of the adoption of the new Articles of Association of the Company

2.12.1 Due to the fact that the shares of the Company were previously listed for trading on the Belgian Stock Exchange (prior to their listing for trading on the Tel Aviv Stock Exchange Ltd.), the Articles of Association of the Company were in English.

2.12.2 As of 2017, the shares of the Company have been delisted from trading on the Belgian Stock Exchange, and as of this date its shares are traded exclusively on the Tel Aviv Stock Exchange.

2.12.3 Therefore, it is proposed to approve the replacement of the current Articles of Association of the Company with a new Articles of Association in Hebrew, with the wording attached as **Appendix J** to this summoning report, which will include customary regulations in public companies in an updated version and in accordance with Israeli law.

Summary of the proposed resolution: To approve the adoption of a new Articles of Association of the Company with the wording attached as **Appendix J** to this Immediate Report, which will cancel and replace the current Articles of Association effective from the date of approval of the Meeting.

Part B - Details required with regard to entering into transactions with the controlling shareholder in accordance with the regulations – items 2.10 and 2.11 on the agenda of the meeting (hereinafter jointly: the "Transaction")

3 Name of the controlling shareholder who has a personal interest in the transaction

3.1 The controlling shareholder in the Company (together with the Fimi Fund) who has a personal interest in the transaction is Mr. Haim Shani. Mr. Shani holds 3,014,551 ordinary shares of the Company of NIS 0.02 par value (hereinafter: the "**Shares**"), which constitute 21.92% of the issued and paid-up share capital of the Company (21.92% in full dilution). Ms. Bareket Shani, the wife of Mr. Shani, serves as a Director of the company.

3.2 In addition, the Fimi Fund (the controlling shareholder of the Company together with Mr. Shani) has a personal interest in the transaction by virtue of being a party to a the shareholders' agreement with Mr. Shani, in accordance with which the parties have undertaken to cooperate in voting on various issues.

3.3 Therefore, the Eligible Directors did not participate in the discussion and in the voting held in the Balance Sheet, Remuneration and Audit Committees as well as the Board of Directors of the Company with regard to the issues 2.10 and 2.11 on the agenda of the meeting.

4 The essence of the personal interest of the controlling shareholder and other Directors:

Mr. Shani and Ms. Shani have a personal interest in the approval of the transaction due to the fact that they are part of the officers entitled to the indemnity and exemption undertaking and also since they are a married couple who serve as officers in the Company.

Messrs. Ben Zvi and Beck have a personal interest in the approval of the transaction since they are partners in the Fimi Fund which is connected to the shareholders' agreement with Mr. Shani, as specified above, and due to being part of the officers entitled to an indemnity and exemption undertaking.

5 The manner in which the consideration was determined:

The entry of the Company into a written indemnity and exemption undertaking to the Eligible Officers in accordance with sections 2.10 and 2.11 above, was approved by the Balance Sheet, Remuneration and Audit Committees of the Company (for details of the reasons of the Balance Sheet, Remuneration, Audit Committees as well as the Board of Directors, see section 8 below) while taking into account the provisions of the Companies Law, the Remuneration Policy of the Company and the customary terms in public companies in Israel with regard to the terms of the exemption and indemnity letters.

6 Required approvals or terms for the performance of the transaction:

- 6.1 The entry of the Company into the matters specified in sections 2.10 and 2.11 above is subject to the approvals of the Balance Sheet, Remuneration and Audit Committees as well as the Board of Directors of the Company and the General Meeting of Shareholders convened pursuant to this report.
- 6.2 The approval of the Balance Sheet, Remuneration and Audit Committees was received on May 6, 2021. The approval of the Board of Directors of the Company was received on May 12, 2021.
- 6.3 For details of the majority required for the approval of the issues specified in sections 2.10 and 2.11, see section 12.3 above.

7 Similar transactions between the Company and the controlling shareholder in the past two years or which are still in force:

In the two years prior to the date of approval of the transaction by the Balance Sheet, Remuneration and Audit Committees as well as the Board of Directors of the Company, no transactions of this type or similar transactions were signed. It should be emphasized that the indemnity and exemption letters are identical to the indemnity and exemption letters previously issued to the Eligible Officers and to the other officers in the Company.

For further details of the indemnity and exemption letters of the officers of the Company, see section 4.17.1 in Chapter D of the 2020 report.

8 Summary of the reasons of the Balance Sheet, Remuneration and Audit Committees as well as the Board of Directors for approving the transaction:

The Balance Sheet, Remuneration and Audit Committees as well as the Board of Directors of the Company approved the transaction for the reasons specified below:

- 8.1 The issuance of the indemnity and exemption letters is in accordance with the provisions of the Companies Law, the Articles of Association of the Company and the Remuneration Policy of the Company.
- 8.2 The indemnity and exemption letters are reasonable and fair and provide acceptable protection in public companies of the type and size of the Company. Naturally, and as part of the day-to-day operations of the Company, the running of its business involves, by its very nature, the taking of calculated business risks.
- 8.3 The purpose of granting the exemption and indemnity letters is to permit the officers of the Company to act freely for the interests, goals and benefit of the Company while understanding that in the event of a defect in their business judgment, they will be granted protection in the form of exemption and indemnity letters, all subject to law.

- 8.4 In light of the scope of responsibilities and obligations imposed on the officers of the Company, the scope and severity of the exposures and sanctions for the breach of the above obligations, it is appropriate that the Company grant its officers indemnity and exemption letters adapted to the above to allow the officers to act without having to undertake excessive personal risk in the course of their duties in the Company, provided that they have not acted recklessly or with malicious intent.
- 8.5 The maximum amount of indemnity determined is reasonable in the circumstances of the matter, and the indemnity obligation applies to events that are expected in light of the activities of the Company. In addition, the scope of the exemption is in accordance with the limits set by law and may save the Company financial costs which may and will be involved in payments to an insurance company for extending the limit of liability of the officer of the Company.
- 8.6 The issuance of indemnity and exemption letters to the officers of the Company which includes the controlling shareholders and the relatives thereof does not include a "distribution", as such is defined in Article 1 of the Companies Law, and there is no reasonable fear that it will deprive the Company of its ability to comply with its current and expected obligations.

9 Names of the Directors which participated in the discussions of the Balance Sheet, Remuneration and Audit Committees as well as the Board of Directors in connection with the approval of the aforesaid transaction, including the specification of External Directors:

- 9.1 The names of the directors who participated in the discussions of the Board of Directors with regard to the approval of the transaction on May 12, 2021 are: Mr. Yariv Avishar, Mr. Zvi Livneh, Mr. Doron Shinar (External Director), Ms. Rivka Granot (External Director).
- 9.2 The names of the directors who participated in the discussions of the Balance Sheet, Remuneration and Audit Committees with regard to the approval of the transaction on May 6, 2021 are: Mr. Doron Shinar (External Director), Ms. Rivka Granot (External Director), Mr. Zvi Livneh (Director).

10 The names of the Directors which have a personal interest in the transaction and the essence of this issue:

- 10.1 See Section 4 above.
- 10.2 Accordingly, the Eligible Directors were not present and did not participate in the discussion and voting held in the Balance Sheet, Remuneration and Audit Committees as well as in the Board of Directors with regard to the approval of the aforesaid transaction.

Part C - Summons of an annual and special general meeting, the date and execution thereof:

11 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.

12 Majority required:

- 12.1 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.
- 12.2 The majority required to approve the item on the agenda specified in section 2.9 above (the appointment of Mr. Doron Shinar as an External Director of the Company), is the majority of the shareholders entitled to participate in the meeting and which participated in the vote, provided one of the following: (a) the majority of the votes at the meeting shall include a majority of the votes of the shareholders who are not controlling shareholders in the Company or who have a personal interest in approving the appointment, except for a personal interest that is not as a result of the relationship with the controlling shareholder, participating in the vote, whereby all the abstention votes of the aforesaid shareholders will be taken into account; And (b) that the total number of dissenting votes among the shareholders who are not controlling shareholders in the Company or who have a personal interest in the approval of the appointment other than a personal interest that is not the result of the relationship thereof with the controlling shareholder, shall not exceed two percent of the voting rights in the Company.
- 12.3 The majority required to approve the item on the agenda as specified in sections 2.10 and 2.11 (approval of indemnity and exemption letters for Eligible Officers) above, is the majority of the shareholders entitled to participate in the meeting and participate in the vote, provided one of the following: (a) the majority of the votes of the shareholders at the general meeting shall include a majority of the votes of the shareholders who do not have a personal interest in approving the transaction, participating in the vote, while the count of all the votes of the aforesaid shareholders shall not include the abstaining votes; Or - (b) the total number of dissenting votes of the shareholders who do not have a personal interest in approving the transaction, participating in the vote, shall not exceed a percentage of two percent of the total voting rights in the Company.

13 Eligibility to vote

- 13.1 Pursuant to Article 182 (b) of the Companies Law and the Companies Regulations (Voting in Writing Vote and Position Notices), 2005, the determining date will be Thursday, May 20, 2021 (hereinafter: the "**Determining Date**"), in a manner in which all holders of the shares of the Company at the end of trading on the Determining Date shall be entitled to attend the meeting and vote in person or by proxy. Power of attorney for participation and voting at the meeting, together with a legal confirmation of the holding of the shares by virtue of which they were given, are required to be deposited in the offices of the Company at least 48 hours before the date of the convening of the general meeting. A Hebrew and English version are available on the website of the Company at <http://www.unitronics.com>.
- 13.2 In accordance with the Companies Regulations (Proof of Ownership of a Share for the Purpose of Voting at the General Meeting), 2000 (hereinafter: "**Proof of Ownership**

Regulations"), a shareholder in favour of which a share is registered with a member of the Tel Aviv Stock Exchange Ltd. and is interested in voting at the General Meeting, shall provide the Company with confirmation from the member of the stock exchange, with which the share thereof is registered, with regard to his ownership of the share, on the Determining Date, in accordance with Form 1 in the Appendix to the Proof of Ownership Regulations or alternatively a certificate of ownership will be sent to the Company through the electronic voting system.

- 13.3 Under the Companies Law, a shareholder whose shares are registered with a member of the stock exchange is entitled to receive the certificate of ownership from the member of the stock exchange through which the shares thereof are held, at the branch of the member of the stock exchange or by mail to the address thereof in exchange for delivery charges only, if so requested. An application in this regard shall be given in advance to the particular securities account. In addition, an unregistered shareholder is entitled to instruct that the certificate of ownership thereof be transferred to the Company through the electronic voting system.
- 13.4 The number of shares which constitutes 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).
- 13.5 The number of shares which constitutes 5% of the total voting rights in the Company which are not held by the controlling shareholder is as follows: 193,138 ordinary shares of the Company (taking into account dormant shares that do not confer voting rights).

14 Voting card and position notices:

A shareholder is entitled to vote at the meeting by means of a voting card on items 2.9 - 2.11 on the agenda, as specified below:

- 14.1 Voting in writing shall be performed in the second section of the voting card attached to this report, as published on the distribution website (as defined in section 14.6 below).
- 14.2 A shareholder is entitled to apply directly to the Company and to receive therefrom the wording of the voting card and the position notices.
- 14.3 The stock exchange member shall send by email, at no charge, a link to the text of the voting card and the position notices on the distribution website, to any shareholder who is not registered in the shareholders' register and the shares of which are registered with that stock exchange member, if the holder of the shares advised it was interested in such, provided that the notice was given with regard to a specific securities account and on a date prior to the Determining Date.
- 14.4 The voting card will only be valid if the documents specified in the voting card are attached thereto (hereinafter: the "**Attached Documents**"), and if it was presented at the offices of the Company up to 4 hours prior to the date of the convening of the meeting. In this regard, the "date of presentation" is the date on which the voting card and the Attached Documents arrive at the offices of the Company. The deadline for submitting position notices to the Company is up to 10 days prior to the date of the meeting.

14.5 The deadline for submitting position notices to the Company is: **Thursday, June 10, 2021.**

The deadline for submitting the response of the Board of Directors to the position notices is: **Tuesday, June 15, 2021.**

14.6 The wording of the voting card and the position notices, under the meaning thereof in Article 88 of the Companies Law, can be found on the website of the Securities Authority (<http://www.magna.isa.gov.il/>) (hereinafter: the "**Distribution Website**") and on the Tel Aviv Stock Exchange Ltd. website. (<http://maya.tase.co.il/>) or on the website of the Company (<http://www.unitronics.com>).

15 Voting by electronic voting card

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**").

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, **Sunday, June 20, 2021 at 08:00**), at which time the Electronic Voting System will be locked down.

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.

16 Authority of the Securities Authority

16.1 Within twenty-one (21) days from the date of submission of this report, the Authority is entitled to instruct the Company to provide, within the date to be determined, an explanation, details, information and documents regarding the engagements subject of this report, and to instruct the Company to amend the report in the manner and on the date to be determined.

16.2 If an instruction has been issued to amend this report, the Authority is entitled to order that the date of the meeting be postponed as specified in the Controlling Shareholder Regulations.

16.3 If the Company is required to submit such an amendment, it shall be delivered to all the shareholders to whom this report is delivered, and it shall also publish a notification with regard to this matter, in the manner prescribed in the Controlling Shareholder Regulations, and all unless otherwise instructed by the Authority.

16.4 If an instruction has been issued with regard to the postponement of the date of the convening of the meeting, the Company will announce the instruction in an Immediate Report.

17 Representatives of the Company with regard to the handling of the Immediate Report:

Ms. Bareket Shani, who serves as a Director of the Company, is the representative of the Company with regard to the handling of this Immediate Report. Address: Unitronics House, Arava Street, Airport City, Lod. Telephone: 03-9778888; Fax: 03-9778877.

18 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, Arava St., Airport City, Lod, on Sunday to Thursday, during regular business hours, following prior coordination with Mr. Gonen Betzer (Telephone 03-9778888, Fax 03-9778877).

Sincerely,

Unitronics (1989) (R”G) Ltd.

Haim Shani, Active Chairman of the Board of Directors

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

9 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.

10 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 2020 Report.

11 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).

12 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.

13 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.

14 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.

Haim Shani, Active Chairman of the Board of Directors