



08 November 2020  
Tel Aviv, Israel

Mobile Max Technologies Ltd. ("The Company") is pleased to announce that it signed a Memorandum of Understanding ("MOU") on 05 November 2020 with A.T.S. ENGINEERING (A.T.) LTD. ("ATS"), and with T.O.B. SMADAR LTD., ("TOB") (ATS and TOB shall hereafter be referred to as "Operating Companies"), and with One Hundred & One Economic Consulting Ltd. ("One Hundred & One"). The MOU contains a merger framework via the exchange of shares.

ATS is a private company registered in Israel. It is the only local provider capable of testing components for mass production and developing testing programs and new components used in testing by the global semiconductor industry.

TOB is a private company registered in Israel. It develops, designs and produces cutting-edge load board systems. TOB's load boards are the fastest and of the highest quality and cost efficiency available for ensuring quality of components used in High Radio Frequency (up to 81 GHz) Micrometer Wave ("RF MMW") applications such as 5G communication and autonomous vehicles. Furthermore, TOB's load boards are compatible with current generation testing equipment and provide a seamless leap upwards for testing RF MMW components. TOB uses automation in the testing process and an innovative design to create a solution costing up to 80% less compared to competitors.

The Operating Companies signed an MOU with the two largest semi-conductors testing companies in the world which hold approximately 90% of the global market. Together, the Operating Companies expect to gain access to customers to sell their newest load boards.

In Phase A of the merger plan, the Company will reach an agreement with shareholders and creditors, whereby all of The Company's activities will be distributed as a dividend to The Company's current shareholders. The Company's notes will be converted to equity and its assets will be zero (0). The agreement between The Company, the Operating Companies and One Hundred & One includes terms under which One Hundred & One will complete the conversion of a convertible note in the amount of \$5M USD, while undertaking to raise a total of \$2M USD within 30 days from signing the MOU (Phase A).

The remainder of \$3M USD will be raised within seven months from the effective date of the MOU. The parties agreed that should the merger transaction not be completed by 30 March 2021 One Hundred & One will need to raise convertible loans in total amount of US \$3M USD (in any case the total amount will not exceed \$5M USD).

Investors will convert notes to equity when the merger transaction of The Company's shares is completed to raise the initial \$2M USD. In case of a delay in the merger transaction the conversion to equity will be made to the shares of the Operating Companies. All existing shareholder loans in the Operating Companies in the amount of NIS 2.5M will be converted to capital on the effective closing date of Phase A.

The parties are aware that upon completion of the merger transaction The Company may not comply with the stock exchange rules regarding transfer of The Company's shares from the retention list to the main list. Therefore, transferring The Company's shares from the retention list to the main list is not a condition for the completion of the merger transaction. The parties will strive to return The Company's share to trade on the main list within 18 months from the effective of the MOU. However, there is no contractual obligation on the part of either party to the agreement related to The Company's shares trading on the main list of the stock exchange.

As part of the MOU the following provisions were set as pre-conditions: (1) Due Diligence of The Company of the Operating Companies; (2) Confidentiality; (3) Transaction Expenses; (4) Blocking of securities within the framework of the transaction; and (5) No Shop.

At the successful execution of the agreement ATS shareholders will hold 62% of The Company (60% full dilution).



Forward-looking information is based solely on the Company's subjective assessment, based on facts and data regarding the current condition. The materialization or non-materialization of the forward-looking information will be affected various factors.

This English translation of the immediate report is provided for convenience. Please note that this document should not be regarded as a substitute for reading the full original Hebrew version of the immediate report. This translation was neither prepared nor checked by the Company. Accordingly, the Company does not warrant that the translation fully, correctly or accurately reflects the immediate report and its contents.